

# Sustainable Agriculture & Biodiversity


GRI 3-1, GRI 3-2, GRI 3-3, GRI 304-1, GRI 304-2



AS A FOOD RETAILER THAT DERIVES 77% OF ITS TURNOVER FROM **AGRICULTURAL-BASED PRODUCTS**, WE ARE COMMITTED TO ENSURING UNINTERRUPTED FOOD PRODUCTION

We attach importance to conserving biological diversity in the regions where we operate and to ensuring the sustainability of natural habitats in all our activities. We recognize that preventing harm to ecosystems and biodiversity from the increasing impact of climate change and ensuring the sustainability of natural resources contribute to economic and social wellbeing. We continue our efforts with this awareness.

As a food retailer that derives 77% of its turnover from agricultural-based products, ensuring uninterrupted food production and preserving sustainable biodiversity are among our focal points. In line with global developments, we are conducting efforts to support local expertise in our country, protect natural areas, combat deforestation, and reduce biodiversity risks.

**Our Biodiversity Policy**  commits us to working with producers to reduce our indirect impact on biodiversity by supporting regenerative, organic, and sustainable agricultural practices. We aim to contribute to the conversion of 760 hectares of land to organic farming by 2026. In 2022, we achieved 64.6% of this target by **procuring an equivalent amount of organic products from a 491-hectare area**.

We are committed to sustainable agricultural practices. We support Good Agricultural Practices (GAP) and are steadily increasing the percentage of GAP-certified products. This includes products which support organic farming and regenerative agriculture and which allow our customers to connect with value-adding nature-friendly products. We minimize unnecessary use of chemical fertilizers and pesticides to reduce farming's burden on biodiversity. We also avoid activities that contribute to deforestation across all Migros operations.

We are committed to complying with the environmental requirements of the **United Nations Environment Program (UNEP) Convention on Biological Diversity**. To this end, we obtain all mandatory licenses and permits for every new Migros store that is to be opened and ensure that we are in compliance with all applicable biodiversity laws and regulations.

In recognition of the importance of bees to agricultural ecosystems and biodiversity, we celebrate World Bee Day on May 20<sup>th</sup> with special activities. In 2022, we partnered with our Family Clubs, Public Education Centers, and Agricultural and Forestry District Directorates to offer Ministry of National Education-certified beekeeping courses. Graduates of these courses received a beekeeping starter kit as a gift. We also conducted workshops for children and families and held awareness campaigns throughout the week by providing discounts on all honey products.

PRESERVING  
SUSTAINABLE  
BIODIVERSITY



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TO **DEFORESTATION**  
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We encourage the use of smart farming technologies to increase productivity, reduce agricultural input use, and promote environmentally friendly and less harmful agricultural production. We aim to spread technological developments in a way that facilitates daily life among farmers engaged in agricultural activities, as in every field. In collaboration with Vodafone, we have launched the **Digital Agriculture Stations** project. This project will support the digital transformation of farmers' production processes by establishing 12 weather forecasting stations. These stations will enable producers to calculate soil and air moisture, which will help them to save water and energy. This will have both economic and environmental benefits.

We prioritize the financial empowerment of farmers and support watershed-based agricultural production through proper planning. By mapping our country's agricultural capacity with the support of our farmers, we aim to deliver the right product to our consumers at the right time and at the best price.

## Our Good Agricultural Practices (GAP)

We are the first retailer in Türkiye to offer products on its shelves that are produced in accordance with the Ministry of Agriculture and Forestry's Good Agricultural Practices (GAP) standards. We prioritize traceability, sustainability, and food safety for high-quality and efficient agricultural production. GAP requires producers to be audited by a recognized certification agency to determine if they are meeting GAP-related inspection, analysis, and traceability requirements. Only producers who meet these requirements are certified. Within this framework, a controlled and

traceable production program is implemented. This program analyzes the impact of processes on human health and the environment, and records all stages of product processing and distribution.

GAP prioritizes soil health by controlling the use of chemicals. To this end, a fertilization program is developed based on soil analysis to determine the appropriate timing and quantity of fertilizers for specific soil conditions. This approach helps to prevent the overuse of fertilizers, which can impair soil structure and quality.

## GAP-Vegetative Production

Since 2010, our company has been working with producers and farmers to encourage them to adopt Good Agricultural Practices. GAP is a set of 327 criteria that are designed to ensure the safety, quality, and sustainability of agricultural products and production processes. We are proud to offer our customers GAP-certified fruits and vegetables.

In 2022, we procured more than 160 thousand tons of GAP-certified fresh fruits and vegetables, bringing the total amount to 1,290,632 tons since we began sourcing them 12 years ago. We continued our efforts to expand GAP production in 2022 by working with 152 suppliers and 626 sub-producers and stocking our shelves with 107 different GAP-certified fruit and vegetable products. In 2023, we aim to increase our tonnage of GAP-certified procurements by 15%. We will do this by enhancing our incentives for farmers and providing purchase guarantees to support production continuity.

In order to ensure online traceability of GAP certificates and to speed up quality control processes in distribution centers and fruit and vegetable production facilities, the **Agricultural Production Traceability Portal**, a digital agriculture software, was developed for the first time in 2022.

## FRUITS AND VEGETABLES WITH GAP CERTIFICATION IN 327 CRITERIA

WE PROCURED 1,290,632 TONS OF GAP-CERTIFIED FRESH FRUITS AND VEGETABLES SINCE WE BEGAN SOURCING THEM 12 YEARS AGO.



## Sustainable Agriculture & Biodiversity

Through Migros Women's Academy we partnered with the Ministry of Trade to provide GAP and product safety training to women's cooperatives in Çanakkale, Nevşehir, Isparta, and Adana. A total of 355 women received face-to-face training while 85 received online training. In İzmir, 110 people were given GAP training through Migros Family Club. 1,296 Migros employees working in stores' fruit and vegetable areas received GAP training and 838 employees were trained on the differences between organic farming and GAP farming. GAP training was also provided to 580 employees working in Migros distribution centers, fruit and vegetable and wholesale warehouses.

### GAP-Animal Production

We have been offering GAP-certified chicken, turkey and eggs to our customers since 2013. These products are produced and analyzed according to 317 criteria mandated by the Ministry of Agriculture and Forestry. The certification processes are conducted by accredited inspection and certification agencies. 100% of the chicken and turkey meat we sell is either GAP-certified or certified organic.

In 2022, we sold a variety of GAP-certified animal-based food products, including chicken, turkey, eggs, and raw milk.

### GAP-Aquaculture

To support the sustainability of aquaculture and offer consumers seafood products they can trust, we promote good agricultural practices in aquaculture among our suppliers. In 2022, our company launched the **Migros Good Fish Project**. This project is contributing to the inclusion of fish species farmed in Türkiye in the GAP certification process.

As of the end of 2022, two of our suppliers had successfully passed inspections covering **193 control and compliance criteria** specified by the Ministry of Agriculture and Forestry for their fish harvesting, processing, and production operations. These suppliers were awarded GAP-compliant certifications for three fish species. Our goal is for all the farmed fish we sell to be certified GAP-compliant at the end of 2030.

### Our Regenerative Agriculture Project

Regenerative agriculture is a set of farming practices that can help reverse climate change by increasing soil carbon sequestration, reducing greenhouse gas emissions, improving water quality, and increasing biodiversity. We are working to promote the widespread adoption of regenerative agriculture. We have rolled out our **first Rainforest Alliance-certified private label product, M Life raw hazelnuts**, as part of our goal of expanding our line of sustainable product offerings by 2025.



## GOOD FISH PROJECT

OUR COMPANY LAUNCHED THE MİGROS GOOD FISH PROJECT. THIS PROJECT IS CONTRIBUTING TO THE INCLUSION OF FISH SPECIES FARMED IN TÜRKİYE IN THE GAP CERTIFICATION PROCESS.



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Rainforest Alliance certification is a globally recognized service mark indicating that products are grown using methods that support sustainable agriculture and respect the labor and human rights of people involved in their production. Those who participate in the certification program undergo regular, independently-conducted audits to ensure compliance with social, economic, and environmental criteria. In addition, sustainability of the system has been ensured through agricultural trainings. The certification process supports combating deforestation and promotes land management methods that enhance carbon sequestration.

### Our Tastes of Anatolia (Anadolu Lezzetleri) Project

Our company is supported to preserving Türkiye's agricultural heritage. We do this by safeguarding endangered traditional seeds and supporting the use and transmission of traditional seeds in agriculture to future generations. To this end, we offer 55 products produced from indigenous seeds specific to 25 regions in Türkiye. These products are distinguished by their regional or cultural characteristics and are stocked and sold in 198 of our stores.

Under this project, we previously introduced Amik Ovası Black Emmer Wheat, Amik Ovası Black Emmer Fine-Grain Bulgur, Amik Ovası Black Emmer Medium-Grain Bulgur, and Kastamonu Einkorn Bulgur to our customers. All these products belong to the category of non-hybrid, non-genetically modified, and unaltered seeds. In 2022 we added Ağın Roasted Chickpeas and Kastamonu Einkorn Flour to the project.

In 2022 our line of Pine Cone Jam products won a **Private Label Manufacturers Association's (PLMA)**, one of the world's most prestigious award organizations in its field, "**Salute to Excellence**" award.

### Combating Deforestation

Deforestation is one of the greatest threats posed by climate change. We are focusing on reducing deforestation and its impact on the environment and people's livelihoods. We do this by reducing paper consumption by embracing digitalization in our operations, carrying out and supporting reforestation projects, and helping to preserve biodiversity. We support the **Aegean Forest Foundation's** afforestation and forest management efforts by returning the proceeds from the sale of the foundation's products in our stores back to the foundation. Over the past 15 years, we have contributed to the planting of 576,395 trees within the scope of combating deforestation. We continue to donate the cost of planting one sapling to the Aegean Forest Foundation for every kilogram of their olives that is sold in our stores. Within the scope of Migros Up project, we spread **8,450 sapling balls** during the year with our Migros Toptan customers, in collaboration with Ecoriding.

As part of the combating deforestation, we monitor the certification rates of products containing cocoa, palm and soybean oil in our sale. In 2022, **17% of our cocoa-containing products, 28% of our palm oil-containing products, and 15% of our soybean oil-containing products have sustainability certificates.**

## TRADITIONAL SEEDS

WE OFFER 55 PRODUCTS PRODUCED FROM  
INDIGENOUS SEEDS SPECIFIC TO 25 REGIONS.  
THESE PRODUCTS ARE DISTINGUISHED BY THEIR  
REGIONAL OR CULTURAL CHARACTERISTICS AND  
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## Our Practices to Reduce Paper Use

Another way we help combat deforestation is by reducing our paper waste and increasing the use of certified-recyclable/recycled materials. In our headquarters operations, we prefer to use sustainable and certified products made from renewable materials for photocopy paper. To prevent excessive use of photocopy machines, we have restricted access to the machines and personnel are required to use their employee ID cards to activate and operate them.

- We reduced paper consumption in our stores by 112 tons in 2022. We achieved this by digitizing operational processes that previously had required hardcopy printouts such as reports, analyses, documentation, and inventory records.
- A next-generation digital cash register system electronically stores a copy of shopping receipts. In 2022, this system saved 807 tons of paper, which is equivalent to 183 million meters of paper tape rolls.
- We saved 119 tons of paper in 2022 by digitizing our grocery delivery processes. We achieved this by digitally transmitting online grocery order delivery forms and by eliminating the issuance of receipts for online grocery orders and digitizing all receipts and invoices instead.

- Of the paper that is used in our operations such as labels, business cards, cardboard boxes, and cash register rolls, 793 tons are certified by the Forest Stewardship Council (FSC) as having been sourced from sustainably-managed forests for industrial purposes, while 505 tons are made from recycled paper.
- In 2022, 1,278 tons of paper used for posters and announcements in our stores were sent for recycling.
- Non-employees admitted to restricted-access headquarters areas use digital guest cards instead of paper ones. This practice has reduced paper use by 75% since it was introduced.
- All in-house magazines and company-supplied training materials are now available in digital format only. No paper copies are produced or used any longer.
- We have reduced our use of paper to a minimum level for hardcopy advertising and discount-campaign materials to 250 tons a year. All of this paper is recycled.
- We save 30 tons of paper a year by allowing customers to sign up for our Money Card loyalty program online through our [www.money.com.tr](http://www.money.com.tr) website.
- By recycling paper, cardboard, and wood, we have prevented the harvesting of 295,634 trees.

## COMBATTING DEFORESTATION

ANOTHER WAY WE HELP COMBAT  
DEFORESTATION IS BY REDUCING OUR  
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CERTIFIED-RECYCLABLE/RECYCLED MATERIALS.

