



2021 INTEGRATED REPORT

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The background of the slide is a close-up, high-resolution photograph of several orange slices. The slices are arranged in a dense, overlapping pattern, filling the entire frame. The color is a vibrant, warm orange, with the texture of the fruit segments and the white pith clearly visible. The lighting is bright and even, highlighting the natural texture of the oranges.

Introduction

- CEO Message
- About the Report
- Migros Better Future Plan
- Highlights of 2021

CEO Message



Dear Stakeholders,

As Migros, throughout the 67 years of our existence, we have always looked to the future. Through our employees, customers, suppliers and farmers, business partners and investors we focus on adding to the value we create for our ecosystem. We adopted and embraced the principles of providing ever higher quality and better products and services to our customers, of investing in our employees, of growing sustainably with our suppliers, of contributing to the society we live in, and of taking responsibility for the protection of our planet and its resources. In doing so, we pioneered the transformation of our sector with our innovative solutions and practices. This approach has made sustainability the natural corner stone of our vast ecosystem. Our **Migros Better Future Plan** was drawn up in line

with this approach and offered us a roadmap. In addition, with our projects and practices, our annual performance, and the ever more ambitious targets that we set for ourselves each year in line with our sustainability goals, we are giving a solemn written pledge which will become our legacy. This year, we prepared our sustainability report in Integrated Report format, a first in the food retail industry. In line with an integrated thinking approach, we have tried to present all our activities by underlining the contributions and effects of our 6 capital elements. Propelled by the strength of our ecosystem, we aim to light a path to the future with the steps we take today, the seeds we plant, the promises we make, and the targets we have set for 2030 and 2050.

Raising the bar in combating climate change: Migros sets a science-based target (SBT) compatible with the 1.5 °C scenario

Despite being primarily focused on the economy, the World Economic Forum laid out in its 2021 Global Risks Report that the greatest risks facing the World in the coming years were related to climate change and sustainability. This year, the Paris Agreement was ratified by the Turkish parliament and Türkiye declared its intention of being carbon net zero by 2053. In order to limit the negative impact of climate change, it has become essential to set a science-based target to limit global warming to 1.5 °C this century. Accordingly, we as Migros have raised the bar in our goal of reducing our own carbon footprint. We have reset our target, which we previously pursued as carbon reduction per square metre of sales area, as “a 42% absolute reduction in our Scope 1 and Scope 2 carbon emissions by 2030 compared to 2020,” and we are taking concrete steps towards carbon net zero. We will also be

applying to the SBTi (Science Based Targets Initiative) to have them certify that our target is a science-based method compatible with the 1.5 °C scenario. In pursuit of this target, we decided to roll out the use of our own patented water cooling system in our newly opened stores and distribution centres. Through the circulation of cooled water, the system replaces gas as the cooling agent thereby reducing leaks and gas usage by 90%.

The Migros Ecosystem economy approach held up as an example by the Financial Times

The phenomenon of climate change has led to the concept of climate justice being questioned and discussed all over the world. Agricultural productivity is being adversely affected by extreme weather events, by geographical changes and by difficulty in accessing water resources all of which are due to climate change. For this reason, there is an ever increasingly urgent need to encourage a new generation to take up farming and to further develop modern agricultural methods and organized agriculture. We as Migros draw up the agricultural map of Türkiye together with the country's farmers and ensure that the right produce reaches the consumer at the right time, and at a fair price. By working with agricultural credit cooperatives, we support small holders and farmers so that they are able to enter the market. In particular, we provide training courses to women's cooperatives in order to empower women farmers both in the production process and in the market, and then we carry the produce which meets Migros standards to the shelves of our stores. In addition, we have been a full and active supporter of Good Agricultural Practices (GAP), which is one of the biggest steps taken to popularize sustainable production methods and traceability among in agricultural practices in Türkiye,

since its inception in 2010. To date, we have sourced and supplied 1 million tons of GAP fruit and vegetables, and in 2022, we aim to increase our annual supply tonnage by 20%. We have started to work on reducing carbon emissions of regenerative agriculture and agricultural produce. We prioritise the sourcing of local produce or produce from nearby regions in our stores as well as giving wide exposure to local brands, which is an important step in reducing the carbon footprint of our food transportation. In line with Sustainable Development Goals 12.3, we are targeting a 50% reduction in food waste by 2030. We are already got nearly halfway to our target by achieving a 22% reduction in our food waste rates in just 3 years, with practices such as operational streamlining, automated ordering, innovative packaging systems that extend the life of food, consumer awareness activities, obtaining energy from organic waste and the donation of food. In order to reflect the impact we have achieved on our entire value chain, we have participated in the international "10x20x30" initiative carried out by the World Resources Institute (WRI) together with 23 of our suppliers. On the sustainability platform of the Financial Times (Sustainable Views), Migros has been held up as a global example due to our ecosystem economy approach, our cooperation with farmers and women's cooperatives, our contribution to biodiversity and our efforts to combat food waste.

A fast and fully-comprehensive solution to meet the varying needs of our customers with prices that are kind on the pocket.

While reducing our environmental footprint with our focus on digitalization and innovative practices, we ensure the fast and transparent flow of information to our customers and stakeholders. With our multi-channel approach, we grow our physical and online channels in unison, offering the same service quality at each point. In cooperation with our suppliers, we work hard to offer the best possible prices and relieve the pressure on the customer's budget. In order to simplify the online shopping experience for our

customers, we have brought Migros Sanal Market, Migros Hemen (super-fast grocery delivery), Migros Ekstra (telephones, computers, appliances etc) and, as our latest venture, Migros Yemek (online food delivery services) all onto the same application. At the same time, we continue to offer an exclusive service to customers seeking gourmet tastes with Macroonline and organic and natural flavours with TazeDirekt. In order to better target our focus on online and make our decision processes more agile, we combined all our online sales channels under the roof of a separate subsidiary. Meanwhile, to speed up our product picking and delivery processes, we have recently started to use TARO, our human-supported robot. As well as being the first of its kind, TARO has brought about a five-fold increase in our product collection speed for online orders. In addition, we launched our MoneyPay app which enables contactless payment and allows our customers to perform their financial transactions quickly, easily and securely. We launched Mimedat, Türkiye's first retail media company, which is a wholly owned subsidiary of Migros. By bringing together retail data and media channels, we provide an opportunity for brands to get in touch with consumers. Another recent venture is the establishment of Migros Up, a platform which creates innovative and agile responses to the ever-changing needs and expectations of our industry and facilitates entrepreneurial collaborations. Through Migros Up more than 50 start-ups got the chance to meet up with various Migros business units and in around 3 months we have already entered into and completed joint innovation projects with 4 of them.

Investing in our employees who play a key role in driving our progress

All my colleagues working under the umbrella of Migros are the driving force that enables Migros to stand out in the sector and play a key role in our progress. This year, we supported the professional and personal development of our employees by providing more than 3 million employee-hours of training. Within the framework of our

Kariyer Tarifleri (Career Paths), we recruited 98% of our managerial positions internally, in a transparent promotion process carried out in accordance with the principles of equal opportunity. We continued to take strides in support of gender equality within our company as well as in every section of the wider community. We reassessed and raised our target to increase the ratio of women in executive positions to at least 35%. Our ultimate goal is to have at least one female manager in each of our stores. We have moved our Family Clubs, which have provided certified trainings to thousands of women, to our social media and digital channels so that they can continue even when off-line training is limited. In 2021, we established the Migros Women's Academy by combining the forces of our Family Clubs and Migros Retail Academy, and we aim to train 1 million women by 2024.

Adorning our first Integrated Report with a pledge to the future

I wanted to share with the reader a few examples of developments that filled us with excitement in 2021. In our first Integrated Report details can be found of all our activities carried out within the framework of the Migros Better Future Plan. While conveying details of the work and initiatives we have carried out so far, we have tried to colour in our picture of the future of the world and we sincerely want this report to be a written pledge to the future from Migros, a pioneer in sustainability in the retail industry. Finally, I would like to thank all the stakeholders in our ecosystem for their trust and the strength they have given us to continually aim higher and better.

Kind regards,



Ö. Özgür Tort
Chief Executive Officer


About the Report



As Migros Ticaret A.Ş., we continue our activities and relations with our stakeholders in the light of the principles of transparency, accountability, responsibility and fairness as the main principles of corporate governance. Until 2020, we regularly shared with all our stakeholders the value we created in economic, environmental, social and governance areas, and our sustainability performance, through the sustainability reports that we published transparently. In 2021, in line with our main va-

lues and vision of **“To be always the first and trustworthy choice of customers by providing a unique shopping experience”**, we transparently reported our performance, value creating approach and the value we created, in accordance with the **International Integrated Reporting Framework (<IR>)** which is carried out by the **Value Reporting Foundation**. We are pleased to share with you **the first integrated report of our industry**.

We set our long-term goals taking into account the current developments and global trends in the industry where we provide services as one of the leaders. In addition, we pull out all the stops to implement projects that match our goals and serve the **United Nations Sustainable Development Goals**. In our integrated report, with our value creating approach shaped within the frame of 6 capitals, we share in detail our performance and the steps we took in accordance with our sustainability goals and reflect the value we created for all our stakeholders, through our value creating model. In our report, we detail our sustainability understanding, corporate governance approach and areas of activity.

In the **“Annexes”** section of our report, you can find the verification statement that we obtained as a result of the audits carried out in accordance with the **Statement of Independent Assurance in Human Rights and Supply Chain and ISO 14064-3 Greenhouse Gas Emissions Verification Statement**. 

The information and data in our report were prepared based on the information provided by Migros Sustainability Committee and working groups of this committee and in accordance with our company's Turkish retail operations carried out from **1 January 2021 to 31 December 2021**, which comprises **100%** of our retail **operations** and **99.9%*** of our entire turnover. We prepared this report to be compatible **with GRI Standards: "Core" option**. **In addition to this, it has been published compatible with the World Economic Forum (WEF) Stakeholder Capitalism Core Metrics**. Besides, our selected data about our activities in 2021 related to greenhouse gas emissions, supply


chain and human rights were audited and verified by a third-party organization.

Our business conduct approach is based on our understanding of "sustainability", which we adopted according to goal of creating value for all our stakeholders. Therefore, feedback from our stakeholders regarding our integrated report is of critical importance for our sustainable development.

Details can be found in **Our Stores and Activities section.*



You can send your opinions and suggestions to us and share your feedback through the e-mail address **surdurulebilirlik@migros.com.tr**

You can find the notifications prepared in accordance with **GRI Standards** in the '**Annexes**' section of our report. 

Migros Better Future Plan



**Our Vision, Mission
and Values**



Migros Better Future Plan



**Our Targets and
Commitments**

Our Vision, Mission and Values



Our Vision

To be always the first and trustworthy choice of customers by providing a unique shopping experience.



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 Strategy

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



Our Corporate Governance Principles

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

- › Fairness
- › Transparency
- › Responsibility
- › Accountability



Our Values

Our corporate values that are formed with the participation of all our employees and on which everyone can depend:

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

Migros Better Future Plan



Transparent, Responsible and Ethical Governance For a Sustainable Ecosystem

To adopt the governance approach that suits best to our value-oriented business model and integrated mindset, for all our stakeholders. To create a joint value with our stakeholders integrated into our development goals, with the economic value, employment and partnerships we produced

Better for Our World

- 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
- 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
- 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

Better for Innovative Transformation

- INNOVATIVE APPLICATIONS**
 To implement innovative practices that increase our efficiency and add convenience and speed to the lives of our stakeholders
- TRANSPARENT AND FAST FLOW OF PRODUCT INFORMATION**
 To ensure the transparent, consistent and fast flow of product ingredients and information

Better for Our Customers and Stakeholders

- ACCESSING SUSTAINABLE PRODUCTS AND SERVICES**
 To continuously develop a product and service portfolio to support a behavioral change toward a sustainable lifestyle
- SUPPORTING HEALTHY LIVING**
 To manage the quality and control processes of products and services; To develop projects to encourage wellbeing
- RESPONSIBILITY AND AWARENESS STUDIES**
 To carry out social responsibility and awareness raising activities for a better world and a strong society

Better for Our Employees






- GENDER EQUALITY AND EQUAL OPPORTUNITIES**
 To work in compliance with human rights in all our activities To observe gender equality and equal opportunity
- EMPLOYEE SATISFACTION AND TALENT MANAGEMENT**
 To support our employee's personal and professional development and manage their carrier 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







Better for Our World

- 
 > To reduce our Scope 1 and Scope 2 absolute CO₂ emissions by **↓ 42%** by 2030 compared to 2020.
- 
 > To reduce our daily water consumption per sales m² by **↓ 10%** by 2030 compared to 2021.
- 
 > To reduce the ratio of our food waste tonnage to our food sales tonnage by **↓ 50%** by 2030 compared to 2018.
- 
 > To reduce our CO₂ emissions per unit carried in transport by **↓ 2.5%** by 2026 compared to 2021.
- 
 > To reduce **493 tons** of plastic waste by 2023 under Business Plastic Initiative (IPG) commitments **↓**





Better for Innovative Transformation

- 
 > To develop a digital platform to ensure food traceability by 2023
- 
 > To develop 15 joint innovation projects with business ventures by the end of 2024 under Migros Up

Better for Our Customers and Stakeholders

- 
 > To increase our fruit and vegetable purchase tonnage with Good Agricultural Practice by **↑ 20%** in 2022
- 
 > To contribute to convert **760** hectares of land for organic farming by 2026
- 
 > Training for **1 million** women in Migros Women's Academy by 2023
- 
 > To expand our sustainable product range with regenerative agriculture project by 2025

Better for Our Employees

- 
 > To increase our ratio of directors and higher female executives to **↑ 23%** by 2023
- 
 > To increase our female executive ratio to **↑ 35%** by 2027
- 
 > To increase our female senior management ratio (CEO & direct reporters) **↑ 27-33%** by 2026
- 
 > To reduce our work accident / lost day weight rate by **↓ 1%** by 2025 compared to 2020

Highlights of 2021



We are the only food retail company that has ranked on BIST Sustainability Index for **8 years** consecutively.



We have been in the BIST Corporate Governance Index since 2015. Our Corporate Governance Rating was updated as **9.67 (96.69)** on 28 December 2021.



On the Capital 500 list, we rank as Türkiye's **16th largest company**.



We rank **13th** on the Fortune 500 Türkiye List.



We were elected as **"The Favorite Retail Company"** 18 times consecutively by Capital magazine.



We ranked among the leaders of the **CDP Climate Change program** 3 times and **CDP Water Security program** once.

2021



We ranked in the low-risk group in Sustainalytics ESG Risk Rating with a risk score of 13.6 and took **4th place** among 198 companies in the global food retail sector



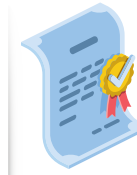
By continuing to create a powerful free **cash flow** and paying up the entire Euro indebtedness in 2021, we switched to net cash position.



We have established **3 new affiliate structures** that will make our long-term growth sustainable.



As Migros Up team, we examined up to 300 initiatives and triggered new business opportunities by bringing **more than 50** initiatives together with the relevant business units.



The article titled **"How regenerative farming policy will change markets"** published on the global sustainability platform of Financial Times cited the sustainability works of Migros as good practice.



According to a research of the Capital Magazine, we are among the first **10 companies** in the categories of ecologic sensitivity, social responsibility and sustainability strategies.

You can find information about the prizes we were awarded in 2021 on **our corporate website**.



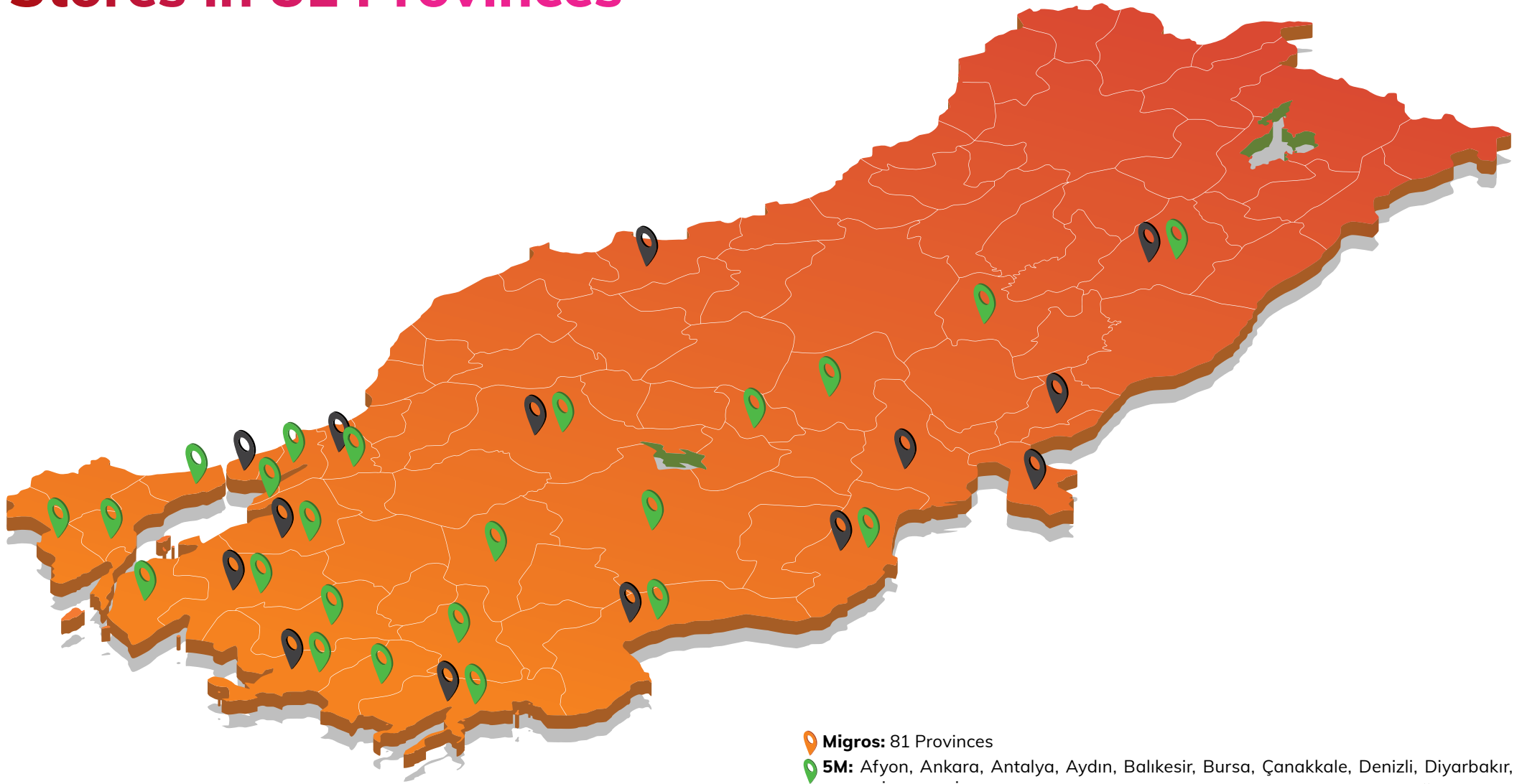


Integrated
Report

Our Corporate Profile

- About Migros
- Our Stores and Activities
- Our Operating Environment
- Our Supply Chain Chart
- Our Value Creation Model
- Our Materiality Matrix in 2021

Stores in 81 Provinces

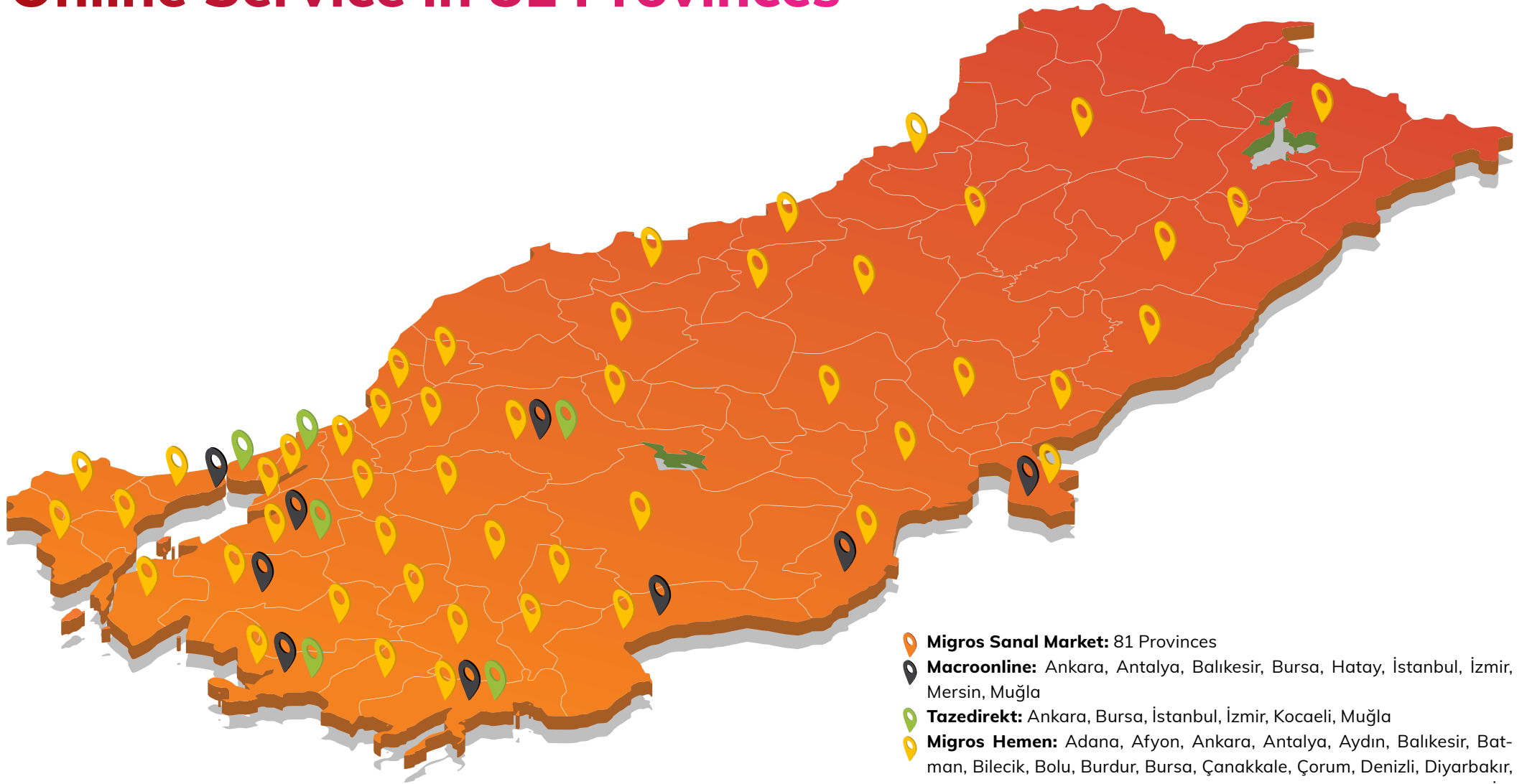


Migros: 81 Provinces

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

Macrocenter: Adana, Ankara, Antalya, Balıkesir, Bursa, Diyarbakır, Gaziantep, Hatay, İstanbul, İzmir, Mersin, Muğla, Sakarya, Samsun

Online Service in 81 Provinces



- Migros Sanal Market:** 81 Provinces
- Macroonline:** Ankara, Antalya, Balıkesir, Bursa, Hatay, İstanbul, İzmir, Mersin, Muğla
- Tazedirekt:** Ankara, Bursa, İstanbul, İzmir, Kocaeli, Muğla
- Migros Hemen:** Adana, Afyon, Ankara, Antalya, Aydın, Balıkesir, Batman, Bilecik, Bolu, Burdur, Bursa, Çanakkale, Çorum, Denizli, Diyarbakır, Düzce, Edirne, Erzincan, Erzurum, Eskişehir, Gaziantep, Hatay, Isparta, İstanbul, İzmir, Kahramanmaraş, Karabük, Kayseri, Kırklareli, Kocaeli, Konya, Kütahya, Malatya, Manisa, Mersin, Muğla, Ordu, Sakarya, Samsun, Sivas, Şanlıurfa, Tekirdağ, Tokat, Trabzon, Uşak, Van, Yalova, Zonguldak

About Migros



With our physical **stores** operating in **81** provinces of Türkiye* and **online channels**, we, as **Migros Ticaret A.Ş.**, offer a wide range of product portfolio supporting the budget, health and social life of our customers, and provide innovative solutions adding speed, convenience and value to their daily life. Integrating our experience of **67 years** in the retail industry into all our business processes with digital transformation, we lead our industry in national and international platforms. With our special expertise in fruits, vegetables, red meat and poultry products, we are the food retailer **selling fresh products at the most in Türkiye.**

Under the umbrella of Migros, we have a comprehensive and powerful ecosystem with more than 50 thousand employees including indirect employment, 20 thousand farmers and manufacturers and approximately 3 thousand suppliers, their employees and our investors. Sustainability is the building block of this ecosystem. Thanks to our vision of sustainability, our technological and logistics infra-

structure, investments and powerful value chain, we aim to grow together with all our employees, stakeholders and consumers. We monitor and report our work, target, and roadmap that are in line with our sustainable ecosystem strategy, in light of our Migros Better Future Plan.

By keeping the health and safety of our employees and customers at the top of our priorities, we develop projects that will affect not only today's retail understanding but also the course of future global retail. We respond to the current demands of our customers with great agility, as a result of our investments we have been making for many years with absolute determination in customer-oriented agile transformation, omni-channels, digitalization and advanced technology, people, and the sustainability of the business and the world.

In 2021, we have implemented many new projects and services such as Migros Up, a joint innovation platform that brings entrepreneurs and Migros experts together, Mkolay

Kantin, which provides self-service shopping experience in office environments such as plazas and workplaces, Blockchain applications, and TARO robot which increases workforce efficiency in online operations. In addition, we brought together Migros Sanal Market, Migros Hemen and Migros Ekstra applications under one roof. We have developed our service area with our affiliates such as Mimedra, Moneypay and Digital Platform Food Services.

We reached TRY 36.3 billion of consolidated sales volume in 2021 and we continued our strong growth performance with a rate of 26% in consolidated sales. Our online sales grew by **87%** compared to 2020, and the volume of our online sales reached 15.5% of our total sales at the end of 2021 (except for tobacco and alcohol products). While continuing our investments by increasing our coverage in both online and physical stores, we made an investment expenditure of TRY 969 million in 2021. In 2021, we cleared the amount of our Euro debt that we have been carrying on our balance sheet for many years. We continued to generate strong free cash flow. We achieved a net profit of TRY 359 million in 2021. Our company's total shareholders' equity improved compared to the previous year and reached TRY 536 million as of December 31, 2021.

As Migros, we lead the change and development in the industry by integrating digitalization into all our business processes and introduce the "firsts" of the industry.

Our Stores and Activities

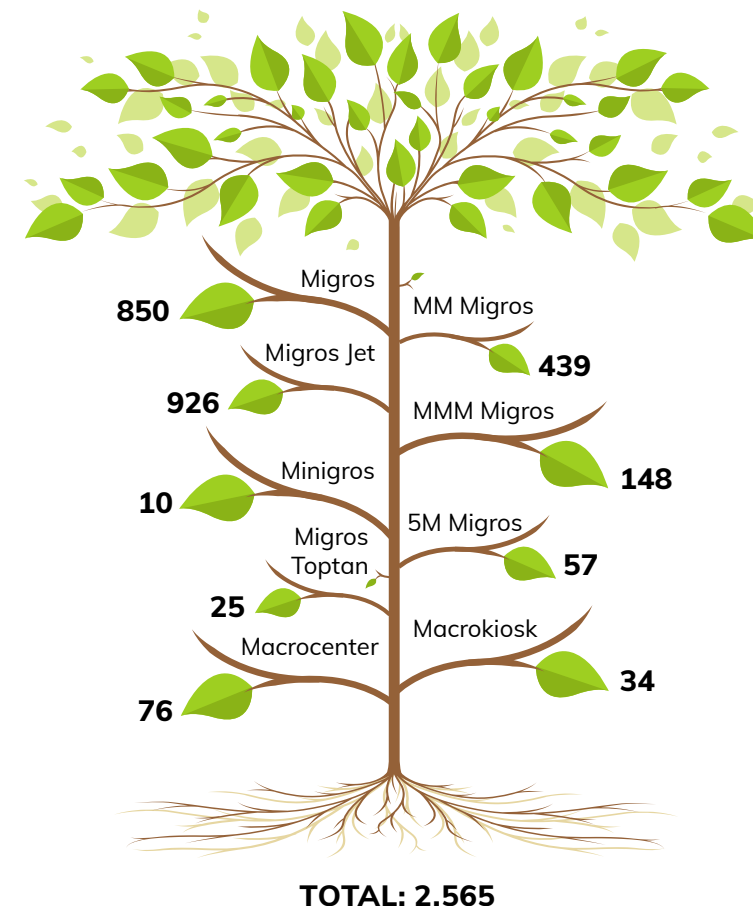
Within the framework of our customer-oriented business conduct understanding, we provide our customers with a value creating shopping experience, by increasing the number of our stores all around Türkiye. With our unique service quality and wide product range, we set a goal of opening new stores every year to meet the developing and changing demands of our customers faster and more efficiently. We comply with legal legislation and regulations and continuously improve in our industry and add value to our stakeholders. The increasing number of our stores day by day allows us to grow focused on sustainability.

Following our goal of delivering proper and quality products to our customers, we opened **307 new stores** in 2021 with our uninterrupted operations. Thus, we achieved our goal of opening more than 300 new stores in this year. With these new stores, the total number of our stores reached 2,565 and the number of our stores providing on-line service reached 867.

You can find detailed information about our online channels in the **“Our E-Commerce Channels”** section under **“Digitalization and Innovative Applications”**.



Number of Our Stores in 2021



*Our Northern Macedonia operations were discontinued as of March 2021. Financial status was included in the financial statements for 2021 under discontinued operations, and it was excluded from the turnover. In addition, only 1 shopping mall is operated in Kazakhstan. **Accordingly, Ramstore Kazakhstan LLC (“Ramstore Kazakhstan”), one of our Company’s domestic and foreign subsidiaries, has been subject to consolidation in 2021.** You can find detailed information in our Annual Report 2021.

Our Operating Environment

As Migros, we closely monitor technological and economic trends, national and international developments, legislation, and legal regulations affecting the industry we operate in, and evaluate them with an approach to creating long-term value for all our stakeholders. With our resilient and agile business model, we quickly accommodate ourselves to these changes and adapt our business processes accordingly.

Technology

The impact of digital transformation is increasing in the retail industry, as in the rest of the world, both in terms of internal processes and provision of products and services to consumers. Changing consumer habits brought by the technological developments that are gradually holding a larger part in our lives have become a driving force for digital transformation in the retail industry. All steps that make up the retail industry's value chain, such as supply chain, consumer habits, consumer experience, manufacturing conditions, and service concept, continue to evolve with digital transformation. "Artificial Intelligence" technologies are used for the improvement of processes and to come up with innovative solutions in the retail industry. They are used in detecting anomalies and abuses in millions of data activities occurring within the scope of retail operations and in checking product availability on the market shelves, product quality, and the busyness of the store etc. through camera recordings. The necessary improvements are also being made to offer a self-service shopping experience to customers in artificial

intelligence-supported stores. There are ongoing efforts towards solutions such as blockchain, cloud computing, smart&active packaging technologies, and IoT on issues like access to safe food, ensuring traceability, increasing product shelf life, and preventing product destruction. We closely monitor robotic solutions and make sure to implement new practices, especially in distribution centers and stores, such as those concerning picking up and delivering orders. Furthermore, we automate repetitive processes by using robotic process automation (RPA), develop new applications based on mobile technologies, and come up with new solutions using virtual reality, augmented reality, and wearable devices etc. to ensure efficiency in business processes. Today, e-commerce is growing with the increasing use of the internet. The use of e-commerce has become widespread due to factors such as market size, use of smartphones, ease of use, increasing population, gradual increase in the number of e-commerce retailers, and the widespread use of social media. According to the results of the Research on Household Use of Information Technologies, carried out by the Turkish Statistical Institute (TUIK) 92% of the households had access to the internet in 2021. This rate was announced as 90.7% in the previous year. 88.5% of people with internet access were using a mobile broadband connection. This also highlights the increase in the use of smartphones and tablets. Accordingly, a total of 11.4 million mobile devices were registered in the Mobile Device Registration System in 2021, and the majority of those were smartphones, according to the Türkiye Electronic Communications Industry Market Data published by the Information and Communication Technologies Authority.

The volume of e-commerce, on the other hand, has been increasing rapidly over the years. In 2021, e-commerce volume increased by 69% in Türkiye, according to the data of the E-Commerce Information Platform. The number of orders also increased by 46% and reached 3 billion 347 million units. In 2021, the number of businesses engaged in e-commerce activities reached 484,347 in Türkiye. You may find more about the innovative solutions that we, as Migros, offer to our customers in our stores and through our online channels, in line with practices that we have implemented to ensure efficiency in our business processes and our multi-channel growth strategy, in the **Better for Innovative Transformation** section.



Economy

The Covid-19 pandemic in 2020 affected the whole world economically with interruptions in the supply processes and regional lockdowns. Then a recovery process started also with the effect of vaccination efforts that became more and more widespread in 2021. According to the latest Global Economic Prospects report of the World Bank, the recovery process witnessed in 2021 is predicted to slow down in emerging economies, due to debt and income inequalities resulting from Covid-19 variants. The global growth rate, which was 5.5% in 2021, is expected to decrease to 4.1% in 2022. On the other hand, the Turkish economy grew by 11% in 2021 and by 9.1% in the last quarter of last year, according to the Gross Domestic Product (GDP) results for the last year calculated by the Turkish Statistical Institute (TÜİK) by using the production approach. According to the calculations made by using the production approach on current prices, GDP increased by 42.8% in 2021 compared to the previous year and amounted to 7 trillion 209 billion 40 million TL.

You may check out the data on our growth performance in 2021, the sales volume and employment opportunities we, as Migros, created, our contribution to local development, as well as our relevant efforts, in line with our approach to creating sustainable economic value for all our stakeholders, in the **About Migros** and **Creating Sustainable Economic Value** sections.



National and International Developments

We are very careful in ensuring full compliance with all laws and secondary legislation related to our field of activity, such as the ones related to Consumers, Competition, Data and Technology, and Personal Data Protection Law (PDPL). We are closely following the preliminary preparations for the E-Commerce Law, which will be enacted for

the first time in Türkiye, and we are submitting our opinions through the process. We contribute to all assessments that concern and shape the industry, through the Food Retailers Association (GPD), of which we are a member, and plan to quickly adapt our activities in the case that the law is enacted. In this context, we perform various controls to verify that all the products we sell comply with the Turkish Food Codex Regulation determined by **the Ministry of Agriculture and Forestry**.

In line with our motto, 'Buy Safely, Store Safely and Sell Safely,' we work to ensure compliance with related legislation such as regulations and communiqués etc. in order to provide 'reliable products' to our customers who are always our top priority. We follow the developing national and global trends and the current developments in the industry we operate in and aim to keep our practices up-to-date at all times. We also follow the food safety practices on an international basis and closely monitor the works of the Global Food Safety Initiative (GFSI). We audit our suppliers with the IFS Global Market audit checklists recognized by GFSI, to monitor the performance of our suppliers in product safety and support their continuous improvement.

The **Procedures and Principles Regarding Mandatory Deposit Management System Practices** published by the **Ministry of Environment, Urbanization and Climate Change** aim to encourage the recycling of packages of beverages that consumers buy and use, and thus to create economic value. In the Deposit System, which has been in practice in many countries for many years, the consumer pays a certain deposit amount when buying a beverage and can receive the deposit back when they deliver the beverage package to the package return point.

The project aims to ensure the recycling of the beverage packages that are collected, to eliminate the potential environmental pollution to be caused thereby, and to reduce the demand for raw materials. We exchange ideas with our stakeholders on the development of the system and submit our opinions through the Food Retailers Association.

The Paris Agreement is globally accepted with regard to adaptation to the adverse effects of climate change, resilience to climate change, and sustainability. The agreement was signed by our country in 2015, approved by the Grand National Assembly of Türkiye in 2021, and the goal of Carbon Net Zero by 2053 was declared. Within the scope of this legally binding agreement, it is planned that Türkiye, which committed previously to reduce its emissions from 21% increase by 2030, will first update and present its declarations of national contribution that include its emission reducing goals in the agriculture, energy, waste, transportation and construction industries. As Migros, we work to reduce our emissions in accordance with the requirements brought by the agreement, in a way to contribute to our country's goals, and we closely follow current developments.

The EU declared the **European Green Deal** at the end of 2019 and started to clarify the implementation actions in mid-2020, and the "Climate Law" it enacted in 2021 was an important step for the fight against climate crisis. This legislation aims to make Europe the first carbon neutral continent in 2050. With the **Emission Trading System** and **carbon tax** applied in many countries, which complement each other, the aim is to obtain public revenue to support the efforts or public expenditures relating to climate. Although we, as Migros, are not included in

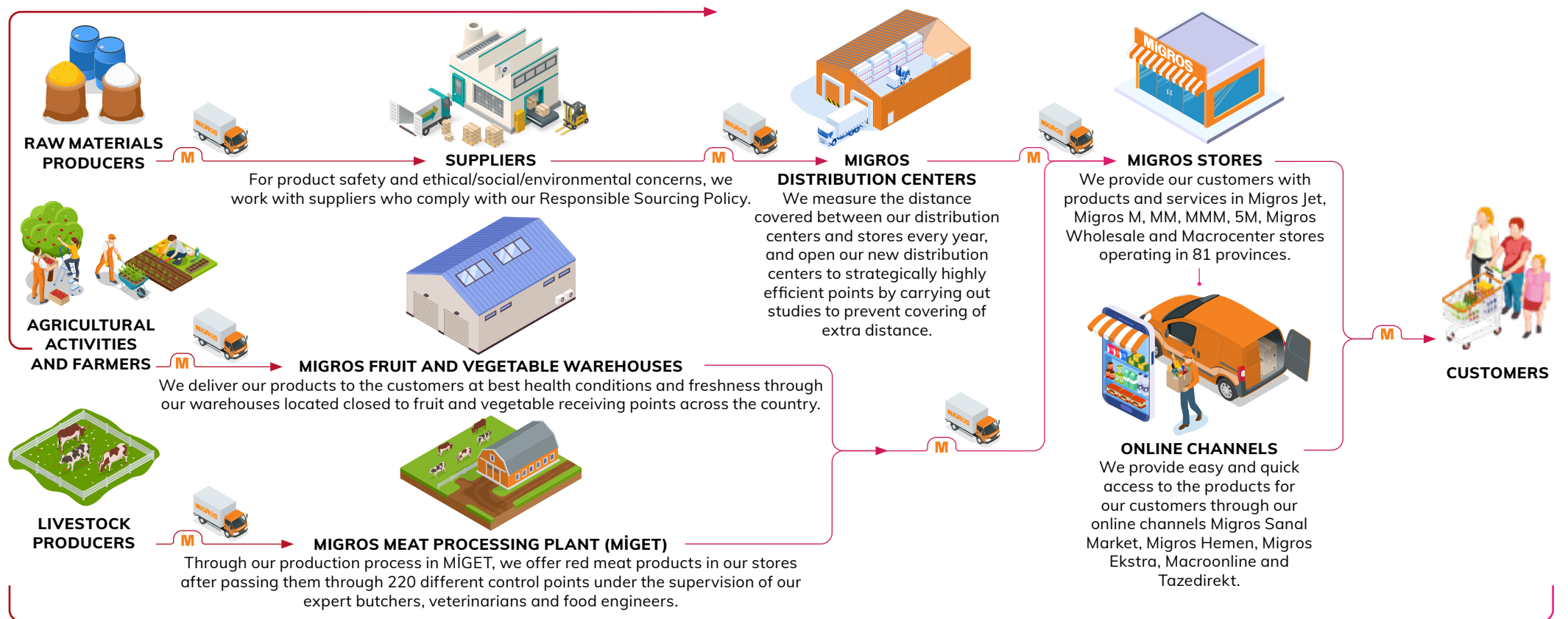
the carbon pricing system within the scope of emission reduction efforts, we base our internal assessments on the prices determined under the **Partnership for Market Readiness (PMR)** program of the **Ministry of Environment, Urbanization and Climate Change**.

You may find more about our projects on food safety, quality, hygiene, and supplier audits, in the **Better for Our Customers and Stakeholders** section, and about our projects on fighting climate change, waste management, and collection and recycling of packaging waste, in the **Better For Our World** section.

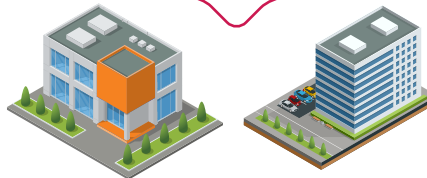


Our Supply Chain Chart

While continuing our operations with our stores and online channels in 81 provinces, we offer our customers the products we produce at our production plants and procured from our suppliers through our distribution centers, in line with our quality service understanding. With our distribution centers located at strategic points, distribution route optimization, infrastructure improvements of our stores and our store concepts that can meet any needs, we take steps to improve the service we provide to our customers.



BRANCH DIRECTORATES



HEAD OFFICE

Our operations are managed and administered by the Head Office and Branch Directorates.

Our Value Creation Model

In our country where we have been providing services for 67 years, we create value for our stakeholders and employees in all our activities with our responsible business understanding and the integrated mindset, within the framework of our business model based on 6 capitals. As a value-creating company in our industry, we measure the value we created on solid grounds, regularly share our main strategies, vision, mission, values, pros and cons of our activities, our goals and commitments and our financial and non-financial performance indicators.



INPUTS/RESOURCES

Manufactured Capital

- › Our 2,565 stores in 81 provinces
- › Our online sales channels in 81 provinces
- › Our infrastructure works for stores
- › Our new generation equipment that reduces environmental impact
- › Our 29 distribution centers and logistics network
- › MİGET Fresh Meat Processing Plant

ACTIVITIES

- › Store infrastructure and service improvements
- › Store concepts aimed at different needs
- › Route optimization works
- › Establishment of distribution centers to strategic points
- › Meat production with expert butchers
- › Modernization of production and storage at MİGET and our fruit and vegetable packaging plants
- › Quality audits of stores and distribution centers

OUTPUTS

- › A total of 543.6 million transactions were processed at the cashier's desk in 2021
- › A growth of 87% in online sales in one year
- › 283 stores in 50 provinces in Accessible Store concept
- › Our annual meat production capacity of 62,000 tons
- › A total of 7,317 MWh of energy saving within the scope of energy efficiency projects

Financial Capital

- › Our sales revenues
- › Our company capital of TRY 181,054,233
- › Our investments

- › Advertising and marketing
- › Pricing
- › Campaigns and promotions

- › TRY 36.27 billion total sales revenue of
- › Position of Migros in the market
- › TRY 185.78 million of corporate tax paid to the government
- › TRY 359 million net profit



INPUTS/RESOURCES

ACTIVITIES

OUTPUTS

Human Capital

- › Our expert employees
- › Migros Retail Academy
- › Our company culture and values
- › Our governance approach
- › Our management systems and programs
- › Our employee health and safety programs

- › A total of TRY 11.5 million of investment made in employee development
- › A total of TRY 17.9 million of investment made in OHS works and trainings
- › Fair and transparent performance and career management
- › Internal gender equality and equal opportunity works
- › Flexible fringe benefits program
- › Communication and satisfaction surveys with our employees
- › Events to meet our managers with young talents for talent acquisition

- › 3,130,246 employee x hours of professional and personal training
- › Ratio of appointment from internal resources to store management staff: 98%
- › Ratio of female employees: 40%
- › Ratio of females in management level: 30%; 25% female senior management (CEO & direct reporters)
- › 69% employee loyalty score
- › 1,026 disabled employees
- › A total of 190,794 hours of OHS service
- › 25 different employee health practices used 119,328 times

Intellectual Capital

- › Our IT infrastructure
- › Our R&D center
- › Our products from the range of Sadece Migros'ta (Only at Migros)
- › Our web and mobile applications
- › Our innovative products and services
- › Our internal and external entrepreneurship platforms
- › Our Migros Up platform

- › Ensuring traceability of products and services
- › Solutions for protect food and prevent waste
- › Development of AI-supported automation systems
- › Replication and improvement of online shopping platforms
- › Customization of services and recommendations
- › A total of TRY 43,178,146 million of investment in R&D and innovation
- › Collaborations with start-ups; ideas and practical support
- › Control of labeling information and compliance with legal legislation of products put up for sale

- › Defining the minimum data set of 3,800 products in the GS1 barcode system
- › Migros Sanal Market, Migros Hemen, Macroonline, TazeDirekt online shopping applications
- › 21 internal entrepreneurship teams and 263 team members
- › Extension of shelf life by 100% in Master Butcher products with the use of skinpack technology
- › Expanding our patented water cooling system which is available at 25 locations



Social and Relationship Capital

Natural Capital

INPUTS/RESOURCES

- › Our voluntary memberships to NGOs and umbrella organizations
- › Donations, sponsorships and collaborations
- › Our customer communication channels
- › Our Brand & Customer Researches
- › Our social media channels
- › Our 20,000 farmers and 2,492 suppliers
- › Our Money loyalty program
- › Our human rights and equal opportunity approach
- › Our Family Clubs and Better Future Ambassadors

- › Our works to reduce our carbon emission
- › Our energy saving practices
- › Our sustainable water management
- › Our commitment to combating food waste
- › Our goals of reducing plastic wastes
- › Our sustainable agricultural investments

ACTIVITIES

- › Quality and control process management of products and services
- › Carrying out collaborative projects with brands
- › Products and projects that support wellbeing
- › Corporate Social Responsibility Projects
- › Gender equality activities
- › Supplier selection and audit processes
- › Training given to suppliers
- › Accessibility practices
- › Prioritization of products manufactured by Women's Cooperatives
- › Support to women investors

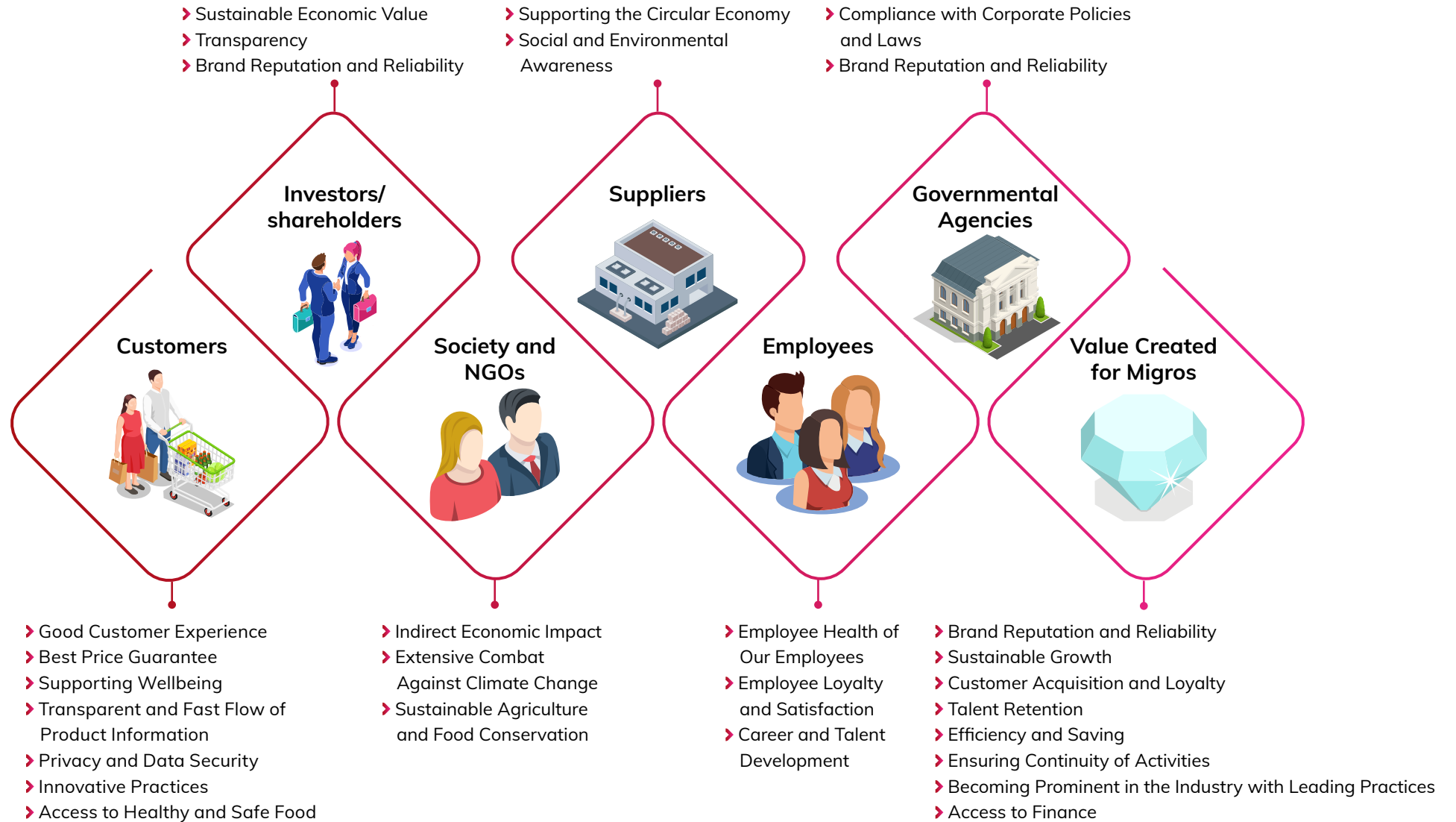
- › Our support to Good Agricultural Practices
- › Practices and collaborations to prevent food waste
- › Expanding our patented water-cooling system
- › Our in-store automation practices
- › Life cycle assessment of our private-label products
- › TRY 119.57 million of investment in environmental sustainability management
- › Sustainable packaging solutions
- › Our solutions to reduce wastes in supply chain

OUTPUTS

- › Employment created for a total of more than 50,000 people
- › Access to 98% of the households in Türkiye
- › Campaigns and offers for 15.5 million individual customers with Money card
- › 1,126,452 tons of GAP-certified supply of products in 11 years
- › 665 Product Safety Audits for 543 suppliers
- › 470 GC Ethical and Social Compliance, Environment and OHS Audits for 399 suppliers
- › Access to 3.3 million customers in 3.5 years with the Wellbeing Journey program
- › Service to 2,856,520 active customers in online channels
- › Free vocational and skill development courses to 167 thousand members of Family Clubs

- › 11.6% reduction in water consumption per m² in 1 year
- › 18.8% reduction in CO₂ emission per m² compared to 2019
- › 22% reduction in food waste / food sales tonnage in 3 years
- › 60,000 MWh of renewable energy use
- › 247 tons of plastic reduction in 1 year within the scope of Business Plastic Initiative (IPG) commitments

Value Created

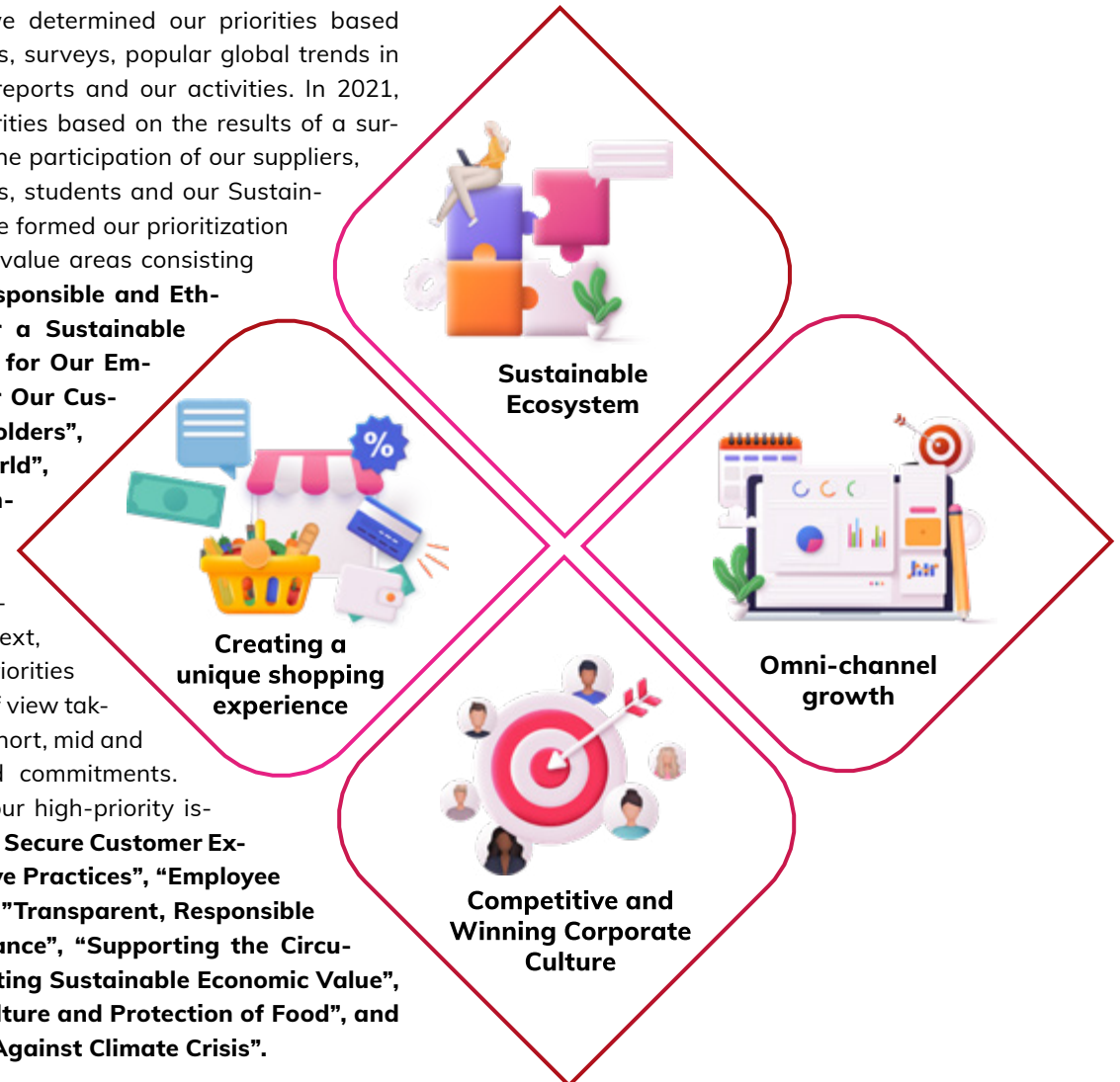


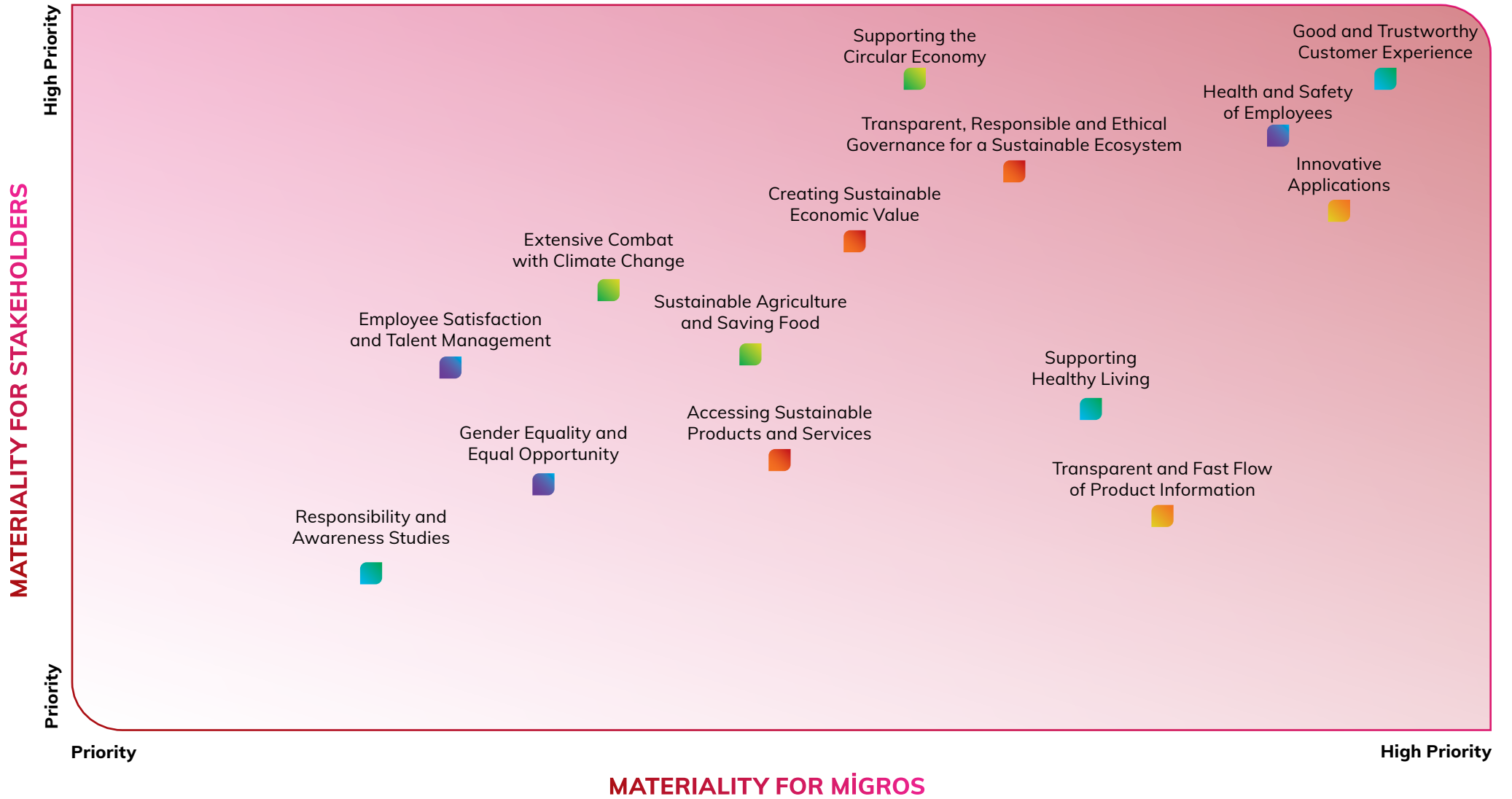
Our Materiality Matrix in 2021

As Migros, we take into account the expectations and needs of our stakeholder groups while determining our priorities. We keep sustainability at the center of our business conduct and assess global trends, risks and opportunities when determining our goals and activities, particularly using an approach of creating value for all our stakeholders. Today, companies are obliged to act by considering not only the economy of their industry and themselves but also all their stakeholders as well as the climate and resources, i.e. the ecosystem economy. Being aware of this, we determine our strategic approaches to sustainability issues in following our main strategies and goals, by our Board of Directors. Our Board of Directors is also responsible for our activities throughout the year aimed at our goals according to our strategy.

In previous years, we determined our priorities based on various workshops, surveys, popular global trends in the industry, global reports and our activities. In 2021, we updated our priorities based on the results of a survey conducted with the participation of our suppliers, customers, employees, students and our Sustainability Committee. We formed our prioritization matrix based on our value areas consisting of **“Transparent, Responsible and Ethical Governance for a Sustainable Ecosystem”**, **“Better for Our Employees”**, **“Better for Our Customers and Stakeholders”**, **“Better For Our World”**, and **“Better For Innovative Transformation”** in line with our Migros Better Future Plan. In this context, we reviewed our priorities with a holistic point of view taking into account our short, mid and long-term goals and commitments. As a result, we set our high-priority issues to be **“Good and Secure Customer Experience”**, **“Innovative Practices”**, **“Employee Health and Safety”**, **“Transparent, Responsible and Ethical Governance”**, **“Supporting the Circular Economy”**, **“Creating Sustainable Economic Value”**, **“Sustainable Agriculture and Protection of Food”**, and **“Extensive Combat Against Climate Crisis”**.

You can find our goals and commitments, our Sustainable Development Goals we serve as a result of our activities, and our activities based on our priorities, in the **“Our Migros Better Future Plan”** section of our report.





Better for Our Employees

Better for Our Customers and Stakeholders

Better for Our World

Better for Innovative Transformation

Our Responsible and Transparent Governance Approach



Integrated
Report

Creating Sustainable Economic Value

- Creating Sustainable Economic Value

Creating Sustainable Economic Value

As Migros, we work with a sustainability focus in all our activities, and as a reflection of this, we aim to create sustainable economic value for all our stakeholders. With our customer-oriented business understanding, we reach more customers and increase our sales thanks to the increasing number of stores every day. Our sales revenues, investments and activities aimed at growth provide not only an increase in the company’s profitability but also an economic benefit for our business partners. We directly and indirectly contribute to employment and local development throughout the supply chain.


We consider sustainability by its effects on the environmental and social aspects of both our operations and of our stakeholders, and we contribute to their development with various activities to raise sustainability awareness; similarly, sustainability is prioritized by all our employees for their activities and considered as their primary responsibility.

In 2021, we, as Migros, ensured continuity of uninterrupted and quality service we provide to our customers, by ensuring the continuity of our operations with the measures we took at financial level. We reached **TRY 36.3 billion** of consolidated sales volume in 2021 and we continued our strong growth performance with an increase of **26%** in consolidated sales compared to the previous year. Our online sales grew by **87%** compared to the previous year, and the volume of online sales reached 15.5% of the total sales at the end of 2021 (except for tobacco and alcohol products).

At the same time we paid up in 2021 the entire Euro indebtedness which we carried in our balance sheet for long years, and thus, our Company switched from net debt position to net cash position.

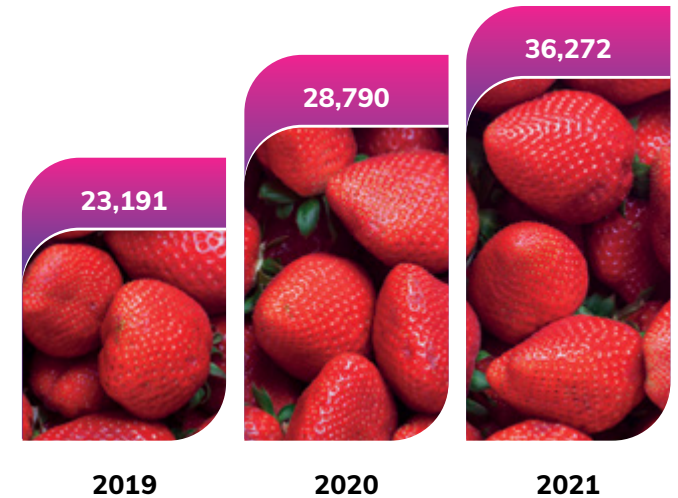
Moreover, we widespread throughout our company the sustainability works which became the backbone of the ecosystem and prioritize the projects and investments in this respect. We care about all our stakeholders in all our activities and aim to create sustainable economic value. In order to proceed with a future-oriented approach, we made an investment of TRY 5.8 million in 2021 within the scope of sustainability-focused R&D and innovation efforts. In 2021, our sustainability-oriented R&D and innovation investments represented 10% of this amount.

To achieve our development goals that we set on sustainability, we make investments and planning and generate innovative solutions with all our stakeholders in our value chain.



Zero-Based Budgeting: In 2021, we established a process management team aimed at budget saving throughout the company. We determined the cost categories in the company and analyzed all the processes constituting the costs in these categories. In workshops organized for generating ideas, more than 100 ideas were generated on making saving for budgets in different categories. As a result of the projects that we implemented, we made a significant amount of saving within the year.

Net Sales* (TRY Million)



* Figures of 2019 to 2021 are revised figures and they are exclusive of Northern Macedonia operations which were discontinued.

Our Capital Structure

As of December 31, 2021, the company's capital structure of TRY 181,054,233 is as follows:

Name	Share Amount (TRY)	Share Ratio (%)
MH Perakendcilik ve Ticaret A.Ş.	89,046,058	49.18
Other	89,046,059	49.18
Migros Ticaret A.Ş.	2,962,116	1.64

Our company's paid capital of TRY 181,054,233 has not changed within the year. As specified in the material disclosure of our Company's shareholder Kenan Investments S.A., dated January 26, 2021, Kenan Investments S.A. no longer holds shares in Migros.*

Our retail operations in Kazakhstan were discontinued in 2020 and our retail operations in Northern Macedonia were discontinued in March 2021, and we continue our foreign operations with 1 shopping mall in Kazakhstan. In 2021, we opened 162 Migros (119 M, 41 MM and 2 MMM), 98 Migros Jet, 11 Macrocenter, 31 Macrokiosk, 2 hypermarket (5M) and 3 Migros Toptan stores domestically. Our total net sales area increased to above 1.68** million m2 at the end of the year.

There is no information rearranged according to previous reports.



Our Contribution to Employment and Local Development

To achieve our goal of creating sustainable economic value for all our stakeholders and Türkiye, we continue our operations without slowing down, and we pull out all the stops every day to do better for our country. To contribute to the local development, we support local production and gain it to the local economy. We endeavor to increase employment to create better opportunities for our country. Accordingly, we aimed to provide 8,100 new employments in 2022.

As a result of our efforts, we achieved an increase of **26%** in our consolidated sales.

In the '**Annexes**' section of our report, you can find detailed information on the direct economic value details produced and distributed for the reporting year.

* You can find detailed information on current purchases and sales in our **Annual Report for 2021**.

** Only physical stores were included in this sales area, and e-commerce dark stores were excluded (23 Hemen, 1 Sanal Market, 1 Tazedirekt and 1 Cargo Operations).

Our Suppliers

With our network of 2,492* active suppliers and 20,000 farmers, which we consider as one of our most important stakeholders, we have a rich supply chain growing every day. We added 387 new suppliers in our business partners in 2021. Like in our operations, our entire supply chain is committed to sustainability principles. We are the retailer purchasing most from Agricultural Credit Cooperatives in our industry, and in 2021, we increased our collaboration with Agricultural Credit Cooperatives and made a purchase of TRY 150 million. By this means, we reach many producers of different sizes, provide them with consultancy for production in accordance with our Company's standards, and support them in gaining a place in the market.

Our suppliers have a very significant impact on our value chain. As an outcome of this impact, the payments we made to our suppliers throughout 2021 constituted 75.4% of the whole economic value we distributed within the year.

We strengthen and support our farmers by implementing '**Producer Financing System**', the first project in our country to bring together farmers, supermarkets and banks collaboratively to ensure the continuity of agricultural production. Within the scope of the project, our farmers may receive the price of the products to be sold in our stores, from Ziraat Bank and İş Bank without waiting for their due date. By reducing the intermediaries in the supply chain from the producer to the consumer, we support the balancing of food prices and the collection by producers of their receivables in a shorter period.



* Number of our active suppliers from whom we make purchases of TRY 1,000 and above. You can find detailed information on our suppliers in the "**Sustainable Growth with Our Suppliers**" section.

Our Employees

We continue to actively provide services with our stores in 81 provinces of Türkiye and with our online operations. We employ more than 50,000 people including our indirect employees within the scope of our activities. We continued recruitments at the same rate during the Covid-19 pandemic. We employed 8,000 new employees in 2021.

You can find detailed information on our employees in the '**Our Employee Profile**' section.



Our Customers

It is among our priorities to create value for our customers and contribute to the production and employment. Accordingly, with our business understanding focused on our consumers and offering quality at best price, we consider contributing to the family budget as our first priority in creating value for our customers, and we organize various campaigns and provide discount opportunities throughout the year. With our yellow label application, we offer our customers the best quality and price guarantee on more than 1,500 products, including our private label products. As a result of all these practices, we ensure that all our consumers can reach quality products with affordable prices.

You can find detailed information on our customers in the **“Effective Communication with Our Customers”** section.



In 2021, we reached **98%** of the houses in Türkiye, acting in line with our goal of creating value for our customers.

Civil Society

As Migros, we donated a total of TRY 725.4 thousand in 2021 for social aid. Within the year, we donated to organizations such as Educational Volunteers Foundation of Türkiye, Anatolian Educational and Social Aid Foundation, Koç University, Aegean Forest Foundation etc. In line with our social responsibility projects and collaborations, we work with various non-governmental organizations. Thanks to the hidden and offal donations to TEGV and ZİÇEV through Migros during the Feast of Sacrifice of 2021, 3,897 children were supported in their education.



Public

According to the consolidated IFRS financial statements, our corporate tax in 2021 calculated by independent auditors is TRY 185,78 million. In addition, our expenses of taxes, duties and charges for 2021 were calculated to be TRY 34.69 million in total.



Integrated
Report

Better for Our Employees

- Our Employee Profile
- Empowering Our Employees
- Employee Satisfaction
- Our Employees' Health and Safety
- Gender Equality and Equal Opportunities

Our Employee Profile

Following the value we created, we act in parallel with our company's culture, values and our governance approach to ensure health, safety and development of our employees. To help and add value to the development of our employees in this respect, we carry out trainings and provide career opportunities. We also make investments to ensure the development as well as health and safety of our employees. In addition to fair and transparent performance and career management, we continue our efforts to keep employee satisfaction at high levels and to create value, with fringe benefits we provide to our employees and with gender equality and equal opportunity practices. Our employees have a key role in our ability to quickly adapt to changing and transforming world conditions. Accordingly, it is among our priority goals to create **a competent and qualified employee profile** by investing in our employees. To make it easier for our employees to bring to light their creativity and discover their intrinsic power, we follow a strategy that will increase their motivation.

We believe that **protecting employee rights, ensuring an equal working environment and contributing to the personal and professional knowledge of our employees** play an active role in sustainability. We implement practices and policies that will enable our employees to strengthen their competence in issues such as solving problems, making the right decisions and owning their business.

In addition to offering **equal opportunities** to our employees with our fair employer identity, we provide our customers with services together with all our employees,

by collaborating with our domestic and foreign affiliates, **without discrimination of language, religion and ethnic origin. We play an active role in ensuring gender equality and equal opportunity** both in the business and in our society, while participating in various projects with our business partners. Thus, we contribute to the creation of an **equal and fair working environment** both within the company and in the business.



In 2021,

- ▶ **40%** of **40,470** employees were female and **60%** were male.
- ▶ We employed **8,000** new people.
- ▶ Thanks to our internal application system, we hired personnel for **725** positions using our internal resources.
- ▶ With our "Recommend a Friend" project, we assess the recommendations from our employees and hired **395** people.
- ▶ The number of disabled employees employed in Migros reached **1,026***, 21 of whom were in management level.
- ▶ We placed **98%** of our managers from our internal resources.
- ▶ Our employees with an age average of **32; 80% Y** and **7% Z** generation members.
- ▶ We reached an average term of service of **11** years in our administrative departments and store managers.
- ▶ **55%** of our employees work in their hometown.**

*Our disabled employees comprise 3% of all employees, of which 27% are women and 73% are men.

**The province of birth registered is regarded as the "hometown".

We keep customer satisfaction at a high level, offering our customers a higher quality service with our staff having a high competency level.



Empowering Our Employees

Talent and Career Management

As the greatest supporter of our employees, we contribute to their professional and personal development from the first day of their employment to develop their competencies and support their career planning. We monitor the competencies, talents and performances of our employees with our human resources assessment system, and we assess our employments fairly and transparently as a result of this monitoring and observations. Our performance assessment system uses the KPIs (key performance indicators) and the OKR (Objectives & Key Results) structures that reveal agility. We dynamically follow up throughout the year the status of key financial goals with KPIs and the projects with OKRs. In addition, strategic workforce planning and talent gap analysis of the workforce are carried out. Our administrative department employees and store

managers are biennially put through a competency measurement and potential assessment consisting of 2 stages. In our Performance Management, besides financial targets, there are also project-based targets. While measuring financial results and basic functional metrics with KPI; with the OKR (Objectives & Key Results) structure, projects are monitored and evaluated.

With this assessment, which we call **“360° Feedback and Personal Assessment”**, our employees can see how their competency is monitored by their managers, subordinates, superiors and peers. Then they have reports that enable them to correctly identify their potential as a result of the reliable inventory of Personal Assessment Tools. By this practice, we identify their potential and help them with their development plans according to their strengths and aspects for improvement.

In 2021, we placed **98%** of our manager staff from our internal resources.



Our practices in 2021 to support our employees in shaping their career:

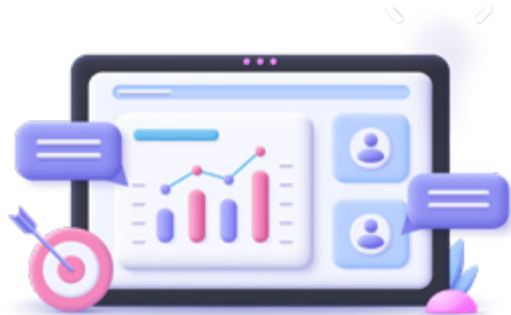
- ▶ Individual performance assessment for **34,256** employees
- ▶ Annual assessment for **9,500** employees from administrative unit and store management
- ▶ Bi-annual assessment for remaining store employees
- ▶ More than **4,700** employees from administrative unit and store management underwent 360° Feedback assessment.
- ▶ Additional assessments with an independent consultancy firm to reveal the competency potentials of our employees



With our **“Migros Career Paths”** application, we provide our employees from all stores and administrative departments with the opportunity to manage their careers properly and efficiently. We give priority to our employees for the position gaps and opportunities that arise in our department, and we ensure that they can climb the career ladders.

Results of the Competency and Performance Management processes constitute the basis for Strategic Human Resources planning. At Strategic Human Resources planning meetings, critical positions at all levels and backup plans are set, and proactive decisions are taken aimed at the future of organizational structure.

We carry out various efforts in order to ensure a sustainable working motivation for our employees, and we reward them for their success and efforts. With the **“Migros Rewarding System”**, we award various prizes to our employees in line with their performance in the areas of creativity, creating added value and teamwork. In this context, we distributed a total of 2,400,000 reward points to over 7,000 employees in 2021. These points can be used for shopping both at Migros and at contracted institutions.



İYİ İŞ İYİ GELECEK

As Migros, with our motto of “better job, better future”, we attach importance to acquisition of young talents to our company, and we bring our brand ambassadors together with young talents online. We updated our corporate career website to help them know about our company and teams to ensure that they can easily and quickly apply to our job advertisements. We provide continuous information and support through our Migros Career **Instagram**, **LinkedIn** and **Facebook** accounts.



With our Smart Long-Term Internship Program, we provide university students with the opportunity to participate in orientation, mentoring, and training/development programs for 8 months and to gain professional experience. Through Anadolu Education and Social Assistance Foundation (Anadolu Eğitim ve Sosyal Yardım Vakfı), we provided success scholarship support to a total of 14 university students, 13 of them in the country and 1 abroad. In addition, we provide mentoring support with our 13 top managers to the mentoring program, which is designed to guide the future of the students.

We determine our remuneration approach for key positions and administrative units of our company based on Korn Ferry’s remuneration market data. Detailed information of our remuneration system can be found in our Human Resources Policy.



Contribution to Employee Development

To contribute to our employees, regardless of the circumstances, we quickly adapt to the current condition to ensure sustainability of the development of our employees, and we produce various training methods. The trainings that we provide to our employees covers the main topics of professional development, on-the-job training, competency development, personal development leadership and management. With “**Migros Retail Academy**” (MPA)”, we offer all our employees the opportunity of training at work and lifelong learning and provide them with in-class and distance trainings for their career and personal development.

Through “**Migros Retail Academy**”, we first aim to develop the human resources that will achieve the strategic goals of the company, in accordance with the company’s priorities and personal and industrial needs. We believe that the key to sustainable success for organizations in the quickly changing and transforming world is to re-create talents adding skills, and we work through this goal. We aim to create experiential improvement journeys for our talents by blending all innovative ideas and methods to create a corporate and personal effect. Recently we have been focusing on Servant Leadership, Diversity & Women’s Leadership, Organizational Climate, Reverse Mentoring, Upskilling & Reskilling and Learning From Each Other to ensure a leadership transformation for sustainable success. Following these strategies, the Migros Retail Academy monitors key training objectives for our head office and store management staff within the scope of performance management.



In 2022, we aim

- ▶ to increase the Average Training Hours Per Person (In-Class + Online) to **104 hours**
- ▶ to raise the strategic trainings in all our trainings provided throughout the year to a **minimum of 15%**,
- ▶ to increase the total training hours of Leadership and Potential Development Programs by **45%**,
- ▶ and to increase the total training hours of New Generation Competency Development Training Programs by **20%**.

We provide our employees with a daily average training of 4,896 employee*hour (an average training of 80.4 hours per person including face to face and remote trainings) at regular intervals according to their needs to ensure particularly professional development, on-the-job training and competency development. 87% of the total hours of training given in a year in our company is provided from internal resources and without incurring training costs. In 2021, we provided training to 99% of our employees. The remaining portion is the persons who left their job in the trial or couldn’t participate in training due to absenteeism.

In line with our changing strategies, we periodically update our training content according to the needs of our employees. The “**Faculty of Leadership Development**” continues its activities on leadership and skills development, and we provide trainings to enhance the leadership skills of our employees.

Perakende eğlenceli bir iştir.



To support our employees against the adverse effects of Covid-19 pandemic, we designed 25 different remote training modules specific to Covid-19 pandemic, particularly information and awareness, mask usage, disinfection rituals, hygiene rules, physical and emotional resistance, vaccination and remote and office work. In 2021, our modules were used by our employees 119,328 times.



In 2021,

- ▶ Our investments for our employees in all areas such as personal and professional development, training, career planning, performance management and competency assessment, exceeded TRY 11.5 million.
- ▶ 40,470 employees received 3,130,246 hours (employee * hours) of training.
- ▶ Our employees received a total of 1,787,000 hours of in-class training under 434 different titles and 1,342,000 hours of remote training under 2,060 different titles.
- ▶ Through our MPA Teams channel, we shared with our administrative department employees 143 open source videos with inspiring contents such as personal development, general knowledge, time management, emotional resistance, health and themes on the agenda.
- ▶ We assisted a total of 5,095 people that we encouraged to participate in İşkur's On-the-job Training Program, 2,594 females and 2,501 males, to gain experience and adapt to working environment before getting a start in the working life.

“Migros Retail Business Associate Degree and Bachelor's Degree Program”, in collaboration with Anadolu University, provided our employees with the opportunity to be an associate degree and bachelor's degree graduate. After completing 5 certificate programs during the training process, our employees are deemed to be graduates of an associate degree within Migros; in addition, those who complete 3 more certificate programs are considered to be bachelor's degree holders. Under this program, 87 employees have been awarded Associate or Bachelor's Degree up until today.

Our collaboration with Koç University, Boğaziçi University and Uludağ University goes on for the training programs we provide to our employees at different levels with different expertise. For the long-term “Store Manager Training Program”, we have been collaborating with Anadolu University, Karadeniz Technical University, Ege University and Süleyman Demirel University to carry out MAYA Orientation Programs. In addition to their academic program, senior students at these universities take retailing classes from Migros Managers and academics. Students participating in the program have the opportunity to work part-time, first as a store employee and then as a store manager. In 2021, we also collaborated with Bahçeşehir University and Yaşar University for our works to create an Agriculture Platform. Our Good Idea, Good Project platform aims to assess the new and creative ideas of all our employees through the Idea Hunters from different departments and to put into practice those that are found appropriate, and to make the projects compete with each other. Ideas are evaluated in 10 categories such as efficiency, sustainability and technology etc. A total of 3,182 ideas were entered in 2021. Among those ideas communicated since 2020, a total of 22 projects were put into effect with 18 quick implementation.



As the expectations from the employees change in time, we design numerous projects as Migros and implement them to train employees who will meet the changing expectations. Accordingly, we launched in 2019 the “**Internal Entrepreneurship Development Program**” which we grounded on a basic entrepreneurship model to quickly adapt to changes and transformation in our project management processes. Teams assigned between functions create collaborations by using agile working methods and put innovative business ideas into practice. 21 different projects were examined in the program and 263 people participated in these projects up to now. In this period, agile internal entrepreneurship project teams participated in theoretical and applied workshops. One of the projects was incorporated into a company, 10 projects that succeeded entrepreneurship were transferred to the respective departments to be integrated into the regular businesses of our company. In addition, we focus on the competency development of our employees when designing the programs, and thus we also have the advantage of creating new career paths. Establishing agile teams with members from different departments, we implement new project ideas, quickly take actions and create a comprehensive knowledge within our company together with team members with different competencies.

In 2021, in the **Agile Transformation School** that we designed combining our training programs to support agile transformation under a single umbrella and enrich them with different contents, 194 programs reached 2,934 participants both with comprehensive programs supporting us in adapting to agile business manners and strengthening our entrepreneurial spirit, and with trainings that prepare us for the future with firm steps by developing our digital competencies. We carried into effect the **Agidemy**



Master Development Program aiming at training experts on Agile, Scrum and Kanban, which took 6 months with 18 participants. We started to follow up the digital competencies of future under the trademark GETReady, and constituted 7 new training topics under **GETReady Tech** with a developed competency set. GETReady future competencies training was held in the form of 92 group virtual classroom training sessions with 1,246 participants. In addition, the GETReady Tech catalog, through which we aim to develop the digital competencies of our employees, was created. In the GETReady Tech trainings, 37 training sessions were held with 606 participants. ADAS Translator program produced its graduates of its 3rd period.



We provide management skills training to our employees who have been promoted to the executive/lead position, with the Building Blocks of Management program, and to our employees who have been promoted to the manager/expert position, with the Mission: Leadership program. Within the scope of Migros Leadership Path program, leadership training is given to potential executives, assistant store managers and store managers who will play a role in the future of the company. Experienced managers and group managers are also provided with training that will strengthen their leadership competencies. We plan all our works and programs to ensure that our female employees can take part more in management levels. We support the vision that the business world can fight better against difficulties if women progress in leadership roles. We support career processes with manager coaching and personal development plans to ensure that our female managers represent us at industrial committees and professional organizations and to encourage their participation accordingly. 42% of our participants of the **Migros Leadership Path – I Develop Program** that aim to train the future leaders **are our female managers**.

With KÜMPREM, the Koç University & Migros Executive Development Program, we ensure that our mid-level managers are equipped with all kinds of information they may need in the business world, with a program lasting 39 days/234 hours. In addition to academic knowledge, the programs are supported by case studies specific to the domestic and international retail industry, with the participation of industry experts.

Our trainings not only increase the sectoral and vocational competencies of our employees, but also increase their loyalty to our company. On average, 70% of those who complete our training programs continue to work with us for along time.



Thanks to MPA, which includes different training and development programs, we were awarded a total of 36 prizes in the international arena.

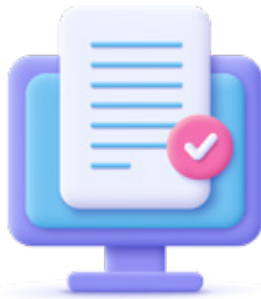
You can find detailed information on the trainings that we provided to our employees during the year, in the **'Annexes'** section.



Employee Satisfaction

We consider our employees as the most important part of our value creating process, and we take actions to ensure continuous employee satisfaction. “The Employee Loyalty and Satisfaction Survey” yearly conducted by an independent research company measures the satisfaction level of our employees and their loyalty to our company. These assessments accurately identify the areas for improvement and help us take actions accordingly. Our research in 2021 with a participation rate of 96%, the employee loyalty ratio was found **69%***.

There is an employee satisfaction and loyalty target in the performance cards of all our executives at manager level and above, including the members of our senior management. 2.5-3% of annual performance bonuses are directly affected by this target.



To increase the satisfaction of our employees and to strengthen their loyalty to the company, we provide all employees of stores and administrative departments with many fringe rights such as private health insurance, life insurance, personal accident insurance, automatic private pension scheme membership, check-up coverage etc. In 2021, we made an expenditure of TRY 3,308,763 for employee wages and benefits. We make basic fringe benefit payments to all our employees such as food allowances, salaries and bonuses. We also provide our employees with benefits such as travel allowance, feast allowance, leave allowance, fuel allowance, clothing allowance, education

allowance, social benefits such as maternity, death and marriage, fuel oil allowance and office support package. In addition, our employees also have varying fringe benefits depending on collective labor agreements and individual employment contracts. Changes in working hours due to Covid-19 did not have any negative impact on employee salaries. Our employees can be given paid official leave up to 1 week in the cases such as the need to take care of family member or loss of relatives.



We have a bonus practice that is applicable to 70% of our administrative employees, other than those in the top management, in line with their seniority and positions, and to all of our store employees.

“DEHA”, the flexible fringe benefits program specific to our Migros administrative and white-collar store employees, offers our employees the opportunity to rearrange their current fringe benefits. The program provides our employees with electronic items and clothing allowance, fuel oil allowance, various benefits on e-commerce and holiday. DEHA flexible fringe benefits program, awarded Stevie Awards for Great Employers, was offered to 5,777 employees in the reporting year.

For our store employees, we have a flexible shift schedule with a minimum of 4 hours of work a day and a maximum of 11 hours of work a day, to be counted towards the required 45 hours a week. In our administrative units, flexible working is available provided that the required weekly working hours are completed by starting/ending the work 1 hour early or 1 hour late.

We resolved 38,558 calls we received in 2021 through our “Migros Sharing Hotline”, which is dedicated to the problems of our employees aiming to reply their questions in written and orally and to handle the possible breaches of ethical principles in the most effective way.



We create various opportunities to increase satisfaction of our employees and to ensure that they can have an enjoyable time. In 2021, our employees benefited 107,952 times from the events and activities detailed below.

- › We support our employees in developing and socializing in different areas through our hobby and travel clubs. In 2021, our Nature and Adventure Club, Cooking Club and Bicycle Club were active.
- › Nature and Adventure Club organized events in Kartepe Karaoluk Plateau and Kuzuyayla Natural Park.
- › 500 people participated in the bicycle-themed photo contest organized by the Migros Bicycle Club, which we lead throughout Türkiye. The bicycle club organized the Natural Event for Prevention of Extinction of Cappadocia Lizards with 40 participants and Istanbul Büyüka-da Pine Scent Event with 25 participants. In the European Mobility Week, we organized Eskişehir Porsuk Stream Event and Erzincan Dark Canyon bicycle event with 20 participants. In Istanbul

Formats Marathon was organized in the European Mobility Week, the first 3 contestants were awarded a cup and 25 contestants were awarded a medal. In Istanbul H24 races, we ranked 12th among 350 participants and won a participation reward to our company.

- › Migros provides discounted tariffs specific to its employees to ensure that we can both easily access Migros applications and enjoy internet with ease of payment. A total of 5,778 employees benefited from this, using 8,568 lines. Migros employees have these privileged tariffs with a fixed price guarantee of 2 years.
- › With contributions of Anadolu Efes, we provide a total of 415 people with the opportunity to watch 10 enjoyable games.

	2021
Number of employees who participated in the employee loyalty and satisfaction survey	39,000
Employee satisfaction score (%)	79
Employee loyalty score (%)*	69

In 2021, we were awarded the “Employee Loyalty Success Award” with the scores of our employee loyalty and satisfaction surveys.

*The Employee Loyalty rate is also monitored on a gender basis. Employee loyalty rate was 72% and male employee loyalty rate was 68%.

Freedom of Association

As an indicator of our respect for the unionization right of employees, we have labor union member employees in our Company since 1972. We are in a dialog with the trade union to discuss issues such as elimination of forced and/or child labor, compliance with all the local rules and regulations and being impartial and fair. The failure to comply with ILO standards under the umbrella of Migros may lead to disciplinary penalties or penal implementations.



Our Company implements the collective labor agreement signed between Migros and Tez-Koop Trade Union and which is valid from 1 May 2020 to 31 December 2022. As of 2021, 70.1% of our employees are union members. The collective labor agreement includes provisions of occupational health and safety, related to protective food aid, cleaning supplies and equipment, sick leave and pay, workplace doctor, examination room and medicine cabinets, illness, persons to be employed in light duties, work clothing and equipment. Under the collective labor agreement, a bonus is also loaded for food allowance into Money cards of Migros, MigrosJet and MiGET employees every month. Employees who are union members have bonuses, food allowance, travel allowance, religious feast allowance, leave allowance, fuel allowance, clothing allowance, and premium benefits according to their entitlement. In addition, employees are granted marriage, maternity and death allowance in case of such events and education allowance once in a year for their studying children, at the amounts specified in the collective labor agreement.



Our Employees' Health and Safety

We undertake to create a safe workplace environment where we will provide safe conditions in line with our priority to protect the health and safety of our employees. Under the Occupational Health and Safety (OHS) Law, we classify* our area of activity and carry out activities in this respect which will set an example for our industry.

Performance Indicator	Target Year	Target	2021 Performance	Status by Target	Base Year / Status
Work accident/Work accident severity rate (lost days)	2025	1% ↓	0.22% ↓	In progress	2020 / 19.09

Our OHS committee meetings are regularly held in stores, MİGET, breeding farms, distribution centers and fruit and vegetable warehouses. We consider the compliance with TS EN ISO 45001 Occupational Health and Safety Management System Standard of our departments and activities and systematically manage the OHS processes. We work to improve our operations to ensure a sustainable, safe and healthy working environment for employees, prevent occupational diseases, minimize work accidents, define hazards properly and identify the risks, and take proactive measures.



In 2021, we invested a total of TRY 17.9 million for OHS, including our works for protection from the global pandemic.

Occupational Health and Safety (OHS) issues are among the goals of the OHS employees and executives working under our Industrial Relations department. These goals, which have a share of 40% among all purposes, directly affect annual performance bonuses.



*While the head office, branch directorates and stores are in the less dangerous class, MİGET meat production facility, fattening farm, distribution centers, and fruit and vegetable warehouses are in the hazardous category.

Our Occupational Health and Safety Policy covers all our employees, business partners (subcontractors, contractor suppliers etc.) and customers, and we publish our up-to-date policy on our corporate website. We aim to create a safe working environment with our **OHS Policy** to protect our employees, business partners and customers from the health and safety risks arising from our workplace environment while also developing proactive approaches to ensure continuity of this environment.

By the risk assessments for all our workplaces, we identify hazards and determine routine and non-routine activities. Accordingly, we use special software to systematically and centrally audit and report all our processes and activities under OHS. This software allows us to carry out risk assessments annually at new and existing workplaces and plan corrective and preventive actions in the areas identified due to the evaluations.

In case any non-compliance is identified, we enter and record all relevant information through the “MSafe Occupational Health and Safety” screen. Our OHS department monitors and reports the recorded non-compliances.

Covid-19 Risk Assessments and Pandemic Emergency Action Plans for newly opened workplaces continued to be prepared in 2021. Documentation for Covid-19 was kept up-to-date in accordance with the legislation and implemented within the framework of a certain standard.

Our departments have TS ISO 45001 Occupational Health and Safety Management System certification.



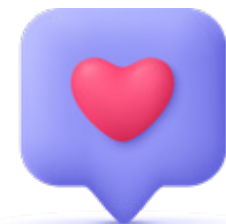
Our Performance and Targets

Our OHS practices and employee training aim to reduce lost working hours. As a growing company, we are enlarging our OHS team in proportion to the number of newly opened stores and an increasing number of employees, and we aim to reduce our occupational accident/lost day violence rate with increased monitoring. Accordingly, we aim to reduce the number of days lost due to occupational accidents by 1% until 2025 compared to the base year of 2020. In 2021, we achieved a 0.22% decrease compared to the previous year.

You can find detailed information on “lost days/hours due to work accident” and “departments where work accidents occurred”, by years, in the **‘Annexes’** section.

In 2021, we reduced the number of lost days due to work accidents at the same stores (like for like*) by 32%. In addition, no accident involving death occurred in 2021 in the operations carried out within our company.

*The performance changes of the same store (like for like) reflect the percentage of improvement in the lost days due to work accidents in 2021 in stores that suffered lost days due to work accidents in 2020.



OHS Training and Inspections

We provide our employees with a safer working environment through the trainings that we provide to ensure that our employees will learn their duties and responsibilities regarding occupational health and safety and act more carefully. Our occupational safety experts and workplace physicians provide on-the-job and periodic OHS trainings face-to-face and online, both in our service locations and during on-boarding. The trainers and occupational safety experts of our contracted companies provide emergency action plan training at all our workplaces within the scope of OHS, and we carry out examinations following these trainings.



Class Trainings

OHS
22,215 employees
54,874 hours

Covid-19
13,871 employees
13,871 hours

Online Trainings

OHS
10,676 employees
36,087 modules


Covid-19
32,590 employees
119,328 modules

Our Occupational Health and Safety Committee in our Head Office has been structured in a way to represent all our employees. In addition, we established Occupational Health and Safety Committees in all departments with 50 or more employees. We provided OHS services to 11,954 employees, which corresponds to 31% of our store employees. The number of our employees who received OHS service is 13,528 including the employees of our administrative department which represent 29.5% of total number of employees.

In 2021, a total of 57,155 health checks were carried out by workplace doctors on our employees as part of pre-employment examinations, periodic examinations and outpatient examinations. As part of the fight against Covid-19, health checks were carried out by referring Occupational Physicians to 2,887 points for the necessary contact tracing studies in the workplaces, and a total of 47,302 employees underwent check-ups. The rate of female employees who took leave in 2021 due to the effects of the Covid-19 pandemic is 43%.

Occupational health and safety documentation including the Emergency Action Plan and risk assessments were completed at 307 stores and 103 seasonal stores that were newly opened in 2021.

77 + **90** + **30**
 Occupational Safety Specialist Workplace Doctor Healthcare Personnel
 provided **187.878** hours of OHS service.



The employee groups with the highest risk of work accidents are charcutiers and butchers working in service departments due to their use of sharp objects.

The control processes we apply in order to eliminate and minimize the hazards are as follows:



Eliminating Hazards and Reducing OHS Risks

- › Removal of the hazards
- › Stopping the use of hazardous chemicals
- › Using ergonomic approaches while designing new workplaces
- › Removing the unnecessary equipments
- › Including the near-miss incident reporting forms on the OHS notice boards of all our departments to allow employees to report hazardous situations



Substitution

- › Preferring safe chemicals for employee health (MSDS control)



Engineering Controls

- › Environmental measurements
- › Regular periodic controls
- › MSafe non-compliance records opened after periodic controls
- › Construction/technical work request forms
- › Site audit reports
- › Determining the OHS conditions of technical procurement



Administrative Controls Including Education

- › Preparing the instructions and OHS documentation
- › Obtaining appropriate licenses and certificates
- › Determining OHS rules and following up their implementation
- › Site audits
- › Professional training
- › Applied orientation training in 14 steps
- › Basic OHS training
- › OHS distance training
- › Informative training after work accident or occupational illness
- › Work equipments trainings
- › On-the-job talks
- › Situation-specific occupational health trainings within the scope of health agenda



Personal Protective Equipment (PPE)

- › Assessing PPE requirement against the hazards and risks exposed
- › Determining PPE in compliance with standards
- › Preparing the instructions for PPE use and announcement to the employees
- › Debiting PPE upon employees
- › Auditing the use of PPE

Our Employee Health Program

We carry out studies to ensure the health and safety of our employees and business partners, which we consider as one of the major responsibilities. In line with our Better Job, Better Future understanding, we support the career and personal development of our employees and carry out a comprehensive employee health program to help them be healthier both mentally and physically. This program covers our employees in our Head Office, branch directorates and stores.

As a result of the performance assessment we made in line with the evaluation criteria of the Workforce Nutrition Alliance, which includes the healthy and nutritious meal opportunities offered by the companies to their employees, health checks and training, and breastfeeding opportunities in a sterile environment, our company got the Gold status.



In 2021, our employees benefited 119,328 times from 25 different employee health practices.

The works we carried out in this context in 2021 are as follows:

- ▶ We ensure the active participation of our employees in our Wellbeing Journey program* launched in 2018, through regular communication, training and recommendations.
- ▶ We made it convenient and easy to access private health insurance, health services and nutritionist opportunities.
- ▶ We daily share the calorie information of the meals in our centers with a mess hall, and offer diet menu options to our employees.
- ▶ 3,454 participants were reached in 43 sessions of the webinar series that raised awareness on many issues such as physical-mental health, psychology, remote communication and leadership, performance management, technology, retail and economy etc.
- ▶ 1,246 employees benefited from the Psychological and Medical Consultancy Service to meet their needs of psychological and medical support.
- ▶ We held talks on many topics such as healthy nutrition, metabolic syndrome and living with diabetes, methods of coping with amnesia, solutions to low back and neck pain.

The support we provided to our employees during Covid-19 continued in 2021 as well. Our 2020 Sustainability Report on the subject is included in **“Our Actions Against the Covid-19 Pandemic”** section.

*You can find detailed information on this in the **‘Our Projects Supporting Community Health’** section of our report.



Gender Equality and Equal Opportunities



Performance Indicator	Target Year	Target	2021 Performance	Status by Target	Base Year / Status
Female ratio among Directors and Higher-Level Executives	2023	23%	18%	In progress	2019/18%
Female ratio among Top Management (Chief Executive Officer and direct reports)	2026	27-33%	25%	In progress	2018/15%
Female Executive rate	2027	35%	30%	In progress	2019/28%

Our Migros Better Future Plan prioritizes gender equality and equal opportunity as our central policies. We encourage and support women regarding productivity and entrepreneurship aiming to add value to the national economy, increase the welfare of the country and to achieve gender equality. In line with our goals and our **Human Rights and Equal Opportunity Policy**, it is on top of our agenda to implement and support projects to promote women's employment and participation into working life and gender equality. In the light of our policies based on gender equality and equal opportunity without any gender discrimination, we ensure that all our employees can shape their career plans taking into account their current duty, competencies and areas for improvement, and by this means we contribute to their personal and professional development.

The performance cards of our Human Resources Business Partners (executive and manager level) contain the goal of increasing our female executive ratio. These targets, which have a share of 3-4% among all targets, directly affect the annual performance bonuses.

We are among the companies that create employment for women most in Türkiye, with our 20 thousand female employees, 16,011 of whom are direct employees, and we ranked among the first 3 companies with our egalitarian culture in the 100 Women Friendly Companies list of the Women Friendly Companies 2021 research of Capital magazine aimed to point out the importance of women employment in business.



First in the Women Friendly 100 list we were among 3 companies.

Our Internal Practices for Gender Equality

We believe that gender equality is one of the essential parts of our corporate culture and aim to avoid inequalities to provide women with the opportunities they deserve, to prevent disadvantages they might encounter and to raise awareness on these issues. Accordingly, we carry out many practices and organize training to increase the number of female executives in our company. We started the **online training series of “Value for Equality”**. We discuss the issue in detail with the “Orange Break” session led by an educator and our interactive remote training dedicated to all our employees and share information on our egalitarian practices. To ensure that the concept of gender equality is adopted by our new employees, we added this training into their orientation programs as well. To embrace equality even more, we prepared and shared with all our employees a video training series in which we listened to Ebru Tuay, an expert psychotherapist, who was selected by UN Women among global champions, on Gender and how we organize our lives at home, on the street and at work, how we feel it in our dreams and experiences. In 2021, **10,200 persons participated in our “Value for Equality” training.**

In addition to our Value for Equality training, we carried out interview trainings for our managers in stores and administration. We established the principles of inclusion and equality to be followed by the departments interviewing the candidates designated by the Human Resources teams. It was again emphasized that it **is forbidden to ask discriminatory and sexist questions during interviews** and such questions cannot serve as criteria for elimination.

Apart from our trainings within the company, we also carry out various efforts to raise awareness. In 2021, we targeted stereotyped phrases to correct the disturbing sexist discourses in our language and informed all our employees with 2 different infographics pointing out the correct wordings. In addition, we make it enjoyable to learn

throughout the company by drafting questions about gender equality in the contests, and received correct answers by 70%.

As a leading company in the retail industry, we care about the role of women in management and aim to increase the number of female executives in our company taking active responsibility. We increased our ratio of **female executives** from **29%** last year to **30%** this year. We updated our goal of increasing the ratio of female managers to 31% for 2025 further to 35% by 2027. We aim to have at least 1 female manager in all our stores. As of 2021, the ratio our stores with at least 1 female manager is 48%, corresponding to 1,090 stores. 3 stores are managed completely by female labor. 33.5% of our total employees who were promoted in 2021 are women.



At the beginning of 2020, we signed the CEO Pledge of LEAD Network EU. According to 2019 data, our ratio of female directors and higher executives was 18%, and we committed to increase it to 23% by 2023.

Our Board of Directors signed a commitment of increasing female representation ratio in our senior management consisting of the Chief Executive Officer and direct reports to 27-33% by 2026. As of 2021, we have 3 females out of 12 people representing the Chief Executive Officer, other C-Suites and the directors directly reporting to the CEO.



We support all our female employees with all our power to help them shape their career path according to their interests and wishes and acquire new professions. As a result of our support, 209 female employees completed their specialization training under GATEM Butcher Training Program and started to work in our stores and fresh meat processing plants in 81 provinces. While the average number of female butchers in Türkiye is 1%, the ratio of our female butchers reached 7.7% as a result of the support of Migros.

Under our remuneration policy that covers all our employees in our domestic operations, there is no gender difference in salary and fringe benefits among employees with similar roles and performance. Out of employees hired in 2021, females represent 43%. Our guidebook named "Orange Book" details our remuneration system. We transparently share this guidebook with all our employees through e-mail and intranet. Basically, all our employees benefit from the fringe benefits specified by Collective Labor Agreement. Our store employees (blue collar) are hourly paid employees, and our store administrative employees (white collar) are salaried employees. Fringe benefits of all our employees are proportioned to their service period. In addition, their fringe benefits and salary ranges are determined referring to the market data and standards based on job, family, and level basis. Our policies and standards allow no gender difference in any aspect. Salary assessments for all our employees were made in 2021 and increased on the basis of the determined criteria above.

You can find detailed information on the ratios of female employees by their roles in the 'Annexes' section.



Our Works for Mothers and Expectant Mothers

Since 2020, we inform our pregnant employees with short training and video contents on healthy nutrition, child development, returning to business after giving birth, and legal rights through our **The Happy Mother pregnancy follow-up system** application. In 2021, 1,130 expectant mothers enrolled in the Happy Mother application. With this practice, we start to record our female employees from the start of the pregnancy period and we first send a congratulatory message to them. We inform our employees about women's legal rights during pregnancy. In addition, we support **our pregnant employees throughout the year via online trainings of different content, from nutrition to child development and parenting.** We include also our beloved fathers in the scope of **Happy Family**, which we address under the Happy Mother application; and we raise the awareness of fathers with trainings on topics such as parenting, supporting the mothers, and child care. On our Happy Mother application, the expectant mothers were offered 38,497 videos under 16 different titles, and 12,283 of these videos were completed. In addition, we reached **9,370 parents** with these trainings. Upon the birth, we congratulate our employees with a baby care package. As a Happy Mother practice, we also designed special uniforms for our pregnant employees to help them work more comfortably. The health insurance policy to which our company contributes covers prenatal and maternity services. There are breastfeeding rooms for our mothers in our headquarters, and the changing rooms in our stores are suitable for the use of our breastfeeding mothers.

We include our pregnant employees in the promotion processes even if they are on maternity leave to avoid an interruption in their careers. As Migros, mothers who have given birth are allowed to work at home until their baby turns the age of 1. In accordance with laws and regulations, maternity leave is 16 weeks, 8 weeks before and 8 weeks after birth, and paternity leave is 1 week. The breastfeeding leave of 1.5 hours per day legally granted to working mothers is applied in **Migros as 2 hours per day.** In addition, mothers can benefit from the right to work part-time in the 6-month period after having used their unpaid maternity leave of 6 months. In 2021, 573 female employees took maternity leave and 1,175 male employees took paternity leave. 42% of our female employees **took maternity leave in 2021 and returned to work at the end of 2021.** A significant portion of the remaining ratio consists of our female employees who are still on maternity leave.

Women in Technology Association (WTECH)

Like in all areas, we attach importance to ensuring that women can discover their potential and to ensuring equal opportunity in the science and technology world as well. In the light of this thought, **the number of our female employees in our R&D Center and Information Technologies and Business Development department increased by 39% in the last 2 years.** We closely follow up and support the activities of Women in Technology Association, which was established to support social development and to increase the number of women taking charge in the technology industry. For this purpose, our Chief Information Officer holds office in the board of the Association.





LEAD Network

LEAD Network, which we helped with the foundation of its Türkiye chapter, is an international non-governmental organization that focuses on increasing the ratio of female senior managers in the retail and fast-moving consumer goods industries and supports the increase of female employment in business life. In the most general sense, **Lead Network Türkiye** contributes to our industry to support the development of talented female workforce and to increase the number, reputation and sphere of influence of female leaders. Our Fast-Moving Consumer Goods Marketing Director is the Chairman of this non-governmental organization. In line with our objective, we participate in the **Lead Network EU – Mentorship Program with 3 mentors and 3 mentees from our company.**

In addition, we continue to involve in **Lead Network EU as a Silver Partner.**

Signing the CEO Pledge of LEAD Network EU in 2020, we committed to increasing the ratio of female senior managers by 5 points by 2023.



Migros Women's Club

Migros Women's Club, established in our social platform named **MSosyal**, aims to ensure the interaction of our female employees taking charge in our administrative departments and stores and to increase the loyalty of female employees. Having 1,280 members, our club shares informative and instructive contents in many areas from professional and personal development to health. In addition, a series of speeches by our female leaders is published to ensure that our female employees have inspiration, take firm steps and get supported on their way to leadership. 48 contents were published in our platform up until today.

Women on Board Mentoring Program

We continue our efforts toward the goals that we set for our female employees. In order to increase the ratio and loyalty of female employees, we participate in the intercompany mentoring program specific to our female managers, which is carried out by the Women on Board Association. Within the scope of all our activities, we organize awareness activities, trainings and conferences to promote the concept of gender equality and to be able to assign more female managers. In addition, to prevent replacement of female managers of our stores, we plan to carry out satisfaction surveys through our system 6 months after the start of employment and to work, according to the survey results, with the relevant persons to solve problems. To date, **3 female managers at the director level** have benefited from this program as a mentee.

Our Projects Supporting Gender Equality in Society

Family Clubs

With our Family Clubs established in collaboration with District Public Education Centers, we aim to develop the skills of women, men and children of all ages. In addition to providing free vocational and skill development courses in Family Clubs, we also offer socialization opportunities for people with similar interests.

With their **167 thousand members** consisting mainly women, our Family Clubs support women in taking a more active role in social life, investing in their personal development, acquiring a profession and becoming a more substantial role models for their children. There is an increasing number of women who participated in the courses of Family Clubs and started up their businesses with the knowledge and skills acquired and the certification they received, approved by the Ministry of Education.

As an outcome of the support of Migros, **15,000 female members started** to have an income to date **following their training**. In 2020, we opened Migros Family Club Instagram account to make up for the obligatory interruption to fact-to-face education and **reached more than 1 million people with short educational videos**. "As of today, 31 thousand women have completed our vocational courses, have been entitled to receive a vocational certificate approved by the Ministry of National Education and have been equipped to engage in trade, and 16 thousand of our trainees have started to earn income.

In our Family Clubs, we provide courses for children, such as painting, music and chess, as well as workshops on popular global areas like coding, sustainability and zero waste. We aim to develop their knowledge and imagination and ensure they can grow as conscious individuals.



In the Corporate Social Responsibility Research of Capital Magazine, Family Clubs were included among corporate social responsibility projects considered the most successful by the business world.





As of the end of 2021, our Family Clubs in our **Migros stores in 33 locations throughout Türkiye** provided up to **128** vocational and personal development trainings such as cooking, oil painting, foreign language, photography, robotic coding, and bee breeding.

In addition, we conducted trainings throughout the year to raise awareness and change behavior in the field of healthy living and sustainability.



- ▶ In Family Clubs, with healthy nutrition experts from the Provincial Health Directorate and Public Education Centers, information was shared on topics such as 'What is a healthy diet?', 'How can we maintain a healthy diet?', 'Popular diets: gluten-free, vegan and raw food diets', and breathing exercise workshops were held for healthy living.
- ▶ 4,633 people received training to date in 230 courses under the topic of 'Zero Waste Kitchen' within the module of Kitchen Arts, one of our certified training programs.
- ▶ In 14 Family Clubs, we provided waste-free dining tables courses and shared practical recipes of the Agricultural Products Office to avoid wastage of bread as well as recipes to make vinegar from pineapple, and jam from ripe fruits, in order to prevent food wastage.

- ▶ With one-day courses, we shared recipes to prevent food waste and inform 136 organizations and 3,057 people.
- ▶ We organized events in cooperation with private education institutions operating under the Ministry of National Education for raising awareness on barrier-free life and we gave sign language trainings in 12 different groups. In addition, 71 store employees in our Accessible Stores were provided sign language training.
- ▶ Bee breeding, ecological literacy, and medical aromatic plant growing courses were held.
- ▶ Trainings were held for purse, basket and accessory making by putting bags and recycling materials into good use. The training on making bags from old dated Migroskop magazines by an upcycling method reached 3,438 people.

Migros Women's Academy

Migros Women's Academy, which became a school in the retail industry, was launched at the beginning of 2021 by uniting the forces of Migros Retail Academy and Migros Family Clubs. This educational platform aims to inspire women in numerous subjects and contribute to them acquiring new skills and developing themselves through the courses that raise their awareness and motivation to participate in life. It aims to support women in many areas such as personal development, hobby acquisition, vocational training, family relations and brand creation. We organized in-class trainings with Regional Women's Cooperatives in Adana, Kocaeli, Samsun, Ankara and Eskişehir, with the support of the Ministry of

Trade. 500 people participated in the in-class events. We create opportunities for new collaborations with the in-class events.

In addition, Migros Women's Academy is planned to ensure those women who start their businesses participate in working life and market their products. Currently, this platform is easily accessible through Migros TV with more than 300 educational videos led by more than 50 instructors and trainings under more than 70 titles, providing 4 new educational content monthly. These contents in Migros TV had 296,637 page views. Besides, we update this platform by adding courses and new contents regularly. We aim to reach 1 million women in 3 years through our Migros Women's Academy.

HEDEF 1 MİLYON KADIN



Development and Acceleration of Woman Entrepreneur in Agriculture Program

Migros collaborates with the Women Entrepreneurs Association of Türkiye (KAGİDER) to strengthen women in the agriculture industry. The program, organized for the second time in 2021, has hosted to date 68 entrepreneurs selected among 433 woman entrepreneurs conducting business in the agriculture industry in online camps and 76 entrepreneurs in camps organized in a physical medium. To develop women in the agricultural sector and take more sustainable, solid and significant steps, 36 women entrepreneurs who participated in the online camp were given mentorship support for one year. Entrepreneur participants who meet the quality standards and relevant conditions are also offered the opportunity to be a supplier within Migros.

Better Future Ambassadors

In 2016, we established the Better Future Ambassadors Platform, which is an online platform where women who follow Migros closely can come together and share their ideas and opinions and contribute to the family budget by performing the tasks given.

The number of members of the platform, which was designed entirely for women, exceeded 140,000 between the year it was founded and 2021. In 2019, it became a platform that provides employment opportunities to women and has provided employment to a total of **460 women** as of the end of 2021.





Integrated
Report

Better for Our Customers and Stakeholders

- Our Approach Focused On Good Customer Experience
- Quality, Freshness and Hygiene
- Our Products and Services Supporting Healthy Living
- Effective Communication with Our Customers
- Our Projects Supporting Community Health
- Our Accessibility Practices
- Responsible Advertising and Marketing
- Sustainable Growth with Our Suppliers

Our Approach Focused On Good Customer Experience

Our customers are at the core of our business and one of the most critical stakeholders of our ecosystem. We aim to provide our customers with the highest quality standards and the most comprehensive product range at the most affordable prices, wherever they are, through our physical and online channels.


While we offer our comprehensive product portfolio to our customers at competitive prices, we stand out among our competitors with effective marketing strategies. We continue our intense discount campaigns throughout the year, especially on themed days. We sell Ramadan (Ramazan) boxes during Ramadan, sell animals for sacrifice from our stores and Migros Sanal Market during Eid Qurban (Kurban Bayrami), and sell unique baskets for the New Year's Eve. In non-food product groups, we organize That's Taken Care Of (Aldım Bitti) campaigns, campaigns, where seasonal and specific products are offered for sale at very affordable prices. As for fresh food products, on the one hand, we aim to deliver these products to customers faster and fresher, and on the other hand, we make price reductions on certain fresh products. With our private label products, we offer the most affordable items in the market in their category with high-quality standards, which covers basic needs categories.



Quality, Freshness and Hygiene

As part of the responsibility we assumed as the pioneer company in the retail industry in Türkiye, we inform all our stakeholders in our value chain on conscious consumption and well-being, and encourage our business partners to act accordingly.


It is our key focus to ensure accessibility of quality, fresh and hygienic products and contribute to the proper dietary habits of our customers with products and services supporting well-being. As Migros, we target to help our customers make their shopping choices with the knowledge of well-being and raise awareness in this respect. To this end, we deliver healthy products to our customers with our projects developed or in the development progression for many levels from production to access. Moreover, we have a "Right on Time" project to support the seasonal consumption of fresh products for the relevant products to be consumed in the current period. We point out the importance of seasonal consumption of fruits and vegetables in the range of the "Right on Time" project and try to raise awareness every month about the relevant products to be consumed in the current period. We share with our customers the preservation conditions of fruits and vegetables and tips for extending food life in addition to recipes.

You can find our **Health and Nutrition Policy** and **Own Brand Products Quality Policy** on our corporate website. 

We offer our customers a wide range of products we produce on our own and procure. We act on a sense of responsibility about these products regarding freshness, quality, health, and hygiene, which we care for most. As a leading company moving the industry forward, having this sense of responsibility, we created our policies and published them on our corporate website.

Within our **Health and Food Policy** framework, we describe in detail the rules and approaches regarding product range, product safety, certified product practices, quality standards in the new product group, and packaging and labelling information stating the nutrients and energy elements of products.

The standards that we set to ensure ethical, social and environmentally friendly production conditions as well as product safety for private label products of Migros are covered under our **Own Brand Products Quality Policy**.

You can find detailed information on the 'Right on Time' project, in the '**Our Food Waste Prevention Practices**' section of our report. 



Better Future with Food Hygiene

In 2021, we organized seminar series titled “Better Future with Food Hygiene” focused on food safety for hotels with **Migros Toptan** (our wholesale brand) and titled “Secure Tourism Requirements” with DQS company under Covid-19 and other hygiene practices at hotels. Food safety seminars were held for the first time in the maritime industry in Türkiye for Ditaş Denizcilik and Turkish Ship Owners Association. The manual of “Food Safety on Ships” and the guidance with the same title were published for the maritime industry.

Reliable Supplier Certificate

Migros Toptan received the ‘Reliable Supplier Certificate’ within the framework of the Supply Chain’s Trust Programme, conducted by ETÜDER and the Food Safety Association, which aims to eliminate the hesitations of consumers (restaurants, hotels, kiosks, cafes) against the quality and reliability of food served at out-of-home consumption points. We come together with the Food Safety Association and the stakeholders of the industry to support the determination and setting of the audit criteria for the audits intending to identify reliable suppliers (Control Organizations Criteria, Controller Criteria, Control Principles, Audit Results assessment criteria and Question Checklist for Trust in Supply Chain).

Our Quality Management System Certificates

We implement our policies by integrating international management systems into our production and service processes. We are the food retailer that has the most quality management system certificates issued by the Turkish Standards Institute (TSI) in line with our vision of being the leading company in the sector.

Our Quality Certificates

	Scope
TS EN ISO 9001 Quality Management System	Whole Company
TS EN ISO 9001 Quality Management System	Internal Audit Directorate
TS EN ISO 14001 Environmental Management System	Whole Company
TS ISO 45001 Occupational Health and Safety Management System	Whole Company
TS ISO 22000 Food Safety Management System	Whole Company
FSSC 22000 Food Safety Management System	MİGET Fresh Meat / Gebze Et Meat Production Plants
TS ISO 10002 Customer Satisfaction System	Whole Company
TS OIC SMIC 1 Halal Certificate	MİGET / Gebze Et / Tazedirekt Product-Based
TS ISO 14064-3 Greenhouse Gas Emissions Verification Statement	Whole Company
TSI Covid-19 Safe Production/Safe Service Certificate	Distribution Centers 100%, Vegetable and Fruit Plants 100%, Production Plants 100%; Head Office -Branch Directorates 100% (Selected Stores)
Statement of Independent Assurance in Human Rights and Supply Chain (Selected Criteria)	Whole Company
Sustainability Report Verification Assurance Statement	All Business Units

Our company has **the highest number of quality management system certificates** issued by the Turkish Standards Institute (TSE).

Our Product Quality Control Processes

We carefully ensured that almost **48,000* food and non-food products that we offered** to our customers in 2021 was compliant with the quality standards and that the production of each product was safe for human health. We aim to offer our products in a way that will provide all the required hygiene conditions and meet the highest standards of product safety at the international level, and we continue our work in this direction. We carry out all the audits and controls completely to provide our customers with top quality products. We ensure that our products are under control in the period from first procurement stage to the end consumer, by implementing Integrated Quality Management Systems. We established the Migros Quality Management Systems digital platform so that our quality management systems can be managed under a single roof, thus providing workforce efficiency, easy access, and instant reporting. In 2021, we conducted our quality management system audits online via a digital platform to protect the health of our employees and suppliers during the pandemic.

These targets, which have a share of 10-20% among the products safety targets of our product safety employees and executives working under our Quality and Environmental Management department, directly affect the annual performance bonuses.



With regard to our goal of ensuring food safety, we provided **food allergens training to 650 employees and pest control training to 693 employees** in 2021. Within the scope of Pest Control Training, we inform that we, as Migros, work with a professional service provider and ensure the management of the process in compliance with legal legislation. During the training, we discussed Migros IPM (Integrated Pest Management) standard, effective Integrated Pest Management and components of Integrated Pest Management.

Trainings that we provide to our employees are

2021

ISO 22000 Food Safety Management System	6,956
ISO 9001 Quality Management System	6,246
ISO 45001 OHS Management System	7,381
ISO 10002 Customer Satisfaction Management System	6,565
ISO 14001 Environmental Management System	5,762
Food Allergens	650
Pest Control	693

We care for ensuring that the labeling information of every product available in our stores and online channels to be delivered to our customers is in compliance with legal legislation, and we carry out all the necessary controls accordingly.

- ▶ If the label information of food products contain any claims made by the manufacturer pursuant to Turkish Food Codex Nutrition and Health Claim Regulation (energy-reduced, elements other than nutritional elements with a nutrient or physiological effects, fat-free, source of omega-3, no trans-fat, high fiber, high protein, contributes to protection of the immune system, contributes to protection of the heart functions, etc.), we check the accredited analysis reports of these claims and approve the products for sale upon the decision of compliance with the regulation.
- ▶ The information that are legally required to be displayed on the label of food products pursuant to Turkish Food Codex Labeling and Consumer Information Regulation includes food name, ingredients and allergen information, name and address of the food establishment, origin, net amount, Expiry Date / Best Before Date, batch number, special storage conditions, business registration/certification number, instructions for use, the degree of absolute alcohol by volume in beverages with an alcoholic content of more than 1.2% by volume, nutritional claims etc. We check the compliance all our products with Turkish Food Codex Labeling and Consumer Information Regulation.

- ▶ We check the labeling information as per the legislation for every product group from the categories of cosmetics, glassware, toys, detergents, papers, stationery, electronics and textile. Only products with appropriate and sufficient labeling information are allowed for sale. In addition, if there are any commitments made to the consumer on the labels of the products in these product groups, their sales is approved only after their accredited analysis report is checked.

In 2021, 50 non-compliances were identified regarding the regulations related to product and services information and labeling, and 33 non-compliances during the product health and safety audits carried out in stores and warehouses, and administrative fines were imposed.

You can find detailed information on the audits of products and stores carried out in 2021 in the **“Product Quality Controls”** table in the **“Annexes”** section.

**With sales of TRY 1000 and above*



Our Products and Services Supporting Healthy Living

In order that our customers can lead a healthy life, we provide our customers with various products and services through the community health projects that we carry out to support so they can have balanced nutrition and conscious consumption habits. In order to raise awareness on community health, we aim to make effective behavioral changes for every age group, and design and update our products and services according to the needs of our customers.

Disease agent microorganisms found in food products increase the importance of hygiene and make it a concern that requires caution. Therefore, we carefully manage the quality and control processes of our products and services, and care for the continuity of our projects intended to support wellbeing. We make beneficial collaborations with our stakeholders to take part in comprehensive projects in the social sphere.

You can find detailed information on our respective studies in the **“Quality, Freshness and Hygiene”** section.



Our Special Product Ranges

We care about the demands of our customers for products supporting healthy lifestyle, offering special product ranges. We increase every year the number of sugars, salt and fat-reduced, lactose-free, gluten-free, ecological and organic products, aiming to provide better service to those customers who prefer such products. Consumption of fruits, vegetables, legumes, nuts, cereal products, dairy products and meat products on a daily basis in certain portions is important for a balanced diet. In addition, special products with reduced fat, salt, sugar and increased beneficial nutrients support a healthy lifestyle. In this context, we introduced 12,721 products, 396 of which are private label, to our customers in 2021. These products consist 41% of our total turnover.

We particularly place organic chicken products on our shelves and regularly monitor the sales of these products. We encourage our manufacturers and suppliers to increase the amount of organic chicken and eggs provided to the customers. With wide product portfolio, high quality customer service and modern store designs, we continue our pioneering practices about special tastes and delicacies in our Macrocenter stores. In addition to the most refined tastes of the world to meet the lifestyle and preferences of our customers, we also provide valuable tastes of Anatolia.

Similarly, we produce various products for our vegan and vegetarian customers aiming to meet all demands. In 2021, our sales included 707 different plant-based and vegan

certified products, 81 of which were non-food products. With newly added products, the number of our products in vegan range increased nearly by 15% compared to the previous year.

4.25% of the products we sell in the entire detergent category are sustainable products in terms of their content or packaging.

20% of the products containing cacao, 30% of the products containing palm oil and 25% of the products containing soy oil, which are the commodities most notorious for deforestation, have sustainability certificates.





M Life

Following the worldwide wellbeing trends, **M** collects our products supporting wellbeing under a single umbrella, which we designed for the changing demands of our customers. With our trademark **M Life**, we provide easy access to organic, limited calorie, gluten-free products supporting wellbeing.

As of 2021, after our 2 M Life Honey Propolis place in the shelves, the number of products in our **M Life** range reached 58. In addition to these products, we also provide our customers with more than 100 **M Life** branded fruit

and vegetable products. 89.6% of our **M Life** products have organic certificates issued by ECAS and have recyclable packaging, indicating the importance we attach to nature. Our M Life Bio organic fruit juice, which has a 100% fruit juice content without any ingredient like added sugar or sweetener etc., awarded the first prize in 2020 European Special Trademarks Awards by European Supermarket Magazine, which is one of the globally most reputable award organizations.

Migros Home Flavors and Street Flavors

In our Migros Home Flavors concept, in which we set out with the motto of Mothers' Recipes Cooked by Professional Chefs, we offer to our customers hygienically packaged meals prepared with healthy cooking techniques and Migros quality and assurance, suitable for the needs of our beloved mothers and for home cooking purposes.

We have 15 cafés with the Street Flavors concept and 1 café with the Flavor Center concept, at 16 stores in 4 provinces. At our cafés, we offer our customers 95 special products, 7 of which are vegan and 1 of which is gluten-free.



In 2021, we provided our customers with a total of **12,721** products supporting wellbeing, **396** of which were private label products.

Our activities in 2021 regarding our special product ranges are as follows*:

- In 2021, we sold 1,760 tons of organic fruit/vegetables.
- In line with our goal of contributing to the conversion of 760 hectares of land into land that is suitable for organic agriculture by 2026, we supplied organic products in an amount equivalent to the production volume of 413 hectares of land in 2021.
- 19% of eggs and 1.7% of chickens sold in 2021 are organic. All of our chicken and turkey products are produced with Good Agricultural Practices.
- Plant-based milk made up 6.6% of the milk products that were sold.
- To support biodiversity and sustainable fishery, we procure the fish that we offer to our customers in its usual season and sizes specified by the relevant regulations. We sold more than 4,886 kg of seafood with sustainable seafood certification such as Global G.A.P. and ASC. These products have a sales share of 15.6% in the relevant category.
- In 2021, our fat, salt and sugar-reduced products were 3.41%, products with increased nutritional value were 2.15% and reformulated products were 5.09% of total sales**.
- We biannually organize a campaign for a discount of 25 to 50% on gluten-free products, one of which is on May 9, World Celiac Day. In 2021, we provided a total discount of TRY 900,000 on these products.

- We carry out promotional efforts to ensure affordable products that support wellbeing, produced as per specific health requirements, as well as for the products that we renewed to improve their content.
- Products produced with **Good Agricultural Practices** constitute 46% of our fruit and vegetable turnover and 52% of our sales tonnage. All products that are sold have GAP certificate. For details, please review the **Good Agricultural Practices** section.



Furthermore, under the Cosmetics Regulation issued by the Ministry of Health in accordance with the EU, it is forbidden to test on animals the cosmetic products such as toothpaste, creams, shampoos, shower gels and cologne. As Migros, we assume responsibility in this respect and do not test on animals any our private label product cosmetics to ensure compliance with our legislation.

**In 2021, organic products comprised 0.67% of our total turnover for fruits and vegetables.*

***Including products with sales of TRY 500 and above.*



MİGET: Türkiye's Largest Fresh Meat Processing Plant

Being aware of the importance of consuming protein-containing food, we deliver our customers the most affordable and completely healthy products of our industry in all regions of Türkiye, especially to facilitate the access of young people and children to red meat. We established our **Migros Fresh Meat Production Plant (MİGET)** by examining in detail the meat capacity with significant potential in Türkiye and the advanced technologies and meat production plants in the world aimed at developing stockfarming. MİGET is the leader of our industry with an annual production capacity of 62,000 tons. We offer our red meat products in our stores after having them checked through 220 different control points under the supervision of our expert butchers, veterinarians and food engineers. We use advanced technologies to process the products that enter our plant as a carcass. We register the safety of these products by conducting hundreds of tests and analyses every day in our laboratories at international standards.

- ▶ We carry out all our production processes at MİGET within the framework of TS EN ISO 9001 Quality Management, TS EN ISO 14001 Environmental Management System, TS ISO 45001 Occupational Health and Safety Management System, TS ISO 10002 Customer Satisfaction Management System and TS EN ISO 22000 Food Safety Standards.
- ▶ We are the first company to have the FSSC 22000 Global Food Safety Management System certificate in the Turkish retail industry.
- ▶ All products we produce for our stores have a Halal Certificate issued by the Turkish Standards Institute.

In our farms, we ensure that the animals have sufficient space in breeding areas, are sufficiently fed and have improved ventilation conditions, and provide them with a clean and safe living area. With regular veterinary controls, we ensure that animals are protected from diseases by means of all treatment opportunities. We also audit our suppliers with third party inspections for animal welfare conditions.

We train our own butchers at the **Food Technologies Training Center (GATEM)** of Migros Retail Academy. With the trademark **Uzman Kasap**, we pack the products with zero-touch using the packaging techniques most suitable for the food. By this means, we ensure long time preservation of the freshness of our red meat products and meatballs ready to cook.

Our Online Brand Supporting Healthy Lifestyle

With **Tazedirekt** that has the motto "Beware of What You Eat", we deliver fruits and vegetables directly to the tables of our customers **from 64 contracted organic production farms**. Our Tazedirekt team continues its efforts to offer quality and reliable products to our consumers by choosing the farms and producers we will work with only after comprehensive visits and research throughout Türkiye. The origin of products and manufacturer history are shared with transparency through **Tazedirekt** application. We attach great importance to the development of our suppliers in order to make sustainable the special production approach of **Tazedirekt**, which has 3,292 different products in its portfolio including local products, custom-produced products, products with geographical indication, and products fit for different diets. We have 96 products with 'Geographical Indication' in Tazedirekt.

More than 40% of Tazedirekt's sales are made up of fruit and vegetable products delivered directly from farms to customers' doorsteps within 24 hours, and 80% thereof are fresh products with early expiry dates. In this sense, Tazedirekt, which provides an online service that has the highest fresh basket penetration in Türkiye, continues its R&D studies in order to deliver the products to its customers in the freshest way possible.



Developments in 2021

- ▶ In 2021, our **Tazedirekt** application reached a total of 171,297 members.
- ▶ Tazedirekt Operations Center increased its capacity by 3.5 times with an area expansion.
- ▶ It has included more than 600 products from local manufacturers which produce over 150 niche products, in its portfolio.
- ▶ With our transformation project launched in 2021, our use of plastic packaging has started to be reduced. At the first stage the use of clamshell containers was abandoned to switch to paper packaging in 19 product varieties without loss of freshness and quality.
- ▶ 29 small-scale producers were audited through the “Small-Scale Supplier Audit Criteria”. 12 manufacturers were included in the “Tazedirekt Supplier Process Development Project”. As a result of the project, 9 manufacturers increased their production quality.
- ▶ In 2021, we delivered to our customers 380 kinds of fruit and vegetable products, which constitute 13% of our total portfolio.



Tazedirekt Supplier Development Program

Within the scope of our “**Tazedirekt Supplier Development Program**”, we provide consultancy services to contribute to the development of small-scale manufacturer companies and SMEs on any issues such as the food production process, conducting product analyses, increasing the product quality standards, and the legislation that the product labeling should comply with. This program aims to contribute to the growth of our suppliers and local development. The training provided by our quality team to our suppliers includes methods to meet the deficiencies identified by the inspections.

We assess the companies we include in this program at the end of the program and thus monitor the improvement. Thanks to the periodic audits we carried out to our suppliers and to the products they supply, we ensure raise of the quality standards and bring manufacturers into the industry. This year, we took our project one step further and launched the Tazedirekt Supplier Academy program in collaboration with the DQS company. We provide certificates of achievement to our companies that participate in and successfully complete this program.

To support the development in food safety of Tazedirekt nominee suppliers of the products that we want to sell, we organized online trainings in ‘Migros Supplier Academy’. Periodic trainings are held for our nominee suppliers. In these trainings, our nominee suppliers were given a wide range of information on producing safe products, such as labeling information, infrastructure conditions, personnel hygiene and traceability practices, particularly the rules of legal legislation. In 2021, 25 Tazedirekt nominee suppliers were provided training, and the process is ongoing.

21 of 33 (63.64%) companies participating in the audit conducted following the training succeeded in the first audit. Companies that failed in the first audit are supported in remedying the deficiencies by organizing follow up trainings.

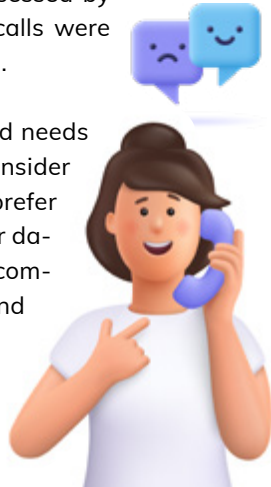


Effective Communication with Our Customers

Communication and Feedback

In line with our company values and customer-oriented approach, we believe that success will be possible by creating value for the society. We develop our communication channels to succeed together with our stakeholders and to provide our customers with top level shopping experience, and endeavor to meet the expectations and reply to the feedback of our customers effectively and quickly. In this context, we put our efforts into practice in compliance with the requirements of the TS ISO 10002 Customer Satisfaction Management System. We record and assess the feedbacks from our customers based on the principles of privacy and create objective solutions within maximum 48 hours. In 2021, we received nearly 3,500,000 customer feedbacks through all our communication channels. All requests and recommendations received from our customers were assessed by relevant departments, and 93% of calls were concluded within the targeted period.

Focusing on the consumer habits and needs that changed by digitalization, we consider all the channels that our customers prefer as a means of communication in their daily lives. In order to strengthen our communication channels, we shape and carry forward our digital infrastructure and increase the quantity of channels where we interact with our customers. With the “Migros Interaction Platform” we started to



lay the foundations of which in 2020, we plan to anticipate possible questions from our customers by using artificial intelligence-supported applications and aim to offer “self-service solutions” according to their needs.

With our ‘Social Media Monitoring Screens’, we instantly follow the latest developments related to our industry, popular posts and their impact on our stakeholders, and we quickly take the necessary actions regarding these matters. We take care of the demands, questions and needs of our customers, even if they are not sent directly to our official social media accounts. In this context, we followed and analyzed 10,338,525 messages sent to us on social media in 2021.

With approximately 15.6 million active members, Money continued to be Türkiye’s most extensive and most used loyalty program in 2021. In this context, we can measure the shopping habits of our consenting customers according to their gender and demographic characteristics and offer discounts and personalized campaigns such as Tam Bana Göre (Meant for Me) and WellBeing Offers. We can tailor our communication strategies to our customers’ preferences and characteristics.

Thanks to our systems that allow us to monitor all written and digital media instantly, we quickly identify possible crisis situations and create the necessary action plans. We have crisis management procedures in place to continuously develop potential crisis content maps and implement proactive measures. Our company has a Crisis Communication Committee under the coordination of the

Corporate Communications Directorate in order to provide a quick solution according to the characteristics and spread dynamics of each crisis. In line with our scheme consisting of all our Deputy General Managers and the directorates that are their subordinates, the process is managed by including the top executives into the committee for each crisis issue. After the crisis assessment, a roadmap and action plan are created, and the process is monitored and reported on.



Our Customer Communication Channels

Communication Channel	Contact Address	Actions Taken
Customer Communication Center Hotline	0850 200 40 00	All messages related to Migros, Macrocenter, Sanal Market, Macroonline and Migros Hemen are answered through the Customer Communication Center line.
Corporate WhatsApp Line	0530 300 13 00	All messages received through the Corporate WhatsApp line are replied by chatbot and live support service is provided through the same channel.
Happy Customer Hotline	444 75 15	All messages about Tazedirekt are replied through the Happy Customer Hotline.
Corporate Email Addresses	iletisim@migros.com.tr etik@migros.com.tr surdurulebilirlik@migros.com.tr	Any feedback received through our corporate email addresses is replied.
Social-Media Platforms	Migros Money mobile application Migros Sanal Market mobile application Twitter Facebook Instagram LinkedIn	All feedback received from Migros social media accounts and Migros mobile application are replied.



MiGROS

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Satisfaction and Brand Research

While the consumer habits quickly change today, we care about their expectations, continuously review our service range and take actions in this respect to ensure that they have a unique shopping experience. We shape our operations according to the change in consumer habits, which is an inevitable result of the quick change in technology. By integrating new and personalized technologies into our activities, we produce solutions and ideas to meet the expectations of our customers.

In this context, we conducted consumer and trend research involving 126,744 persons in 2021 as part of our internal projects. When using research tools such as interviews, surveys, etc. held with our customers, we make sure that demographic, gender and socio economic diversity is observed, and we analyze and report the results based on these categories. We use the insights and feedback we receive, to improve the services we provide to our customers. In addition, we make research using various methods to identify the brand value of our brands. 4 projects of our Corporate Communication department were awarded 7 prizes in 6 different branches. With the research on Perception of Sustainable Products in Türkiye that we conducted together with Thinkneuro and Nielsen IQ using surveys, focus groups and neuro-research methods, we evaluated the matter from different aspects and reshaped our sustainability communication approach. This report is the second consumer research report published on the Consumer Goods Forum website for the global retail and fast-moving consumer products industry.

In the **“Chain Markets Corporate Reputation Research”** conducted with 428 people in 2021 in cooperation with Istanbul Economics Research, we stood out in the food retail sector in terms of **high reliability, transparency, honesty, and environmental responsibility perceptions.**

According to the 2021 average in the Brand Tracking Research, which we have been conducting monthly since 2019, we are above the category average in the perception of **“being a reliable brand”.**

There is a customer satisfaction target in the performance cards of all our executives at manager level and above, including the members of our senior management. Annual performance bonuses are directly affected by this target at a rate of 2.5-3%.

Our work with Thinkneuro:

- ▶ “Digital World, Emotional Human” was awarded the Silver Owl prize in the category of Owl With Insight, and the Bronze Owl prize in the category of Visionary.
- ▶ “Loyalty Passing Through Nucleus Accumbens” was awarded the Silver Owl prize in the categories of Master and Visionary.

Our work with Thinkneuro and Nielsen:

- ▶ “Not They, But We, Not Tomorrow, But Today” was awarded the Golden Owl prize in the Social category.

Our work with YouGov:

- ▶ “I Want Everything to be Organic, Even My Data” was awarded the Silver Owl prize in the category of Shopper and Innovative.



Our Projects Supporting Community Health

Considering the ecosystem economy which encompasses the entire society, we support community health projects and make collaborations to meet the needs of all our stakeholders in our value chain. We expand the scope, content and area of influence of our projects and set our focal points to the matters that we aim to create a social impact, such as balanced diet, personal care, conscious shopping and responsible consumption. Accordingly, our collaborations with organizations operating in different industries, we offer a wide range of products and services. Moreover, we adopt a holistic approach by caring for all our stakeholders and make collaborations to strengthen our connections with and contribute to the society that we are part of. With our social responsibility projects in collaboration with many organizations, we aim to develop and strengthen the society and to raise awareness of good living. These projects focus on collaborations with our stakeholders in the areas of training, sports, health, vocational development, and talent development, and obtaining concrete outputs in these areas.



Our Wellbeing Journey Program

Our Wellbeing Journey program provides our customers with services including personal information, interactive suggestions and discounted product suggestions on balanced diet, regular and adequate water consumption, increasing daily physical activity and oral and dental health. In the "Wellbeing Journey" program of the Migros Money application, we compare the food shopping of our customers who are a Money card member with recommended consumption data and encourage positive behavioral change with messages about the food groups they need for balanced nutrition and discounted product recommendations. In order for our customers to have a more balanced diet in line with our healthy lifestyle recommendations, we provided our customers with personalized discounts of approximately TRY 1.3 million in 2021. In 2020, in collaboration with Anadolu Medical Center, we renewed our program for our customers who are on a vegan and vegetarian diet. We also share informative messages about the application through the videos prepared by expert dietitians.

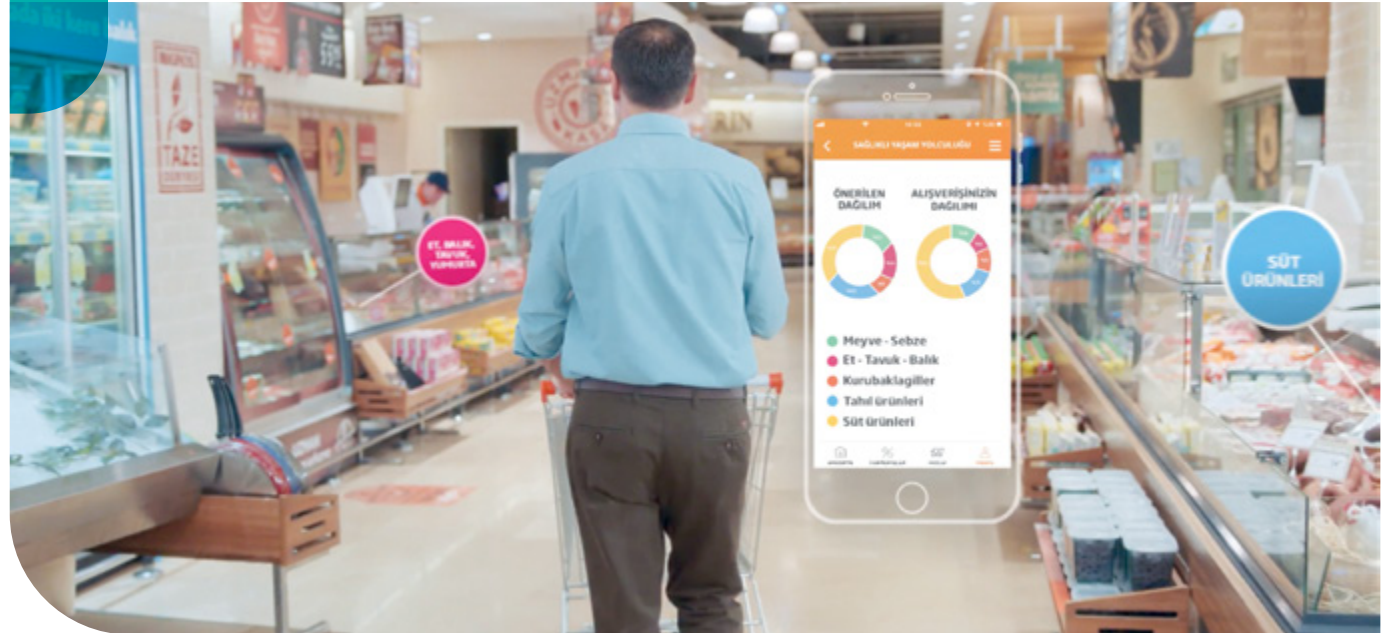
In 2021, we added messages to our program about baby nutrition, baby care and denture care in collaboration with Aptamil, Johnson & Johnson and GSK (Corega) respectively. Since the beginning, this program has allowed us to reach more than 3.3 million customers in 2021. With KMPG Türkiye aiming to identify the permanent effect of the program, we achieved an improvement of 2.8 points in the Balanced Nutrition Index compared to the period before the project. This index is based on the calculation of the annual average distribution of the main food groups in the food shopping of our customers. Then the degree of deviation is found according to the recommended con-

sumption ratios. In 2021, we included baby nutrition and care and denture care messages in the application.

Our Wellbeing Journey Program awarded 7 prizes in the international arena and was presented as an exemplary project at the world retail summits in Lisbon, Berlin, London, Tokyo, Warsaw and Monaco, and attracted great attention as being the first among next generation retail practices. We have ongoing efforts to adapt the project to the retail industry in Latin America and Japan.



You can find Wellbeing Journey Program video on **our Migros TV channel**.



Growing Healthy with Migros Project

We believe that children have a special place in our awareness efforts regarding community health, and we carry out efforts in this respect. We have been carrying out our “Growing Healthy with Migros” project for 5 years, which is prized in many areas, to widespread and further strengthen the awareness in children about healthy and good living. In this context, we organized store tours for children and their families led by our volunteer store managers in 396 Migros stores in 70 provinces of Türkiye. We share much information with children and provide them healthy living and conscious shopping training on the benefits of fruits and vegetables, delivery of products to shelves and control processes, Good Agricultural Practices and the tips for label reading. Children are also told about the benefits of waste collection bins in stores and their contribution to a better future by recycling their waste.

During the tours, the children are told about the importance of motion and balanced nutrition and presented “Migros Guidebook for Growing Healthy”, which was prepared with the support of Food Safety Association. Within the scope of “Growing Healthy with Migros” project, we organized training and events for more than 176 thousand children up to now. In addition to the store tours, we ensured easy and quick access to the training by carrying the training into digital environment.

In 2021, our training was transformed into an animation film in collaboration with the United Nations Food and Agriculture Organization (FAO) and broadcasted on April 23, National Sovereignty and Children’s Day.



Our cartoon received a total of **206,313** views in 2021 via Migros TV and other social media channels. With the re-launch in 2022, this number exceeded 2 million.

You can find the training video of “Growing Healthy with Migros” on **our Migros TV channel**.



Our Collaborations Providing Social Contribution

Migros Theater Festival

Migros offered families the opportunity to watch theater plays during the Migros Theater Festival held in 2021. A total of 30 plays for children and adults were staged within the scope of the festival. Plays were watched on MigrosTV with the PNR code included in the theater tickets sold at Migros stores, Migros Sanal Market and Mobilet.



Support to Education through Stationery Shopping

In order to support the education of children, we donated to the Educational Volunteers Foundation of Türkiye (TEGV) on behalf of our customers a portion of the revenues generated from the stationery purchases amounting to TRY 200 or more, made in our stores in August and September, during back-to-school time, and supported 508 children's education.

Our Little Athletes Project

In our "Little Athletes" project, we donate a certain part of the income from "Procter&Gamble (P&G)" products sold in our stores, to the Special Olympics Committee of Türkiye. The project ensures that children in need of special training who are at the age of 2 to 7 can both develop their communication skills by socializing with their age mates and increase their coordination skills. With the contribution of our customers as well, we supported 6,238 special youngsters and children up until today to help them meet sports.



Our Collaboration with the Book for All Foundation

In this project we aim at instilling the habit of reading in children and support the Book for All Foundation, meeting on common ground with our customers. By collecting 58,500 books up until today, our customers who dropped into the packages of the Book for All Foundation their own books or the books they purchased from our stores at a discount, have contributed the delivery of these books to schools across Türkiye.

Our Collaboration of Girls on the Field

We are constructing an astro turf with 'Ruffles Girls on the Field Platform', which organizes football schools for girls, tournaments for high school students and adult women, football and social development camps for mixed groups of girls and boys and corporate trainings for schools and companies. We plan to organize training programs and events in the said astro turf with partnership of "Girls on the Field".

Our Collaboration with Play-Doh with the Theme 'A Box Full of Future with Play-Doh'

As part of the collaboration with Play-Doh to support children's creativity and imagination, we donated 39,900 play dough products to the Mother-Child Education Foundation (AÇEV) based on the sales of 4-pack play dough products in our stores.

Our Clothing Donation Campaign

We plan and carry out our 'Clothing Donation Campaign' project, which has been continuing for 10 years and now have become a tradition, in collaboration with Ariel (P&G) and the Community Volunteers Foundation (TOG). We delivered the clothes we collected to 420,000 people.

Migros Children's Theater Festival

Every year, in the weeks that coincide with the 23 April National Sovereignty and Children's Day, we support children in watching theater plays free of charge, in cooperation with the State Theatres. For 27 years, with our Migros Children's Theater Festival, we have enabled 1 million children to go to theater plays free of charge.



Our Collaboration with Kellogg's and TEGV

When children were kept away from the school in Covid-19 period, we implemented our social responsibility project of 1,000 tablets for 1,000 children in cooperation with Kellogg's and TEGV to meet technological needs and overcome limited access to the internet. Our customers contributed to delivery of 1,000 tablets to children in need determined by TEGV, by contributing TRY 1 to the project with each Kellogg's branded product they purchased from Migros, MigrosJet, 5M, Macrocenter.

Our Collaboration with the Spinal Cord Paralytics Association of Türkiye

With the plastic cap collection project carried out with the Spinal Cord Paralytics Association of Türkiye (TOFD), we supported the donation of 6 wheelchairs in exchange for 1,930 kg of plastic caps collected until 2021.

Our Collaboration with Nestlé and SosyalBen Foundation

In the project we implemented through the Nestle and SosyalBen foundation, we supported education through every Nesquik Nesfit and Corn Flakes product purchased from our stores. In the first phase of the project, we contributed to the development of children by delivering educational kits to 1,000 children.

Our Donation Boxes with TEGV

Every year on April 23, National Sovereignty and Children's Day, we place donation boxes in our stores for the Educational Volunteers Foundation of Türkiye (TEGV). During the same period, we sell toys, children's books and stationery products at a 50% discount in our stores. Our customers who buy these products and want to donate can deliver the products to children in need through the foundation.

Social Solidarity

As Migros, we contacted AFAD (Disaster and Emergency Management Presidency) Coordination Centers in all regions in the first hours of the fires that occurred in various regions of our country in 2021, and shipped necessary products such as water and ice, hygiene materials, and emergency food and beverages to the relevant places within a few hours. In addition to this, we also provided instantly needed products from our stores in the regions. Furthermore, we provided various technical equipment such as refrigerated trucks and fire hoses to the areas in need by obtaining the same from the relevant parties. We also carried out follow-up studies and provided support for Migros' people affected by the fire and its teams that were working with all their might, in Çökertme, Mazı, Turunç, Orhaniye, Manavgat - Gündoğmuş Southern side and Taşağıl side, and Isparta Sütçüler regions.

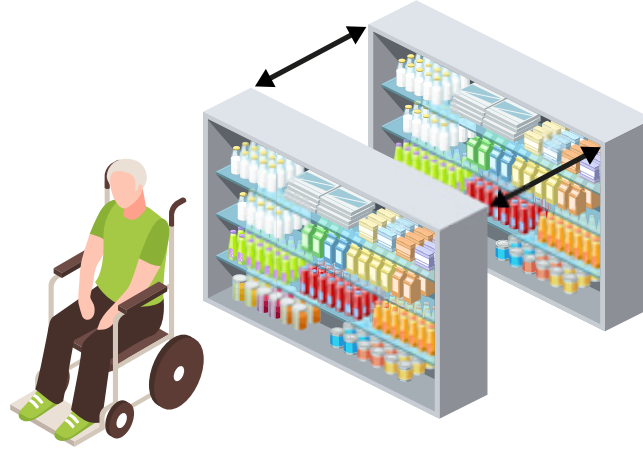


Our Collaboration with Paşabahçe and Breast Cancer Foundation

Within the scope of "October 1-31 Breast Cancer Awareness Month", we contribute to the development of breast health awareness and the spread of early diagnosis opportunities by donating to the Breast Cancer Foundation for each bottle we sell in our stores, by including the Paşabahçe Meva Pink-Capped bottle in the Migroskop and 5M catalogue.

Our Accessibility Practices

We started our Accessible Store project in 2017 in parallel with our objective of providing our disabled and elder customers with privileged services. In 2018, we incorporated Migros Sanal Market in the project and expanded it as "Accessible Migros". We planned and made available the mobile application of Migros Sanal Market in a way to be fully compatible with the screen reader programs used by visually disabled individuals. In addition, as of 2021, we have 283 Migros and Macrocenter stores in 50 provinces that are compatible with "Accessible Migros" concept. We also have works to make it easier for visually disabled users to do their supermarket shopping. In the collaboration with BlindLook in 2021, we helped our visually disabled customers with audio instructions using an audio simulation technology developed for the mobile application and website of Migros Sanal Market.



Our accessible stores have:

- Ramps and railings at the entrance,
- Accompany during the shopping upon request,
- At least 1 employee who can use sign language, identified from their collar badge,
- Shelf spaces designed according to passage of wheelchairs,
- Wheelchairs ready for use if needed by our disabled and elder customers.



We implemented the first online supermarket platform of Türkiye accessible for visually disabled individuals.



Responsible Advertising and Marketing

We undertake to implement our advertisement production and broadcast transmission efforts under our marketing and advertising activities in full compliance with rules and regulations. Following our broadcasting policy, we exclude the product groups that are not appropriate for use by the target audience, from the broadcasts organized specific to an audience group in the age category of 12 and under. In addition, we add appropriate streaming band messages determined by the Ministry of Health, into the television ads related to processed food.

We evaluate our advertising and marketing content by taking into account the purpose and target segment thereof. We attach importance to gender equality in all our advertising and marketing content.

As Migros, we endeavor to make our ads where we explain our products and services, in an environmentally friendly manner, and we take actions in this respect. Accordingly, by digitalizing our campaign booklets intended to inform our customers, we reduced our paper use by 90%, and we obtain all the paper used from recycled materials. Thus, we reduced our carbon footprint by significantly decreasing our paper use while also carrying out our advertising and marketing activities responsibly by selecting environment-friendly papers. *

“Mimeda”, the First Retail Media Company of Türkiye!

We make our technological investments uninterruptedly to provide better services in all areas. In collaboration with Adform, which is the largest Adtech company of Europe, we incorporated Mimeda to meet the brands with correct target audience in the correct area and to provide the media with a value-added service. In order that our customers can broadcast correct ads on correct channels, we took our first steps to increase the diversity of communication channels. As Mimeda, the only marketing platform which has data integrated communication channels, we established DSP-SPP infrastructure to work with Premium broadcasters of Türkiye.

**An ad suspension order was enforced during the reporting year for our advertising, promotion and sponsorship activities with the allegation that the campaign information included in 4 commercials were misleading.*

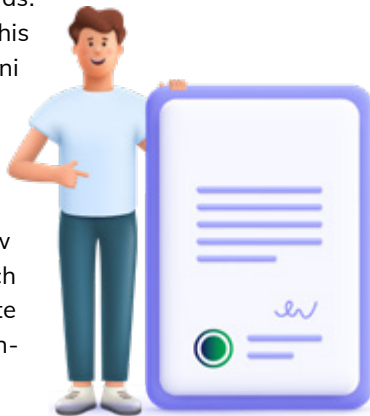


mimeda

Sustainable Growth with Our Suppliers

Procuring our products and services from those companies respecting human and the environment, is the cornerstone of our responsible business approach. We identify the value, reputation, and positive and negative impacts of our suppliers in environmental, social and governance areas and support our suppliers with regard to their areas of development accordingly. We raise the level of awareness of our suppliers in this development roadmap on subjects such as human rights, ethical principles, occupational health and safety, quality standards and environmentally friendly production methods, and we develop sustainable solutions together.

As Migros, we believe that regional development depends upon supporting local production. We developed a model upon prioritization of the sales of products purchased locally, in the same region. We purchase local products from a region and bring the products again into that local economy. We give wide coverage in our stores to each region's specific products and brands. Recently, we included in this portfolio the Bozkır tathini of Konya, Turna Sunflower Seed oil of Gaziantep and İda herbal teas of Çanakkale. We encourage the creation of new production centers at such places with an appropriate capacity, such as the organic eggs base in Ordu.



Migros Supplier Academy

We provide our suppliers which supply private label products, and in line with our localization strategy, our small and mid-scale local suppliers, whose products we want to sell, with regular online training opportunity on product safety free of charge. In these trainings, we provide our suppliers with comprehensive information on rules of legislation, pest control practices, infestation removal management, labeling information, infrastructure conditions, personnel hygiene and traceability practices, in order that they can produce their products safely. In 2021, we provided training to up to 100 small and mid-scale local suppliers. **Along with the audits we carry out, we also**

follow the practices of our supplier companies in this context and monitor their developments.

You can find the number of our suppliers by year in the **'Annexes'** section of our report.



We work with our suppliers within the framework of globally accepted principles and measures, to monitor our environmental and social impact originating from the supply chain and to reduce the negative impacts that we identified.



Responsibilities We Expect from Our Suppliers

Within the framework of Migros Code of Ethics we describe in detail our working criteria that we expect our suppliers to comply, which include human rights, environment, occupational health and safety, quality standards and ethics, in **our Responsible Sourcing, Anti-Bribery and Anti-Corruption and Human Rights and Equal Opportunity Policies**. We provide all our suppliers with these policies through B2B applications named MeCom and MeMobil. The relevant suppliers are delivered the instructions and practices that mobile company personnel and stationary company personnel working in a single store should comply with.



Our “Code of Conduct”, which includes prevention of bribery and corruption, human rights and working standards, occupational health and safety and environmental protection, is covered by all the contracts we make with our suppliers for our operations in Türkiye. We make it obligatory for all our suppliers to undertake that they will comply with these rules during the contract. Within the scope of the contract, we clearly reject discrimination of religion, language, race and gender, verbal, physical and sexual violence on the employees of our suppliers, or their forced labor and child labor. We require our suppliers to respect and support the freedom of organization and right to collective agreement of their employees. In addition, in our contracts we expect suppliers to make a commitment that they will not to be involved in corruption and bribery events.

We regularly perform assessment surveys and make site visits to our suppliers during the period in which we work together. We follow up whether our suppliers provide their employees with a reliable and fair working environment regarding their working conditions, health and safety measures and remunerations paid. In addition, we monitor and report our annual targets through supply chain risk assessment.

In 2021, we didn't terminate our contract with any of our suppliers due to non-compliance with our Anti-Bribery and Anti-Corruption and Human Rights and Equal Opportunity Policies, or due to production in breach of our Responsible Sourcing Policy and legal legislation.

Our Supplier Selection Processes and Audits

Accompanied by independent external auditing firms, we carry out routine audits of our suppliers on their compliance with all Migros corporate policies and international food safety, ethical, social and environmental labor standards, particularly on responsible sourcing. The results of these audits are reported to the Chief Marketing Officer and Chief Supply Chain & Logistics Officer, as our senior managers in charge of the supply chain working standards. Within the scope of the audits related to the working standards, we assess the compliance with law of annual leaves, forced labor, child labor, arrangements related to working hours, discrimination and disciplinary practices, salaries and remunerations, psychological and physical pressure on employees, right to establish trade unions and right to collective agreement, working conditions of pregnant or breastfeeding mothers and maternity and breastfeeding leaves.

We carry out our audits on food-related issues, in accordance with the international standards recognized by the Global Food Safety Initiative (GFSI), which determines the food safety criteria in the world. We grant a certain time for our suppliers and nominee suppliers that we identified to be non-compliant during audits, in order that they can remedy the non-compliances, and then we carry out follow up audits. We grant a maximum of 3 follow-up audits to our suppliers that failed at the inspections. If the expected success is not achieved after our follow-up audits, we terminate the commercial relationship based on the assessment made.

We implement a rigorous audit program at the plants of our suppliers, questioning 269 criteria. We carry out compliance audits for product safety on the first day under "IFS Food Global Market" and "IFS HPC Global Market" Standards, and as "GC-Ethical Compliance" audits on the second day under two international standards using question lists. We routinely audit our supplier companies every year. The suppliers with a BRC, FSSC or IFS certificate are excluded from the Product Safety audit, and suppliers with a BSCI, Smeta Sedex, WCA (Workplace Condition Assessment) or SA8000 certificate or having less than 10 employees are excluded from the GC Ethical compliance audit.



► Product Safety Audit

Our suppliers that successfully pass our first-day audits that we carry out in accordance with the "IFS Global Market" and 'IFS HPC Global Market' audit checklist, are listed in the IFS (International Featured Standards) portal, in accordance with the standard according to which they were assessed, and their success is announced to the world.

► Ethical Compliance Audit

In the second-day audits, the impact of the suppliers on people and environment, and their sensitivity to ethical and social issues throughout their operations are audited. Accordingly, the occupational health and safety, environment, ethical and social compliance requirements of suppliers are checked with GC-Ethical Compliance audits, which include questions based on internationally recognized standards. Within the scope of GC-Ethical compliance audits, we assess all our suppliers regarding the environmental issues such as water consumption, waste management, energy use and resource use. Our suppliers which successfully pass these audits, which have an important role in sustainability efforts, are entitled to GC-Ethical Compliance certificate.

In 2020, we included questions related to Covid-19 into the supplier audit question list. We developed our communication infrastructure necessary for remote audits and continued to provide auditors with trainings on the management of the process. In 2021, we carried out our audits online and on-site.

Our New Supplier Selection Processes

We principally try to work with suppliers that share our sensitivity to human rights, ethical principles, occupational safety, quality standards and environmental awareness. We take our decision to work with all our business partners after having examined them in detail for their financial, legal and ethical risks and opportunities. In addition, we examine the trade registry of relevant companies through digital platforms, and their trade history for bribery, corruption and ethics issues through public institutions.

We put our nominee suppliers through a preliminary audit within the framework of the quality control criteria and question lists applied in the existing supplier audits. We make the decision to work with them, according to the results of the audits we carried out. Thus, we start working with companies that successfully passed the ethical, social, and environmental compliance audits and gained supplier status. Our audits have 30% of weight in our overall business assessment of suppliers.



Audits for Our Suppliers

In line with our audit efforts, we include all our nominee suppliers into the scope of audit, and we do not work with nominee suppliers who cannot successfully pass these audits. In 2021, 76% of our primary suppliers representing 80% of our total turnover were audited by onsite and online audits by an accredited independent external auditor. In 2021, we carried out 1,135 supplier audits, including those out of this scope. Besides, before putting up for sale in our stores the products of our remaining suppliers, which are mostly importer companies, we checked compliance of the products with the legal legislation. The results of the audits we carried out this year are given in the 'Supplier Audit Results' table for 2021.

84.90% of our supplier companies scored 75 and above marks in IFS Food Safety audits and successfully passed the audit, and 80.45% of our supplier companies successfully passed GC Ethical and Social Compliance audits.

In the past 3 years, we have audited 624 suppliers in total. Besides, our 241 suppliers, which consist of 80% of our turnover, are our critical suppliers. 75.9% of these suppliers are audited in 2021 and 100% of them are audited in the last 3 years.

In 2021, we carried out 234 product safety audits to 168 nominee suppliers and 130 nominee suppliers successfully completed the audits. In addition, we carried out 108 ethical, social and environmental compliance audits to 79 nominee supplier companies in accordance with GC-Ethics and Social Compliance criteria, and decided to work with 58 suppliers which successfully completed the process.



Results of Our Supplier Audits for 2021

Type of Audit	Type of Supplier	Number of Suppliers Audited	Number of Audits	Ratio of Successful Suppliers**	Average Score	Number of Suppliers Subjected to Follow-up Audit	Number of Follow-up Audits	Success Ratio of Follow-up Audit*
Product Safety - IFS Global Market	Audited* Total Suppliers	543	665	84.90%	84.67%	59	71	88%
	Nominee Suppliers	168	234	77.3% (130 suppliers)	77.91%			
GC Ethical and Social Compliance, Environment, OHS	Audited* Total Suppliers	399	470	80.45%	80.76%	12	14	66.67%
	Nominee Suppliers	79	108	73.4% (58 suppliers)	73.11%			

*The total number of suppliers audited includes current suppliers and nominee suppliers audited, and suppliers subjected to a follow-up audit.

**Suppliers that scored IFS 75 and above are considered successful. Suppliers that scored GC 65 and above are considered successful.

In the reporting period of 2021, no supplier was identified during the supplier audits that breached the rights of organization or collective agreement, or that might be exposed to significant risks. In the reporting period of 2021, 4 child labor cases were identified during the audits of supplier companies in our domestic operations. Supplier companies were informed about the issue, and they were requested to take the necessary actions. In addition, 87 inappropriate cases that can be considered as forced labor were identified because of the audits carried out, related to the use of the right to maternity leave, breastfeeding leave, overtime pay and annual paid leave. The supplier companies were requested to act on this issue. In our supply chain, we didn't receive any unfavorable feedback from non-governmental organizations or other external organizations during the reporting year.



In the ethical and social compliance audits on 399 suppliers, we identified important non-compliances and planned to carry out follow up audits on 57 suppliers. It was determined that 31.8% of the non-compliances were on occupational health and safety, 26.8% on environmental requirements, 12.8 on working conditions, 5.6% on resource management, 4.3% on planning, 4% on measurement analysis and development, 3.3% on discrimination, 3.0% on management review, 2.4% on social responsibility policy, 1.9% on legal and other requirements, 1.7% on forced labor and child labor, 1.1% on documentation requirements, 0.6% on working conditions, 0.5% on responsibility, authority and communication, and 0.1% on management responsibility.

Suppliers approved by Migros are assessed in three categories – “Gold”, “Silver” and “Bronze” – according to their level of success in the audits, and they get the opportunity to announce their success on the **GC Portal**.



We aim to improve our suppliers’ performance. We achieved our target of 85 points for the average score of our suppliers that we audited in 2021. We have a target to increase our suppliers’ performance by 2 points for 2022.

In 2021, independent external auditors reviewed the declarations of our ethical and social audits on our suppliers for compliance with our Responsible Sourcing Policy under the criteria of discrimination, freedom of association, right to collective agreement, child labor and forced labor criteria; and the declarations verified to comply with the international ISAE 3000 (Revised) standard.

You can find the Statement of Independent Assurance in Human Rights and Supply Chain (Selected Criteria) in the **“Annexes”** section of our report.



In 2021, 65.56% of our suppliers audited were successful in both audits and were entitled to receive the “GC Migros Approved Supplier” certificate.





Integrated
Report

Better for Our World

- Our Environmental Management
- Combating Climate Change and Our Energy Management
- Our Sustainable Water Management
- Our Contribution to Sustainable Agriculture and Biodiversity
- Our Food Waste Prevention Practices
- Our Effective Waste Management

Our Environmental Management

Our world faces problems such as climate change, depletion of natural resources and decrease in biodiversity, and we are aware of the requirement to take action to cope with these difficulties. In accordance with the value created by our Migros Better Future Plan, we aim to reduce waste by using today's resources effectively and efficiently and to create a common value with all our stakeholders. We follow the environmental impacts we may cause during our operations and try to minimize these impacts. We share with all our stakeholders our "Migros Environmental Policy" and our environmental management policy and practices that are updated every year as needed and last updated in 2021. Accordingly, we made an R&D investment of TRY 1,209,003 to develop and support environmental products and services

In all our activities, we follow up our environmental impacts with our stakeholders and assess our environmental aspects such as protection of biodiversity, reduction of greenhouse gas emissions, waste management and water management. We transparently share these impacts with our stakeholders. Furthermore, we audit our suppliers to identify any environmental non-compliances.



We believe that every individual has a great effect on the future of our world. Based on this belief, we offer environmental training to our employees to increase their sensitivity to their ecosystem. In the reporting year 3,927 employees participated in the sustainability trainings on climate change, appropriate use of water resources, good agricultural practices and electricity saving etc.

All our business units in operation have ISO 14001 Environmental Management Standard certificate.





All our employees are responsible for the practices of sustainability. This responsibility is distributed equally from the top rank to the bottom rank. In this context, while our Board of Directors takes the decisions related to environmental management, our Sustainability Committee, which follows up and analyzes the issues related to risks and opportunities, plays the role of determining goals in accordance with our Migros Better Future Plan and to carry out projects and practices in accordance with these goals. The performance results from the works carried out by the subcommittees of our Sustainability Committee and related departments are reported monthly or quarterly to the Chief Supply Chain & Logistics Officer, which manages our Environmental Management Unit.

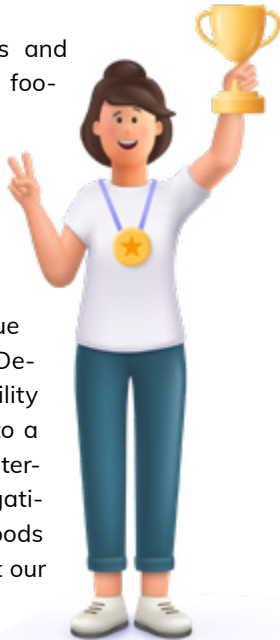
Our environmental strategy, practices and performance are evaluated based on these reports, and the results are presented to our senior management. Our performance outputs in line with our sustainability goals are integrated into our corporate performance assessment system, and our Environmental Policy is embraced by all our employees. In addition, unfavorable circumstances may also occur despite all the meticulous efforts on environmental issues. In 2021, our Company was imposed various administrative fines* for breaches of applicable environmental laws and policies. We took steps to remedy the non-compliances identified and completed necessary measures and developments quickly.

**We were imposed an administrative fine of TRY 72,420 for noise pollution, environmental pollution, water pollution, and packaging waste.*

Combating Climate Change and Our Energy Management

As Migros, we are aware that climate change will substantially affect the agricultural industry with adverse consequences such as extreme weather events, water scarcity and geographical changes. The industry will be increasingly aware of the importance of climate justice every day. As the leader of the retail industry, we know that climate justice is a matter of social justice. Accordingly, we support young farmers with various practices to strengthen them. In order to ensure that the agriculture is not damaged, and our lands are used efficiently, we take actions to the combat against climate crisis.

We responsibly use our resources and work for energy efficiency, carbon footprint reduction and sustainable distribution systems to leave a livable world for the future generations. We focus on the combat climate change in our Migros Better Future Plan drawn with the motive of "a better future". We continue our work following the Sustainable Development Goals and our sustainability approach to ensure the transition to a low carbon economy and to meet international norms, national legal obligations, and principles of Consumer Goods Forum (CGF). In this context, we set our environmental goals and plans to



reduce carbon emission as per the national objectives and global initiatives, particularly the Paris Agreement, and in compliance with our sustainable ecosystem strategy. Our long-term operations are implemented around these goals. In addition, since 2015, we report our plan for the combat against climate change and our performance we achieved within the year within the scope of this plan, to the Carbon

Disclosure Project (CDP). As a result of our reporting, we ranked among the Climate Leaders of Türkiye 3 times, in 2016, 2017 and 2019, through CDP. In 2021, we got B score for our Climate Leaders report. In addition, our Bodrum Maya Migros and Alaçatı Macrocenter stores have a LEED Gold Certificate for our climate change and clean energy practices.

Performance Indicator	Target Year	Target	Performance of 2021	Status by Target	Base Year / Status
Store Electricity Consumption (kWh/m².day)	2021	2%↓	5,9% ↓ 0.842 kWh	Completed	2020/0.895 kWh
Store Greenhouse Gas Emissions (tCO₂e/m².day)	2021	2% ↓	14,5% ↓ 0.769 kgCO ₂ e	Completed	2020/0.899 kgCO ₂ e
Greenhouse Gas Emissions Per Transported Unit (kg CO₂e)	2026	2.5% ↓	0.037 kg CO ₂ e	NEW	2021/ 0.037 kg CO ₂ e
Scope 1 & Scope 2 absolute GHG emissions	2030	42%↓	4,58% ↓ 480,950 tCO ₂ e	NEW	2020/504,015 tCO ₂ e

* Defra coefficient, which is used in greenhouse gas calculations, is updated every year, and the data of base year is normalized according to the coefficient of the last year. The reduction goal is calculated among normalized data.

Assessment of Risks Related to Climate Change

We annually identify the risks and opportunities related to climate change, with the team that we constituted with our department representatives in our Sustainability Committee and make assessments within the scope of these risks and opportunities. As a result of the assessments, we identify the risks arising from the changes in the legislation and physical climate parameters and risks due to changing consumer behaviors and the company's image. We report the identified risks to the senior management for evaluation of their current and potential financial results and to develop solutions in this respect. This risk assessment is among the subjects of attention of global initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD).

Our Chief Construction Officer and Maintenance and Energy Management Director are responsible for issues that have a significant impact on the combating climate change, such as saving on our Company's electricity, preventing gas leaks, and using next generation technologies in cooling systems. These targets, which have a share of 10-20% among all targets, directly affect the annual performance premiums.

Changes in precipitation are the most significant risk factor for our Company caused by climate change. Since the climate events in 2021 including floods, storms, and forest fires caused a loss to our company, we included precipitation changes in our risk assessment for the next 5 and 10 years. Based on the projection we made in 2021, we anticipate that damage due to flood, snow, fire, storm and rainfall changes will increase, and the damage to our stores

may be about TRY 2.9 million in 5 years and about TRY 4.9 million in 10 years. We take out insurance for our stores as a measurement against floods and other possible natural disasters. In addition, we made an investment of TRY 119.57 million in 2021 for the combat climate change and for environmental management, including maintenance and repair.



Our Carbon Footprint

Among the sustainability issues that we address in accordance with our 'Migros Better Future Plan', combat against climate change and carbon management are of first priority for us. We set our short, medium, and long-term goals within the framework of our Company's sustainable ecosystem strategy and take actions accordingly.

In all areas of operation, we identify all the factors that might create greenhouse gases in all our stores, regional directorates, distribution centers, regional fruit and vegetable warehouses, MİGET meat processing plant and breeding farm. We identified that 54% of our Scope 1 and Scope 2 emissions caused from electricity and 44% from cooling in 2021. We don't have any manufacturing facility that emits particles causing air pollution, such as heavy metals, combustion gases, dust, volatile organic compounds, fluorine or chlorine.

Within the scope of the amendment made to ISO 14064-1 2018 Specification With Guidance At The Organization Level For Quantification And Reporting Of Greenhouse Gas Emissions And Removals, our Scope 1, Scope 2 and Scope 3 emissions were calculated in 2021 under 6 categories, and verified and documented as a result of controls carried out by BSI (British Standards Institution) based on ISO 14064-3 standard and GHG protocol. Detailed information on the amendment related to emission calculations is given under the title of Our Performance and Goals.

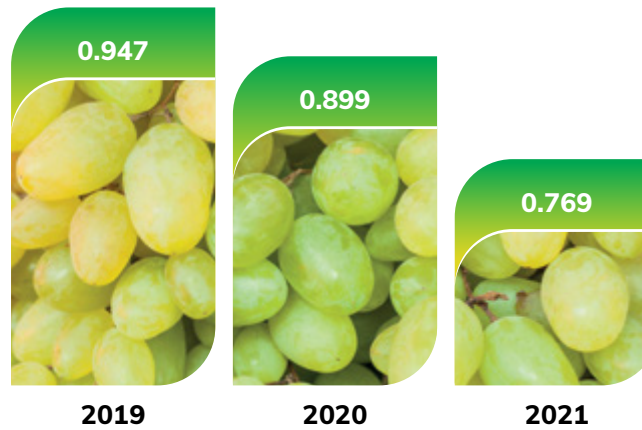
You can find the detailed report on the verification statement in the **'Annexes'** section.



Our Performance and Targets

We were following up our target of reducing our carbon footprint, in terms of “daily carbon emission equivalent per square meter of sales area (kgCO₂e)”. We achieved a reduction of 26.6% in carbon emissions in this metric from 2015 to 2019. Thereupon, we determined an additional reduction goal of 22% by 2030. Accordingly, in 2021, we achieved a reduction of 18.8% compared to the base year 2019 and a reduction of 14.5% compared to 2020. In addition, we achieved a reduction of 4.58% in 2021 compared to the previous year in our Scope 1 and Scope 2 (market-based) absolute emissions. This year, we raised the bar on our goal of reducing our carbon footprint. We updated our target “To reduce our absolute Scope 1 and Scope 2 carbon emissions by 42% by 2030 compared to 2020”. We will also apply to SBTi (Science-Based Target Initiative) to confirm that our target is science-based in accordance with the 1.5 °C scenario.

Our Daily CO₂ Emission Per m² of Sales Area* (kgCO₂e)



*CO₂ emissions of the previous years were updated as normalized using the Defra coefficients for 2021.

Our Corporate Greenhouse Gas Emissions on Scope Basis by Years*

Resource	2019	2020	2021
Scope 1 (mt CO ₂ e)	265,117	268,001	234,659
Scope 2** (mt CO ₂ e) Market-Based	244,463	236,014	246,291
Scope 2** (mt CO ₂ e) Location-Based	263,463	254,658	274,256
Scope 3*** (mt CO ₂ e)	103,923	98,561	9,567,159

*Greenhouse gas emissions of the previous years were updated as normalized using the Defra coefficients for 2021.

**Market-based calculation methodology relies on the use of the emission factor based on the supplier from which electricity is purchased. The location-based calculation methodology relies on the use of the average emission factor associated with the grid where energy consumption occurs.

***Scope 3 emissions include emissions in 2019 and 2020 from Flights, Wastes, Transport, Sanal Market Vehicles, Personnel Shuttles Customer Shuttles and out of scope energy consumption. It includes emissions that originated in 2021 from the products sold to these accounts, due to the use by the end user of the products sold as well as the disposal/processing of its wastes.



Our Corporate Greenhouse Gas Emissions by Category*

Following the transition period which was granted within the framework of ISO 14064-1 2018 standard which was updated in 2018, starting from 2021, we started to calculate our emissions also according to Category 1-6 defined in ISO 14064:1 2018 standard, in addition to the Scope 1, 2 and 3 classifications given in the GHG protocol and GRI standards.

Resource	Total Emission in 2021 (mt CO ₂ e)	Resource	Total Emission in 2021 (mt CO ₂ e)
Scope 1	234,659	Category 1	Direct GHG emissions and removals
Scope 2 (Market-Based)	246,291	Category 2	Indirect GHG emissions from imported energy Purchased Electricity (Market-Based)
Scope 2 (Location-Based)	274,256	Category 2	Indirect GHG emissions from imported energy; Purchased Electricity (Location Based)
Scope 3	9,567,159	Category 3	Indirect GHG emissions from transportation
		Category 4	Indirect GHG emissions from products used by organization
		Category 5	Indirect GHG emissions associated with the use of products from the organization
		Category 6	Indirect GHG emissions from other sources
Total (Market-Based)			10,048,108
Total (Location-Based)			10,076,074

*Total emissions under the category were calculated as per the revision of ISO 14064:1 2018.

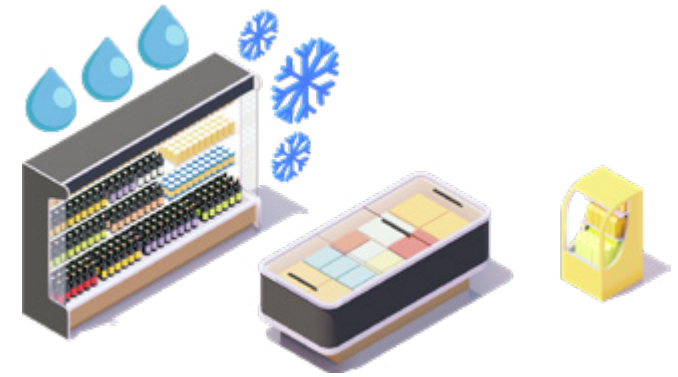
You can find details of Our Category Based Scope 3 Emissions, in the **'Annexes'** section.



Our Environmentally Friendly Cooling Systems

Since a large part of the greenhouse gas emissions in the food retail industry arises from cooling systems, we particularly pay attention to preferring efficient natural coolers and next generation systems to reduce our greenhouse gas emission. In this context, we don't use hydrofluorocarbon (HFC) in the cooling systems in our distribution centers

and stores. We have a patented water-cooling system where we ensure cooling by circulated cold water, instead of gas, in the cooler cabinets in our stores. By launching innovative practices in our cooling systems, such as water-cooling systems, we work for the use of natural coolers and environmentally friendly systems that can operate in harmony with the "climate of our country".



Accordingly,

- In 2015, we started our first works for the use of a natural cooler system and tried to use glycol instead of HFC-R404a gas. Then we tried to cool the cooler cabinets by circulating cold water using glycol-propane, which is a natural cooler, to cool the water used. We have a patent for this cooling system, which has a Utility Model Certificate. Currently, we have 21 stores and 4 distribution centers where our water-cooling system is used, and we continue with our efforts to make the use of our system widespread in other locations as well.
- In the cooling systems in MİGET meat processing plant, we use ammonia as a natural cooler instead of HFC.

In 2021, we achieved 7,317 MWh of energy saving with our energy saving practices. Thus, we prevented an emission of 21,820 tCO₂e and derived a cost reduction of TRY 7.2 million in 2021.

Our Energy Efficiency Projects in 2021	Energy Conservation (MWh)
Savings achieved by replacing old and expired air conditioners in 36 stores	285
Savings achieved with lighting, air conditioning and cooling automation works in 225 stores	1,835
Transformations of frozen cooler cabinets in 28 stores and the energy/gas saving achieved	355.4
Savings achieved through conversions made with the next generation lighting system in 50 stores	4,482
Glass-door cabinet transformation system in 5 stores and energy (gas and electricity) savings to be achieved	330
Energy saving achieved by turning off the lights on floors on lunch break	30.4

Our Sustainable Distribution Systems

Within the framework of our energy consumption arising from our distribution and logistics activities, we carry into effect various practices to achieve saving. In addition to this, we carry out efficiency efforts to reduce our greenhouse gas emission arising from our activities.



The aim is to ensure that at least 3 of our distribution centers that we will open by 2025 have level B or higher-level energy performance certificates. Accordingly, our Avrupa Distribution Center and Tuzla HUB Distribution Center, which we opened in 2021, have level B Energy Performance Certificates.

Accordingly,

- We measure the distance covered between our distribution centers and stores every year and open our new distribution centers to strategically most efficient points by making periodical distance and route optimizations to prevent covering of extra distance.
- In 2021, we opened Avrupa Distribution Center and Tuzla HUB Distribution center to provide operational efficiency and road advantage and optimized our capacity.
- We transport 80% of our products to our stores with fully loaded trucks in parallel with our central distribution strategy.
- We have 10 electric vehicles and 49 electric bicycles in our Migros Sanal Market vehicle fleet.

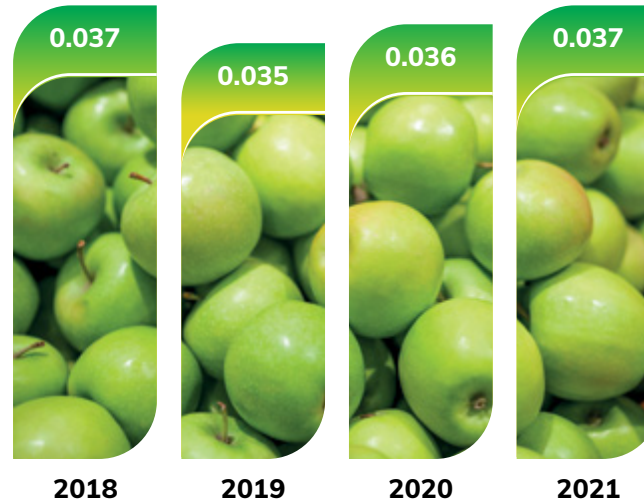
- By directing the products that will be sold in our stores to their own distribution centers, we reduce the truck traffic by up to 30 times.
- We use efficient and foldable boxes for multiple use in our fruit, vegetable and red meat shipments and in our distribution centers.
- Thanks to our collaboration with Palex, it became possible to save 77 tons of CO₂e emissions with collection of pallets from our distribution centers.
- It was possible to save 759 tons of CO₂e because of our collaboration with Chep, and 8,226 tons of CO₂e as a result of our collaboration with IFCO.

Our Performance and Targets

To reduce our environmental impact arising from our distribution center shipments, we aim to “reduce our CO₂ emission per transported unit”. In 2020, we had the goal of reducing our CO₂ emission per transported unit by 5% by 2025 compared to 2018. Emission per unit increased in 2021 compared to 2020, because of the obligation to make shipments with insufficient truckload due to the workload due to Covid-19 and because of making shipments from distant distribution centers due to weather conditions. Due to this circumstance, we updated our goal to a reduction of 2.5% by 2026 compared to 2021.

Route optimization and efficiency issues in the supply chain are among the goals of our Chief Supply Chain & Logistic Officer and our Supply Chain Solutions Director. These targets, which have a share of 10-20% among all targets, directly affect the annual performance premiums.

CO₂ Emission Per Transported Unit From Distribution Center Shipments* (kgCO₂e)



* Emission values of the previous years were recalculated based on the current emission factor.

Our Energy Management and Efficiency Works

We increase our operational efficiency with the energy saving efforts to combat climate change. In this context, we prefer “varied current-control” and “high automation-efficient” systems for air conditioning and industrial cooling systems in our newly opened and renovated stores.

We measure our energy consumption daily, weekly and monthly with our energy monitoring system. In parallel, we take the necessary measures to reduce our energy consumption and greenhouse gas emissions. We monitor our cooling, air conditioning and lighting systems centrally on our automation system that tracks our energy consumption.

We established daylight lighting in our stores where efficient to benefit from daylight maximally. In order to prevent formation of heat islands, we prefer on our roofs dyes that reflect sun beams and provide heat insulation. In addition, we use lighting units with motion sensor in the warehouses of our stores.

Our total energy consumption in 2021 was 556,602 MWh; renewable energy is not included in the consumption values given in the table below. 94.9% of this consumption was from electricity use. We didn’t consume or sell heating, cooling, and steam as secondary energy sources.



In addition to this, we procured from renewable sources 60,000 MWh of electricity corresponding to 10% of our electricity consumption in 2021 and received the I-REC International Renewable Energy Certificate, which was developed by the Netherlands-based International Renewable Energy Certificate Standard (IRECS) and is given to promote renewable energy investment and use among businesses and consumers. In addition to these efforts, we conduct feasibility studies on renewable energy.

You can find the number of stores with an automation system in the **“Annexes”** section of our report.



Our Energy Consumption by Resource (MWh)

Resource	2019	2020	2021
Electricity	565,249	506,359*	528,407*
Natural Gas	7,956	14,890	12,681
Diesel	15,025	11,050	11,398
Gasoline	788	3,129	4,116
Total	589,018	535,428*	556,602*

*Renewable energy use is not included.

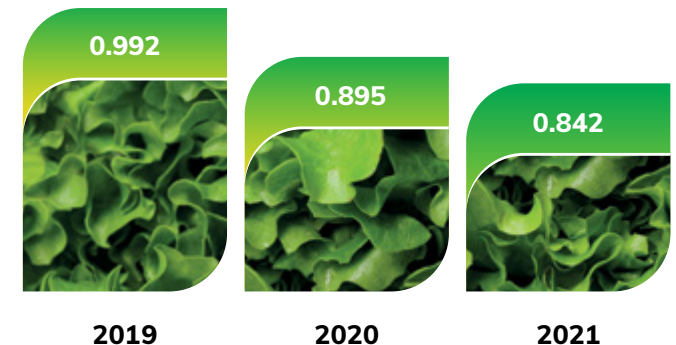
Our Performance and Targets

We were calculating our target that we set for electricity saving and energy efficiency, in “daily electricity consumption per square meter of sales area”. We managed to reduce our electricity consumption in this metric by 24.2% from 2013 to 2020. Then we set our new goal as a reduction of 22% by 2030 compared to 2019. Accordingly, in 2021, we achieved a reduction of 15.2% compared to 2019 and a reduction of 5.9% compared to 2020. As we updated our carbon emissions reduction target in accordance with science-based methodology, we decided not to determine an additional electricity reduction target.

Between January and April 2021, our electricity consumption decreased by 28,500 kWh as a result of operational restrictions due to the Covid-19 pandemic.



Daily Electricity Consumption per m² of Sales Area (kWh)



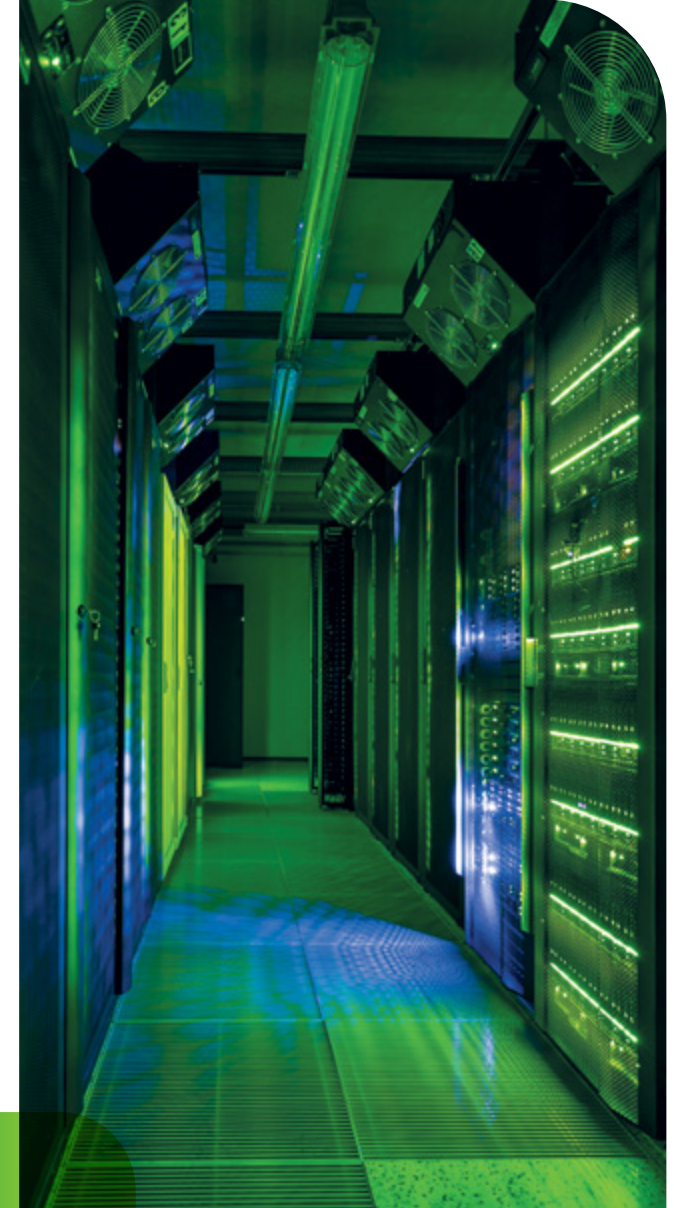
Our Green IT Practices

Having a Green Information Technologies (IT) approach, we perform many activities for years to achieve energy saving, such as installing next generation monitors in our stores and setting up new systems within our Company.



- We virtualize our traditional server infrastructure by replacing 80% of it with next generation hyper-integrated servers and make an energy saving of 80% by transferring it to cloud systems. In this regard, we virtualized 68 physical servers and achieved a total of 7.2 kWh of saving. Our rate of virtualizing our servers is 98%.
- We aim to increase our IT continuity level to 99.99% in a way to operate our critical data and applications through our Disaster Data Center (Felaket Veri Merkezi), and with the contribution of 7x24 monitoring/response teams.
- While we increase IT continuity with our 7x24 Security Systems Monitoring and Response Center, we also minimize cyber risks.

- To carry out the business processes completely through online systems, we set up new systems for our head office and administrative department employees. Accordingly, 95% of more than 500,000 meetings held within the year on online systems, were held in digital environment.
- We selected the equipment to be purchased (network, server, storage etc.) considering their energy consumption.
- We prepared energy saving plans for air conditioning and improving the environment and structured smart energy consumption systems with our Data Center.
- We started to use 242 Thin Clients in 4 newly opened and 8 existing distribution centers, and up to 600 of them in 308 newly opened stores. Thanks to the use of Thin Client, which consumes 55-60% less energy compared to PC, we have saved approximately 30,000 kWh.
- We closed 130 virtual servers and made available 600 CPU 2 TB source Memories.
- We set up 215 virtual machines, 180 in Ataşehir and 35 in Izmir.
- With the transition to next generation cash register system, copies of cash register receipts are kept in electronic environment. With this procedure, 2,750,000 cash register rolls were used and 155 million meters of roll paper waste was prevented in 2021.
- We deliver for recycle 65 tons of the devices replaced within the scope of Green IT.



Our Green Office Implementations



Our efforts in our office during the year within for the Green Office Certificate:

- › We removed the table dustbins in our office for plastic bag saving and we saved 10,000 plastic bags corresponding to 2.5 tons.
- › To point out the climate change, we organized a Sweater Wearing Day and reduced the office temperature by 2 degrees for 1 week.
- › We conducted an online training named "What is Compost? How to Make Compost at Home?" with the Buğday (Wheat) Association for Supporting Ecological Living, with the participation of 50 people.
- › We started to carry out the internal audits of our stores online and saved 22,500 papers only in two audits.
- › We canceled 91 lighting armatures to the window side in the Head Office and saved TRY 9,000 of energy.
- › We track the number of printouts in periods of 4 months and send an e-mail to those who printed out most. We warn our employees who want to take color printouts saying that "For saving on toner, please do not take color printouts unless necessary."



Our Bicycle-Friendly Stores

As a part of our combat against climate change, we widespread our practice of "Bicycle-Friendly Stores" intended to contribute both the health of our customers and nature. To encourage the use of bicycle, we increased the number of our stores having a bicycle park area to 170 in 30 provinces. We aim to increase the number of our stores having a bicycle park area to 400 in 2022. In order to support the sustainable reduction of carbon emissions by encouraging environmentally friendly transportation, 25 stores of us have electric vehicle charging stations for our customers using electric bicycles and special vehicles. Within the scope of our world bicycle day event, we rewarded our customers who came to our stores with bicycle. In addition, the survey on bicycle use of our employees showed that 8,000 employees use bicycle.

Our Sustainable Water Management



As the leading company of the industry aiming to use water efficiently and to be able to prevent the adverse environmental impacts of waste water from our operations, we monitor and monthly report to our senior management the water consumption of all our business units (stores, head office, branch directorates, production plants and distribution centers). In addition, we take steps toward our goal of reducing our water consumption by using highly efficient equipment. We report to Carbon Disclosure Project (CDP) Water Program since 2017. In 2020, we got B score for 2021 in the Water Security Program that we participated among the CDP Türkiye leaders.

We supply 95.22% of the water used for our operations from the water networks of the municipalities, and 4.78% from wells. We act through sustainable water management approach to ensure that our water use will not adversely affect resources. This approach leads us to ensure that no water resource was significantly impacted from

our operations. We also ensure that no significant impact will arise on the biodiversity of water resources.

We placed oil holders in our fish and hot food departments to improve the quality of wastewater of our stores. We discharge 98.11% of the wastewater from our operations into the sewerage systems.

We discharge into various points the wastewater from the operations of MİGET and our Gebze, Torbalı, Kemalpaşa, and Gölbaşı distribution centers, in which the wastewater from the treatment plants has a pollution load far below the legal limits. Wastewater of Gebze Distribution Center, Torbalı Distribution Center and MİGET is discharged into sewerage system, wastewater of Kemalpaşa Distribution Center is discharged into the Nif Stream, and wastewater of Gölbaşı Distribution Center is discharged into the seasonal stream bed. As of the end of 2021, Gölbaşı Distribution Center has been connected to the sewerage system.

Performance Indicator	Target Year	Target	Performance of 2021	Status by Target	Base Year/ Status
Store water consumption (m ³ /m ² .day)	2030	10% ↓	31.8% ↓ (0.0014 m ³)	Completed	2019/0.0021 m ³
	2030	10% ↓	0.0014 m ³	New	2021/0.0014 m ³
		1% ↓	0.0014 m ³	New	2021/0.0014 m ³

Risk Assessment

We use the WRI Aqueduct tool to assess the risk of flood in our operation areas. This tool helps us identify and share with our stakeholders the areas at risk of flood or drought and water-stressed areas. We evaluate the risks and opportunities in this respect. We include in the calculations our departments other than store such as the head office and distribution centers to obtain a result covering the entirety of our operations. As a result of the efforts, we carried out within the scope of all our activities, we identified that 89% of our total water consumption arises from water consumed in a total of 2,198 departments of us located in water-stressed ar-

reas. We analyzed the economic aspect of water risk in 30 stores with the highest annual turnover among our stores located in water-stressed areas, our head office, 10 distribution centers of us, 1 wholesale warehouse and 3 fruit/vegetable warehouses and our MİGET and Gebze Meat Processing Plants. We closely monitored the water use change in these facilities and the environmental and economic impact it created on an annual basis, and planned improvement works.

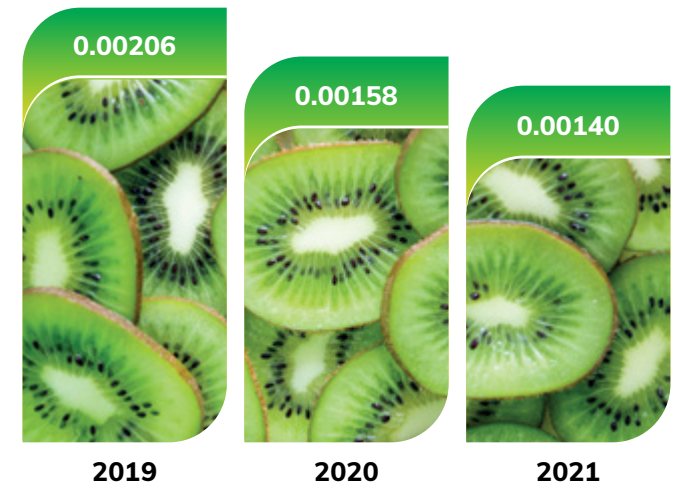
In addition, we assess the significant water risks, such as drought, of our agricultural suppliers, using the WRI Aqueduct Food tool, and in this context create action plans to support the sustainability of our supply chain.

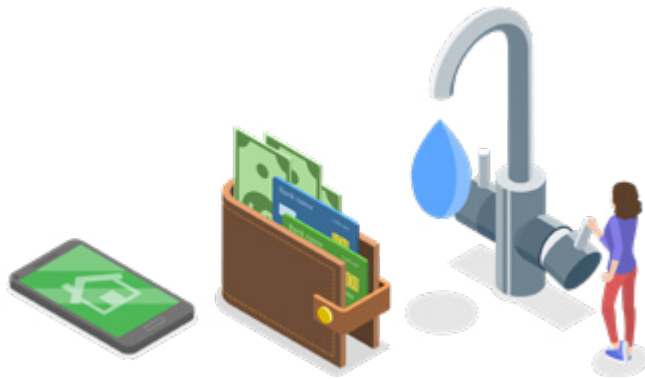


Our Water Efficiency Works

We monitor all of the water we consume in our units and the water consumption per square meter of sales area in order to proceed in accordance with the water consumption goals in the world retail industry. Evaporation from our service and fish section is consist of 2.5% of our water withdrawal. In 2021, our total water withdrawal for all our activities was 997,363 m³ and our total discharge was 972,428 m³.

Daily Water Withdrawal Amount per Sales Area Square Meter (m³)





Our water efficiency efforts in line with our sustainable water management vision are as follows:

- As of 2018, we started to carry out a life cycle assessment for our private label products. In 2021, we recorded a measurement of 98,649 m³ as the annual water footprint of 1 kg of private label kashar cheese and 1 kg of private label beef stake in skinpack packaging sold under Uzman Kasap brand.
- We made the availability of grease trap equipment in the case that there will be fish departments in our newly-opened stores, and also made it mandatory for grease traps to be installed in all service departments or to the drain connected to the departments in our stores to be opened in shopping malls
- We installed 50 grease trap and filter apparatus in our 20 stores. Thus, we ensured that all of our stores have grease traps as of this year.
- We install water tanks in our stores where water shortages are common. In 2021, we carried out installation and plumbing works in 60 of our stores
- In order to increase water efficiency, we are expanding the use of time adjustable armature and aerators in our production facilities. 360 time adjustable armatures and aerators were installed in 2021.

Our Performance and Targets

We monitor our water reduction target through our daily water consumption per square meter of sales area. Our goal of 10% of reduction in this metric by 2030 compared to 2019, was committed by signature of our Board of Directors. We exceeded our goal in 2021 by achieving a reduction of 31.8%.

A visible reduction occurred in water consumption as a result of the changes due to the Covid-19 pandemic, which started in 2020. This effect is maintained although with some reductions as the restrictions continued in 2021, but

we anticipate that water consumption will return to normal level starting from the next year. In the short term, we aim to reduce our water reduction target by 1% per square meter of sales in 2022 compared to the base year 2021. We set our new goal as reducing our daily water consumption per square meter of sales area by 10% by 2030 compared to the base year of 2021.

You can find detailed information on the trainings that we provided to our employees in 2021 on environment, water consumption and hygiene in the **'Annexes'** section of our report.



Our Contribution to Sustainable Agriculture and Biodiversity

We know that, preventing loss of ecosystem and biodiversity against the increased adverse effects of climate change and ensuring sustainability of natural resources will contribute to economic and social development, and we continue our efforts with this awareness. We care about protecting biological diversity in our areas of impact during our operations. We pay attention to sustainability of natural life in all activities, and as an output, our operations have no direct damage to biodiversity. As the leader of the industry, we want to achieve more and work to minimize our indirect effects as well. We support sustainable agricultural practices in all our activities harmonized with natural life.



We apply for all the necessary permits and licenses before the opening new stores. Under these applications, we are subject to all the environmental assessments included in the United Nations Environment Program (UNEP) Convention on Biological Diversity, which is also signed by our country. With our sensitivity in this respect and our leading position in the industry, we continue to take actions to provide private industry contribution for the “Conference of the Parties to the Convention on Biological Diversity”, which will be chaired by Türkiye from 2022 to 2024.

In 2021, we started efforts to reduce carbon emissions of regenerative agriculture and agricultural products. With our goal of gaining acceleration for more productive lands and production, we plan to establish Migros Dijital Tarım Platformu (Migros Digital Agriculture Platform). We offer trainings in our platform for use of manufacturers or prospect manufacturers across Türkiye, in collaboration with the Ministry of National Education, Directorate of District Agriculture and Forestry and universities. As a result of these trainings, every product manufactured in Migros standard will be recorded in this platform, and by this means we will support our manufacturers and put up for sale these products in our stores. In addition, we will organize in-class trainings for 3 to 6 months in our Family Clubs for

those manufacturers of us who want to document the online trainings they receive with professional certificates.

As Migros, we recommend the constitution of Agricultural Joint Ventures specialized in basic products for the development and support of agricultural production. Besides, thanks to the improvements in modern agriculture, we work to strengthen farmers financially and supporting production on basin basis with correct planning. We draft the agricultural map of Türkiye together with our farmers to ensure that the right product is delivered to the consumer at the right time and at the best price.

To tell our society, especially our youngsters, the balance between the nature and humanity using unique views, and to instill the awareness of the fact that agriculture is our future, we made more than 500 hours of shootings in more than 1000 locations for the last 3 years and prepared the documentary film named “Agriculture is Our Future (Tarım Bizim Geleceğimiz)”. Our documentary film, consisting of 10 episodes and unique views brought us the Pandemic Period Success Award (Pandemi Dönemi Başarı Ödülü) and was accessed by 526,700 people.



As Migros, we were awarded the Pandemic Period Success Award (Pandemi Dönemi Başarı Ödülü) in 2021 Social Retail Awards (Sosyal Perakende Ödülleri), with our documentary film of “Agriculture is Our Future (Tarım Bizim Geleceğimiz)”.

Our Good Agricultural Practices

In order to protect our productive and fertile lands, we strengthen our farmers and manufacturers and undertake initiatives to make widespread sustainable production methods and traceability. We are the first retailer company which delivers to its consumers such products produced in accordance with the procedures and principles of the "Good Agricultural Practices (GAP)", which was started to be implemented by the Ministry of Agriculture and Forestry in fruit and vegetable products in 2010 and in animal food products in 2013. In order that the products can have GAP certificate, they should successfully complete the annual audits carried out by the organizations assigned by the Ministry, food safety should be verified by analyzes and they should have a traceability system. As Migros, we prefer to supply GAP-certified herbal and animal products. We contribute to the establishment of a quality and efficient production system and achievement of a safe and healthy food consumption. In addition, we make various efforts to develop alternative pest control methods and to abolish the use of agricultural pesticides with biological fighting techniques to prevent loss of biodiversity. Moreover, we prevent unnecessary use of fertilizer by calculating sufficient amount of fertilizer by means of the soil analyzes under GAP.



GAP - Animal Production

Since 2013, we have been delivering to our customers GAP-certified chicken, turkey and egg products. Our products are produced and analyzed according to 317 inquiry criteria by the control and certification organizations authorized by the Ministry of Agriculture and Forestry.

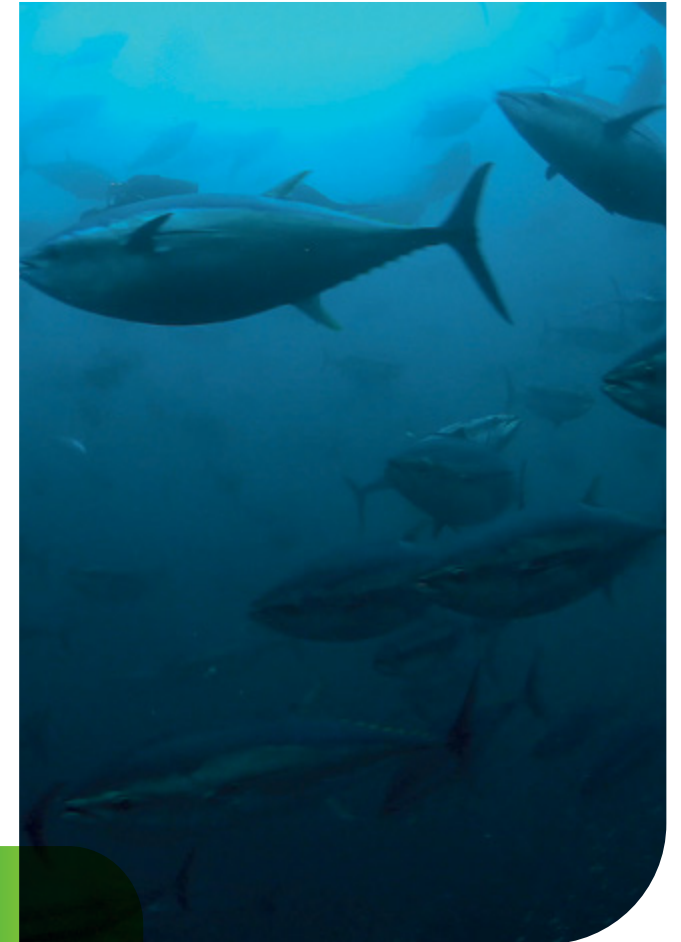


Our GAP-certified animal food products that we delivered to our customers in 2021:

- 27,468,588 kg chicken meat,
- 8,776,980 eggs,
- 2,227,323 kg turkey meat,
- 725,703 kg raw milk*.

*Produced in cooperation with a European Union Approved farm.

In 2021, **100%** of the chicken and turkey that we provided to our customers were **GAP-certified** products that **were audited for 317 criteria.**



GAP - Vegetative Production

We have been selling fruit and vegetable products in accordance with the procedures and principles of Good Agricultural Practices since 2010. We also encourage our farmers to make GAP-certified production. We increase the competencies of our employees regarding the products in compliance with Good Agricultural Practices.



- As of 2021, our sales of GAP-Certified fruits and vegetables reached a total of 1,126,452 tons in 11 years.
- In 2021, we continued our efforts to expand production with GAP with our 118 suppliers and 734 sub-producers. We sold 239 GAP certified products belonging to 112 different fruit and vegetable groups.
- Our fruit and vegetable warehouses in Antalya, Bursa, and Izmir have "Good Agricultural Practices Group Certification". We ensure the up-to-datedness of these certificates through yearly audits.

- In 2021, 587 employees who are responsible for the supply and sales of these products in our stores and distribution centers completed their training on GAP procedures and principles.
- In 2021, 5,885 people participated in the Good Agricultural Practices online training and 1,271 people participated in the 'Difference Between Organic Agriculture and Good Agricultural Practices' training.
- We make efforts to increase the production of dried products (pistachio, nut, apricot, grape etc.) in accordance with GAP.

- We assisted in the group certification processes of Kestel, Gürsu and Barakfatih cooperatives in Bursa. We obtained certification for 1,889 tons of pears of 11 manufacturers.
- In 2021, GAP-certified products comprised 46% of our fruit and vegetable turnover.

We are the first retailer that have implemented in our country the "Good Agricultural Practices" control system with 327 criteria.

Tastes of Anatolia (Anadolu Lezzetleri) Project

In accordance with our aim of preventing loss of biodiversity and holding onto our cultural wealth, we work to transfer to the next generations those seeds all across Anatolia facing extinction, with our “Tastes of Anatolia Project (Anadolu Lezzetleri)”. As a result of examination of local seeds and special recipes from 25 locations in 7 regions of Türkiye, we offer our customers 59 products in varying local or cultural characteristics in 198 stores. We produced each of our products faithfully to their originals thanks to our craftsmen.

Within the scope of the project, Amik Plain Karakılçık Wheat, Amik Plain Karakılçık Fine Bulgur, Amik Plain Karakılçık Coarse Bulgur and Kastamonu Einkorn Bulgur are in the category of genetically unmodified and non-hybrid seed. We also included Kemaliye Eğin Mulberry Fruit Roll-up and Taraklı Pinecone Jam into the scope of the project within the year.

We carry into the future the seeds about to extinct, with 59 Tastes of Anatolia products from 25 locations of Anatolia.



Combating Deforestation

Within the scope of our combat deforestation, we reduce the amount of paper used by digitalization of our operations, carry out various campaigns and projects to re-afforest the forestland, and protect biodiversity. To revive and afforest burnt or damaged forestland, we donate saplings using the income from the sales of the olive products produced by Aegean Forest Foundation (Ege Orman Vakfı) offered on our shelves. Up until today, we contributed to the planting of 554,148 saplings.

Within the scope of Migros Up project, we spread 8,450 sapling balls during the year with our Migros Toptan customers, in collaboration with Ecoding.

We donated 554,148 saplings in 14 years to combat deforestation.

Erikli Seed Project

With Erikli Seed project, we aim to raise awareness of our consumers on sustainability and to prevent deforestation. We plan to plant trees by using advanced technologies in the areas which cannot be afforested by manpower. In 2021, we completed our goal of bringing 100,000 seeds together with nature.

“Have Plenty of Pistachios” Project

In 2021, each Nestlé Damak purchased from Migros and Macrocenter stores resulted in a contribution of 3,000 saplings to the Forest Hope within the scope of the collaboration made with Tema Foundation.

Our Practices to Reduce the Use of Paper

We aim to combat deforestation by increasing the use of recycled or certified materials and reducing the amount of paper we use.



In line with this goal;

- We preferred certified products for photocopy papers in our head office, produced from sustainable resources. In addition, we set our machines to operate only with the ID cards of our employees, aiming to prevent unnecessary use of photocopy machines.
- We digitalized The Panoramik Magazine and the follow up of CVs and applications in job interviews.
- We digitalized our campaign booklets, and thus reduced our paper use by 90%.
- Thanks to the paper, cardboard and wood we recycled, we saved 195,316 trees.
- We achieved a saving on our printed campaign booklets by using 68.2 tons of recycled paper.
- In order that all data and analyzes can be accessed and reports can be viewed, we made our application named MİO available to all our managers. Since they can carry out their procedures through the application, we saved

paper to be used for reports and analyzes. In 2021, our systemic developments and digitalization of our processes allowed us a paper use of 86.57 tons less.

- With the digital conversion of guest cards, 70% paper savings were achieved compared to 2019, the year when the application was launched.
- In 2021, we completed our project of wholly digitalizing our Money Card applications. We prevented the use of 10.5 tons of paper, as our customers made their applications on the website **www.money.com.tr** without the need for a paper Money Card form.
- With our BOS application, we prevented the consumption of 46,000 pcs of paper by putting an end to the procedure of taking a printout following the repair works in our stores and delivering it to the store manager.
- As of 2021, we used paper amounting to a total of 2,600 kg for purposes such as leaflets, letters, gift cards etc., which is completely recyclable.

We digitalized 90% of our campaign booklets and made the rest from recycled paper.



Our Food Waste Prevention Practices

Performance Indicator	Target Year	Target	Performance of 2021	Status by Target	Base Year / Status
Our food waste tonnage/food sales tonnage	2030	50% ↓	22% ↓ (4.21)	Ongoing	2018/5.36

As the leading retailer of our country, we support sustainable agriculture considering that we are responsible for preventing waste of food products that produced by many people with great efforts. Approximately 1/3 of the food produced in the world goes to waste, and to prevent the waste arising from our own operations and to ensure reuse of consumable foods in accordance with the food recycling hierarchy, we carry out measurement, analysis, categorization and improvement, and make collaborations throughout our value chain. In addition to these, we raise awareness of our customers in this respect, and give them ideas to prevent waste, that they can easily implement in their own life. In order to prevent post-harvest losses in the cropland, we started to implement a model where the whole crop is used, we sell those products which are in compliance with our sales criteria and use other products preserving their nutritional value in other production areas such as jam, sauce and fruit juice.

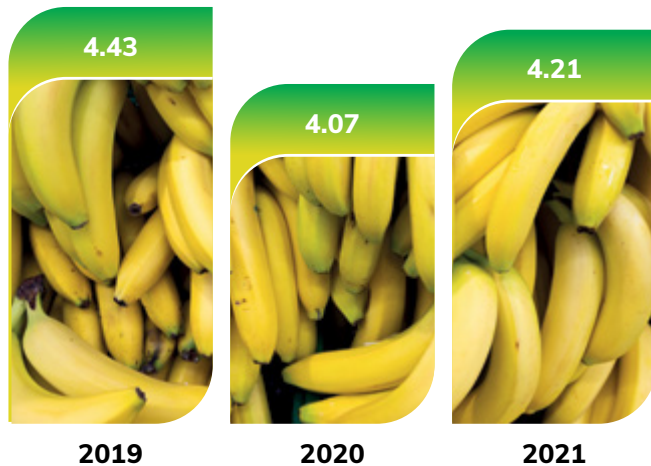
As Migros, we made a collaborated work with the Turkish Food Safety Association (GGD) to determine the consumer perception and behaviors causing food loss, titled "Food Loss and Label Reading Research". The results of the research carried out by Nielsen Research Company, revealed that the difference between the Expiry Date and Best Before Date (BBD) appearing on food labels is not accurately known by consumers, and as a direct result of this confusion, 72% of consumers stated that they would throw away food that is suitable for consumption. According to the results of the research, we inform and raise awareness of consumers regarding the difference of the consumption date, and in order to prevent food waste, we share the documents for informing our consumers on the practices to be carried out in daily routine, through our social media platforms. Moreover, we have ongoing works to publish guidance needed by the industry on the legislation side, in order to put up the product for sale after the Best Before Date.



Our Performance and Targets

In parallel with Sustainable Development Goals and as a member of the Food Waste Coalition of Consumer Goods Forum (CGF), we committed to reduce our food waste ratio by 50% by 2030. Accordingly, we set it a goal to reduce the ratio of our food waste tonnage to our food sales tonnage, by 36.6% by 2025 compared to the base year of 2018 in mid-term, and by 50% by 2030 in long-term. Our food waste ratio was 5.36 in our base year and became 4.21 in 2021 with a reduction of 22% in 3 years. It was due to the Covid-19 pandemic that we had less waste rate in 2020 compared to 2021.

Our food waste tonnage/ Our food sales tonnage (%)



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

Ratio of our food waste tonnage to our food sales tonnage, which we aim to reduce by 50% by 2030, was reduced by 22% in 3 years.



Extending The Awareness of Consumers

Besides our projects and practices to reduce food waste, we also make efforts to ensure that the matter of food loss is understood by our consumers.

As a first step to make efforts to reduce food waste globally, awareness of consumers should be raised, and consumer attitudes should be changed. Accordingly, we participated in the Save Your Food campaign launched by the United Nations Food and Agriculture Organization (FAO) and our Ministry of Agriculture and Forestry, to raise public awareness of food waste. We have started to provide information with infographics and videos through our stores and social media channels, on issues such as the difference between the Expiry Date and Best Before Date, use of residual food with different recipes and storage of food under proper conditions. Also, we supported the workshops organized for consumers.

In addition, we provided online training 'Expiry Date Discount Application' to 865 employees, 'Save Your Food' training to 13,985 employees and 'Migros Store Zero Waste Practices' training to 29,848 employees.

Under the leadership of the Ministry of Agriculture and Forestry and with the support of FAO, we prepared an important guideline to support retailers on food waste. In this guideline, we share recommendations aimed at reducing food loss and waste that may arise during the operations in the industry as well as detailed information on the exemplary practices to save unsold food and for transforming organic wastes into energy and compost. Our important guideline will assist enterprises in creating a successful food management strategy.

We pioneered the research on consumer perceptions and behaviors leading to food loss, organized by the Turkish Food Safety Association (GGD) and conducted by Nielsen, with the contributions of leading companies in the retail and FMCG industry.

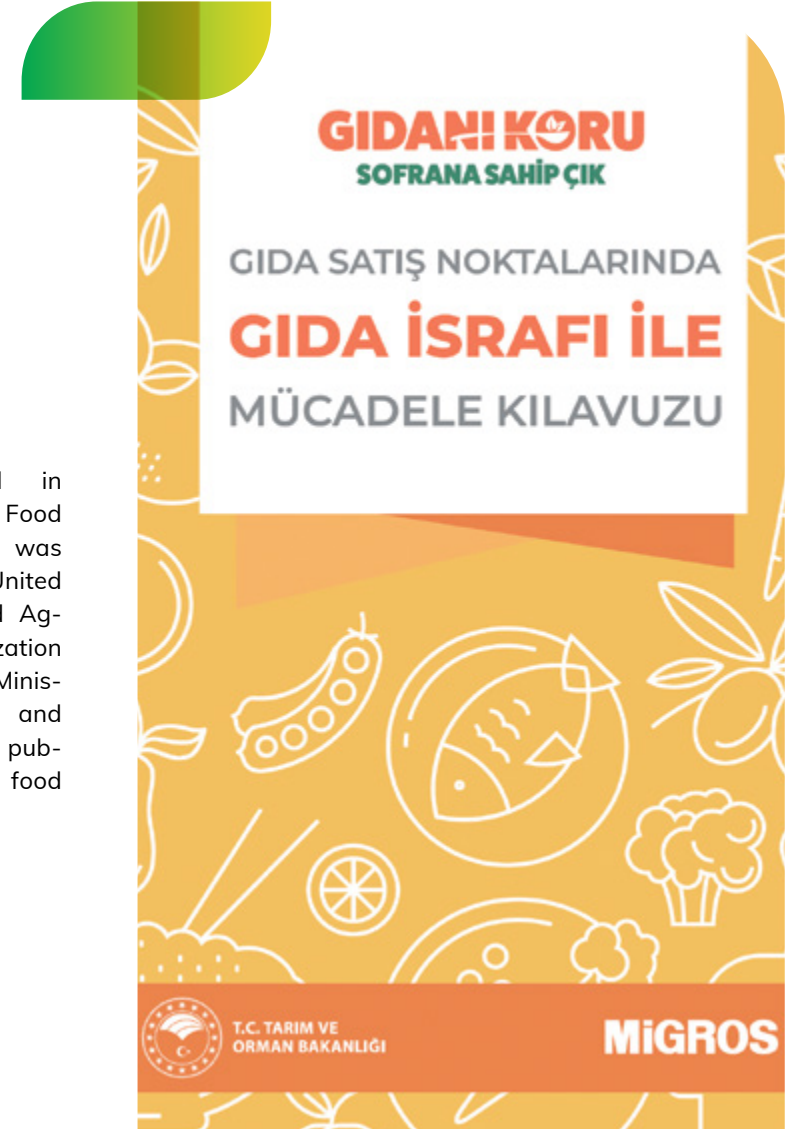
2018

We participated in the Save Your Food campaign, which was launched by the United Nations Food and Agriculture Organization (FAO) and our Ministry of Agriculture and Forestry, to raise public awareness of food waste.

2020

We prepared the Guide to Combating Food Waste at Food Points of Sale.

2021



Our Respecting Food Project

To prevent the waste of the food products that do not satisfy the sales standards in appearance but remain nutritious and suitable for consumption, we deliver these products to those in need with “Whole Surplus (Fazla Gıda)”, a web-based donation platform. With this next generation application that we started to use for the first time in 2017, we again act as a trailblazer in Türkiye and deliver donatable food products to those in need. Thus, we ensure delivery of foods to correct addresses in appropriate amounts.

With a donation of 2,781 tons in 2021, we have been supporting the delivery of more than 12.78 million meals to those in need since the beginning of our project. You can watch the detailed video of our project on our **YouTube channel**.



Within the scope of our “Respecting Food” project, we put up for sale our fresh products and ripe fruits and vegetables with close Expiry Dates at a discount of 25 to 50%, and we endeavor to prevent them from going to waste. With these discounts, we prevented the waste of 3,967 tons of fresh products such as fruits, vegetables, meat, and chicken in 2021, and saved a food equivalent to the annual turnover of 10.7 MigrosJet stores.

With our Respecting Food project, we delivered more than 12.78 million meals to those in need.

By delivering our products with close Expiry Dates to our consumers at discounted prices, we prevented 3,967 tons of food loss.



Our Surprise Box Project

With the “Surprise Box” project, which resounded all around the world, we both prevent food waste and offer many products to our consumers at advantageous prices. Within the scope of the project on the mobile application “Surplus (Fazla)” for “Whole Surplus (Fazla Gıda)”, a web-based donation platform, our Surprise Boxes with two price options of TRY 25 and TRY 50 were delivered many products such as fruits and vegetables, non-durable meat products and fresh and dried foods, to our customers at a discount of 50%. Our customers who place an order through the mobile application can receive their Surprise Box from respective stores. The project started in 3 stores, then adopted by 14 stores, 7 Migros and 7 Macrocenter stores, and we aim to make this beneficial project widespread in other stores as well. In addition, we again maintain our industrial leadership as the first retailer to have applied in Türkiye the Surprise Box project which attracted too much attention abroad as well. In 2021, we prevented the waste of 536 kg of food and earned TRY 3,050 on a potential waste with our Surprise Box project.



Our Right on Time Project

After announcement of this year as the “International Year of Fruits and Vegetables” with a decision of The United Nations General Assembly, we supported the campaign carried out by FAO. With our “Right on Time” project, we pointed out the importance of seasonal consumption of fruits and vegetables, and every month we carried out awareness-raising efforts for products appropriate for consumption in the then current period. In this regard, we encouraged reduction of food waste by sharing the proper conditions to preserve fruits and vegetables and tips to extend food life as well as delicious and practical meal recipe suggestions.

Operational Improvements and Discounted Sales

As Migros, we carry out our projects to reduce food waste due to food spoilage, following our goal of reduction at source, which is one of our preferred methods. We identified that vegetables and fruits comprised 71% of our food waste and we carried out various studies for this perishable product group.

In order to prevent losses arising from overstocking, we use an automated ordering system. We use a smart algorithm that can calculate the order, previous orders, stock status and sales of fruits and vegetables, and guarantee a sufficient amount of shipment with the assistance of artificial intelligence image processing system. With this organization, we prevent overstocking and ensure correct ordering. In addition, we made this system widespread in all our stores to get efficiency most from our efforts.



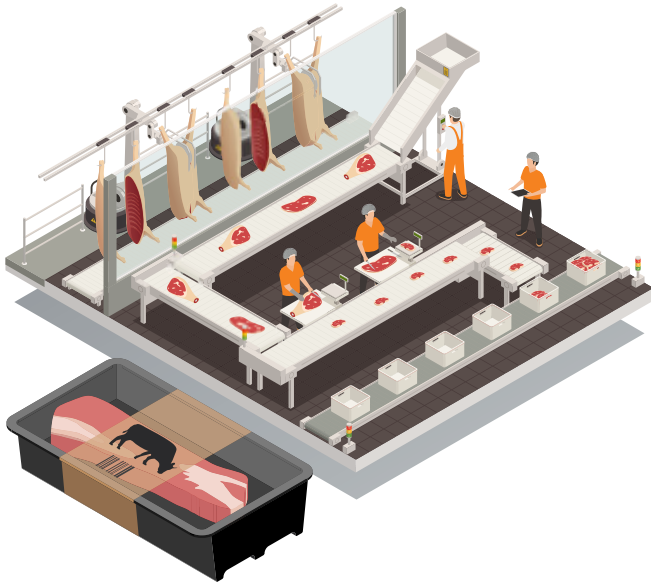
Extending the Product Life of Red Meat

Thanks to our innovative production line and expert butcher staff, MİGET makes efforts to use our products in the most effective way possible, minimizing loss and extending the shelf life of our products. With a new investment of 4 million Euros, we increased our annual production capacity of packaged meat by 66 percent, while reducing the plastic material used by 25 percent.

By using Skinpack Packaging Technology, we completely deaerate our red meat products by using vacuuming during their packaging, and by this means our products are both protected from environmental effects and their shelf life is doubled. We also continue with our efforts aimed at making widespread this technology in our stores to prevent food losses.



- We have implemented robust cold chain practices. This allowed us to extend the shelf life of our products by about 30%.
- The aim is to reduce food loss in the entire process with standard end-product production through MAP (Modified Atmosphere Packaging) packaging technique.
- As of 2019, we switched to “Zero Inventory” program for our goal to 40% extend the shelf life of calf carcass, which is used as a raw material in production, but this program halted due to Covid-19.
- 5.400 kg of Mono Material were recycled by being converted to mono material in MAP (Modified Atmosphere Packaging) packaging material.
- We also recycled 40 tons of packaging materials used in our products apart from Mono material.



Our “Fresh Leftovers to Our Four-Legged Friends” Project

We have been carrying out the “Fresh Leftovers to Our Four-Legged Friends” project since 2014. We donate food products that are still consumable but have close Expiry Dates to HAYTAP (Turkish Animal Rights Federation) to be fed to forest and stray animals. Within the scope of the project, we contributed to feeding of animals with a total of 4,423 tons of food aid up until today. In addition, we placed specially-designed animal food containers in front of our 227 stores so that stray animals living around the stores can be fed in a clean and healthy environment. In our stores located in regions where street animals are abundant, we allocate food containers to our relevant stores in line with the demands. In addition, with the donations we made during the year from our warehouses, we contributed to feeding of farm animals with 255.8 tons of food.

We donate food for feeding of stray animals in collaboration with HAYTAP.

Our Black Soldier Flies Project

With the “Black Soldier Flies” project, we ensured the waste of 13.6 tons of food in a way that causes less emission, in collaboration with Whole Surplus (Fazla Gıda). By this means, we prevented a CO₂ emission equal to 1-year consumption of 7 houses by avoiding an emission of 48 tons.

Our Energy Generation Production from Organic Waste

With the efforts we carried out, we support the transformation into biocompost of non-consumable organic wastes and their use for energy recycling. We separate at the source the food waste generated by our Gebze, Esenyurt, Bayrampaşa and Torbalı Distribution Centers and Izmir Fruit and Vegetable Warehouse.

Energy Generation from Organic Waste	2019	2020	2021
Biogas (dm ³)	520	425	580
Electricity (kWh)	1,012	899	1,223
Compost (tons)	2,851	2,458	2,610
Organic waste sent to biogas plant (tons)	5,200	4,255	5,800

In 2021, we obtained energy from biogas obtained from our food waste, to run a 100-watt lightbulb for 507,036 days.



Reducing Food Waste of Our Suppliers

In addition to our fighting to reduce food wastes created after our operations, we also raise awareness of and support our suppliers in reducing their food wastes. Accordingly, we participated in the “10x20x30”, launched by World Resources Institute (WRI), as the first Turkish retail company, with 23 volunteer suppliers which was. This initiative, in which 10 retailers invite 20 supplier companies globally, is aimed at supporting throughout the supply chain the goal of reducing food waste 50% by 2030, which is included in the Sustainable Development Goals 12.3. We, as Migros, provided information and training on the efforts carried out globally to reduce food waste and started to work to measure and reduce food waste rates of our companies. We support our suppliers in recording food waste, with the use of the Global Food Loss and Waste Prevention Protocol and within the scope of the ATLAS program which was created by WRI.

We are the first Turkish company among the 10 retailers that participated in the WRI 10x20x30 initiative.

We lead the way for everyone in the retail industry with our guideline.

TAGEM Project

As Migros, we became a supporter of the project carried out by the Ministry of Agriculture and Forestry General Directorate of Agricultural Research and Policies (TAGEM). To ensure that fresh fruits and vegetables can be transported from cropland to shelves under suitable conditions without rotting or spoilage, hand or skin disinfectants that contain no chemical substances are tested for use in agriculture. If the project succeeds, including the disinfectant product of our production, natural substances can be used in agriculture to eliminate the harmful effects of bacteria, viruses and insects, instead of chemicals, and thus, shelf life of fruits and vegetables will be extended and approximately 26 tons of an annual food loss will be prevented.

Harvesting All Products of Field

We make efforts to purchase and use crop from the fields in various regions of Türkiye.

Throughout the year,

- › We purchased 620 tons of apple from Antalya, 68% of which to be sold in our stores and 32% of which to be sold to fruit juice companies.
- › We purchased 758 tons of kiwi in Eastern Black Sea region from Rize to Hopa, to be sold for fruit juice or animal feed.

SOURCE REDUCTION:

With the developed automated ordering system, we designed the product stocks in our stores to prevent food waste. We offer discounts of 25% to 50% on meat and dairy products, dry food, and ripe fruit and vegetables with close the expiry dates.



FOOD AID TO THOSE IN NEED:

We deliver foods that do not meet the sales standards visually but remain nutritious and suitable for consumption to people who them need on the donation platform.



FEED ANIMALS:

We feed street animals with food that is not suitable for sale but remain suitable for consumption.



INDUSTRIAL USES:

We enable the conversion of waste vegetable oils delivered by our customers into biodiesel.



COMPOSTING:

We ensure that organic wastes that cannot be consumed are converted into biogas and fertilizer.

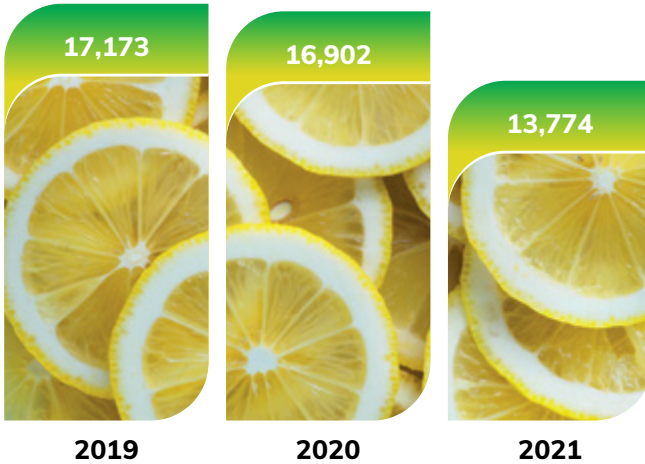


LANDFILL/
INCINERATION

Our Effective Waste Management

With the increased use of plastic, plastic wastes growing a great acceleration and the difficulties in disposal of plastic waste have become an important factor in the climate crisis and environmental pollution. To prevent this problem that has a great impact on the natural life, we, as the leader of the retail industry, carry out operations with our understanding of responsible production and consumption. Following our effective waste management approach, we adopt the understanding of sustainable consumption in all our business processes, targeting to get Zero Waste Certificate in all our plants. By ensuring effective and efficient use of our resources, we aim to minimize our waste amount created because of our operations.

Packaging Waste Amount Recycled By Year (tons)



By getting involved in the “Business Plastics Initiative” in 2021, we set the goal of preventing creation of 493 tons of plastic by 2023.



Bag-Free Shopping Movement

By taking action to reduce the use of plastic bags, we invited our customers in Migros and Macrocenter stores in 81 provinces of Türkiye not to use bags in their shopping in 2021. Thanks to our customers who supported our Bag-Free Shopping Movement campaign, the rate of bag usage per transaction decreased by 7%. To thank our customers for their sensitivity, we planted 10,000 new saplings on Manisa Yunt Mountain, in collaboration with Aegean Forest Foundation.

Type and Amount of Recycled Packaging Waste in 2021 (tons)

Wood	Glass	Paper	Metal	Plastic
7,134	54	4,355	1,401	829

You can find waste amounts by disposal types for 2019, 2020 and 2021 in the 'Annexes' section.



Our Plastic Waste Reduction Practices

Performance Indicator	Target Year	Target	Performance in 2021
Reducing plastic grams of bags	2023	330 tons of plastic waste prevention	188 tons
Reducing plastic waste in shipments of our suppliers	2023	Saving 30 tons of plastic waste by expanding the use of reusable container crates	18 tons of reduction crates
Development of packaging of private label products	2021	Identifying the packaging content and recycling rates in all private label products	509 PL products were analyzed
	2023	Gradually improving packaging with a low recycling rate	Work is ongoing.
		For 10 private label products, packaging reduction and material improvement	4 products
	2025	Saving 25 tons of plastic by using 25% r-PET in non-food product packaging	A total of 8.5 tons of recycled plastic were used, and an energy saving of 55% was obtained from this production.
Reducing use of foamed plastic plates	2023	50% reduction of use of foamed plastic plates (PS) usage in our operations	18% ↓
Use of cardboard packaging in ready-packed fruits and vegetables in Macrocenter	2023	Prevention of 40 tons of plastic waste	20 tons





According to the Packaging Waste Control Regulation of the Ministry of Environment, Urbanization and Climate Change, shopping bags became chargeable as of January 1, 2019. During this transition period, we carried out intensive awareness efforts and campaigns to ensure flow of information to our customers and to make the use of environmentally friendly multi-use bags widespread. In 2021, a reduction of 59% was seen in use, compared to

2018 in which plastic bags were given free of charge. In 2021, we also sold 2,013,839 environmentally friendly multi-use bags. The environmentally friendly multi-use bags that we sold in 2021 prevent an average of 3,625 tons of plastic waste arising from plastic bags throughout their periods of use.

We located the **deposit return machine** manufactured by Teknowatt, which operates with artificial intelligence technology, in our Ataşehir MMM store. This machine is completely domestic device that earns our customers 1 Money point for every 5-drink packaging, with the support of Coca-Cola İçecek. The machine accepts packaging wastes with artificial intelligence, image processing and weight control with zero possibility of error thanks to its technology.

In order both to reduce our plastic waste amount and to prevent production of new plastic, we started to use Refilling Unit in collaboration with OMO. With **the Refilling Unit** installed in our Ataşehir MMM store, our customers have the empty detergent bottles they brought with them scanned by our unit, and when the unit detects the size of the bottle and refills the product, they obtain the refilled product at a price which is more affordable compared to that of the products on shelves. With this practice, we aim to reduce the plastic footprints of our customers and to reduce the annual plastic amount created in our stores due to sales of detergents.





Within the scope of the Packaging Index Project on packaging of our Private Label products, all our products were examined, and packaging of products were analyzed. 85% of packaging of products are easily recyclable, 15% of them are not prevalently recycled, which make it difficult to recycle materials with this content. We have added the information in the description section of the Migros Sanal Market that the packaging of 434 recyclable products was produced from recyclable material.

Our project with motto **“Less plastic will be better for our world”** enables us to take steps to reduce the use of unnecessary plastic packaging in our stores and to develop packaging techniques. In 2021, kraft composite plates were removed from Macrocenter stores. We switched to 100% recycled PET plates in packaging of fruits and vegetables.

We aim to reduce plastic consumption arising from card use, by encouraging our customers to use mobile Money. We also digitized Money Card applications to avoid paper consumption during the card application process. In 2021, the mobile Money usage rate reached 64% of purchases with a card.

By changing the shipping procedure to our distribution centers with a supplier, we switched from PS foamed plastic plate to reusable container crate and prevented the use of 18 tons of PS foamed plastic plate. This change is planned to be extended to other suppliers as well.

We stopped purchasing lidded olive containers used in our stores, and thus, we prevented use of **32 tons** of plastic in 2021.



Environmentally Friendly Solutions in Packaging of Our Private Label Products



Our additional efforts to ensure less plastic use are as follows*:

- Reducing unnecessary plastic packaging use in our stores with the motto of “Less Plastic Will Be Better for Our World”, and preventing 68 tons of plastic waste by raising awareness of our employees on development of packaging techniques,
- Using CPP, string bags, paper bags, clamshell containers, kraft bags, cardboard boxes and inertia type bags, which are entirely biodegradable and supplied with repeat technique, in 2021, to ensure the use of nature-friendly packaging materials for the products of Tazedirekt,
- Providing 4R (Redesign-Reduce-Reuse-Recycle) training to 20 suppliers by 2023.

**An investment of TRY 1 million was made in R&D to reduce/prevent pollution, wastes or use of resources.*



We used 25% of r-Pet (recycled pet) in the packaging of 4 private label products in the dish-washing detergent category. 55% of energy saving was achieved by using a total of 8.5 tons of recycled plastic. We aim to increase the number of products for which we use r-Pet to 10 in 2025.

In addition to these efforts, we carried out life cycle assessment of our products, which correspond to 44.5% of our private label product trade, and we measured the carbon their emissions. In 2021, carbon emission arising from

sales of 135 products in food, non-food and Expert Butcher (Uzman Kasap) categories, was calculated as 270,943 tCO₂e. We aim to complete the life cycle assessment of all our private label products in the upcoming years.

In 2021, we used 25% of r-Pet (recycled pet) in the packaging of 4 private label products.

Our Contributions to Waste Collection and Recycling

Cleaning the Seas through TURMEPA

By collecting waste vegetable oil, we contributed to the cleaning of the seas through TURMEPA, Turkish Marine Environment Protection Association. TURMEPA's D-MARİN Boat collected approximately 722,000 liters of wastes from 1,672 vessels. The amount of waste collected with the support of Migros reached 280,000 liters. By this means, we kept clean 2.3 million liters of seawater.



Our Waste Oil and Battery Collection Activities

1 liter of waste oil discharged into the sewerage system makes 1 million liters of clean water unusable. To prevent this pollution, we deliver the waste oil we collect from our customers to those licensed companies authorized by the Ministry of Environment, Urbanization and Climate Change, through our stores and 'Migros Sanal Market'. Biodiesel is produced with the oil collected and sent.



- Since 2017, we have been collecting vegetable waste oils and waste batteries from the houses our customers and delivering them to authorized institutions for recycling, through "Migros Sanal Market".
- In 2021, we collected 131 kg of batteries and 284 kg of vegetable waste oil through "Migros Sanal Market" and delivered a total of 41.8 tons of vegetable waste oil and 5.4 tons of waste batteries from our operational units and stores to licensed companies. We prevented the pollution of 45.3 million m3 of water by collecting vegetable waste oil. And with the collection of waste batteries, we prevented 1.1 million m3 of soil from being poisoned.
- In 2021, we delivered 138 tons of electrical and electronic equipment that we collected from our operational units and customers to the licensed institutions authorized by the Ministry of Environment, Urbanization and Climate Change, and have them recycled.

Aisle Made of Nutshells with Migros Up and Ottan Studio

In aisles of our M Life branded products, we used our shelves, produced from shells of walnut and nut sold in our stores with upcycling technique in collaboration of Migros Up and OTTAN Studio. At the production stage of shelves, we first clean and disinfect the shells. The shells are ground and grouped by their size and turned into the raw material of bio-composite material. In the next step, we cast in mold the blend, 68% of which consists of nut and walnut shells and the rest of which consists of green resin and obtain final plates by kiln-drying process. Thus, we contribute to the economy using product wastes while also ensuring recycle of wastes for the environment.



Batteries to Migros & Milk to Kids

When the waste batteries, which are brought to our stores under the "Batteries to Migros & Milk to Kids" project was launched in 2019, are delivered to the Portable Battery Manufacturers and Importers Association (TAP), 1 liter of UHT whole-fat milk of the private label product is donated to the Koruncuk Foundation (Turkish Foundation for Children in Need of Protection) per 1 kg of waste battery. In 2021, we intermediated the donation of 5,429 liters of milk, by delivering the waste batteries we collected from our customers and operational units, to TAP, which is authorized by the Ministry of Environment, Urbanization and Climate Change. Thanks to the batteries collected, we prevented pollution of 1,316,121 m³ of soil.



Bring Us Back to Life

With "Bring Us Back to Life" project, we created collection points in our stores to recycle packaging wastes, waste vegetable oils, waste batteries and waste electrical and electronic appliances of our customers.

Our Contribution to the Zero Waste Project

Zero Waste Management System is the online system created by the Ministry of Environment, Urbanization and Climate Change to prevent generation of waste, to collect waste generated separately at source, and to record, document and ensure traceability of the recycling processes. With the Zero Waste Regulation which was issued in 2019, chain supermarkets were made obligatory to establish and put into practice this system. In this context, we completed the necessary criteria for our stores and other operational departments to establish Zero Waste Management System. We are continuing with our training and awareness raising efforts for transition to this system. We actively take part in the working groups of the Ministry, in establishing the deposit system, the pilot works of which have been started in 2021, which will be implemented on drink packaging.

Migros & Duracell Waste Battery Collection Project

As part of the project 'Your Waste Batteries Will Turn into Goodness with Duracell', we collected over 4,000 kg of waste batteries brought to recycling points in our stores and delivered over 1,350 white canes to visually-impaired people in need.

Frosch Cleaning With the Power of Nature Project

Riva's 2nd bay was cleaned in collaboration of Frosch, Migros and Turkish Marine Research Foundation (TÜDAV). With the motto of #Cleaningwiththepowerofnature, we prevented 60 kg garbage onshore from mixing into the sea and harming marine species.

The Green Office Program with WWF Türkiye

In 2019, we participated in the 'Green Office' program, which is implemented collaboratively with WWF-Türkiye, for saving and improvement in offices. Our goal was to raise awareness among our employees about energy saving, renewable resources, conscious use of natural resources and changing the lifestyle, particularly carbon emission. We have achieved our goals in this context and became entitled to obtain 'Green Office Certificate' for our head office.





Integrated
Report

Better For Innovative Transformation

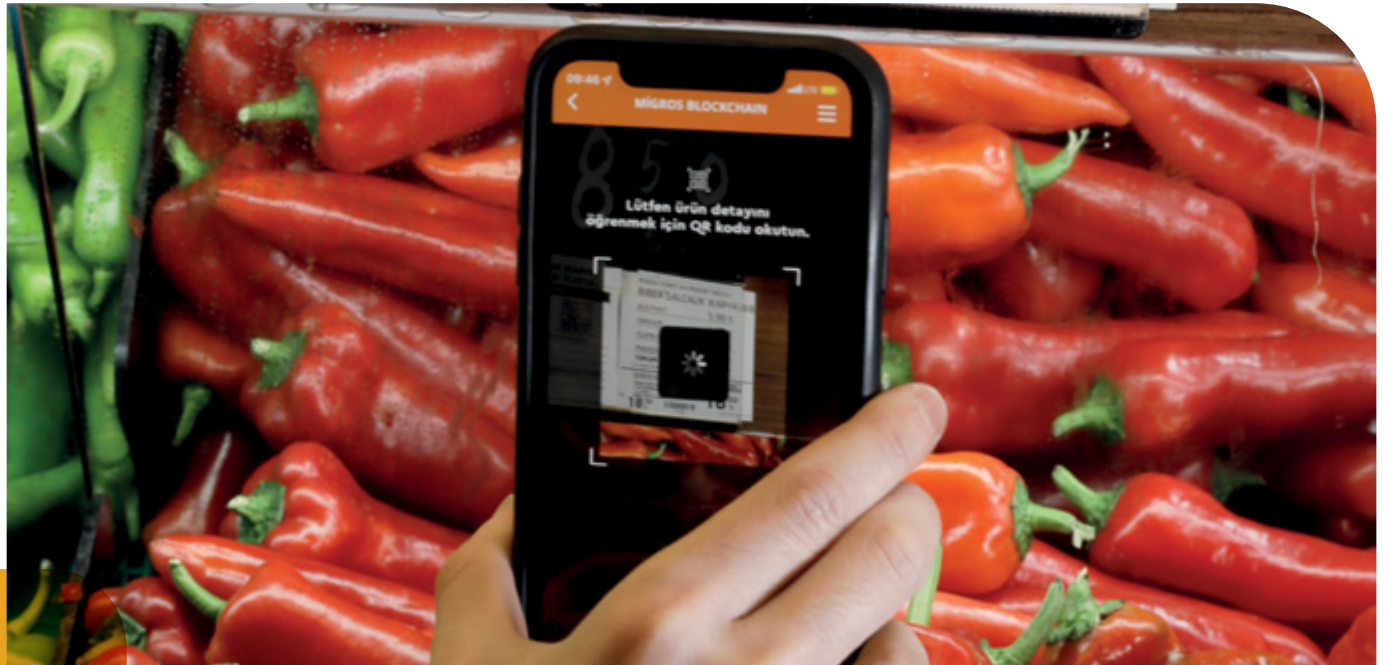
- Digitalization and Our Innovative Practices
- Transparent and Fast Flow of Product Information
- Privacy and Data Security

Digitalization and Our Innovative Practices

As Migros, we continue with our efforts by making investments in the future with the values we created. Accordingly, with our IT infrastructure and R&D Center that we established and developed and our innovative Migros Up team, which is growing every passing day, we strengthen the joint innovation aspect of our company. In addition, we continue to provide our customers with best service with our web and mobile applications and innovative products and services. We ensure traceability of the services we provide, improve our online shopping platforms and implement the suggestions we receive from our customers by customizing them. We support our internal and external entrepreneurship activities. We attach importance to access by our customers to information quickly and reliably, and work to carry one step forward transparent and fast flow of product information. We produce technological solutions and carry out awareness efforts for privacy of our customers and employees and data security. We focus on R&D efforts to increase accessibility of our products and to reach more consumers.

Our R&D and innovation investments reached TRY 43 million in 2021.

Our R&D center has been actively working for 8 years to develop the innovative practices brought to agenda in the industry and the projects and technological infrastructures that we implemented accordingly, and to work in collaboration with various R&D companies. Since artificial intelligence-based solutions started to show its effect on business processes in the retail industry as well, with the technology ever-developing, our investments and efforts in this respect also increase every day. In this context, we have 148 full time employees in our R&D and innovation departments.

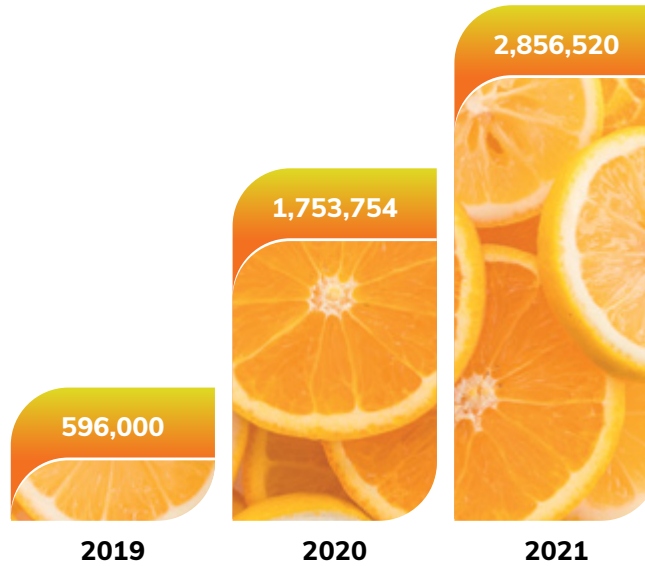


Our E-Commerce Channels

Having made its first investment in this area in 1997, Migros established Migros Sanal Market, which is the first food e-commerce website of Türkiye, and put it into service in 81 provinces in 2020. In order to provide ease of use for our customers, we collected **Migros Sanal Market**, **Migros Hemen** and **Migros Ekstra** under as single application. We incorporated **Dijital Platform Gıda Hizmetleri A.Ş.** to accelerate the development of our Company's online channels with the changing and increasing demands of our customers in various lines of business in online retailing.

We deliver our online shopping service across Türkiye through many channels. Our customers can easily and quickly access the products sold in our stores through our Migros Sanal Market, Tazedirekt, Migros Hemen, Macroonline and Migros Ekstra channels. In 2021, we ensured easy access to our products with our innovative practices that we offer according to the needs and continued to increase our Company's online sales compared to the previous year. To facilitate accessibility to our channels, we combined our Migros Sanal Market, Migros Hemen and Migros Ekstra applications, under the application "Migros". In addition, we made our website and mobile application compatible with the screen reader program used by visually disabled individuals.

Annual Number of Active Customers of Online Channels



Thanks to our fast and easy-to-use services, our online sales increased by 87% compared to the previous year.



Migros Sanal Market

We allocated some areas in our Migros stores at certain locations, for our e-commerce operations. We set up “mini e-commerce dark stored” in these areas we designated, and by this means we increased both the efficiency of product pick up and the service quality. We blazed a trail and placed carrier robots in our mini warehouses we set up and ensured efficient pick up of e-commerce orders with the help of robots.

To meet the changing needs of our customers, we expanded the service network that we provide to all our consumers and made the “Click &Collect (Tıkla Gel-al)” service available. Thanks to this service, our customers can personally take delivery of the orders they placed on Migros Sanal Market, from all stores providing the service of “Click & Collect”. Besides, we made improvements in the logistics processes in our Sanal Market services and increased the number of our electric vehicles. Thus, we can provide service to more customers in a shorter time and carry out our deliveries in a nature-friendly manner. In 2020, we made widespread our ‘Sanal Market’ operations which were carried out in 58 provinces in 2019 and reached everywhere in Türkiye. This year **we continue to provide service in our 81 provinces.**



As an output of the investments, we made as Migros to our online channels, we ranked 1st with our Migros Sanal Market application in 2021 in Webrazzi awards in the category of **“Market Order Platform of the Year”!**



Migros Ekstra

We provide our customers with easy access to many non-food products they look for, from electronic toys, clothes and accessories to glassware with our Migros Ekstra application. In 2021, we started to provide service with same-day delivery guarantee in certain regions on our Migros Ekstra application, which we already provide service in 81 provinces. Within the scope of our application, we increased the number of service areas that provide same-day delivery throughout the year.

Migros Hemen

As Migros, we launched the “Migros Hemen” application available to our customers in 2019 to meet the changing behaviors and expectations of our customers, as well as to increase our company’s competitiveness in the industry. Migros Hemen has quickly grown its areas of operation to cover the needs of its customers and continue to provide service in 2021 with 228 stores in 49 provinces. Our customers can reach the products they need within a matter of minutes through Migros Hemen with the assurance of Migros at the same price and in the same quality. Thanks to our strong and growing logistics network in the industry and our Migros stores which are accessible from everywhere in Türkiye, we aim to make Migros Hemen widespread in 2022 as well.

Macroonline

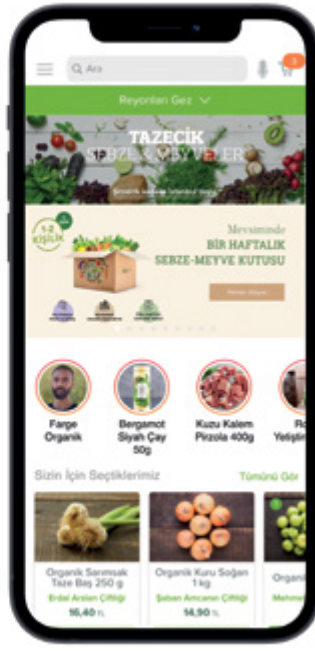
We continue to make difference by providing our special and quality products with our high service standard through Macrocenter. We deliver Macrocenter products and quality to our consumers in 9 cities through 'Macroonline' mobile application launched in 2018. With our mobile application, we both provided our customers with services more easily and quickly and achieved a strong growth in our e-commerce operations. We renewed the website www.macrocenter.com.tr and brought into use again in 2020, thus we provide service on all kinds of platforms.

macro^{online}



Tazedirekt

Through Tazedirekt, we procure fruits and vegetables from 64 farms making organic production, which we carefully selected from all over Türkiye and regularly audit, without any intermediary. With the renewed website www.tazedirekt.com, we provide service in 5 cities. In addition, we share the source of products clearly through our sales channels. Manufacturers can describe themselves and the products through our website and mobile applications. By this means, our customers have the chance to get to know better the products they purchase.



Taze
Direkt
.com

Our Innovative Services

We provide our customers with various innovative services by keeping pace with changing technologies innovations. Accordingly, in 2021, we completed our project of making Money Card applications entirely in digital environment, and 15.5 million individual customers using the card benefited from the special discounts made within the scope of our Loyalty Program. In addition, all Istanbulkart users can benefit from Money Card advantages since the integration of Istanbulkart and Money Card in 2019. By this means, our customers can load their Istanbulkart in our stores, make their shopping payments with their Istanbulkart, and use their Money saved in their Money Card for public transportation.

With the impact of Covid-19 pandemic, the need for technologies that minimize in-store contact increased along with the interest in e-commerce. Thus, artificial intelligence-based solutions, learning algorithms and self-service solutions also became prevalent. As Migros, we undersigned many projects in 2021 to meet the increased demands and needs of our customers, and this year we completed many projects that we launched in previous years.

“Migros Up”, Leader of Innovation Culture

- › As Migros, we established Migros-Up, with 3 main pillars of creating entrepreneur collaborations which is one of the leading innovative channels of the future, guiding large corporate companies to find the right connections, and focusing on design, which is the key point while developing products and services. In this context, we continuously follow up on the technologies and trends of the future by always keeping up-to-date, and integrating our innovative applications into our business processes.
- › We have an extensive technological portfolio, from e-commerce to physical store operations, from human resources practices to a supply chain network spread over 81 provinces of Türkiye, and from CRM applications to artificial intelligence-based algorithm blockchain infrastructure. We carry out a large number of projects aimed at raising awareness of consumers on fundamental issues such as sustainability, agriculture, biodiversity and healthy living, and we support all of these with R&D practices. Agriculture technologies and wellbeing technologies are also on our agenda as much as our fundamental processes.
- › We pre-launched Migros Up in 2020, and now we accelerate to produce efficient and innovative practices, drawing our strength from being a team. By saying “The New Way of Making Innovation”, we bring our Migros experts and entrepreneurs together in a single team, in our joint innovation platform. We aim to add value to Türkiye’s entrepreneurship ecosystem by producing innovations and creating strategic collaborations. In 2021, as Migros Up team, we examined up to 300 initiatives

and triggered new business opportunities by bringing more than 50 of them together with the relevant business units.

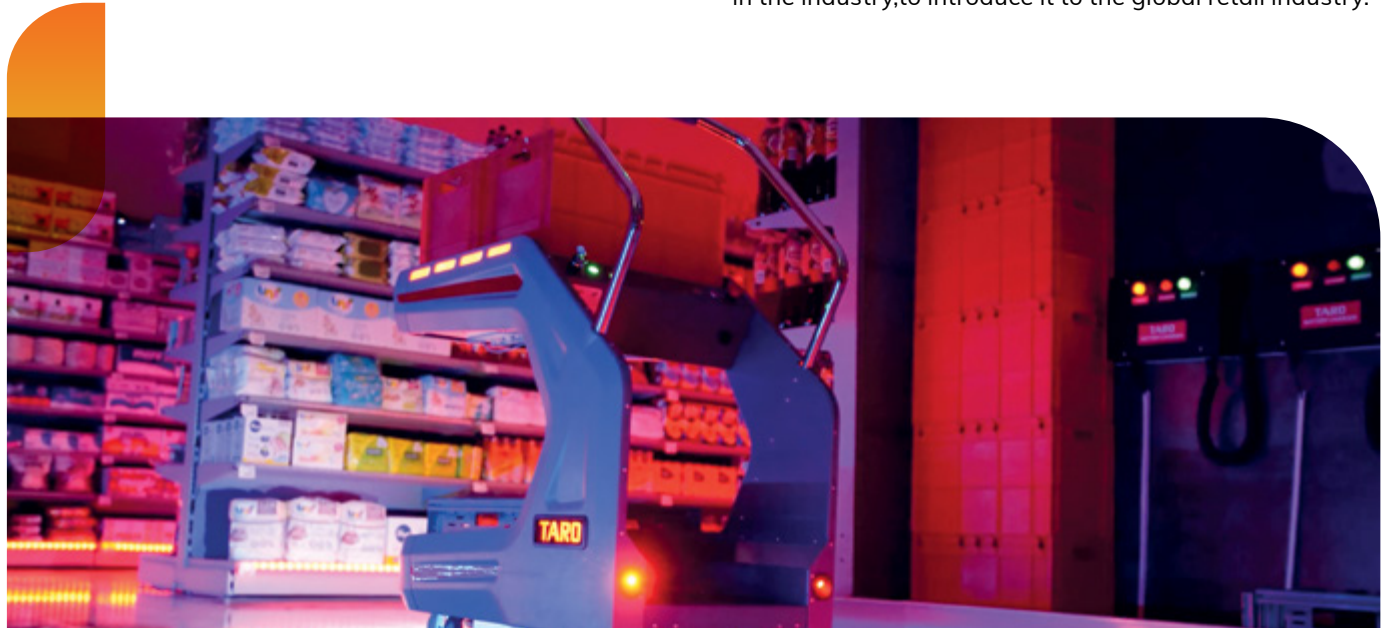
› Some projects that we carried out in 2021:

- We designed an electronic micro mobility vehicle named “WaMo” with Bugiworks Technology (Hergele Electric Scooter) based on electric scooter technology to digitalize the supply processes and increase efficiency.
- We created the system “Clean Up” with ERG Controls, using IoT and image processing technology to monitor the hand hygiene practices of employees full time.

M MiGROS-UP

“Robot Taro”, a first in the world

By integrating innovation and technology into our business manners, we started to use our store warehouses, our robot-supported product pick-up assistant Taro, which is of great importance in e-order picking up being the first in the world in its area. With our Migros Sanal Market team and Taro, which was developed by our Turkish engineers, we both broke new ground in the retail industry technologically and gained benefit to our customers and employees in a period of fewer than 12 months. Our robot Taro with its user-friendly design picks up the products of our customers who placed an order online 5 times quicker and faultlessly, and can receive 3 orders at once. Migros prepares 50% of Migros Sanal Market orders with TARO. We are also planning to export this technology, which is a first in the industry, to introduce it to the global retail industry.



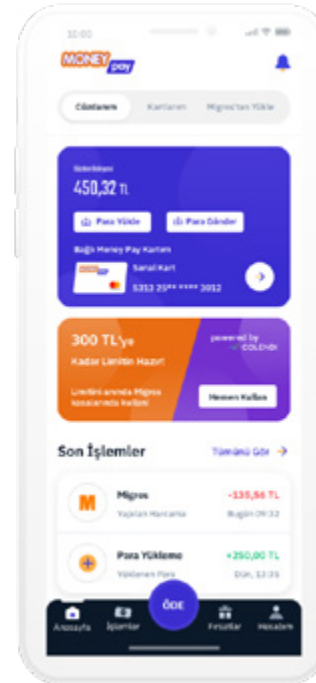
- › We redesigned our **MKolay** application, which allows our customers to complete their shopping practically, considering the customer expectation changing and developing every passing day. In addition, we increased the number of stores using **MKolay** application to 121. We designed a fast, safe and contactless shopping experience by combining the payment stage of shopping of our customers with Jet cash registers.

Mkolay



MONEY pay

- › We provided our customers with a first regarding the payment option of **MoneyPay**, which aims to allow a safe, fast and easy access to financial solutions. With this innovation, MoneyPay makes available at the first stage the option of “**shop now, pay later**”, by using the preset limits specially defined for Migros customers. Thanks to this option, our customers can make their payments in the store with a MoneyPay QR code, and they can also make payments via MoneyPay for their purchases from the Migros Sanal Market application, with the preset limit or wallet balance defined for them.



- › We implemented **MKolay Kantin** format that provides self-service. Our users can pay at workplaces, offices and plazas without leaving their environment, through the application using their preset limits, credit cards or MoneyPay balances, and receive their invoice by SMS.
- › We implemented the Robotic Process Automation (RPA) project to automatize into robotic procedures the repeating and routine works with a large transaction volume that are carried out by employees on a computer. Within the scope of the project, we ensured the performance of 34 business processes of 8 different departments completed by robots and allowed us a monthly average gain equal to the daily working hours of 11 personnel.



› To ensure product safety and traceability, we started to establish Digital Agriculture Stations in collaboration with Vodafone to allow our farmers to check the condition of their fields, humidity of soil and needs on their mobile phones. We purchased 12 stations at the beginning of the project and completed their setup in the fields of our farmers. Farmers use these stations as a decision support mechanism in their agricultural production, and they are supported by data from this station about irrigation, fertilization, disinfection etc. We also prevent water and electricity waste with Digital Agriculture Stations which give an irrigation warning only for necessary times.

- › We piloted our self-service stores in vending format to offer our customers 24/7 access to the products of basic need.
- › We became the first official sponsor of E-Sports Clubs Association (E-spor Kulüpler Birliği). Moreover, we established our **Migros E-Sports platform** and started to organize our own e-sports tournaments.

'Migros E-Spor Turnuvası'nda ikinci sezon heyecanı başlıyor

Oyun severler tarafından yoğun ilgi gören Migros e-spor turnuvalarında ikinci sezon heyecanı yarın başlıyor.

DÜNYA Haber Merkezi
dunya@dunya.com

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- › We started to use an artificial intelligence supported system which calculates the likelihood of stock inconsistency and monitors the products with a camera system. With our system developed in collaboration with Microsoft and Motiwe, we increased product availability by viewing our products through a camera.



Transparent and Fast Flow of Product Information



As Migros, we endeavor to carry out our processes related to product ingredients, with responsibility and transparency like in all our processes. We make efforts to ensure that our customers can reach detailed and correct information related to product ingredients. In the reporting year, we shared with our customers the information on the energy, carbohydrate, sugar, protein, fiber, oil and salt amounts of 387 private label products, on the packaging label of products. In addition, there is also information on how to use our 110 private label non-food products.

In line with another work to support conscious shopping, we aim to ensure easy and quick access to the products we put up for sale through our online channels thanks to our flexible and rapidly growing technological infrastructure. The legal regulation under the title of “distance sell-

ing (mesafeli satış)” set forth in Turkish Food Codex Regulation on Food Labeling and Consumer Information (Türk Gıda Kodeksi Gıda Etiketleme ve Tüketicileri Bilgilendirme Yönetmeliği) entered into force as of January 1st, 2020. As per this legal regulation, we work in collaboration with our suppliers to clearly state the labeling information of all the food products we sell online, as specified by the relevant regulation.

We continue our activities with the principle of providing our customers with quality, healthy and fresh products in the quickest manner at all times. We started to provide transparency throughout the procurement process of the food products we sell, from the fields to the store shelves with Migros Blockchain platform, for which we started R&D and infrastructure studies under the name of ‘Blockchain Fruit and Vegetable Transparency Project’,

and which we made available to our customers in 2020. Through Migros Money application, our customers can view information about the movements and processes of the products with the blockchain infrastructure by scanning the QR code on the labels of the products with the MB logo in the fruit and vegetable aisle by using their mobile phones. With this application, a total of 32,915 inquiries were made throughout 2021 by 2,984 of our users. We also started working to make available on the application the certificate information of our products with certificates such as good agriculture and organic agriculture certificates. We aim to make our work available to our customers in 2022.

For the details of our work that we carried out in collaboration with our suppliers and clearly shared the labeling information of our products, please see ‘**Our Product Quality Control Processes**’ section of our report.



Data Consistency and Transparency Roadmap

We take it on as a duty to break new ground in the industry for our customers and to carry the industry forward and carry out efforts by our values of transparency, responsibility and accountability. As of 2017, we became the lead partner in Türkiye for the project titled “Product Data, Digitalization and Standardization”. A proper and consistent infrastructure should be provided between the manufacturer, retailer and consumer to ensure that consumers have online access to reliable and correct information quickly about retail products, like for any product. This infrastructure can be created only with a transparent, consistent and reliable data flow. We make various efforts to create this data flow and to support our customers in making a conscious shopping relying on honest product information.

Our Chief Executive Officer is a member of the Board of Directors of both GS1 Global and GS1 Türkiye. We carry out the practices in Türkiye leg of the project launched by Consumer Goods Forum (CGF), in collaboration with GS1 Türkiye. GS1 Türkiye, which is an organization that makes national arrangements to support companies and to facilitate their practices, ensures the transparent and consistent data flow of all the products, to the CGF member companies taking part in the project, through its barcode system. First of all, retailers have GS1 verify the barcode with 7 basic parameters for each product sold. Following the verification by GS1 of the barcode, a data set in global standards is generated through the system. In addition, when a manufacture anywhere in the world enters a new information into the product barcode, the system instantaneously ensures access by retailers to this information through their screen.



The steps to standardize and digitalize product data are as follows:

- GS1 verifies the barcode of each product sold by virtual marketplaces and retailers, which has 7 basic parameters.
- Thanks to the global data model, a standard data set, which will be valid globally, is created for each product through.
- Each country determines the country data set by adding the basic features needed in their own market, on the data sets created specific to the products.
- Data flow between manufacturers and retailers proceeds through a single platform, ensuring efficiency and data consistency.
- Producers can provide their products and services to consumers better and without any intermediary, and the informed consumer makes more conscious shopping decisions by this means.

As Migros, we started our efforts to set an example to the retail industry. We were aiming to make sure that as of the end of 2021, all the products we sell have a valid barcode given by GS1. In this context, we defined 7 basic parameters of our private label products to the GS1 system. By the end of 2021, with the cooperation of 278 suppliers, 7 basic product information of a total of 5,717 products were defined to the GS1 system and 3,800 of them were verified. With the support of our suppliers, this work is intended to be completed by 2030. We also closely follow up the 2D barcode system that GS1 aims to initiate in 2027.



Privacy and Data Security



Transparency and reliability are at the forefront of the values that we provide to our customers.

Accordingly, with our Clarification Text that we prepare to take into account our Privacy and Data Security, Personal Data Protection and Processing Policy and processes, we explain to our customers in detail the data collected and the intended use of these data and the purpose of requesting the same. We also share the process of provision of security, storage and destruction of personal data. Our cyber security and information security strategies are reviewed by the Board of Directors.

Our KVKK (Personal Data Protection Law-PDPL) Committee, which includes Chief Information Officer and the representatives of Information Security, Legal, CRM, Customer Interaction, Sales, HR, Industrial Relations and Accounting units, addresses the issues within the framework of data security and privacy and protection of personal data and ensures process management. In line with the decisions of our committee, our Internal Audit department conducts audits when necessary.

Information security is among the goals of our employees and executives who report to our Network, System and Security Infrastructures Department. These goals, which have a share of 5-15% among all targets, directly affect the annual performance premiums. In order to increase the competency of all our employees regarding privacy and data security, which is important for our customers, we organize various trainings and practices within our Company. In 2021, 26,566 people from our Company completed the training that we carried out within the scope of the 'Personal Data Protection Data'.

We also have studies which will contribute to our Company's cyber flexibility and technological development and increase privacy and security. This includes 24/7 threat monitoring and reporting with our network traffic-based anomaly detection system, our technological infrastructure which can grow quickly and flexibly, and our security monitoring center. In addition, we raise awareness within our Company by providing "Information Security Awareness" trainings and make the processes more secure by using double-factor protection specific to our suppliers on login to systems.

As Migros, it is among our top concerns to ensure that our customers can feel secure, and their demands are met. As an indicator of our careful conduct of these matters, we received no notice in 2021 by official authorities regarding any breach of personal data security. In addition, upon the request by our customers, we take actions pursuant to regulations and legislation and ensure the deletion of all their data. In 2021, personal data of 419 customers were deleted upon the request. In addition, in 2021, we replied to the requests for information of a total of 155 customers about their personal data within the scope of rights of data subjects. In 2021, we do not have any fines due to information security and cyber-attack. Our information security and cyber security processes, infrastructure, and systems are constantly subjected to internal tests and also external audits by 3rd party organizations. Audit frequencies are determined according to the criticality of the systems. In addition to continuous automated tests in external systems, manual tests are performed after each critical update. Our internal and external systems are audited on average 1-2 times a year for approximately 20 different scenarios. In addition, within the scope of compliance processes, 1 PCI-DSS (Payment Card Industry Data Security Standard) audit is conducted every year. We have solution and crisis management procedures in case of cyber incidents. In 2021, there was no data breach, including breaches of Information Security and Cyber Security.

You can find the clarifying information along with all updates and information regarding the protection of personal data, on **our corporate website**.





Our Responsible and Transparent Governance Approach

- Our Value Creation-Oriented Governance Approach
- Our Risk Management
- Business Ethics and Compliance with Corporate Policies and Laws
- Communication with Our Stakeholders
- Memberships, Collaborations and Initiatives

Our Value Creation-Oriented Governance Approach

As Migros, we carry out all our activities with a focus on transparency, responsibility, sensitivity and efficiency since the day we were incorporated. Being aware of the importance of taking steps today for tomorrow, we place sustainability at the center of our business manner and act with a focus on creating long-term value considering the expectations of all our stakeholders. Accordingly, we updated our strategies in 2021 and set 4 main strategic areas: **creating a unique shopping experience, sustainable ecosystem, omni-channel growth, and competitive and winning corporate culture.** We always work to provide the basic needs of our customers with top-quality and to provide all our customers with a unique shopping experience with our leading practices.

We determine our economic, social and environmental priorities in the areas we directly affect with our efforts. We assess our current situation and set development targets. We proceed through our main strategies, and we also serve to United Nations Sustainable Development Goals. We guide our works through national goals and Green Deal Action Plan of Türkiye and transparently share with all our stakeholders our path toward our goals, within the framework of our Migros Better Future Plan.

We aim to grow together with all our stakeholders in our value chain, by observing their needs. **We aim to sustain the benefit we provide today and here, independent from time and space, and to create sustainable economic value for all our stakeholders with the positive**

transformation we create. While taking all our business decisions, we first consider their compliance with our sustainability approach. We plan the resources that we need within the scope of our activities, in a way to use them efficiently, usefully and optimally.

With our value creation-oriented governance approach, we work to provide better services not only to our customers, but also to all our stakeholders. In this context, we

manage all our activities effectively, within the framework of our responsible and transparent governance understanding. We act by establishing the necessary committees and departments within our company. With the committees and departments that we established under our Board of Directors aimed at our strategies, we reflect our business model, performance and focus on sustainable business based on the principles of integrity and transparency.



Our Integrated Governance Model

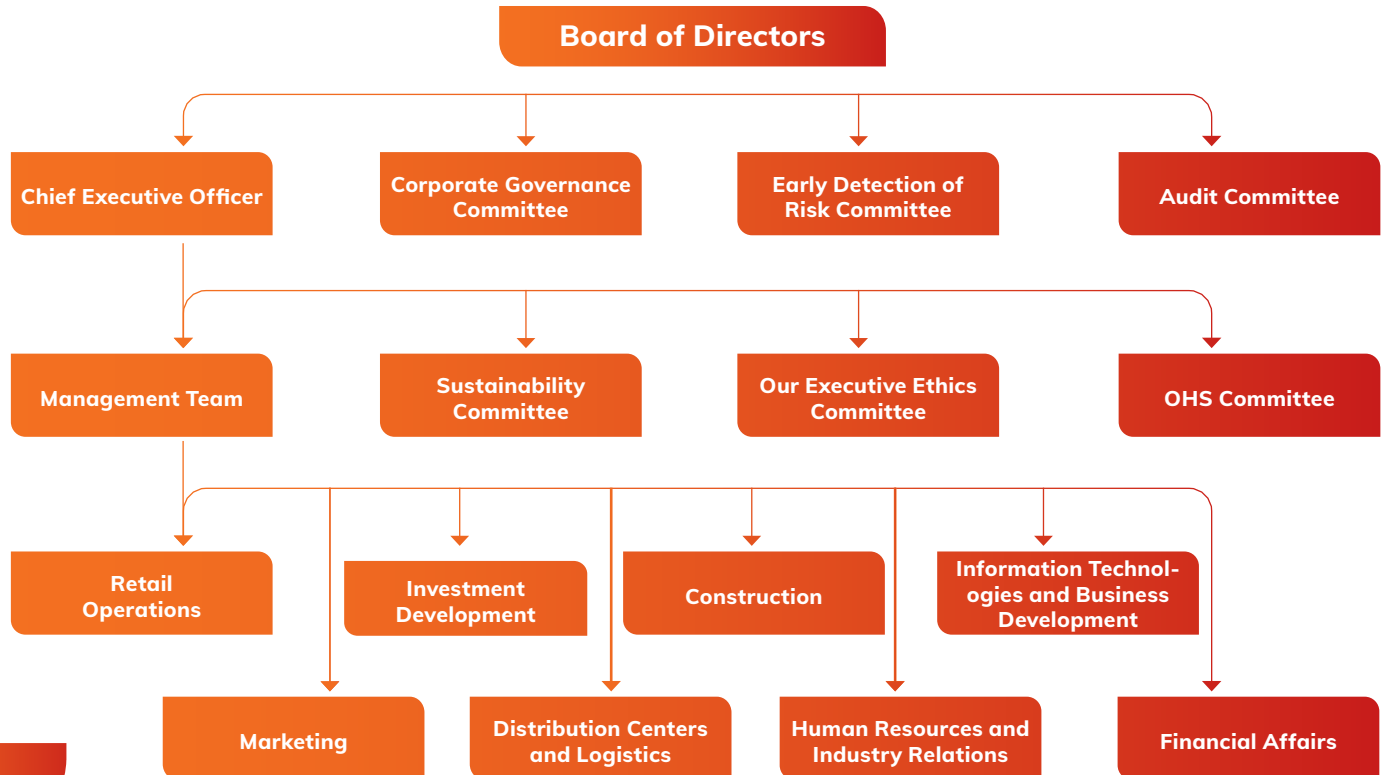
Migros Board of Directors, elected by the General Assembly, is the highest strategic decision-making and control body of our company. Our Board of Directors is responsible, in parallel with our corporate governance principles, for the fair, responsible, transparent and accountable management of our Company, by observing the balance between risk and return, growth and benefits of the company. Our Corporate Governance Committee, Early Detection of Risk Committee and Audit Committee comply with the requirements of the Turkish Commercial Code and Capital Markets Board (CMB) legislation. Our Executive Ethics Board, Occupational Health and Safety (OHS) Committee, Sustainability Committee and Management Team report to our Chief Executive Officer.



You can find detailed information on the members, structure and working principles of our committees on **our corporate website** and in our **Annual Report for 2021**.



You can find detailed information on our operation and management in our **Corporate Governance Principles Compliance Report**.



Our Board of Directors

We have 12 members on our Board of Directors*, 1 of whom is female** and all of whom are experienced in the retail industry and the members are elected to serve for 1 year until the next year's General Assembly Meeting. 4 of our Board Members fulfill the conditions for independency specified in the CMB's Communiqué on Corporate Governance (Kurumsal Yönetim Tebliği), and they are independent members. Our Board of Directors convenes at least 8 times a year. The remunerations of our independent Board Members are determined by the General Assembly at the ordinary General Assembly meeting regularly every year. The position of Chairman of the Board of Directors and the Chief Executive Officer of our Company should not be held by the same person. Moreover, our Board Members other than the Chief Executive Officer (CEO) do not have any executive function. Members of the Board of Directors are elected for a maximum of 3 years, unless a shorter term is determined at the General Assembly. Members of the Board of Directors whose term of office expires can be re-elected. They are elected to hold office for 1 year until the **Ordinary General Assembly Meeting** for the relevant year. In addition, our Board of Directors passes through a performance assessment.

Upon the recommendation of Migros Corporate Governance Committee, it is aimed to have at least 25% female members in the Board of Directors. Accordingly, we review the structure of our Board of Directors every year and make planning in this respect.

Our Board Members have a participation rate of 80% in the meetings. Our members attend the meetings of the Board of Directors in person, and the members who can-



not attend physically can attend the meeting electronically. In addition, the meetings of our Audit Committee, Early Detection of Risk Committee and Corporate Governance Committee operating under our Board of Directors are generally held with full participation due to the possibility of online participation. Our company does not allow for a voting privilege. All votes have equal effects. Every shareholder has a right of vote proportional to the shares, in the General Assembly meeting.

*Information on the Board of Directors election process is included in our **2021 Annual Report**. You can find detailed information on remuneration of Board Members and CEO and Senior Management in the **Remuneration Policy**.

**The rate of female members in the Board of Directors is 8.3%.



Our Corporate Governance Committee

Our Corporate Governance Committee was established under the Capital Markets legislation, and is carrying out its activities by reporting to the Board of Directors. The purpose of the Committee is to identify whether or not the corporate governance principles are implemented in our Company, and if not, the reason therefor, and the conflicts of interest that arise due to the failure to fully comply with these principles, to make recommendations to the Board of Directors to improve the corporate governance practices, and to supervise the efforts of the Investor Relations Department. Our Committee, consisting of at least 2 members, convenes with the participation of one more than half of the number of members, takes decisions by the majority of votes, and convenes at least 4 times a year

with intervals of at least 3 months. The Chairman of the Corporate Governance Committee is elected from among the independent Board Members. When necessary, those persons who are not a Board Member but are an expert in their area can be included in the Committee, and opinions of independent experts can be benefited on the issues deemed necessary. The Board of Directors provides any resources and support necessary for the Corporate Governance Committee to fulfill its duties. The meeting minutes kept as a result of the meetings held are presented to the Board of Directors as an advisory, but the final decision authority on the relevant issues is the Board of Directors. Our Corporate Governance Committee also fulfills the duties of the Nomination Committee and Remuneration Committee in accordance with the Corporate Governance Communiqué.



Our Early Detection of Risk Committee

Our committee, having the highest responsibility after our CEO in management, follow up and auditing of risks, monitors the changes analyzed and followed up by the relevant departments, and assesses whether appropriate actions have been taken, in the meetings held at least six times a year.

Our Risk Management Unit: The unit works in collaboration with the CFO and the Early Detection of Risk Committee and continues its activities for early detection of risks that may endanger our company's existence, development and continuity in long or short-term, and for quickly taking and implementing the necessary measures related to the risks identified. It tracks various risk indicators created in order to foresee the risks that may prevent the achievement of our company's strategic business objectives, to monitor the factors that create these risks, and to identify and measure the probability of occurrence of risks and their effects. These topics have a 40% weight in the targets of our Risk Management Unit and 5% in the targets of our CFO, and directly affect their annual performance bonuses.



Our Audit Committee

Our Audit Committee consists of two independent Board Members. The Committee audits the accounting system of our Company and public disclosure of its financial information while also observing the functioning and efficiency of independent audit and our Company's internal control and audit systems. The Committee convenes at least four times a year and submits the meeting results to our Board of Directors.

Our Internal Audit Department: The audits carried out throughout the year allow investigation and review of our activities. The Department assumes the duty of making inquiries based upon the data obtained by the review of daily and monthly activities, and assessing the tasks of our employees that pose a high risk of bribery as well as the corruption risks. When a circumstance that might cause an irregularity is identified, our Internal Audit Department makes the necessary examination to enable the necessary measures, follows up the necessary legal process, informs the stakeholders about the issue if necessary and gives advice to keep the order. It regularly and functionally delivers to our Audit Committee all the findings, results and analyzes of the audits it carries out, which are important within the scope of anti-bribery and anti-corruption and the compliance with human rights.

In 2021, the audits approved by our Audit Committee were carried out by our Internal Audit Department and the findings identified were shared with our Committee quarterly. Furthermore, matters that were reported to the Senior Management and agreed on the measures were controlled and audited.



As in previous years, our Internal Audit Department carried out its activities in 2021 as well in compliance with the standards and codes of conduct of the International Institute of Internal Audit (IIA). As a result of the audits carried out by TSE (Turkish Standards Institute), we maintained continuity of TS EN ISO 9001 Quality Management System Document in 2021 to routinize and standardize the activities within the scope of “Internal Audit, Consultancy

and Assurance” and to establish an ever-growing structure.

Within the scope of the Audit Universe, which is updated every year, our audit plans are prepared to be completed in 3 years and are carried out with the approval of our Audit Committee.

General Assembly

We organize an **Ordinary General Assembly Meeting** once a year with the participation of our shareholders. In addition, we hold investor teleconferences for investors at least 4 times a year. We comply with the clause “Announcement for the General Assembly Meeting is made at least three weeks before the meeting date” in the CMB legislation regarding the announcement of the Annual General Assembly Meeting.

There is no privilege pertaining in voting in our company and all votes are equal. Each shareholder has right to vote in proportion to his/her share at the General Assembly meeting. Detailed information on voting rights can be found in the **General Assembly Information document**. Voting in the General Assembly meetings is initiated simultaneously both physically in the meeting hall and in the electronic medium. Moreover, there is no complicating provision regarding cumulative voting in Migros' **Articles of Association**.

It is obligatory to take a Board of Directors resolution on the shareholders' right to approve important company transitions such as mergers and acquisitions, in which the principles of the transaction in question are determined in accordance with the **CMB legislation**, and this transaction must be submitted to the the shareholders at the General Assembly for their approval.



Our Management Team

In order to ensure sustainable quality and industry leadership in line with the strategies and mission of Migros, our Management Team, which was constituted of different functions under our Chief Executive Officer, guides the company's management decisions to provide our customers with modern, reliable, economic and high-quality services at all times.

You can find detailed information about our **Management Team on our corporate website**. In addition, our Corporate Communication, Legal Services and Internal Audit Directors directly report to our Chief Executive Officer. One out of 9 members of our Management Team is female. 3 of all senior managers directly reporting to our Chief Executive Officer are female.

Our Sustainability Committee

Upon the appointment of our Chief Executive Officer on behalf of our Board of Directors, the management, implementation, follow up and measurement of our Company's works on sustainability are under the responsibility of our Sustainability Committee. As of 2021, our Corporate Communication Director is the Chairman of the Sustainability Committee.

Working Principles of our Sustainability Committee are as follows:

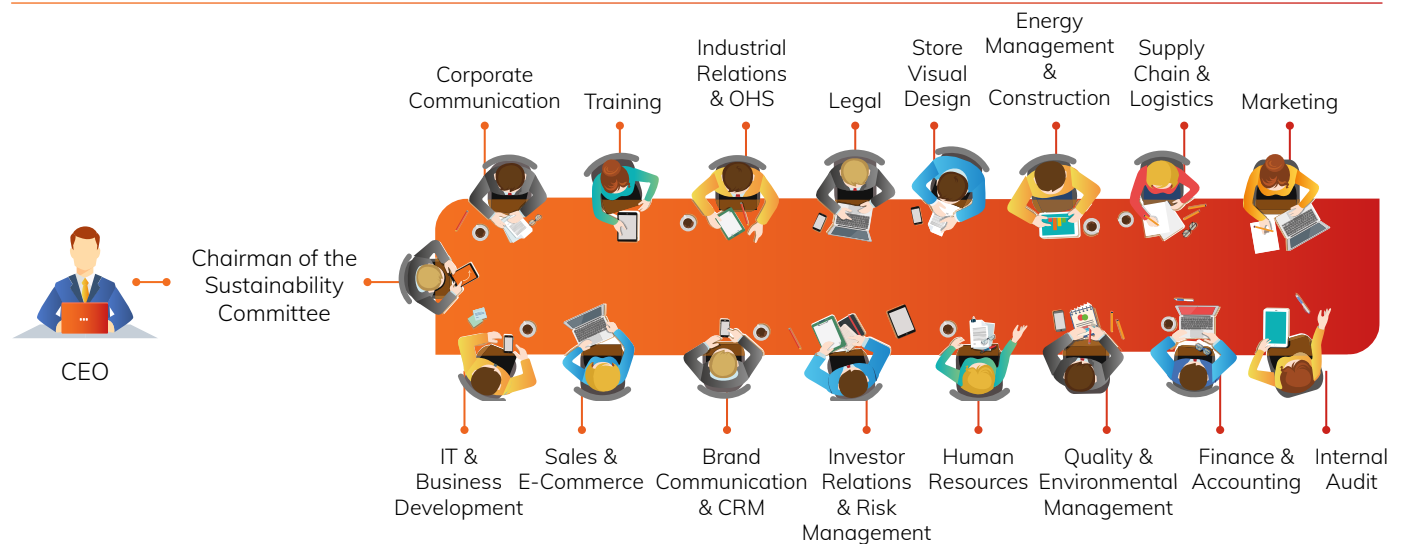
Sustainability is the primary responsibility of all our employees, and this responsibility is distributed top to bottom and bottom to top. Chairman of the Sustainability Committee is appointed by our Chief Executive Officer. The Sustainability Committee includes all the department directors and group managers of our Company as natural members. In addition, persons referred by the department senior managers that are actively taking charge in the area of sustainability also participate in the Committee. Accordingly, the Sustainability Committee includes minimum one representative from all main functions, and discussions are made in a democratic framework based upon equal participation. Our Sustainability Committee sets and submits to the Senior Management short and mid / long-term goals in accordance with our Company's main strategies. Thereafter, the main goals are presented to the Board of Directors, and the main sustainability goals finalized according to the opinions obtained are committed by the Board of Directors.

Minimum one of the annual goals of all our departments is expected to be in the area of sustainability in a way

to support our Company's main goals. We assess all our decisions and works on sustainability in accordance with national and international key performance indicators (KPIs), and we transparently share our annual performances with our stakeholders in accordance with the sustainability indices.

All members of our Sustainability Committee come together at least twice a year to hold a large assessment meeting. In addition, specified sub-committees conduct focused studies and report the results to our Sustainability Committee. The sub-committees meet more frequently according to the needs. Our Sustainability Committee and its sub-committees report our Company's works on sustainability, the process assessment and the result analysis to our Chief Executive Officer and senior management at least 4 times a year.

Structure of Our Sustainability Committee



The duties of our Sustainability Committee are as follows:

- ▶ To determine the development targets in priority areas, develop projects for targets and report according to the performance,
- ▶ To annually audit the sufficiency and effectiveness of our "Environmental", "Human Rights and Equal Opportunity", "Anti-Bribery and Anti-Corruption" and "Responsible Sourcing" policies,
- ▶ To follow up and analyze the issues of sustainability in the international and national arena.

Our OHS Committee

Our Occupational Health and Safety (OHS) Department works to maximize the safety and security in our working environment. The director of this department also serves as an OHS representative. Our Occupational Health and Safety Committee, which can also directly report to our Chief Executive Officer, is comprised of the top management of the respective area, Human Resources Manage-

ment and senior managers of our relevant departments. The OHS Committee also includes occupational safety experts and workplace physicians who work full-time or are appointed as per legal processes. The committee regularly assesses the OHS processes of all Migros workplaces operating throughout Türkiye.

Our Executive Ethics Committee

Our company's performance of our Anti-Bribery and Anti-Corruption Policy, Human Rights and Equal Opportunity Policy and Migros Code of Ethics are reported by our Ethics Committee to our Executive Ethics Committee.

Our Ethics Committee: This committee, consisting of Corporate Communications, Industrial Relations, Internal Audit and Sales directors, evaluates the outputs of the internal audit for anti-bribery and anti-corruption, high-level risks and the issues in relation to ethical principles, and meets 4 times a year. Our Ethics Committee is chaired by our Industry Relations Director. The Committee examines, assesses and decides upon the communications received through our Company's communication channels, such as notifications or information letters etc., within the framework of our company's codes of conduct. The Ethics Committee convenes as needed and at least quarterly, and reports its works to our Executive Ethics Committee.

Our Executive Ethics Committee: Our Executive Ethics Committee, chaired by our Chief Executive Officer, is comprised of our Chief Human Resources Officer, Chief Marketing Officer and Chief Finance Officer, and our Industrial Relations Director. It is a special-function committee constituted to assess the internal ethics disputes communicated by our Ethics Committee and to take the decisions concerning the whole company. The Executive Ethics Board convenes as needed at least biannually.

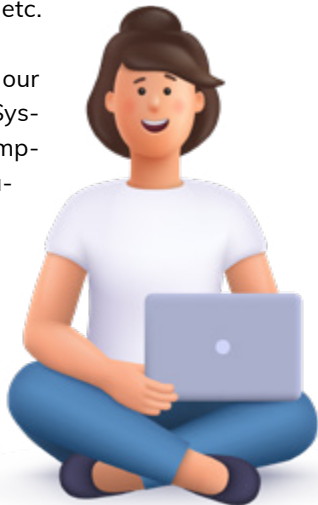


Our Risk Management

As Migros, we take various actions to be able to manage possible risks. In line with our risk management approach; we take out insurances on important issues such as natural disasters (earthquake, fire, flood etc.) as well as cyber attack damage indemnification insurance. In addition, we reduce our service procurement risks by receiving services from multiple service providers.

We carry out scenario analyzes related to main risk topics based on the sensitivity analysis and risk tests and we test risk levels and take the necessary measures in this context. With regard to financial risks, we monitor the key performance indicators for indebtedness ratios (net debt, total debt, Ebidta, net debt/equity, operating profit margin, gross profit margin and net profit margin) in terms of financial risks. On the operational risks, we carry out risk assessments by monitoring the metrics such as stock level, loss ratio and disposal ratio etc.

In addition, within the scope of our Integrated Quality Management Systems; taking into account the compliance obligations within the framework of quality, occupational health, food safety, customer satisfaction, and environmental management systems, and the expectations and needs of the relevant parties, the risks and opportunities in our company's processes are identified



in order to increase the positive effects and prevent or improve the undesirable effects. In the case of detection of a risk, management plans are created.





We cast a great role to our employees in identifying and reporting the potential risks in our activities. Within the scope of our risk management, we collect risk criteria information every year from our relevant departments in order that our senior manager can prepare the risk map and update the risks. In case there are high risks that are deemed to be important for the activities, they are recorded by our relevant departments. For physical risks, there are incident and near-miss forms filled in by our employees, which are followed up by our OHS department. We also receive feedback from our employees to ensure that our

risk management works can be updated and improved. In this context, we annually assess the important risk criteria with the relevant department based on the notifications communicated by our employees.

In order to manage the operational, functional and financial performance risks in our processes and departments, which have importance for our Company, the risks are defined in detail in Migros Internal Control System, and then examined independently to ensure accurate information transfer, and the examination results are presented to our Company's management.



In addition, we provide training to raise awareness of our employees within the framework of our risk management principles. We provide face-to-face and online training for our store employees related to first aid, earthquake and other risks. We provide these online trainings to our white-collar employees as a Corporate Governance and Risk Management Training Package of 3 parts consisting of corporate governance, risk management and training test. For our senior management on the other hand, we carry out trainings on crisis management etc. with the consultancy from experts.

 Area of Risk	 Risk Definitions*	 Measures Taken to Manage the Risks	 Elements Creating Opportunity
Operational	Disruption of Distribution Center's operations; <ul style="list-style-type: none"> › Disruption or interruption of shipments in distribution centers due to natural disasters, technical problems, supplier-related problems, food safety-related problems, and human-related causes 	Thanks to its strong logistics and supply network with 29 distribution centers throughout the country, including fruit and vegetable warehouses and meat processing facilities; <ul style="list-style-type: none"> › Ability to working with more than one distribution center in all regions, by relying on backup distribution centers, and to make shipments from different distribution centers when necessary › Business plans defined to be used in the case of transportation from another region › The principle of procuring the services in distribution centers, from more than one company and working with a back-up system for the services received › Using redundant systems in distribution centers and having generators that will provide the necessary energy against possible energy cuts › Taking preventive measures for damages that may occur in natural disasters, and the principle of reducing possible financial loss with necessary insurances 	<ul style="list-style-type: none"> › Stock facility to manage delays in the supply process › Product control and efficiency thanks to the fact that the entire distribution network operates through distribution centers › Possibility to include local producers in the national distribution network
Financial	Financial funding cost and possible balance sheet risks <ul style="list-style-type: none"> › Cost increases caused by the volatility of economic conditions › Financial losses that may occur due to changes in market interest rates › Risks originating from the banking sector that will affect cash flows 	<ul style="list-style-type: none"> › Establishing the optimum credit level with liquidity management › Establishing committed credit limits from banks and constantly monitoring these limits/interest rates › Constantly evaluating the company's expense structure, taking into account economic changes; revising the budgets annually for operational expenses, and semi-annually or quarterly if economic conditions require so, and developing and implementing possible measures › Making currency sensitivity and interest analysis › Setting limits on long or short positions and making monthly checks accordingly 	<ul style="list-style-type: none"> › Maintaining the net cash position › Obtaining cost-effective financing from institutions that support these efforts in line with their sustainability practices › Providing additional financial support to suppliers for the sustainability of the supply chain

 Area of Risk	 Risk Definitions*	 Measures Taken to Manage the Risks	 Elements Creating Opportunity
Sectoral	<p>Increasing competitive environment in physical and online retail;</p> <ul style="list-style-type: none"> ➤ The entry of new players into the sector, the creation of new service types ➤ The obligation to meet changing consumer expectations 	<ul style="list-style-type: none"> ➤ To closely follow up and quickly reply to customer demands, complaints and recommendations ➤ To use consumer researches to closely follow up the changing consumer preferences ➤ To organize campaigns to offer products with Migros quality at the best price ➤ To gain the trust of the consumers providing quality and product safety, by regular quality processes, audits and analyzes ➤ To provide services in stores with store formats offering product ranges that meet different needs (Service/product range) ➤ To provide services quickly through online sales channels in 81 provinces ➤ To have a product portfolio meeting the demands of all socio-economic groups <p>Separation from the sector in product groups;</p> <ul style="list-style-type: none"> ➤ M Life private label organic products and sustainable and special consumption products range ➤ Tastes of Anatolia and local delicacies produced in accordance with original recipes ➤ All red meat products being offered for sale after passing through 220 control points at Migros meat processing facilities ➤ Providing personalized balanced nutrition recommendations with the Wellbeing Journey program 	<ul style="list-style-type: none"> ➤ Enabling the creation of strategic collaborations by bringing together Migros experts and entrepreneurs in a single team with the joint innovation platform Migros Up ➤ Using artificial intelligence-supported applications with the Migros Interaction Platform and providing self-service solutions tailored to the needs of customers by anticipating possible questions ➤ Capacity to respond to requests from call center, social media and mobile applications within 48 hours at the latest ➤ Best quality and price guarantee to customers for more than 1,500 products with yellow label practice ➤ Multi-format management with different square meters and product ranges that can adapt to regional needs and regulations ➤ Country-wide online channels for delivery to specific addresses, with product varieties, special product ranges and service options ➤ Creating special product ranges for Migros by collaborating with brands under the Sadece Migros'ta (Only at Migros)
Employees	<ul style="list-style-type: none"> ➤ Finding and retaining talents ➤ To find competent employees suitable for new business areas and developments ➤ To reduce the working hours of employees to within the framework of competitive market conditions 	<ul style="list-style-type: none"> ➤ Providing employees with a safe and secure working environment ➤ Taking action according to the results by conducting an employee loyalty survey ➤ Using an effective performance management system ➤ Ensuring the continuity of the self-development environment, moving to new-generation leadership practices ➤ Providing continuous information and support from Migros Career and Migros social media accounts ➤ Organizing events with the participation of Migros managers or actively taking part in career days ➤ Effective career management system 	<ul style="list-style-type: none"> ➤ Based on the yearly Employee Loyalty and Satisfaction Research, to prepare a road map according to the opinions of the employees and to strengthen the employee loyalty with the goal of continuous improvement ➤ To provide the employees with trainings for their career and personal development with Migros Retail Academy (MPA), which is a school in the retail industry ➤ To implement practices and policies that strengthen the competencies of the employees in solving their problems, making the right decision, and owning their job ➤ To develop new internal concepts through the Internal Entrepreneurship Development Program ➤ To provide a fair and transparent environment where the ideas and projects of the employees are put into action, with the Good Idea, Good Project platform


Area of Risk

Risk Definitions*

Measures Taken to Manage the Risks

Elements Creating Opportunity

Area of Risk	Risk Definitions*	Measures Taken to Manage the Risks	Elements Creating Opportunity
Environmental	<ul style="list-style-type: none"> ➤ Infrastructure risks that may arise due to climate change and supply problems arising from production ➤ Possible change in supply maps due to extreme weather events and climate shifts ➤ Halt of operations due to natural disasters such as forest fires and floods ➤ Drought-water scarcity that affects the production ➤ Epidemics/pandemics ➤ Low emission economy 	<ul style="list-style-type: none"> ➤ To include the combat climate change in the priority issues, to take measurements for efficiency and saving ➤ To increase automation in order to reduce electricity consumption in cooling, air conditioning and lighting systems ➤ To establish next generation systems to prevent gas leakages in cooling systems ➤ To prioritize water efficiency works in the operations in regions with water stress ➤ To develop different receiving points in order to adapt to the changes in supply maps and to shift the receiving when needed ➤ To establish vegetable / fruit warehouses at different locations ➤ To include all the relevant issues into the coverage of insurance policies ➤ To develop hygiene practices in the store in case of an epidemic/pandemic, to provide contactless service options and to increase the capacity of e-commerce, to facilitate access to the services such as Tikla Gel-AI (Click & Collect) and contactless delivery 	<ul style="list-style-type: none"> ➤ To measure Migros' carbon footprint and set reduction targets; ➤ To reduce absolute Scope 1 & Scope 2 carbon emissions by 42% compared to 2020 up to 2030 ➤ To identify operations in areas where water resources are at risk and to set a water reduction target; ➤ Target to reduce daily water consumption per square meter of sales by 10% compared to 2021, until the year 2030 ➤ Target to expand the water cooling system, patented by Migros, which prevents gas leaks in the cooling system by up to 90% ➤ Target to reduce food waste rates by 50% compared to 2018, until the year 2030, in order to combat food wastage ➤ Ease of access to various products and a strong supply chain with nearly 2,500 national and local suppliers and close to 20 thousand farmers ➤ Contributing to the continuity of production by supporting the supply of organic products produced with Good Agricultural Practices, and sustainable agriculture
Technological	<ul style="list-style-type: none"> ➤ Interruption of continuity of information technologies systems used in the head office, stores and e-commerce operations ➤ Increase of threatening elements due to the developing technology ➤ Hardware that are not up-to-date anymore ➤ Unexpected problems in applications and systems that affect the operations ➤ Compromised security of critical information and personal data ➤ Cyber attacks ➤ Transfer of the Company's intellectual properties ➤ Lack of backup of critical personnel, lack of personnel 	<ul style="list-style-type: none"> ➤ Optimization of the management process for ensuring security standards ➤ Restricting access to the company network, mobile access and remote connection to some critical servers ➤ Limiting possible harmful access with measures such as network partitioning ➤ Measuring and increasing the awareness of employees on information security, privacy and PDPL, providing training to keep their knowledge and competence up-to-date ➤ Regular checks and tests for effective monitoring of information security risk assessments and prevention of system security vulnerabilities ➤ Backing up the pos communication infrastructure and CRM infrastructure of store network lines, getting some services from more than one company ➤ Version and security updates of critical hardware and regular monitoring of certificates providing secure access; renewal of infrastructure systems taking into account their useful life ➤ Impact analysis and resource tracking for all employee positions, including in outsourcing 	<ul style="list-style-type: none"> ➤ To backup server systems and data at the data recovery center (DRC) ➤ To have a control system which regularly measures the capacity of network and system capacity ➤ To include and implement a privacy and penal clause in all the contracts we make with our IT service providers ➤ To be subject to audit as per PCI (Payment Card Industry) rules and to carry out practices in accordance with PCI rules ➤ Defining and implementing DLP (Data Loss Prevention) processes ➤ Owning an R&D center and integrating the knowledge and experience gained there with the developments in the field of information technologies



Area of Risk



Risk Definitions*



Measures Taken to Manage the Risks



Elements Creating Opportunity

Compliance, Policies and Regulations

Financial and commercial impact due to legal and regulatory requirements

- Product sales restrictions in terms of brand and category
- Shelf organization, brand, display and category restrictions
- Arrangements for store locations and selling times
- Sanctions, penalties that may be met within the scope of Personal Data Protection Law, Competition Law, loss of company's image/customer trust
- Price control within the scope of Unfair Price Assessment Board (HFDK) regulations

- To closely follow up current legislation and quick adaptation to amendments
- Membership to umbrella organizations and associations of the industry and to work jointly with and to express opinions to the public while new legislation and regulations are being drawn up
- To carry out product safety, environmental-social-ethical, personal data protection and competition compliance audits under the relevant laws and requirements
- To provide service with store formats with different formats and product variety
- To provide service with online sales channels in 81 provinces
- To evaluate their compliance with the implemented Responsible Procurement Policy and legal regulations through regular audits Throughout the process of co-operation with suppliers
- To ensure the continuity of existing TS EN ISO certificates

- To be prepared to similar practices by closely following up international regulations thanks to the membership to Consumer Goods Forum (CGF) and improving the internal processes
- To encourage the suppliers that comply with environment/social/ethical and food safety criteria, offering them Migros Approved Supplier certificate
- To comply with regional needs and legislation in our stores with different square meters of areas and product ranges
- To provide home delivery services country-wide through our online channels with product ranges, special product ranges and service options

*Has been prepared by evaluating the risks with the degree of impact 'significant' and above and the degree of probability 'potential', 'possible' and above.

Business Ethics and Compliance with Corporate Policies and Laws

Business Ethics, Anti-Bribery and Anti-Corruption

We assess anti-bribery and anti-corruption using an approach focused on risk and consider it to be an important part of our risk management practices. The audits and assessments for risks and potential impacts ground on an understanding and approach covering all of our company's activities.

Our related policies and rules: We resolutely support through our Board of Directors the implementation of **Migros Code of Ethics** which were drawn up in line with our Company's ethical approach and codes of conduct, and our **Anti-Bribery and Anti-Corruption Policy**, and we continue our operations by observing full compliance with our policy. Both our Migros Codes of Conduct and our Anti-Bribery and Anti-Corruption Policy comply with the membership statement and ethical principles of the Ethics and Reputation Association (TEİD), which we are a member of in order to benefit from its knowledge on ethics, anti-bribery and anti-corruption, abuse by employees and third-party risks, to get opinions, and to benefit from its training on necessary issues.

As in previous years, we ranked among the "Most Ethical Companies of Türkiye" in 2021 as well for the 7th time in the ETIKA Türkiye Ethics Awards organized by the Ethical Values Center Association (Etik Değer-

ler Merkezi Derneği - EDMER), based on 80 items including ethical values, business ethics, reputation management, corporate governance, corporate social responsibility, compliance management, leadership and creativity.

In 2021, our Company did not face any disputed accusations for bribery or corruption.

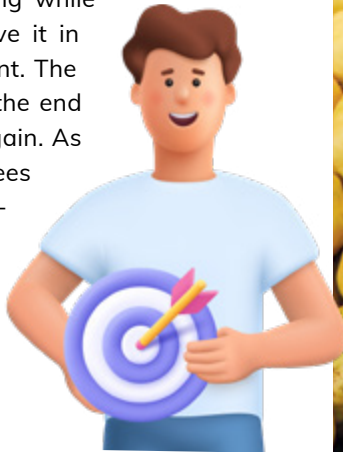
We ETIKA Türkiye Ethics Awards for the **7th time** 'Most Ethical Companies of Türkiye' among them.



Compliance with Corporate Policies and Codes of Conduct

Our **Human Resources, Human Rights and Equal Opportunity, Anti-Bribery and Anti-Corruption** and **Responsible Sourcing** policies are reviewed by our departments and regularly updated every year. We share the current policies with our employees by email and circulars, with our suppliers and contractors through our B2B channel MECOM, and with the public through our corporate website. Our policies were last updated in 2021. Our guidebook "Orange Book" for our employees transparently describes in detail all our corporate policies and Migros Code of Ethics. This guidebook is shared with all our employees by email when they are newly hired, and is also available on the internet environment.

We provide our employees with online trainings that cover our policies to ensure that our above-mentioned corporate policies are understood and adopted by all our employees. Our existing employees are expected to have completed this training while our newly hired employees receive it in the first month of their employment. The employees who fail the exam at the end of the training should receive it again. As of 2021, the number of our employees who completed this online training that covers our corporate policies reached 31,009. The same training was also provided through our B2B channel MECOM to 1,595 suppliers who use the system actively.



Our Industry Relation Department assesses the breaches of our employees regarding ethics, bribery and corruption, and reports the results to our Senior Management. In case the employees who have a trade union membership breach these rules, our Disciplinary Committee convenes with participation of the trade union representatives in parallel with the rules of the Collective Labor Agreement. If Migros Code of Ethics or Anti-Bribery and Anti-Corruption Policy is breached, the employee's employment contract is terminated.

If our employees have any doubt about the breach of ethical issues, particularly about bribery and corruption, they may report this to the email address etikurul@migros.com.tr and the reports are sent directly to the Migros Ethics Committee. Our Internal Audit Department conducts the necessary investigations when necessary or in the case of reported incidents, within the framework of Migros Code of Ethics.



Thanks to our open-door policy, the contact details of all senior management and function managers of our company is available on our corporate website, and all our stakeholders may anonymously report any potential breach of codes of conduct to Migros managers. None of our employees can be held responsible for the damages to be incurred by the company due to having acted in compliance with Migros Code of Ethics or for having rejected a non-ethical act or be imposed any sanction arising from such circumstance. Moreover, we undertake that no reprisals will be made in our Company on the personnel who report misconduct.

In case of non-compliance with our corporate policies and Code of Conduct, we have an “Ethical Reporting Record Monitoring” system in order to collect at a single point and evaluate all reports received by our company through various communication channels, such as the call center, email and mobile application, and to monitor the actions systematically.

In this context, in 2021, we received a total of 547 notice on ethical issues from all our official communication channels, 389 of them from our employees. 134 of our employee notices were conveyed anonymously in the form of whistleblower. As a result of the evaluations made by our Disciplinary Committee for the persons subject to the report, warning, aggravated warning and termination of employment contracts were carried out according to necessity. In this context, a warning was given to 36 of our employees, a final warning was given to 150 of our employees with an aggravated warning, and the employment contracts of 224 of our employees were terminated. It was reported that 83 employees left their jobs voluntarily. It was determined that 54 reports did not reflect



the truth. 9 of the reports included allegations of harassment, to which our company attaches utmost importance, and as a result of detailed investigations, the employment contracts of 6 of our employees were terminated and 3 employees were given aggravated warnings. In line with 1 report we received for alleged bribery and corruption, the Ethics Committee convened about the employee who was the subject of the allegation; investigations were made on the subject and it was not determined that the employee took a bribe, but since it was determined that he neglected his duty and caused damage to the company, the employment contract was terminated. Apart from these, 36% of 11 employees whose employment contracts were terminated by insisting on not complying with the

Covid-19 pandemic measures are women. In 2021, there were no cases of ethical violations brought to court by our Company.

Our customers, suppliers and other stakeholders can communicate their complaints and notifications on bribery, corruption and other ethics issues through the Customer Communication Center line **0850 200 40 00** or the e-mail address **etik@migros.com.tr**



Compliance with Human Rights Policies

Human rights risk assessment is an integral part of our company's risk assessment processes as we audit and evaluate our risks and potential impacts of all our activities for social compliance assessments focused on human rights.

We conduct all our activities in parallel with our Human Rights and Equal Opportunity Policy, taking into account the United Nations Guiding Principles on Business Life and Human Resources and ILO Declaration on Fundamental Principles and Rights at Work. We undertake that we will abide by these standards, even in the presence of risky situations or adverse developments.

We aim to have all our operations constituting our area of activity and value chain 100% comply with our Human Rights and Equal Opportunity Policy. The male and female employees who have children have all leaves and rights specified by laws, regulations and provisions of collective agreements.

The departments reporting to the Chief Human Resources Officer follows up the management of our human resources processes and relations with our employees, in parallel with our **Human Resources Policy**. The compliance with our **Human Resources Policy and Human Rights and Equal Opportunity Policy** is regularly monitored by our Internal Audit Department and reported to our Senior Management. Additional audits in this

respect are conducted if having noticed of the circumstances which might constitute an inconvenience or having received a complaint. Furthermore, we consider and assess the suggestions and feedback from our employees within the scope of the Working Life Assessment Research, for our works to ensure full compliance with our Human Rights and Equal Opportunity Policy. During internal audits carried out in 2021, no breach of human rights was detected within our operations. No child labor or forced labor is employed in our operations.





Anti-Discrimination: All our human resources processes in our Türkiye operations, from recruitment and placement to remuneration, are managed according to the job profiles that we have defined in detail. We employ the applicants based on their competencies without discrimination of culture, age, gender, ethnicity and disability,

and we provide equal opportunities throughout their working period. Accordingly, the starting level remuneration in our stores is based on the minimum wage and fringe benefits, regardless of gender. We implement our human resources assessment system within the framework of the principle of “equality for all”, and we monitor the competency, ability and performance of our employees by measuring them according to general and objective criteria. Our Company received no notification with the allegation of discrimination in 2021.

Human rights training: We provide online training to our employees since 2019 on basic human rights defined in the Universal Declaration of Human Rights. When 2,990 further employees completed this training in 2021, we

have reached a total of 27,762 employees receiving 7,300 hours of training.

According to the results of the preliminary test and final test, we identified that the trainings provided 27% increase in the efficiency of learning. The training journey consisting of 4 stages include our practices as Migros on Human Rights, by teaching the items of Human Rights through enjoyable cards. In 2021, 377 employees of the security companies from which we outsourced services received online training on the human rights policies and procedures. Thus, 82.7% of our security staff have completed this training.

Our declarations in the report related to discrimination in our operations, child labor and forced labor, women-to-men salary ratio, birth leave, the trainings received by employees with regard to human rights policies and procedures, and the security personnel trained on human rights, have been verified by an independent audit firm in compliance with ISAE 3000 (Revised) standards.

You can find the Statement of Independent Assurance in Human Rights and Supply Chain (Selected Criterias) in the “**Annexes**” section of our report.



Communication with Our Stakeholders

As Migros, we interact with all our stakeholders through many communication channels. In order to create sustainable economic value, we support our business partners and stakeholders in parallel with the priorities of our sustainability approach and our Migros Better Future Plan. In the prioritization workshop organized by our Sustainability Committee, we designated the society, customers, employees, shareholders, investors, supply chain and governmental agencies as stakeholders of priority according to the experiences and observations of the representatives within the company. Information on the communication processes of our prioritized stakeholders are detailed in the following table.



 Stakeholders	 Communication Channel	 Communication Method and Frequency
Society and Customers	Our Migros Call Center and WhatsApp line Social Media Consumer Researches	Communication with 3.5 million individuals annually / Response to 4,100 calls in average daily Immediate monitoring and response / Analysis of 10,338,525 different social media messages annually Consumer and trend researches and surveys in monthly periods, covering a total of 126,744 individuals within the year
Employees	Internal Communication Practices Recruitment Assessment Survey Working Life Assessment Research Migros Sharing Hotline	Providing information immediately through the Intranet Communicating the developments, vision and the targets by means of the Orange Book which is published quarterly Communicating the Human Resources strategies and practices by means of the Panoramik Magazine which is published annually Bringing together the employees and the Senior Management by means of the Internal Communication Meetings held throughout Türkiye or in the regions Socialization of the employees with business or personal posts through Migros Sosyal App Following each new recruitment Annually Replying annually 38,558 calls through Migros Sharing Hotline and our company's intranet and solving the problems within 48 hours at the latest

 Stakeholders	 Communication Channel	 Communication Method and Frequency
Shareholders & Investors	<p>General Assembly Meeting</p> <p>PDP (Public Disclosure Platform) Announcements</p> <p>Corporate Governance Principles Compliance Report</p> <p>The website www.migroskurumsal.com</p> <p>Annual Report</p>	<p>Annually holding the General Assembly Meeting with the attendance of shareholders following the announcement of the annual financial statements, and issuing the meeting minutes on the corporate website following the meeting</p> <p>Announcing the financial statements for each quarter of the year and submitting material disclosures when necessary</p> <p>Annually</p> <p>Sharing detailed information on the corporate website that is updated daily</p> <p>Announcing the operational and financial results of the Company on the corporate website and the KAP quarterly and annually</p>
Supply Chain	<p>Migros Business Partners Summit</p> <p>MeCom/MeMobil (B2B) applications</p> <p>Meetings (GAP-Good Agricultural Practices-supplier incentive meetings, etc.)</p>	<p>Annually or biennially as needed</p> <p>Daily update</p> <p>As needed</p>
Governmental Agencies	<p>Meetings and requests for opinions</p> <p>Audits</p> <p>Communication with the Municipalities and Ministries</p> <p>Applications for Permits and Licenses</p>	<p>In line with the requests of the Municipalities and the Ministries- submission of opinion through GPD (Food Retailer Association), TAMPF (Turkish Federation of Shopping Centers and Retailers), TÜSİAD (Turkish Industry & Business Association), TOBB (the Union of Chambers and Commodity Exchanges of Türkiye) Retailing Council and TOBB e-Commerce Council, which we are a member of</p> <p>Monthly/Annually</p> <p>Following up the regulations, legislation and bylaws, and providing the information as necessary - taking to comply with the advanced objectives by consulting with the Ministry of Trade, the Ministry of Agriculture and Forestry, the Ministry of Environment, Urbanization and Climate Change, the Ministry of Family and Social Services, the Ministry of Industry and Technology, the Ministry of Treasury and Finance and the Revenue Administration</p> <p>New areas of activity; statutory permits and licenses on the opening of each store and distribution center</p>
Organizations of the Industry	Meetings and Requests for Opinions	<p>Memberships to CGF, Lead Network EU, GPD, TAMPF, TÜSİAD, TOBB Retail and E-Commerce Councils</p> <p>Quarterly meetings with the Board of Directors</p> <p>Monthly meetings with the Management Committees and Working groups</p> <p>Regular reporting of the achievement of the goals</p> <p>Operational arrangements upon joint decisions and implementation of projects</p> <p>Leading industrial transformations</p>

Memberships, Collaborations and Initiatives



Stakeholder






Project Name



Project Role

Stakeholder	Project Name	Project Role
Consumer Goods Forum (CGF)	Board Membership (Co-Chair of the Board of Directors until June 2021)	Member/Active Participant
	Food Waste Coalition <ul style="list-style-type: none"> ➤ Reduction of Food Waste Ratios ➤ WRI 10x20x30 Initiative ➤ Post-Harvest Food Losses ➤ Consumer Engagement 	Member/Active Participant
	Product Data Coalition <ul style="list-style-type: none"> ➤ Creation of Global Data Set ➤ Industrial Transformation for Digitalization and Standardization of Data 	Member/Active Participant
	Collaboration for Healthier Lives Coalition <ul style="list-style-type: none"> ➤ Healthier and More Sustainable Diets Working Group ➤ Migros Wellbeing Journey Program ➤ Employee Health and Wellbeing Working Group 	Member/Active Participant
Food Retailers Association (GPD)	Vice Chairman of the Board of Directors	Member / Active Participant
World Resources Institute (WRI)	10x20x30 Initiative	Project Executor
Fazla Gıda (Whole Surplus)	Respecting Food Project	Project Leader
	Surprise Box	
	Black Soldier Flies	
HAYTAP (Animal Rights Federation)	Fresh Leftovers to Our Four-Legged Friends	Project Leader
Chamber of Agricultural Engineers	Stakeholder Relations	Member
Sustainability Academy	SDG Map Content participation	Member
Sustainable Food Platform	Information Sharing About Sustainable Production and Supply	Member/Active Participant

 Stakeholder	 Project Name	 Project Role
The Association of Turkish Milk, Meat, Food Industrialists and Manufacturers (SETBİR)	Stakeholder Relations	Member
The Association of Non-Household Consumption Suppliers (ETÜDER)	Stakeholder Relations Migros Toptan - Reliable Supplier Certificate	Member
Turkish Food Safety Association (GGD)	Growing Healthy with Migros Guidance Food Loss and Label Reading Research Expressing Opinions on Regulations Preparation of the Guide for Fight Against Covid-19 Pandemic and Hygiene Migros Toptan - Reliable Supplier Certificate	Member/Active Participant
GS1 Türkiye Foundation Economic Enterprise	Board Membership Creation of Global Data Set Industrial Transformation for Digitalization and Standardization of Data	Member/Active Participant - Project Executor
World Wide Fund for Nature (WWF - Türkiye)	Green Office	Project Executor
Turkish Marine Environment Protection Association (TURMEPA)	Contribution to Cleaning of Seas by Waste Vegetable Oils Collection Project	Member/Active Participant - Project Executor
Deha Biyodizel A.Ş.	Contribution to Cleaning of Seas by Waste Vegetable Oils Collection Project	Project Executor
Turkish Industry & Business Association (TÜSİAD)	Business World Plastics Initiative Participation in the Work Groups	Member/Active Participant
Corporate Governance Association of Türkiye (TKYD)	Participation in the Work Groups Training Support Opinion Support to Migros Code of Ethics and Anti-Bribery and Anti-Corruption Policy	Member
Corporate Governance Association of Türkiye (TKYD)	Stakeholder Relations	Member/Active Participant
The Institute of Internal Auditing Türkiye (TİDE)	Business Ethics and Compliance with Corporate Policies and Laws	Member

 Stakeholder	 Project Name	 Project Role
Turkish Informatics Foundation Economic Enterprise (TBV)	Digital Innovation and Accessibility	Member
The Blockchain Türkiye Platform (BCTR)	Digital Innovation and Accessibility	Member
LEAD Network EU	Participation in the Studies of Gender Equality Signatory of CEO Pledge Advisory Committee Membership	Member/Active Participant
LEAD Network Türkiye	Active Participation in Its Establishment and Presidency of Association	Member/Active Participant
Women on Board Association Türkiye (YKKD)	Participation in the Mentorship Program	Member/Active Participant
Women in Technology Association (WTECH)	Board Membership	Member
The Women Entrepreneurs Association of Türkiye (KAGİDER)	Development and Acceleration of Woman Entrepreneur in Agriculture Program	Member/Active Participant
People Management Association of Türkiye (PERYÖN)	Information Sharing and Attending Conferences about Human Resources Processes	Member/Active Participant
Training and Development Platform Association (TEGEP)	Information Sharing about Employee Training Processes	Member
Association of Corporate Communicators (KİD)	Stakeholder Relations	Member
Türkiye Quality Association (KALDER)	Information Sharing about Quality Management Processes Task Force Committee on Inclusion and Gender Equality	Member/Active Participant
The Union of Chambers and Commodity Exchanges of Türkiye (TOBB)	Stakeholder Relations TOBB Retail Council Membership	Member
Turkish Investor Relations Society (TÜYİD)	Information Exchange in Investor Relations Processes	Member/Active Participant
Central Registry Agency (MKK)	Stakeholder Relations	Member
Istanbul Commodity Exchange	Stakeholder Relations	Member
Food and Agriculture Organization of the United Nations (FAO)	<ul style="list-style-type: none"> ➤ Save Your Food ➤ Animation video of Growing Healthy with Migros 	Project Executor
Community Volunteers Foundation	Ariel "Clothes Donation" Campaign	Project Executor

 Stakeholder	 Project Name	 Project Role
Mother-Child Education Foundation (AÇEV)	“A Box Full of Future with Play-Doh” Campaign	Project Executor
The Spinal Cord Paralytics Association of Türkiye (TOFD)	Plastic Cap Collection Project	Project Executor
District Public Education Centers	Family Clubs	Project Executor
Aegean Forest Foundation	Tree Planting with the Revenues From the Sales of Olive Harvested From Olive Trees Donation of Saplings to the Aegean Region	Project Executor
Book for All Foundation	Book Donation Project	Project Executor
KIZILAY (Red Crescent)	Card of Goodness	Project Executor



Annexes

- Sustainability Performance Indicators
- GRI Standards Content Index
- Stakeholder Capitalism Metrics Index
- Integrated Report Framework Content Index
- Our Contribution to Sustainable Development Goals
- Statement of Independent Assurance in Human Rights and Supply Chain
- Greenhouse Gas Emissions Verification Statement

Sustainability Performance Indicators

Economic Value Generated and Distributed*

Consolidated (000 TRYI)-IFRS	%	2021
Income (Net Sales)	100.0%	36,497,453
Economic Value Distributed	99.9%	36,463,140
Operating costs (**)	11.4%	4,171,747
Cost of Sales (Payments to suppliers)	75.4%	27,517,740
Employee wages and benefits	9.1%	3,308,763
Payments to capital providers	0.0%	-
Bank interest expenses (net)	2.3%	849,369
Payments to the Governments	1.7%	614,796
Social investments	0.0%	
Donations made	0.0%	725
Economic Value Held	0.1%	34,313

*The table Economic Value Generated and Distributed above does not include exchange incomes/ expenses, derivative instrument incomes / expenses or other financial expenses.

** Employee expenses and benefits are not included, but are given separately. Charitable donations account for 0.01% of the total costs, and commercial initiatives account for 99% thereof.

Human Resources Tables

Employee Profile by Gender and Work Type

Employee Category	In Istanbul		Outside Istanbul	
	Female	Male	Female	Male
Full-time	4.695	7.765	10.964	16.444
Part-time	66	78	286	172
Total	4.761	7.843	11.250	16.616

Employee Distribution by Year

Year	Female	Male
0-5 years	9,382	13,290
5-10 years	3,780	5,826
10 years and above	2,849	5,343

Employee Distribution by Age Range

Age	Female	Male
Under 30	7,603	9,880
Between 30-50	8,260	13,805
Over 50	148	774

Distribution of Hired People by Gender

	Female (%)	Male (%)
	43	57

Employee Distribution by Business Area

	Female	Male	Total	Percentage (%)
Administrative Units and Store Managers	2,126	4,453	6,579	16
Store Employees	13,885	20,006	33,891	84

Female-Male Salary Average Indices*

	Job Key	Index
Ratio of average salary of female managers to average salary of male managers **	Manager	0.978
	Deputy Manager	0.996
	Store Manager	1.005
Ratio of average salary of non-executive female employees to average salary of non-executive male employees	Store employees (blue collar)	1.00
	Specialist	1.007

*The rate of female employees in the highest 10% portion of the company's salary average is 40%.

**Both base salaries and other premiums payments have been included.

Employee Trainings

Training Name*	Method	Number of Participants
Discount Applications Training to Prevent Food Waste	Remote training	865
Migros Store Zero Waste Applications	Remote training	29,848
Hand Washing Ritual	Remote training	7,009
Sustainability Marathon	Remote training	4,360
Environmental Awareness and Bag Use	Remote training	169
Hygiene and Quality at Migros	Remote training	7,269
Compulsory Hygiene Training	Face-to-face or online classes	18,239
Protect Your Food	Remote training	13,985
Store Donation Process	Remote training	21,452
Emotional Intelligence, Intrinsic Motivation, Proactivity, Mental Agility	132 online class trainings	1852
Quizgame**	Gamified Award-Winning Training	11,538
Health, Psychology, Remote Communication, Leadership, Performance Management, Technology, Retail, Economy	50 Sessions	5564

*Site employees are provided trainings on Alcoholic Beverages Product Information, rule of age above 18 in sales of alcohol, and Compliance with Alcoholic Beverages Program.

**Quizgame questions have a wide range of content, such as sustainability, digitalization, industry developments and trends.

Training Name Number of Participants

Corporate Policies	31,009
Human Rights	25,762
Corporate Governance and Risk Management	1,195
PDPL	26,566

Ratios of Female Employees by Their Workforce Within the Company* (%)

Middle/Other Level Management	27.3
EntryLevel	34.2
Revenue-Producing Roles**	29
IT /Engineering Positions (STEM)	31

*No global equal pay audit was carried out in the company to determine the salary differences between women and men.

**Excludes support teams.

Employess Training Hours

Employee profile	Annual Total Training (Employee*Hours)	Training per employee (digital)	Training hours per employee (class)
Store Management	881,744	47.8	85.2
Store Employee	2,150,638	32.5	37.4
Administrative Units	97,864	16.7	47.3
Total	3,130,246		

Employees who Have Passed Regular Performance Improvement Assessments (%)

Position	Female	Male	Total
Head Office	1.6%	2.6%	4.2%
Store Management	3.6%	9.1%	12.7%
Store Employees	32.9%	50.2%	83.1%
Total Number of Employees	38.1%	61.9%	100.0%

Number of Our Suppliers by Years

	2017	2018	2019	2020	2021
Total suppliers*	2,028	1,901	1,863	1,878	2,492
Total number of new suppliers	247	199	229	376	385

* Number of our active suppliers from whom we make purchases of TRY 1,000 and above

OHS Tables

Work Accidents*	2019	2020	2021
Work accident severity rate (lost days) **	19.4	19.09	19.048
Work accident severity rate (lost hours) ***	0.015	0.015	0.015

*Stores and Administrative Units are included. Third parties who are under the responsibility of their own employer pursuant to the legislation (company staff, contractor company staff etc.) are not included in calculations. Work Accident Frequency and Severity ratios are calculated by the methods used in the statistics of the Social Security Institution (SGK).

Total Injury Rate: 19.79 (Total number of injuries and fatalities including no-lost-time injuries relative to one million hours worked)

(Total Injury Rate including Employee and subcontractor:30.13)

**Lost day = Indicates the number of working days lost per 1,000,000 hours in a calendar year due to work accidents.

***Lost hour = Indicates how many hours have been lost per 100 hours worked due to work accidents.

OHS Trainings

Training	Person	Hours
Face-To-Face On-The-Job Training	22,215	54,874
Online Training	10,676	14,760
First Aid Training	1,523	2,582

Work Accidents Number by Type of Injury (%)*	2021
Cuts and lacerations	30
Slips, trips and falls	19
Being hit by falling objects	13
Crushes	6
Collisions and crashes	13
Other	20
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.

**No lost days occurred due to occupational illness.

Number of Work Accidents by Gender*	2019	2020	2021
Male	658	727	914
Female	389	423	573
Total	1,047	1,150	1,487**

*Migros payroll employees' distribution is shown.

** 2,162 lost days which equals to 16,215 lost hours.

Number of Unit Based Work Accidents for Subcontractors*

Unit	Number of Accidents
Among subcontractors in Administrative Buildings	3**
Among subcontractors in Stores, Distribution Centers, M/S Warehouses, and Wholesale Warehouses	1,373**
Those that cause subcontractors to lose minimum one working day against one million hours worked	603

*Accident Severity Ratio (Lost Days) among subcontractors in Administrative Departments, Stores, Distribution Centers, M/S Warehouses, and Wholesale Warehouses is 105.087.

**2,916 lost days which equals to 21,870 lost hours.

Total Injury Rate: 72.46 (Total number of injuries and fatalities including no-lost-time injuries relative to one million hours worked)

Our Stores with Automation Systems	2019	2020	2021
Cooling Automation	1,864	1,978	2,313
Air Conditioning Automation	1,278	1,355	1,621
Lighting Automation	1,071	1,119	1,399

Our Category Based Scope 3 Emissions

Important Indirect Greenhouse Gas Emissions		Emissions for 2021 (ton CO ₂ e)	%
Upstream Emission Sources			
Category 1	Purchased Goods and Services	8,978,282	93.8
Category 2	Capital Goods	-	-
Category 3	Fuel and Energy Related Activities	61,752	0.01
Category 4	Upstream Transportation and Distribution	89,658	0.9
Category 5	Waste Generated in Operations	35,527	0.4
Category 6	Business Travel	228	0.0
Category 7	Employee Commuting	1,653	0.0
Category 8	Upstream Leased Assets	-	-
Downstream Emission Sources			
Category 9	Downstream Transportation and Distribution	8,031	0.1
Category 10	Processing of sold products	-	-
Category 11	Use of Sold Product	168,471	1.8
Category 12	End of Life Treatment of Sold Products	214,343	2.2
Category 13	Downstream Leased Assets	9,214	0.1
Category 14	Franchises	-	-
Category 15	Investments	-	-
Total		9,567,159	100

Our Scope 1 Emissions Breakdown

Emission Factors of Fuels (kg CO₂e of GHG/unit) (Scope 1)

GHG Emission Source	Amount	CO ₂ * Emission	CH ₄ * Emission	N ₂ O* Emission	Total** (CO ₂ +CH ₄ +N ₂ O)
Natural Gas	1,149,886 m ³	2,319.94	3.15069	1.23038	2,324
Diesel (100% mineral diesel)	1,075,465 liters	2,869.42	0.27962	40.00729	2,910
Petrol (100% mineral petrol)	444,069 liters	1,032.76	3.25058	2.97970	1,039
Fuel oil	10.200 liters	32.26	0.04825	0.08038	32

*Calculated with DEFRA Conversion Factors

**Since operations are carried out in the retail sector, SOx NOx and PM10 originating from production facilities are not measured

Water Consumption Tables for 2021

Water Discharge Ratios (%)	2017	2018	2019	2020	2021*
Discharged to Sewerage System	98,78	97,07	99,20	98,34	98,11
Discharged to Receiving Environment (Other)	1,21	2,91	0,80	1,66	1,89

*In 2021, evaporation from service and fish section is 2.5%.2020 discharge rates have been revised according to the amount of evaporation.

Water Withdrawal Amounts by Resource (m ³)	2017	2018	2019	2020*	2021
Tap water	747,246	859,041	1,235,162	931,639	949,697
Well water	13,906	25,776	47,375	45,511	47,666

*2020 consumption amounts were revised due to the failure of the water meter of one of our distribution centres.

Wastewater Loads Table

Parameters	Analysis Results* (mg/L)		
	February 2021	March 2021	September 2021
Biological Oxygen Demand (BOD ₅)	35	34.7	9
Chemical Oxygen Demand (COD)	88.2	78.4	40
Total Suspended Solids (TSS)	9.6	5.6	21.2
pH	7.77	7.55	7.49

*The wastewater treatment plant operates in our Kemalpaşa distribution Center, and the results of periodic analyzes made at the discharge points

Packaging Materials of our Private Label Products

Material	Weight (Tons)	Coverage (%)
Paper	875.80	12%
Glass	2,993.46	40%
Plastic*	2,527.08	34%
Metal	893.01	12%
Composite	193.20	2%
Total	7,482.55	100%

*8.5 tons (0.34%) of plastics is recycled (r-pet) material.

Waste Amounts by Disposal Types

Waste Type	Disposal Method	Amount (tons)		
		2019	2020	2021
Non-hazardous	Recycling / Recovery*	17,264.24	16,979.67	14,014.95
	Reuse / Animal Feed	550	831.51	847.7
	Biogas / Compost	5200	4,255	5800.4
	Delivered to Municipalities	54,570**	50,841**	53,304**
	Donation to Stray Animals	894	1,120.1	1,407.4
	Donation to Food Banks	1424	1,216	2,781.67
	Incineration	223	246	811.7
Hazardous	Recycling / Recovery	5,494	7.15	7.07
	Biodiesel	30	30.96	41.8
	Incineration	4.46	9.126	5.63

*Non-food products and electronic waste sent for recycling/recovery are included.

** Destruction of returned and operating companies are included

Recycled Waste Vegetable Oil, Waste Battery, and Electronic Waste Amounts by Years

Amount of Waste Vegetable Oil Collected* (tons)	2017	2018	2019	2020	2021
Amount of Waste Vegetable Collected	23	28	30	31	41.8

*Data includes the amounts of waste vegetable oil collected from homes through Migros Sanal Market.

Amount of Waste Batteries Collected* (tons)	2017	2018	2019	2020	2021
Amount of Waste Batteries Collected	3	3.50	4.50	5.68	5.45

*Data includes the amounts of waste vegetable oil collected from homes through Migros Sanal Market.

Amount of Electronic Waste Collected from Our Customers (tons)	2017	2018	2019	2020	2021
Amount of Electronic Waste Collected	95	211	92	77.38	138

Product Quality Control Audits

Product	Number
New food products internally checked for quality	3,335
New non-food products internally checked for quality	7,055
Products audited by an accredited laboratory*	35,000
Unannounced store verification audits	2,847
Number of stores analyzed for hygiene	1,782
Number of hygiene analyses (SWAB Analysis)	10,000
Number of Risk Based Process Audits	976
Number of Migros Sanal Market process audits	658
New store and seasonal store compliance audits	405
Number of bakery and hot production place controls	93
Number of products checked for quality in Distribution Centers	4 million
Number of delivery vehicles checked**	1,299

*Quality verification analyses of more than 10,000 products have been completed in accredited laboratories based on more than 35,000 parameters

**Vehicle controls have been completed by verifying vehicle temperatures with data loggers and temperature labels in distribution centers

GRI Standards Content Index

For the Materiality Disclosures Service, GRI Services found that the GRI content index is clearly presented and the references for disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. This service was performed on the Turkish version of the report.



**MATERIALITY
DISCLOSURES SERVICE**

2022

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
GRI 101: Foundation 2016		
GRI 102: General Disclosures 2016		
Organizational Profile	<p>102-1 Name of the organization</p> <p>102-2 Activities, brands, products, and services</p> <p>102-3 Location of headquarters</p> <p>102-4 Number of countries in which the organization operates and the names of countries where the organization has significant activities or that are relevant to the sustainability topics covered in the report</p> <p>102-5 Ownership and legal form</p> <p>102-6 Markets served</p> <p>102-7 Scale of the organization</p>	<p>About the Report p.6</p> <p>About Migros p.16 Our Products and Services Supporting Healthy Living p.63 Health and Food Policy</p> <p>Migros Headquarters are located in Atatürk Mahallesi Turgut Özal Bulvarı No:7 Ataşehir/İstanbul - Türkiye</p> <p>Apart from Türkiye, Migros operates in 2 countries in total, with one shopping center in Kazakhstan. About the Report p.6</p> <p>Creating Sustainable Economic Value p.29</p> <p>About the Report p.6 About Migros p.16 Creating Sustainable Economic Value p.29</p> <p>Creating Sustainable Economic Value p.29 Our Employee Profile p.34 Our Digitalization and Innovative Efforts p.122 Migros 2021 Annual Report</p>

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
Organizational Profile	102-8 Information on employees and other workers	Our Employee Profile p.34 Gender Equality and Equal Opportunities p.49 Human Resources Tables p.158
	102-9 Supply chain	Creating Sustainable Economic Value p.29 Our Products and Services Supporting Wellbeing p.63 Sustainable Growth with Our Suppliers p.78
	102-10 Significant changes to the organization and its supply chain	Creating Sustainable Economic Value p.29
	102-11 Precautionary Principle or approach	Migros Better Future Plan p.8 Our Risk Management p.141 Business Ethics and Compliance with Corporate Policies and Laws p.146
	102-12 External initiatives	Memberships, Collaborations and Initiatives p.153
	102-13 Membership of associations	Memberships, Collaborations, and Initiatives p.153
Strategy	102-14 Statement from senior decision-maker	CEO Message p.4
Ethics and Integrity	102-16 Values, principles, standards, and norms of behavior	Migros Better Future Plan p.8
Governance	102-18 Governance structure	Our Board of Directors p.135 Our Corporate Profile p.136 Our Committee for Early Detection of Risk p.136 Our Audit Committee p.137 General Assembly p.138 Our Management Team p.138 Our Sustainability Committee p.139
Stakeholder Engagement	102-40 List of stakeholder groups	Communication with Our Stakeholders p.151
	102-41 Collective bargaining agreements	Freedom of Association p.43 Human Rights and Equal Opportunity Policy
	102-42 Identifying and selecting stakeholders	Communication with Our Stakeholders p.151
	102-43 Approach to stakeholder engagement	Communication with Our Stakeholders p.151 Memberships, Collaborations, and Initiatives p.153
	102-44 Key topics and concerns raised	Communication with Our Stakeholders p.151 Memberships, Collaborations, and Initiatives p.153

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Reporting Practices	102-45 Entities included in the consolidated financial statements	About the Report p.6
	102-46 Defining report content and topic Boundaries	About the Report p.6 Migros Better Future Plan p.8 Our Materiality Matrix in 2021 p.26
	102-47 List of material topics	Migros Better Future Plan p.8 Our Materiality Matrix in 2021 p.26
	102-48 Restatements of information	Creating Sustainable Economic Value p.29
	102-49 Changes in reporting	Our Materiality Matrix in 2021 p.26
	102-50 Reporting period	About the Report p.6
	102-51 Date of most recent report	About the Report p.6
	102-52 Reporting cycle	About the Report p.6
	102-53 Contact prior for questions regarding the report	About the Report p.6
	102-54 Claims of reporting in accordance with the GRI Standards	About the Report p.6
	102-55 GRI content index	GRI Standard Content Index p.167
	102-56 External assurance	About the Report p.6
GRI 200: Economic Performance Series 2016		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Creating Sustainable Economic Value p.29
	103-2 The management approach and its components	Creating Sustainable Economic Value p.29
	103-3 Evaluation of the management approach	Creating Sustainable Economic Value p.29
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainable Performance Indicators p.158

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
Market Presence		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Creating Sustainable Economic Value p.29
	103-2 The management approach and its components	Creating Sustainable Economic Value p.29
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GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Human Rights and Equal Opportunity Policy Creating Sustainable Economic Value p.29
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Creating Sustainable Economic Value s.29
	103-2 The management approach and its components	Creating Sustainable Economic Value s.29
	103-3 Evaluation of the management approach	Creating Sustainable Economic Value s.29
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Creating Sustainable Economic Value p.29 Sustainable Performance Indicators p.158
Anti-Corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Business Ethics and Compliance with Corporate Policies and Laws p.146
	103-2 The management approach and its components	Business Ethics and Compliance with Corporate Policies and Laws p.146
	103-3 Evaluation of the management approach	Business Ethics and Compliance with Corporate Policies and Laws p.146
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics and Compliance with Corporate Policies and Laws p.146

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Anti-Competitive Behavior		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Creating Sustainable Economic Value s.29
	103-2 The management approach and its components	Creating Sustainable Economic Value s.29
	103-3 Evaluation of the management approach	Creating Sustainable Economic Value s.29
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Creating Sustainable Economic Value s.29
GRI 300: Environmental Standards Series 2016		
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Combating Climate Change and Our Energy Management p.87
	103-2 The management approach and its components	Combating Climate Change and Our Energy Management p.87
	103-3 Evaluation of the management approach	Combating Climate Change and Our Energy Management p.87
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our Energy Management and Efficiency Works p.93
	302-4 Reduction of energy consumption	Our Energy Management and Efficiency Works p.93
Water and Effluents		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Sustainable Water Management p.97
	103-2 The management approach and its components	Our Sustainable Water Management p.97
	103-3 Evaluation of the management approach	Our Sustainable Water Management p.97

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal 303-4 Water discharge 303-5 Water consumption	Our Sustainable Water Management p.97 Our Sustainable Water Management p.97 Sustainable Performance Indicators p.158 Sustainable Performance Indicators p.158 Our Sustainable Water Management p.97
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Our Contribution to Sustainable Agriculture and Biodiversity p.100 Our Contribution to Sustainable Agriculture and Biodiversity p.100 Our Contribution to Sustainable Agriculture and Biodiversity p.100
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 304-2 Significant impacts of activities, products, and services on biodiversity	Our Contribution to Sustainable Agriculture and Biodiversity p.100 Our Contribution to Sustainable Agriculture and Biodiversity p.100
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Combating Climate Change and Our Energy Management p.87 Combating Climate Change and Our Energy Management p.87 Combating Climate Change and Our Energy Management p.87
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	Our Carbon Footprint p.88 Our Carbon Footprint p.88 Our Carbon Footprint p.88 Our Carbon Footprint p.88 Combating Climate Change and Our Energy Management p.87

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Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Sustainable Water Management p.97 Our Food Waste Prevention Practices p.105 Our Effective Waste Management p.113
	103-2 The management approach and its components	Our Sustainable Water Management p.97 Our Food Waste Prevention Practices p.105 Our Effective Waste Management p.113
	103-3 Evaluation of the management approach	Our Sustainable Water Management p.97 Our Food Waste Prevention Practices p.105 Our Effective Waste Management p.113
GRI 306: Effluents and Waste 2020	306-1 Water discharge by quality and destination	Sustainable Performance Indicators p.158
	306-2 Waste by type and disposal method	Our Effective Waste Management p.113 Type and Amount of Recycled Packaging Waste in 2021 p.114 Sustainable Performance Indicators p.158
	306-3 Significant spills	Our Effective Waste Management p.113 Sustainable Performance Indicators p.158
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Migros Better Future Plan p.8 Our Environmental Management p.85
	103-2 The management approach and its components	Migros Better Future Plan p.8 Our Environmental Management p.85
	103-3 Evaluation of the management approach	Migros Better Future Plan p.8 Our Environmental Management p.85
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Our Environmental Management p.85

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
Supplier Environmental Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainable Growth with Our Suppliers p.78
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	103-3 Evaluation of the management approach	Sustainable Growth with Our Suppliers p.78
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Our Supplier Selection Processes and Audits p.80 Our New Supplier Selection Process p.81
	308-2 Negative environmental impacts in the supply chain and actions taken	Audits for Our Suppliers p.81 Results of Our Supplier Audits for 2021 p.82
GRI 400: Social Standard Series 2016		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Compliance with Human Rights Policies p.149
	103-2 The management approach and its components	Compliance with Human Rights Policies p.149
	103-3 Evaluation of the management approach	Compliance with Human Rights Policies p.149
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employee Profile p.34
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Satisfaction p.41
Labor/Management Relations		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Compliance with Human Rights Policies p.149
	103-2 The management approach and its components	Compliance with Human Rights Policies p.149
	103-3 Evaluation of the management approach	Compliance with Human Rights Policies p.149
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Sustainable Performance Indicators p.158

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Employees' Health and Safety p.44
	103-2 The management approach and its components	Our Employees' Health and Safety p.44
	103-3 Evaluation of the management approach	Our Employees' Health and Safety p.44
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our Employees' Health and Safety p.44
	403-2 Hazard identification, risk assessment, and incident investigation	Our Employees' Health and Safety p.44 Occupational Health and Safety (OHS) Tables p.162
	403-3 Occupational health services	Our Employees' Health and Safety p.44
	403-4 Worker participation, consultation, and communication on occupational health and safety	Freedom of Association p.43
	403-5 Worker training on occupational health and safety	Our Employees' Health and Safety p.44s
	403-6 Promotion of worker health	Our Employees' Health and Safety p.44 Our Employee Health Program p.48
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	Our Employees' Health and Safety p.44
	403-9 Work-related injuries	Sustainable Performance Indicators p.158
	403-10 Work-related ill health	During the reporting period, we do not have any employees who have been diagnosed with an occupational disease due to company activities.
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Empowering Our Employees p.35
	103-2 The management approach and its components	Empowering Our Employees p.35
	103-3 Evaluation of the management approach	Empowering Our Employees p.35

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee 404-2 Programs for upgrading employee skills and transition assistance programs 404-3 Percentage of employees receiving regular performance and career development reviews	Contribution to Employee Development p.37 Talent and Career Management p.35 Contribution to Employee Development p.37 Talent and Career Management p.35 Sustainable Performance Indicators p.158
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Gender Equality and Equal Opportunities p.49 Gender Equality and Equal Opportunities p.49 Gender Equality and Equal Opportunities p.49
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	Our Internal Practices for Gender Equality p.50 Gender Equality and Equal Opportunities p.49
Human Rights		
Non-Discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Business Ethics and Compliance with Corporate Policies and Laws p.146 Compliance with Human Rights Policies p.149 Business Ethics and Compliance with Corporate Policies and Laws p.146 Compliance with Human Rights Policies p.149 Business Ethics and Compliance with Corporate Policies and Laws p.146 Compliance with Human Rights Policies p.149
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Business Ethics and Compliance with Corporate Policies and Laws p.146 Compliance with Human Rights Policies p.149

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
Freedom of Association and Collective Bargaining		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Freedom of Association p.43
	103-2 The management approach and its components	Freedom of Association p.43
	103-3 Evaluation of the management approach	Freedom of Association p.43
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	Freedom of Association p.43
Child Labor		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainable Growth with Our Suppliers p.78 Compliance with Corporate Policies and Codes of Conduct p.147 Compliance with Human Rights Policies p.149
	103-2 The management approach and its components	Sustainable Growth with Our Suppliers p.78 Compliance with Corporate Policies and Codes of Conduct p.147 Compliance with Human Rights Policies p.149
	103-3 Evaluation of the management approach	Sustainable Growth with Our Suppliers p.78 Compliance with Corporate Policies and Codes of Conduct p.147 Compliance with Human Rights Policies p.149
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Results of Our Supplier Audits for 2021 p.82 Compliance with Human Rights Policies p.149
Forced or Compulsory Labor		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainable Growth with Our Suppliers p.78 Compliance with Corporate Policies and Codes of Conduct p.147 Compliance with Human Rights Policies p.149
	103-2 The management approach and its components	Sustainable Growth with Our Suppliers p.78 Compliance with Corporate Policies and Codes of Conduct p.147 Compliance with Human Rights Policies p.149
	103-3 Evaluation of the management approach	Sustainable Growth with Our Suppliers p.78 Compliance with Corporate Policies and Codes of Conduct p.147 Compliance with Human Rights Policies p.149

GRI Standard	Disclosures	Page Number, 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	Results of Our Supplier Audits for 2021 p.82 Compliance with Human Rights Policies p.149
Human Rights Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Compliance with Human Rights Policies p.149
	103-2 The management approach and its components	Compliance with Human Rights Policies p.149
	103-3 Evaluation of the management approach	Compliance with Human Rights Policies p.149
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Compliance with Human Rights Policies p.149
	412-2 Employee training on human rights policies or procedures	Compliance with Human Rights Policies p.149
Society		
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Projects Supporting Community Health p.71 Our Projects Supporting Gender Equality in Society p.54
	103-2 The management approach and its components	Our Projects Supporting Community Health p.71 Our Projects Supporting Gender Equality in Society p.54
	103-3 Evaluation of the management approach	Our Projects Supporting Community Health p.71 Our Projects Supporting Gender Equality in Society p.54
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Our Projects Supporting Community Health p.71 Our Projects Supporting Gender Equality in Society p.54 Our Accessibility Practices p.76
Supplier Social Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainable Growth with Our Suppliers p.78
	103-2 The management approach and its components	Sustainable Growth with Our Suppliers p.78
	103-3 Evaluation of the management approach	Sustainable Growth with Our Suppliers p.78

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Our Supplier Selection Processes and Audits p.80
	414-2 Negative social impacts in the supply chain and actions taken	Results of Our Supplier Audits for 2021 p.82
Customer Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Quality, Freshness and Hygiene p.59 Our Products and Services Supporting Healthy Living p.63 Our Projects Supporting Community Health p.71 Data Consistency and Transparency Roadmap p.130
	103-2 The management approach and its components	Quality, Freshness and Hygiene p.59 Our Products and Services Supporting Healthy Living p.63 Our Projects Supporting Community Health p.71 Data Consistency and Transparency Roadmap p.130
	103-3 Evaluation of the management approach	Quality, Freshness and Hygiene p.59 Our Products and Services Supporting Healthy Living p.63 Our Projects Supporting Community Health p.71 Data Consistency and Transparency Roadmap p.130
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Our Product Quality Control Processes p.61 Sustainable Performance Indicators p.158
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Our Product Quality Control Processes p.61 Sustainable Performance Indicators p.158
Product Responsibility		
Marketing and Labeling		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Responsible Advertising and Marketing p.77
	103-2 The management approach and its components	Responsible Advertising and Marketing p.77
	103-3 Evaluation of the management approach	Responsible Advertising and Marketing p.77

GRI Standard	Disclosures	Page Number, Reference and/or Direct Answers
GRI 417: Marketing and Labeling 2016	417-1 Requirement for product and service informaton and labeling 417-2 Incidents of non-compliance concerning product and service information and labeling	Our Product Quality Control Processes p.61 Data Consistency and Transparency Roadmap p.130 Responsible Advertising and Marketing p.77
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Effective Communication with Our Customers p.68 Privacy and Data Security p.131 Effective Communication with Our Customers p.68 Privacy and Data Security p.131 Effective Communication with Our Customers p.68 Privacy and Data Security p.131
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Effective Communication with Our Customers p.68 Privacy and Data Security p.131
Socioeconomic Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Creating Sustainable Economic Value p.29 Creating Sustainable Economic Value p.29 Creating Sustainable Economic Value p.29
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Our Contribution to Employment and Local Development p.30

Stakeholder Capitalism Metrics Index*

Pillars	Theme	Description	References
Principles Of Governance	Governing purpose	<p>Setting purpose: The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p> <p>Goal-Driven Management: Explanation should be given as to how the stated goal of the company is embedded in company strategies, policies and objectives.</p>	<p>Integrated Report CEO Message, About the Report, About Migros page 4,6,16 Annual Report page 24,25</p> <p>Integrated Report, Our Responsible and Transparent Governance Approach, Our Migros Better Future Approach page 133,8</p>
	Quality of the governing body	<p>Governance body composition: Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.</p>	<p>Integrated Report Gender Equality and Equal Opportunities, Our Value Creation-Oriented Governance Approach, Communication with Our Stakeholders page 49,133,151 Annual Report, Board of Directors, Board of Directors Report pages 88-91 and 98-99</p>
	Stakeholder engagement	<p>Material issues impacting stakeholders: A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.</p>	<p>Integrated Report Communication with Our Stakeholders, Our Materiality Matrix in 2021, Our Value Creation Model page 22,26,151</p>
	Ethical behavior	<p>Anti-Corruption:</p> <ol style="list-style-type: none"> Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. <ol style="list-style-type: none"> Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and Total number and nature of incidents of corruption confirmed during the current year, related to this year. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption <p>Protected ethical advice and reporting mechanisms: Explanations on internal and external mechanisms:</p> <ol style="list-style-type: none"> Seeking advice on ethical and legal behavior, and corporate integrity Reporting concerns about unethical or illegal behavior, and lack of corporate integrity 	<p>Integrated Report Business Ethics and Compliance with Corporate Policies and Laws page 146</p> <p>Integrated Report Business Ethics and Compliance with Corporate Policies and Laws page 146</p>
	Risk and opportunity oversight	<p>Integrating risk and opportunity into the business process: Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.</p>	<p>Integrated Report, Our Risk Management page 141</p>

*Has been prepared within the scope of the "Core" option under the Stakeholder Capitalism Metrics published by the International Business Council of the World Economic Forum (WEF).

Pillars	Theme	Description	References
Planet		<p>Greenhouse gas (GHG) emissions: For all relevant greenhouse gases report in metric tonnes of carbon dioxide equivalent (tCO₂e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate..</p>	Integrated Report Combating Climate Change and Our Energy Management Sustainability Performance Indicators page 87,158
	Climate change	<p>TCFD application: Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050</p>	Integrated Report Combating Climate Change and Our Energy Management page 87
	Natural loss	<p>Land use and ecological sensitivity: Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA)</p>	Integrated Report, Our Contribution to Sustainable Agriculture and Biodiversity page 100
	Freshwater availability	<p>Water consumption and withdrawal in water-stressed areas: Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.</p>	Integrated Report, Our Sustainable Water Management, Sustainability Performance Indicators page 85,158
People	Dignity and equality	<p>Diversity and inclusion: Percentage of employees per employee category by age group, gender, and other indicators of diversity (e.g. ethnicity) should be specified.</p>	Integrated Report, Our Employee Profile, Gender Equality and Equal Opportunity page 34,49
		<p>Pay equality: Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.</p> <p>Risk for incidents of child, forced or compulsory labour: An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour.</p>	<p>Integrated Report, Gender Equality and Equal Opportunity, Sustainable Performance Indicators page 49,158</p> <p>Integrated Report Business Ethics and Compliance with Corporate Policies and Laws page 146</p>

Pillars	Theme	Description	References
People	Health and wellbeing	<p>Health and safety: The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers</p>	<p>Integrated Report, Health and Safety of Our Employees Sustainability Performance Indicators page 44,158</p>
	Skills for the future	<p>Training provided: Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).</p>	<p>Integrated Report, Better for Our Employees Sustainable Growth with Our Suppliers Sustainability Performance Indicators page 33,78,158</p>
Prosperity	Employment and wealth generation	<p>Absolute number and rate of employment:</p> <ol style="list-style-type: none"> 1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region. <p>Economic contribution: The direct economic value generated and distributed, and the financial assistance received from the State should be specified.</p>	<p>Integrated Report, Our Employee Profile Sustainability Performance Indicators page 34,158</p> <p>Integrated Report, Creating Sustainable Economic Value Sustainability Performance Indicators page 28,158</p>
	Total R&D Expenditures	<p>Total R&D expenses should be specified.</p>	<p>Integrated Report, Creating Sustainable Economic Value Our Environmental Management Our Effective Waste Management Our Digitalization and Innovative Practices page 28,85,113,122</p>
	Total Tax Paid	<p>The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.</p>	<p>Annual Report page 201,217,219,220,221</p>

Integrated Report Framework Content Index

Requirements	Topic	#	Topic description	Section in the report
Using of Framework	Form of Report and Relationship with Other Information	1.12	An integrated report should be a designated, identifiable communication.	Whole report
	Application of the <IR> Framework	1.17	Any communication claiming to be an integrated report and referencing the <IR> Framework should apply all the requirements identified in bold italic type unless: > The unavailability of reliable information or specific legal prohibitions results in an inability to disclose material information > Disclosure of material information would cause significant competitive harm.	Whole report
		1.18	In the case of the unavailability of reliable information or specific legal prohibitions, an integrated report should: > Indicate the nature of the information that has been omitted > Explain the reason why it has been omitted > In the case of the unavailability of data, identify the steps being taken to obtain the information and the expected time frame for doing so.	Whole report
	Responsibility for an Integrated Report	1.20	An integrated report should include a statement from those charged with governance that includes: > A confirmation that these persons have exercised common sense in the preparation and submission of the integrated report > A confirmation that they have applied their collective mind to the preparation and presentation of the integrated report Their views or conclusions on whether the integrated report is presented in accordance with this Framework or, if no such statement is included, should disclose the following: > The role of corporate governance officers in the preparation and submission of the report > Steps taken to ensure that future reports include such a statement > Time required for this	CEO Message
Guiding Principles	Strategic Focus and Future Orientation	3.3	An integrated report should provide insight into the organization's strategy, and how it relates to the organization's ability to create value in the short, medium and long term and to its use of and effects on the capitals.	> About Migros > Migros Better Future Plan > Our Value Creation Model
	Information Link	3.6	An integrated report should show a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time.	> Migros Better Future Plan > Our Value Creation Model > Our Risk Management
	Stakeholder Relationships	3.10	An integrated report should provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests.	> Communication with Our Stakeholders > Our Materiality Matrix in 2021 > Our Value Creation Model

Requirements	Topic	#	Topic description	Section in the report
Guiding Principles	Materiality	3.17	An integrated report should disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term.	<ul style="list-style-type: none"> ➤ Our Materiality Matrix in 2021 ➤ Migros Better Future Plan ➤ Our Value Creation Model
	Conciseness	3.36	An integrated report should be concise.	<ul style="list-style-type: none"> ➤ Whole Report
	Reliability and Completeness	3.39	An integrated report should include all material matters, both positive and negative, in a balanced way and without material error.	<ul style="list-style-type: none"> ➤ Whole Report ➤ Statement of Independent Assurance in Human Rights and Supply Chain ➤ Greenhouse Gas Emissions Verification Statement
	Consistency and Comparability	3.54	The information in an integrated report should be presented: <ul style="list-style-type: none"> ➤ On a basis that is consistent over time ➤ In a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time. 	<ul style="list-style-type: none"> ➤ Our Value Creation-Oriented Governance Approach ➤ Our Value Creation Model ➤ Sustainability Performance Indicators
Content Items	Corporate Overview and External Environment	4.4	An integrated report should answer the question: What does the organization do and what are the circumstances under which it operates?	<ul style="list-style-type: none"> ➤ About Migros ➤ Our Operating Environment
	Corporate Governance	4.8	An integrated report should answer the question: How does the organization's governance structure support its ability to create value in the short, medium and long term?	<ul style="list-style-type: none"> ➤ Our Value Creation-Oriented Governance Approach
	Business Model	4.10	An integrated report should answer the question: What is the organization's business model?	<ul style="list-style-type: none"> ➤ Our Value Creation Model
	Risks and Opportunities	4.24	An integrated report identifies key organization-specific risks and opportunities, including those related to the organization's short, medium and long term impact on relevant capital items and their availability, quality and affordability.	<ul style="list-style-type: none"> ➤ Our Risk Management
	Strategy and Resource Allocation	4.28	An integrated report ordinarily identifies: <ul style="list-style-type: none"> ➤ The organization's short-, medium- and long-term strategic objectives ➤ The strategies it has in place, or intends to implement, to achieve those strategic objectives ➤ The resource allocation plans it has to implement its strategy ➤ How it will measure achievements and target outcomes for the short, medium and long term. 	<ul style="list-style-type: none"> ➤ Migros Better Future Plan ➤ Our Value Creation Model ➤ Gender Equality and Equal Opportunities ➤ Our Approach Focused On Good Customer Experience ➤ Our Environmental Management ➤ Combat Climate Change and Our Energy Management ➤ Our Sustainable Water Management ➤ Our Contribution to Sustainable Agriculture and Biodiversity ➤ Our Food Waste Prevention Practices ➤ Our Effective Waste Management ➤ Our Digitalization and Innovative Practices

Requirements	Topic	#	Topic description	Section in the report
Content Items	Performance	4.31	<p>An integrated report contains qualitative and quantitative information about performance and may include topics such as:</p> <ul style="list-style-type: none"> ➤ Quantitative indicators with respect to targets, risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them ➤ The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain ➤ The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests ➤ The linkages between past and current performance, and between current performance and the organization's outlook. 	<ul style="list-style-type: none"> ➤ Creating Sustainable Economic Value ➤ Migros Better Future Plan ➤ Our Value Creation Model ➤ Gender Equality and Equal Opportunities ➤ Our Approach Focused On Good Customer Experience ➤ Our Environmental Management ➤ Combat Climate Change and Our Energy Management ➤ Our Sustainable Water Management ➤ Our Contribution to Sustainable Agriculture and Biodiversity ➤ Our Food Waste Prevention Practices ➤ Our Effective Waste Management ➤ Our Digitalization and Innovative Practices
	Outlook	4.35	<p>An integrated report normally highlights expected changes over time and provides information derived from reliable and transparent analysis on:</p> <ul style="list-style-type: none"> ➤ The organization's expectations about the external environment the organization is likely to face in the short, medium and long term ➤ How this will affect the organization ➤ How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise. 	<ul style="list-style-type: none"> ➤ Our Risk Management ➤ Our Operating Environment ➤ Migros Better Future Plan ➤ Our Value Creation Model ➤ Gender Equality and Equal Opportunities ➤ Our Approach Focused On Good Customer Experience ➤ Our Environmental Management ➤ Combating Climate Change and Our Energy Management ➤ Our Sustainable Water Management ➤ Our Contribution to Sustainable Agriculture and Biodiversity ➤ Our Food Waste Prevention Practices ➤ Our Effective Waste Management ➤ Our Digitalization and Innovative Practices
	Basis of Preparation and Presentation	4.41	<p>An integrated report describes the basis for the preparation and presentation of the report, including:</p> <ul style="list-style-type: none"> ➤ A summary of the organization's materiality determination process ➤ An explanation of the reporting limit and how it is determined ➤ A summary of the main frameworks and methods used to characterize or assess material issues 	<ul style="list-style-type: none"> ➤ About Report ➤ Our Materiality Matrix in 2021

Our Contribution to Sustainable Development Goals

Materiality for Migros

Sustainable Development Goals

Related Targets

Good and Trustworthy Customer Experience	 	12.3, 16.6
Health and Safety of Employees	 	4.4, 8.8
Innovative Applications	  	9.4, 9.5, 12.2, 12.3, 16.6
Supporting the Circular Economy	 	8.2, 8.4, 12.3, 12.4, 12.5
Transparent, Responsible and Ethical Governance for a Sustainable Ecosystem	  	5.5, 8.5, 8.7, 16.5, 16.6, 16.7
Transparent and Fast Flow Product Information		16.6, 16.7, 16.10
Supporting Healthy Living	  	3.9, 6.3, 12.4
Creating Sustainable Economic Value	 	1.4, 8.2, 8.3
Extensive Combat with Climate Change	      	6.3, 7.2, 7.3, 11.6, 12.2, 12.4, 12.5, 13.1, 13.2, 13.3, 14.1, 15.1, 15.2, 15.5
Sustainable Agriculture and Saving Food	  	1.4, 2.3, 2.4, 2.5, 12.2, 12.3, 12.4, 12.8
Accessing Sustainable Products and Services	 	2.4, 2.5, 12.2
Employee Satisfaction and Talent Management	   	4.4, 4.5, 4.7, 5.5, 8.5, 8.8, 10.2, 10.3, 10.4
Gender Equality and Equal Opportunity	   	4.4, 4.5, 4.7, 5.1, 5.5, 8.5, 10.2, 10.3, 10.4
Responsibility and Awareness Studies	       	2.3, 2.4, 4.4, 4.7, 5.1, 5.5, 8.2, 8.3, 8.4, 8.5, 12.2, 12.3, 16.5, 17.16, 17.17

Statement of Independent Assurance in Human Rights and Supply Chain



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Independent 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 Appendices of this Sustainability Report (hereinafter "the Report") has been prepared by Migros for the year ended 31 December 2021, in all material respects, in accordance with the Global Reporting Initiative Standards ("GRI").

The scope of our assurance is limited to the Selected Information listed for Migros below:

- 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
- 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
- Employee training on human rights policies or procedures - in accordance with the definition of GRI 412-2



- Requirements for product and service information and labeling - in accordance with the definition of GRI 417-1
- Diversity and equal opportunity - 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

Management's responsibilities

Management's responsibilities Management is responsible for the preparation and presentation of the Report for the Selected Information in accordance with the definition of GRI, and the information and assertions contained within it; for determining the Migros 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 Migros complies with laws and regulations applicable to its activities.

Management is also responsible for ensuring that staff involved with the preparation and presentation of the description and the Selected Information are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

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, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

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.
- 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.
- Reading the information presented in the Selected Information to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Migros.

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

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

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 Appendices of the Report of Migros for the year ended 31 December 2021 is not presented, in all material respects, in accordance with the GRI Sustainability Reporting Standards.

In accordance with the terms of our engagement, this independent limited assurance report on the Selected Information has been prepared for Migros in connect with reporting to Migros and for no other purpose or in any other context.



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 Migros, for any purpose or in any other context. Any party other than Migros 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 Migros for our work, for this independent limited assurance report, or for the conclusions we have reached.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Şirin Soysal,
Partner
İstanbul, 30 June 2022

Greenhouse Gas Emissions Verification Statement

bsi.



Verification Opinion

GHGEV 709258 – 03.03.2022

Responsible Party: Migros Ticaret A.Ş.
Turgut Özal Bulv No: 8
Atatürk Mah.
Atasehir/Istanbul
34758, Türkiye

Type of GHG Statement:
Organisational (Location Based)

Identification of GHG Statement:
Migros Ticaret A.Ş. GHG Report 2021

Scope of activities:
Retail sale

Organisational Boundary:
Operational Control

Sites Included in Organisational Boundary:
Migros Ticaret A.Ş. It has both administrative and financial control over its operations. All emissions arising from all activities of Migros Ticaret A.Ş. in the Head Office, Regional Directorates, branches, distribution centers, sales regions, warehouse and breeding farm are within organizational limits. A total of 2388 units belonging to Migros Ticaret A.Ş constitute the organizational boundaries

Reporting Boundary:
GHG emissions aggregated into the following categories at the organisational level
a) Direct GHG emissions and removals
b) Indirect greenhouse gas emissions from imported energy;
c) Indirect GHG emissions from transportation
d) Indirect GHG emissions from products used by the organisation
e) Indirect GHG emissions associated with the use of products from the organisation
f) Greenhouse gas emissions from other sources

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Criteria for developing the organisational carbon footprint:
ISO14064-1:2018
Migros Ticaret A.Ş. GHG Management System Documentation

Level of Assurance:
Reasonable

Materiality level:
%10

Period:
01.01.2021-31.12.2021

GHG Emissions:

DIRECT GHG EMISSIONS		
1 - Direct GHG emissions and removals;	234,659	tCO ₂ e
INDIRECT GHG EMISSIONS		
2 - Indirect GHG emissions from imported energy; Purchased Electricity (Location Based)	274,256	tCO ₂ e
3 - Indirect GHG emissions from transportation;	99,570	tCO ₂ e
4 - Indirect GHG emissions from products used by organization;	8,978,282	tCO ₂ e
5 - Indirect GHG emissions associated with the use of products from the organization;	168,471	tCO ₂ e
6 - Indirect GHG emissions from other sources	320,836	tCO ₂ e
TOPLAM	10,076,074	tCO₂e

Non-biogenic GHG emissions	10,073,410	tCO ₂ e
Anthropogenic biogenic GHG emissions	0	tCO ₂ e
Non-anthropogenic biogenic GHG emissions	2,664	tCO ₂ e
TOPLAM	10,076,074	tCO₂e

Verification Opinion: Verified as Satisfactory

Based on the process and procedures conducted, there is no evidence that the GHG report 2021 produced by Migros Ticaret A.S.

- is not a fair representation of GHG data and information;
- has not been prepared in accordance with ISO14064-1:2018

Verification Activities:

The following were the verification activities undertaken:

- Evaluation of the monitoring and controls systems through interviewing employees observation & inquiry
- Verification of the data through sampling recalculation, retracing, cross checking, reconciliation

The quantification and reporting of the carbon footprint have been independently verified by BSI against the specifications defined in ISO 14064-1:2018. The verification activity has been carried out in accordance with ISO 14064-3:2019 and the principles of ISO 14065:2020

Responsibilities:

The data on which the footprint is based has been provided by Migros Ticaret A.S. in the document GHG report 2021. This document is the responsibility of Migros Ticaret A.S. and is historical in nature.

The responsible party is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria.

The verifier is responsible for expressing an opinion on the GHG statement based on the verification

Lead Verifier: Furkan Sadıkoğlu

Signed on behalf of BSI: Yonca Çakır



Issue Date: 11.03.2022

NOTE: BSI Eurasia Belgelendirme Hizm. Ltd. Sti. is independent to and has no financial interest in Migros Ticaret A.S. This verification Opinion has been prepared for Migros Ticaret A.S. only for the purposes of verifying its statement relating to its carbon emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Eurasia Belgelendirme Hizm. Ltd. Sti. has assumed that all information provided to it by Migros Ticaret A.S. is true, accurate and complete. BSI Eurasia Belgelendirme Hizm. Ltd. Sti. accepts no liability to any third party who places reliance on this Statement.


**Verification Opinion**

GHGEV 709258 – 03.03.2022

Responsible Party:

Migros Ticaret A.S.
Turgut Özal Bulv No: 8
Atatürk Mah.
Atasehir/İstanbul
34758, Türkiye

Type of GHG Statement:
Organisational (Market Based)

Identification of GHG Statement:
Migros Ticaret A.S. GHG Report 2021

Scope of activities:
Retail sale

Organisational Boundary:
Operational Control

Sites Included in Organisational Boundary:

Migros Ticaret A.Ş. It has both administrative and financial control over its operations. All emissions arising from all activities of Migros Ticaret A.Ş. in the Head Office, Regional Directorates, branches, distribution centers, sales regions, warehouse and breeding farm are within organizational limits. A total of 2388 units belonging to Migros Ticaret A.Ş constitute the organizational boundaries

Reporting Boundary:

GHG emissions aggregated into the following categories at the organisational level

- Direct GHG emissions and removals
- Indirect greenhouse gas emissions from imported energy;
- Indirect GHG emissions from transportation
- Indirect GHG emissions from products used by the organisation
- Indirect GHG emissions associated with the use of products from the organisation
- Greenhouse gas emissions from other sources

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Criteria for developing the organisational carbon footprint:

ISO14064-1:2018
Migros Ticaret A.S. GHG Management System Documentation

Level of Assurance:

Reasonable

Materiality level:

%10

Period:

01.01.2021-31.12.2021

GHG Emissions:

<i>DIRECT GHG EMISSIONS</i>		
1- Direct GHG emissions and removals;	234,659	tCO ₂ e
<i>INDIRECT GHG EMISSIONS</i>		
2 - Indirect GHG emissions from imported energy; Purchased Electricity (Market Based)	246,291	tCO ₂ e
3 - Indirect GHG emissions from transportation;	99,570	tCO ₂ e
4 - Indirect GHG emissions from products used by organization;	8,978,282	tCO ₂ e
5 - Indirect GHG emissions associated with the use of products from the organization;	168,471	tCO ₂ e
6 - Indirect GHG emissions from other sources	320,836	tCO ₂ e
TOPLAM	10,048,109	tCO₂e

Non-biogenic GHG emissions	10,045,445	tCO ₂ e
Anthropogenic biogenic GHG emissions	0	tCO ₂ e
Non-anthropogenic biogenic GHG emissions	2,664	tCO ₂ e
TOPLAM	10,048,109	tCO₂e


Verification Opinion: Verified as Satisfactory

Based on the process and procedures conducted, there is no evidence that the GHG report 2021 produced by Migros Ticaret A.S.

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The verifier is responsible for expressing an opinion on the GHG statement based on the verification

Lead Verifier: Furkan Sadıkoğlu

Signed on behalf of BSI: Yonca Çakır



Issue Date: 11.03.2022

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Migros Ticaret A.Ş.

Atatürk Mah. Turgut Özal Bulvarı No: 7
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