Performance Indicator	Target Year	Target	2022 Performance	Status by Target	Base Year / Status
Scope 1 & Scope 2 Absolute GHG Emissions	2030	42%↓	8.62% ↓ 460,559 mt CO₂e	In progress	2020/ 504,015 mt CO ₂ e
Store Electricity Consumption (kWh/m ² .day)	2030	35% ↓	7.8% ↓ 0.925028 kWh	In progress	2019 /1.003757 kWh
Greenhouse Gas Emissions per Transported Units (kg CO ₂ e)	2026	2.5% ↓	5.43% ↓ 0.035 kg CO₂e	Completed	2021/ 0.037 kg CO ₂ e
Greenhouse Gas Emissions per Transported Units (kg CO ₂ e)	2027	35% ↓	0.035 kg CO ₂ e	New	2022/ 0.035 kg CO ₂ e

Our company is taking steps to make itself more resilient to the effects of climate change such as extreme weather events, water stress and drought, geographical changes. We are aware that the impact of climate change on agricultural production is going to be far-reaching and profound and we are therefore taking steps to help especially young farmers adapt. We will continue to allocate increasingly more resources to proactively combating climate change, to protecting farmers and their livelihoods, and to ensuring that land is used productively.

We are committed to a sustainable future. We use natural resources responsibly, improve energy efficiency and reduce our carbon footprint, and make our distribution systems more efficient. We do this within an overall framework consisting of statutory and regulatory requirements, **UN Sustainable Development Goals, Consumer Goods Forum (CGF)** principles, national and

international standards, and our own low-carbon transformation and sustainability approach. We set our environmental goals and formulate plans to achieve them in ways that are compatible with our sustainable ecosystem strategy, aligned with the principles of the Paris Agreement and other global initiatives, and in line with our own country's climate objectives and targets. We take a long-term view in the management of all these issues and conduct our operations accordingly.

We have been reporting our climate change mitigation plans and our annual performance under each plan to the **Carbon Disclosure Project (CDP)** since 2015. Based on those reports, we have qualified as an "A-" **CDP Climate Leader four times** (2016, 2017, 2019, 2022). The climate change mitigation and clean-energy practices incorporated into our Bodrum Maya Migros and Alaçatı Macrocenter stores have qualified both for **LEED Gold** certification.



AMONG CLIMATE LEADERS 4 TIMES

AS A RESULT OF OUR REPORTINGS, WE WERE LISTED AMONG THE CLIMATE LEADERS 4 TIMES IN 2016, 2017, 2019, 2022 AT CDP.





Climate Change Risk Assessment

Risks and opportunities related to climate change are determined annually by the team we have formed with department representatives in our Sustainability Committee. We assess how and in what ways climate change will affect our company, both in terms of the risks it creates and the opportunities it presents. We believe that this approach makes our handling of the financial processes associated with climate change more coherent. We also believe that making climate risks more understandable makes it easier to finance the transition to a more resilient and sustainable economy.

We are committed to understanding and managing the climate change-related risks and opportunities that our company faces. To do this, we conduct annual assessments of these risks and opportunities, paying particular attention to changes in transition risk and physical risk parameters, to changes in consumer and market behavior, and to changes in our company's image. These risks are reported to senior management, which is responsible for assessing their existing and potential financial consequences and for developing appropriate solutions to deal with them. We also use these assessments as input for our company's future risk management and strategic planning processes. The risk assessment we have carried out is also among the topics that global initiatives such as **Task Force on Climate-Related Financial Disclosures (TCFD)** pay attention to. We report climate risk data and assessments across our value-creation chain in a manner that is consistent with all four of **TCFD's** pillars: Governance, Strategy, Risk management, and Metrics and targets. Chief Expansion, Property & Construction Officer and the Maintenance and Energy Management Director are jointly responsible for reducing electricity consumption, preventing greenhouse gas emissions, and adopting next-generation refrigeration technologies. Such efforts can make a significant contribution to combating climate change. Fulfillment of targets associated with these issues directly contributes 10-20% of the points on which these executives' annual performance bonuses are based. Changes in precipitation patterns are among the climate risks that could have the most serious impact on our company. In light of the significant uptick in unusual climate events such as floods, storms, and blizzards, we are currently reviewing all of the change-in-precipitation risks in our 5 and 10 year risk projections.

Based on a study we conducted in 2022, we expect that losses caused by extreme weather events due to changes in precipitation patterns will only increase. In our stores alone, these losses could potentially amount to TL 10.9 million over the next five years and to TL 34.9 million over the next ten.

We take precautions to ensure that our stores are adequately insured against flood and other natural disaster risks. However, going beyond that, in 2022 we also **invested a total of TL 454.67 million** in new and maintenance & repair projects to reduce our stores' climate risk vulnerabilities. These investments included installing solar energy, water cooling system, and automatic climate control systems; replacing outdated systems with newer ones; outsourcing environmental management consultancy services; and improving environmental-management processes by means of more accurate measurement and verification and more efficient waste disposal and water treatment.

INVESTED TL 454.67 MILLION

IN 2022, WE MADE INVESTMENTS OF TL 454.67 MILLION INCLUDING MAINTENANCE AND REPAIR WITHIN THE SCOPE OF COMBATING CLIMATE CHANGE AND ENVIRONMENTAL MANAGEMENT.



Our Carbon Footprint

Among the sustainability issues that we approach within the context of the **Migros Better Future Plan**, we give particular precedence to climate change mitigation and carbon management. We identify our short, medium, and long-term sustainability targets in line with our company's sustainability ecosystem strategy and take action to achieve them. Most of our Scope 1 emissions arise from refrigerant gases, Scope 2 emissions from our electricity consumption, and Scope 3 emissions from product sale operations. We do not have a production facility that causes the formation of particles that cause air pollution such as heavy metals, combustion gases, dust, volatile organic compounds, fluorine, chlorine. In line with our goal to reduce our carbon footprint and monitor the emissions we generate, we applied for and have been awarded ISO 14064-3 Greenhouse Gas Emissions Statement Verification and Validation Certification. Detailed information about changes in our emission calculation methodology is provided in the **"Performance & Targets"** section of this report.

We have conducted life cycle assessment (LCA) to measure the carbon emissions generated by the production of Migros private-label products that make up 35.5% of our private-label sales. In 2022, the carbon emission resulting from the sale of 141 of our products in the food, non-food and Master Butcher categories was calculated as 254,512 mt $CO_{2}e$.

Our Carbon Footprint Works Towards Our Suppliers

We give importance the improvement of our suppliers, which affect our Scope 3 emissions and are one of our most important stakeholders, within the scope of carbon footprint studies. In 2022, on the way to net-zero, we launched **Sustainable Business Partners Network (SBPN)** platform which will serve our strategic and environmental goals with our responsible production and consumption approach, in order to measure the effects of our suppliers on our Scope 3 emissions resulting from the products we sell.

At a meeting with our suppliers at the launch of this project, we drew everyone's attention to the necessity and importance of moving forward together so that climate-change targets can be fulfilled. Through SBPN we keep track of the carbon-emission, water-consumption, wastegeneration, and similar environmental parameters of Migros private-label and of supplier-provided products whose sales generate 80% of our turnover. We also track suppliers' climate change target performance and support them in their efforts to set targets of their own. All data exchanged through SBPN is independently audited. In conjunction with these efforts, we also conducted a Greenhouse Gas Emissions Calculation Training program to improve our suppliers' ability to monitor and accurately measure their environmental impact. This program was attended by about a hundred Migros suppliers.



SUSTAINABLE BUSINESS PARTNERS NETWORK

WE COLLABORATE WITH OUR SUPPLIERS TO REDUCE ENVIRONMENTAL IMPACT OF PRODUCTS WE SALE.





Carbon Pricing

Sustainable-future investments are on the rise around the world and are expected to continue to grow in the coming years to reach carbon net-zero targets. In the food industry, a variety of scenarios have been developed to assess how changes in climate factors will impact businesses. It is aimed to provide an income to be used to support climate-related works or public expenditures through the Emissions Trading System and carbon tax, which are implemented in many countries and are complementary to each other.

Türkiye does not yet have an emissions trading system and our sector is not included in carbon pricing system. However, we use the carbon pricing methodologies prescribed by the Ministry of Environment, Urbanization, and Climate Change for its Carbon Market Readiness Partnership program in our own internal carbon pricing assessments. By using these methods, we are able to better understand the cost of Scope 1 and Scope 2 emissions arising from our carbon-intensive operations and therefore make more informed decisions about how to reduce them.

Our Performance & Targets

Through our efforts to reduce our carbon footprint we reduced our daily carbon emissions per m² of store space by 38% between 2015 and 2021. In 2021 we revised our target to "Reduce the absolute value of our base-year 2020 Scope 1 and Scope 2 emissions by 42% by 2030" and we are currently making meaningful progress towards achieving our carbon net-zero goal. The Migros Board of Directors has committed the company to achieving that goal. We are also working to have our goal certified as a Science-Based Targets Initiative (SBTi) method that aligned with the 1.5 °C scenario. In 2022 we achieved an absolute year-on reduction of 4.24% in our Scope 1 and Scope 2 (market-based) emissions. This also translates into an absolute 8.62% reduction as compared with base-year 2020. In addition, we have joined UN's Race to Zero (RtZ) campaign.

Our Greenhouse Gas Emissions by Scope and Year

Source	2019	2020	2021	2022
Scope 1 (mt CO ₂ e)	265,117	268,001	234,659	243,587
Scope 2^* (mt CO_2 e) Market-based	244,463	236,014	246,291	216,972
Scope 2 (mt CO_2e) Location-based	263,463	254,658	274,256	275,976
Scope 3^{**} (mt CO_2 e)	103,923	98,561	9,567,159	13,541,363

TARGET COMPATIBLE WITH 1.5°C SCENARIO

WITH OUR GOAL TO REDUCE OUR CARBON FOOTPRINT 42% BY 2030 COMPARED TO 2020, WE ARE TAKING STEADY STEPS TO THE CARBON NET ZERO TARGET

* The market-based accounting methodology uses emission factors from the electricity supplier to calculate emissions. Renewable energy use is included in the calculation.

** Scope 3 emissions for 2019 and 2020 included emissions from air travel, waste management, shipping, Migros Sanal Market delivery vehicles, customer service, and out of scope energy consumption. Emissions figures for 2021 and 2022 include emissions from products sold under the same categories, as well as emissions from end-consumers' use of sold products and from the disposal or processing of associated waste.

Our Corporate Greenhouse Gas Emissions by Category

In 2022, we calculated our greenhouse gas (GHG) emissions according to the Scope 1, 2, and 3 classifications defined by the GHG Protocol, expectations of indexes, and GRI standards. We also categorized our emissions according to the category-based classification defined in ISO 14064-1:2018, ranging from Category 1 to Category 6.



	2022 Total Emissions (mt			2022 Total Emissions (mt
Source	CO ₂ e)	Source		CO ₂ e)
Scope 1	243,587	Category 1	Direct Greenhouse Gas Emissions	243,587
Scope 2 (Market-based)	216,972	Category 2	Purchased electricity (Market-based)	216,972
Scope 2 (Location- based)	275,976	Category 2	Purchased electricity	275,976
Scope 3	13,541,363	Category 3	Indirect greenhouse gas emissions from transportation and logistics	329,523
		Category 4	Indirect greenhouse gas emissions from sold products	9,622,350
		Category 5	Emissions generated during the use of the products sold by the end user	3,432,129
		Category 6	Other indirect greenhouse gas emissions	157,361
Total (Market- based)		14,001,923		
Total (Location- based)		14,060,926		

Detailed information about the verification statement is provided in the **"Annexes"** ^(C) section of this report.

Detailed information about upstream and downstream indirect greenhouse gas emissions is provided in the **"Annexes"** [®] section of this report.



Ecofriendly Cooling Systems

Most of our greenhouse gas (GHG) emissions are generated by our refrigeration systems. To reduce these emissions, we prioritize efficient natural refrigerants and next-generation systems. We are also working to reduce the impact value of high points in our life cycle analysis by utilizing natural refrigerants and environmentally friendly systems that are compatible with the climate of our country. We have obtained a patent for our cooling system, which has the **Utility Model Certificate**. This is a water cooling system that reduces gas leaks by 90%. The system circulates chilled water instead of gas in refrigeration units and the refrigerant is used only to chill the water.

In 2022, we transitioned 29 stores to a water cooling system. **54 locations** (51 stores and 3 distribution centers) are currently using this system. We plan to expand the use of this system to all of our locations. All stores opening in 2023 is planned to have water cooling systems.

Our Energy Efficiency Works

We are committed to combating climate change by reducing our energy consumption. We are implementing energy-saving initiatives to improve efficiency and reduce carbon emissions in our operations. In our newly opened or renovated Migros stores, we select variable **current-controlled** and **highly automated efficient systems** to minimize our environmental impact.

We use an energy monitoring system to track our energy consumption on a daily, weekly, and monthly basis. We use this information to create plans to reduce our energy consumption and greenhouse gas emissions. We monitor the consumption of our cooling, climate control, and lighting systems, which are among our largest energy consumers, through our headquarters-based automation system. To make the most of natural sunlight in our stores, we have implemented daylighting systems that have resulted in energy savings. We also select roofing materials that reflect sunlight to reduce heat-island effects.

In 2022, we consumed 658,741 megawatt-hours (MWh) of energy, of which 95% was electricity. We did not use any secondary energy sources for heating, cooling, or steam, or in the conduct of sales operations.

Detailed information about stores where climate control, cooling, and lighting automation systems have been installed is provided in the **"Annexes"** @section of this report.

WATER COOLING SYSTEM

OUR WATER COOLING SYSTEM IS USED IN A TOTAL OF 54 LOCATIONS, WITH 51 STORES AND 3 DISTRIBUTION CENTERS, REDUCING GAS LEAKS BY 90%.



Our Energy Consumption by Resource (MWh)*

Resource	2020	2021	2022
Electricity (Non-renewable)	506,359	528,407	493,119
Electricity (Renewable)	40,000	60,000	134,413**
Natural gas	14,890	12,681	12,199
Diesel	11,050	11,398	13,070
Gasoline	3,129	4,116	5,940
Total	575,428	616,602	658,741

Renewable Energy

To achieve our environmental sustainability goals, we are investing in renewable energy sources such as solar power plant. In 2022, we installed a 1.2 MW solar power plant on the roof of the **Adana Distribution Center**. The plant began operating in September and has an annual generation capacity of 1,680 MWh. This will satisfy approximately 90% of the center's annual energy needs and prevent the emission of nearly 744 tons of carbon dioxide annually. In September 2022, our Adana Distribution Center solar power plant generated 313 MWh of electricity. We plan to commence operations for our new solar power plant projects in 2023, pending ongoing planning-permission processes. We will continue to make the most efficient use of renewable energy resources through other projects such as these.

We have purchased 134,100 MWh of International Renewable Energy Certificates (I-RECs) to track and verify the source of energy generated from renewables. This corresponds to 21.42% of our electricity consumption in the current year.



1.2 MW SOLAR POWER PLANT

THE SOLAR POWER PLANT WITH 1.2 MW INSTALLED CAPACITY, WHICH WE BUILT ON THE ROOF OF OUR ADANA DISTRIBUTION CENTER IN 2022, STARTED PRODUCTION IN SEPTEMBER.



* Shows the distribution of our indirect energy consumption. Excluding the use of solar energy systems for 2022 at the Adana Distribution Center, our indirect energy consumption amounted to 658,428 megawatt-hours (MWh).

** The Adana Distribution Center figure consists of 313 MWh of electricity generated by the solar power plant and 134,100 MWh of I-REC certified renewable energy.



Our Green IT Practices

As part of our Green Information Technology approach, we are installing next-generation monitors in our stores and implementing new systems within the company. We believe that integrating energy efficiency into our corporate culture is essential to our sustainability efforts.

- By replacing our traditional virtual server infrastructure with next-generation hyper-converged servers and increasing our utilization of cloud systems to 99%, we have achieved total energy savings of 130 kWh.
- As a part of our digitalization journey, we conducted more than 500,000 meetings through digital channels and online platforms, accounting for 99% of all meetings.
- We have reduced energy consumption in our data center by 60% through the implementation of smart energy consumption systems and the configuration of cold aisle containment. These measures are part of our climate control efforts aimed at energy efficiency.

GREEN INFORMATION TECHNOLOGY

WITHIN THE SCOPE OF OUR GREEN INFORMATION TECHNOLOGIES (IT) APPROACH, WE CONDUCT OUR ENERGY SAVING ACTIVITIES WITH INNOVATIVE SOLUTIONS.



- Protocol Data Unit (PDU) in data center cabinets have been replaced with smart units. This has enabled us to identify and renew high-energy-consuming devices.
- Computers have been used with energy-efficient Thin Clients in all of our distribution centers and newly opened stores. This has resulted in a 75% reduction in energy consumption.
- We have shut down 172 virtual servers and replaced them with 700 Central Processing Units (CPU) and 2.5 terabytes of memory resources.
- As part of our Green Information Technology approach, we sorted and recycled 81.5 tons of devices that were replaced.
- The changeover to Software Defined Networking (SDN) in network devices at our stores has resulted in a 20% reduction in energy consumption.

Our Performance & Targets

We calculate the daily electricity consumption per square meter of sales area to measure our energy savings and energy efficiency targets. As a result of our targets and actions, we achieved a reduction of 24.2% in daily electricity consumption per square meter of sales area between 2013 and 2020. Our goal of 35% of reduction in daily electricity consumption per square meter of sales area by 2030 compared to the baseline year 2019, was committed by the signature of our Board of Directors. In 2022, we further reduced daily electricity consumption per square meter of sales area by 7.8% compared to 2019 and by 0.9% compared to 2021.

IN 2022, WE FURTHER REDUCED DAILY ELECTRICITY CONSUMPTION PER SQUARE METER OF SALES AREA BY 7.8% COMPARED TO 2019. In 2022, our efforts and actions resulted in energy savings of 13,081 MWh. We prevented 15,309 mt CO_2 emissions through our initiatives focused on electricity and gas conservation and saved TL 73.5 million.

			Carbon
	Energy	Refrigerant	Emissions
	Savings	Gas Savings	Savings
2022 Practices	(MWh)	(kg)	(tCO ₂)
Replacement of old and end-of-life air conditioners in	1,528	-	672
227 stores			
1,098 lighting, climate control, and cooling	1,004	-	441
automation projects			
Next-generation lighting system replacements in 115	10,179	-	4,479
stores			
Replacement of glass display-case doors with a more	26	-	11
energy-efficient system in 1 store			
Group replacements in 14 stores (Refrigerant gas	-	1,646	6,456
savings)			
Installation of water-based cooling systems in 29	-	790	3,099
stores			
Adana warehouse solar panels	314	-	138
Turning off indoor lighting during the midday break	30	-	13
(Energy savings)			



Daily Electricity Consumption per m² of Sales Area (kWh)





Sustainable Distribution Systems

As of end-2022, we had a total of 53 distribution centers nationwide, consisting of main distribution centers, wholesale, e-commerce, fruit & vegetable warehouses, and meat distribution centers. Since 2022, we have been operating our Edremit Hub, Döğüşbelen Hub, Adana Sarıçam Distribution Center, and expanded Erzurum Distribution Center in order to keep pace with steadily increasing capacity requirements.

In 2022, we opened the İzmir Seafood Distribution Center, which allows us to distribute seafood directly from sea and farms to our stores in the Aegean Region. This central distribution system enables us to manage our supply chain operations with end-to-end 0-4 °C climate control to ensure proper handling and management throughout the distribution process.

We reviewed fresh-produce deliveries to store in 2022 and made changes to improve operational efficiency as highlighted below.

- All new vehicles added to the fleet were equipped with refrigeration units. All vehicles in the fleet are now equipped with temperature-monitoring data loggers. Bidirectional remote monitoring is used to monitor on-board cargo-area temperatures.
- Sufficient pre-cooling of vehicles is now a standard practice at fresh produce warehouses before any cargo is loaded aboard them.

• Our Vehicle Load Optimization project has resulted in a 97% fill rate for shipments from fresh produce warehouses. This has reduced our transportation costs by 5%.

We are also taking steps to reduce greenhouse gas emissions from our distribution and logistical operations by improving their efficiency as highlighted below.

- Every year we calculate the total distance traveled between our distribution centers and stores and optimize routes accordingly. Our new distribution centers are strategically located so as to maximize pickup and delivery efficiency.
- In line with our central distribution strategy, which aims to reduce transportation costs and environmental impact, 85% of the goods delivered to stores arrive aboard fully-loaded vehicles.
- We use more efficient, collapsible, and reusable crates to ship perishables (fresh produce and raw meat) from distribution centers.
 - We outsource distribution center pallet pooling operations to Palex instead of collecting the pallets ourselves. This reduces our overall CO₂ emissions by 71 tons a year.
 - By partnering with pallet-poolers Chep Türkiye and IFCO, we have achieved CO₂e savings of 945 tons and 8,363 tons respectively.
- We operate a sustainable fleet of 15 electric vehicles and 52 electric bicycles to pick and deliver our online orders.

53 DISTRIBUTION CENTERS

AS OF END-2022, WE HAD A TOTAL OF 53 DISTRIBUTION CENTERS NATIONWIDE, CONSISTING OF MAIN DISTRIBUTION CENTERS, WHOLESALE, E-COMMERCE, FRUIT & VEGETABLE WAREHOUSES, AND MEAT DISTRIBUTION CENTERS.

Our Performance & Targets

We set ambitious targets to reduce the environmental impact of our distribution center operations. In 2021, we set a target to reduce our CO_2 emissions per unit transported by 2.5% by 2026. We exceeded this target in 2022, achieving a 5.43% reduction compared to last year. We have now set a new target to reduce our CO_2 emissions by 2.5% by 2027. We have also committed to ensuring that at least three of the new distribution centers that we open by 2025 will qualify for Energy Performance Certificate of at least "B". We achieved this target in 2022 when the newly-opened Erzurum Distribution Center joined the ranks of our B-rated centers along with our existing European HUB and Tuzla HUB distribution centers.

Route optimization and efficiency at supply chain are among the goals of our Chief Supply Chain & Logistics Officer (CSCO) and Supply Chain Solutions Director. These two areas directly account for 10-20% of their annual performance bonuses.

Our Bicycle-Friendly Stores

To combat climate change and improve the health of our customers and the environment, we are expanding our **"Bicycle-Friendly Stores"** program. We have increased the number of stores with bicycle parking areas to **323 in 35 cities** to encourage people to ride their bikes to our stores. We are working towards increasing the number of stores with bicycle parking amenities to 550 by 2023.

In addition to our bicycle-friendly stores, we show our sensitivity to environmentally friendly transportation and urban mobility. We have **45 stores** equipped with electric charging stations, where customers can charge their personally-owned electric bicycles and electric vehicles. This is a way for us to support the reduction of greenhouse gas emissions and strengthen our sustainability strategy.



2021

2020



WE HAVE INCREASED THE NUMBER OF STORES WITH BICYCLE PARKING AREAS TO 323 IN 35 CITIES TO ENCOURAGE PEOPLE TO RIDE THEIR BIKES TO OUR STORES.

$\rm CO_2$ Emission per Unit Transported in Distribution Center Shipments (kgCO_2e)

103

Our Sustainable Water Management



		2022	Status Dy	
ar T	arget	Performance	Target	Base Year / Status
30 1	.0% ↓	1.9% ↓	In progress	2021/ 0.001334 m ³
		(0.001309 m ³)		
22 1	.%↓	1.9% ↓	Completed	2021/ 0.001334 m ³
		(0.001309 m³)		
	ar 1 30 1 22 1	ar Target 30 10%↓ 22 1%↓	ar Target Performance 30 $10\% \downarrow$ $1.9\% \downarrow$ (0.001309 m ³) 22 $1\% \downarrow$ $1.9\% \downarrow$ (0.001309 m ³) (0.001309 m ³)	arTargetPerformanceTarget30 $10\% \downarrow$ $1.9\% \downarrow$ In progress(0.001309 m³)(0.001309 m³)2222 $1\% \downarrow$ $1.9\% \downarrow$ Completed(0.001309 m³)(0.001309 m³)(0.001309 m³)

We attach importance to using water efficiently and preventing any adverse environmental impact caused by discharged wastewater. We monitor water consumption across all our operations and business units (stores, headquarters, branch headquarters, production facilities, distribution centers). Water-consumption performance is reported to senior management and action is taken to improve it. We use high-efficiency equipment to reduce our water consumption. We have been reporting to the **Carbon Disclosure Project (CDP)** and its Water Security Program since 2017. In 2020 and 2022, we were recognized as "A-" rated **CDP Water Leaders with 2 times** for our submissions to the Water Security Program.

We are committed to protecting our underground water resources. We monitor water extraction from wells and use a sustainable water management approach to reduce our impact on natural resources. This approach has helped us to avoid significantly impacting any water source that is crucially affected by our operations. We also take steps to ensure that our operations do not have a significant negative impact on watersource biodiversity.

Losses due to evaporation in our stores' seafood sections account for 2.5% of total water use. In 2022, our total water withdrawal was 1,018,130 m³ and we discharged 992,677 m³. 93.29% of our water came from municipal water supplies and only 6.71% from wells. 99.41% of our wastewater was discharged into municipality-owned and managed sewer systems.

Wastewater from our MİGET, Gebze, Torbalı, and Kemalpaşa distribution centers is processed by their own treatment facilities and discharged with a pollution load well below legal limits. Treated wastewater from the MİGET, Torbalı, and Gebze distribution centers is discharged into local sewer systems; treated wastewater from the Kemalpaşa Distribution Center is discharged into Nif Creek.

AMONG WATER LEADERS FOR THE 2ND TIME



IN 2020 AND 2022, WE WERE RECOGNIZED AS "A-" RATED CDP WATER LEADERS WITH 2 TIMES

Our Sustainable Water Management

Risk Assessment

We assess the water risks of our operations in order to protect critical water resources and to identify water stress. With our commitment to sustainable water management, we evaluate our water risks using the WRI Aqueduct Water Risk Atlas. We identify areas prone to flooding, drought, and water stress and we communicate them to our stakeholders. Taking a comprehensive approach to these matters, we include business units other than stores such as headquarters units and distribution centers in our calculations in order to cover all our operations. We have determined that 93% of our total water consumption is derived from water consumed in 2,519 business units located in water-stressed areas. We have analyzed the economic dimensions of water risk in our 30 stores with the highest annual turnover, our head office, 11 distribution centers, 2 wholesale and 3 fruit/vegetable warehouses, MİGET and Gebze Meat Processing Facilities among our stores located in water-stressed areas. We closely monitor changes in water use and the resulting environmental and economic impact on an annual basis and plan activities to improve our performance. Using the WRI Aqueduct Water Risk Atlas tool we assess the water risks of suppliers who account for 80% of our revenues. We have determined that 79% of our suppliers' operations are located in water-stressed areas. We support suppliers by providing water risk management training resources. We review the nature and effectiveness of their water-risk management efforts during our audits of their operations.

Our Water Efficiency Works

We are committed to sustainable water management. We track our water use and take steps to improve efficiency and minimize water consumption as highlighted below.

- We have made it mandatory for grease traps to be installed in all newly-opened stores if they have seafood sections. We also ordered the installation of grease traps on the water-discharge outlets of all food preparation & service areas in stores located within shopping malls. Grease traps and strainers were installed in 20 newly-opened/renovated stores in 2022. Grease traps are now installed in all stores.
- We install water tanks in stores that frequently suffer water outages. We upgraded existing or installed new plumbing in 80 stores during 2022.



OUR SUSTAINABLE WATER MANAGEMENT

WE EVALUATE OUR WATER RISKS USING THE WRI AQUEDUCT WATER RISK ATLAS. WE IDENTIFY AREAS PRONE TO FLOODING, DROUGHT, AND WATER STRESS AND WE COMMUNICATE THEM TO OUR STAKEHOLDERS.

Our Sustainable Water Management



- To increase water efficiency, the use of time adjustable armature and aerators has been expanded to all of our stores. 500 time adjustable armatures and aerators were installed in 2022.
- A rainwater collection and reusing system has been installed in a distribution center that is scheduled to open in 2023. We plan to install the same system in one of our fruit and vegetable warehouse.
- Water footprint of three Migros private-label products (1 kg kaşar cheese, 1 kg Master Butcher branded skinpacked beef tenderloin, 32-roll pack toilet paper) was calculated to be 59,740 m³ in 2022.

Our Performance & Targets

We track our progress towards our water reduction goals by measuring daily water consumption per square meter of sales space. Our medium to long-term goal is to reduce water consumption by 10% by 2030 (base year: 2021). In 2022, our short-term goal was to reduce water consumption by 1%; we exceeded this goal by achieving a 1.9% reduction.

10% REDUCTION TARGET

OUR MEDIUM TO LONG-TERM GOAL IS TO REDUCE WATER CONSUMPTION BY 10% BY 2030 (BASE YEAR: 2021).

Daily Water Consumption Amount per m^2 of Sales Area (m^3)

