

# Our Products and Services Supporting Healthy Living

GRI 102-9, 103-1, 103-2, 103-3, 416

We develop projects that complement the products and services we offer to promote a healthy lifestyle and that support community health. We believe that a proper diet and conscious consumption should be encouraged for a healthy society. To this end, we expand the areas of influence of our projects through collaborations and ensure their sustainability.

## SPECIAL PRODUCT RANGE

In line with customer demand, we care about offering our customers a special product range that supports healthy lifestyle with ingredients. We take into account the product choices of our customers who prefer products **that are low in sugar, salt and oil, lactose-free, gluten-free, ecological, organic, etc.**, and **improve the product range** we offer in this category **every year**. Accordingly, in 2019, we introduced a total of 1,468

products that supported healthy living, 180 of which were from our private-label products. These products make up 3 percent of the total products in the same categories. **With M Life, one of our private-label product ranges**, we offer our customers, who care about living healthy; **an organic certified, reduced calorie and healthy lifestyle-oriented product range.**

We reserve a special place for organic chicken products on our shelves and regularly monitor their sales volume while also encouraging our producers and suppliers to enable us to increase the number of organic chicken products and eggs we offer to our customers. **All the chicken products** we offered for sale in 2019, **6 percent of which were organic, were in line with Good Agricultural Practices.** Moreover, **organic eggs accounted for 28 percent of the total number of eggs** sold in 2019.

We offer the majority of our organic produce to our customers by packing them in our facilities in Bursa and Izmir with necessary permissions. In 2019, we sold **625 tons of organic fruits and vegetables.**

We support biodiversity and sustainable fishery by offering our customers the fish caught during the season and in accordance with the determined measures. As of 2019, we started to offer sustainable seafood products, such as those MSC and ASC certified, to our customers, and we sold more than 1,600 kg of certified sustainable seafood.

In addition, we **carry out promotional activities to make products** that support healthy living, **that are produced in accordance with special health needs and whose contents are reformulated** affordable. For example, in order to raise awareness on celiac disease, we offer

a 25 percent discount on gluten-free products every year in May, to celebrate May 9 World Celiac Day. As part of these efforts, we have **offered discounts worth of TRY 6,675,224 in total with special campaigns.**



**180 of 1,468 products** that support healthy lifestyle are private-label products



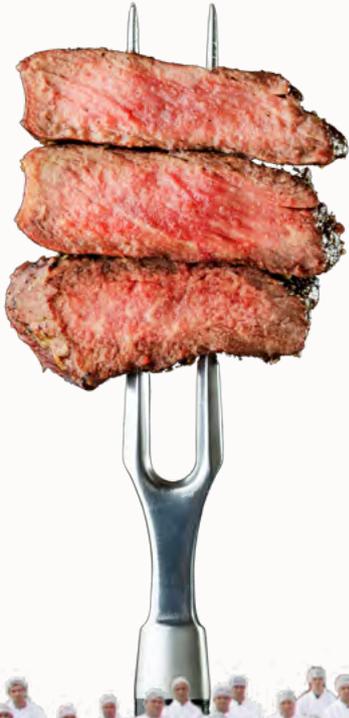
**28%** of the eggs sold are **organic**



**625 tons** of organic fruits and vegetables sold

## Turkey's Largest Fresh Meat Processing Plant: MİGET

### MİGET has the FSSC 22000 Global Food Safety Management System Certification.



Red meat has an important place in the food chain and is especially important for our future to increase its access by young people and children. Therefore, we focus on increasing the consumption of meat per household by delivering both one hundred percent healthy and the most affordable products in the industry, all over Turkey.

To increase the capacity of the meat in Turkey and improve breeding and meat production facilities by examining the world of advanced technology completely, we laid the foundation of the Migros Fresh Meat Processing Plant (MİGET) 6 years ago. **With an annual production capacity of 62,000 tons**, Migros is the first and only manufacturer boasting a meat processing plant in Turkey with such volume.

We control the red meat we offer in our stores from the farm to the table. The products entering our facility as carcass are processed with advanced technology. We carry out hundreds of tests and analyses every day in our laboratories in accordance with international standards. Our red meat products pass through 220 checkpoints until they end up on our customers' plates. Thousands of our expert butchers, veterinarians and food engineers conduct audits and reporting considering every detail.

We train our own butchers at the **Food Technology Training Center (GATEM)** within Migros Retail Academy. After 180 hours of practical training and exams, we assign successful butchers to the MİGET and Migros stores all around Turkey. Thus, 3,000 trained butchers are employed under Migros. We produce our

ready-to-cook red meat products and meatballs with the brand "Uzman Kasap" (Expert Butcher) all packed and untouched by human hands. By using the most suitable packaging techniques for food, we ensure that our red meat products maintain their freshness for longer.

All production processes at MİGET are carried out 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**. In addition, we are the first retailer with the **FSSC 22000 Global Food Safety Management System Certification** in Turkey. All of our products produced for our stores have the Halal Certificate issued by the Turkish Standards Institute.



## OUR ONLINE CHANNEL SUPPORTING HEALTHY LIFESTYLE

The fruits and vegetables we offer to our customers through Tazedirekt reach their tables directly from 20 contracted organic farms. We travel all over Turkey to meticulously select the farmers we will work with. The source of the products and the stories of the producers are available on Tazedirekt's website, offering a completely transparent look into the entire process. The development

## Developments in 2019



39 small producers were audited based on "Small Scale Supplier Audit Criteria".



8 producers were included in the "Tazedirekt Supplier Process Development Project".



At the end of the project, the 'unsuccessful' and 'room for improvement' statuses of the producers were updated to 'successful'.

of suppliers for Tazedirekt, which has more than 2,000 different products in its portfolio, including products with geographical indications, is of great importance for the continuity of this special production approach.

### Tazedirekt Supplier Development Program

As part of our Tazedirekt Supplier Development Program, we provide consultancy to our companies that produce at the SME level or on a smaller scale to help them navigate the entire process, from food production to performing product analysis, raising production quality standards to compliance with mandatory product label regulations. During the audits carried out by our quality team, we both train our suppliers and guide them through how they can correct the identified shortcomings. We see that the companies we have included in this program show improvement in the re-evaluations at the end of the program. We continue to audit our suppliers and the products they provide at certain intervals, thus helping producers introduce a higher quality of production to the industry. Our suppliers grow, and this growth also contributes to local development.



## Cares About What You Eat

Do you know what it is you eat? Tazedirekt cares about what you eat.



## Guaranteed Freshness

We carefully package the products, perform final checks and deliver them to your door with our refrigerated vehicles preserving them at +4 degrees Celsius, guaranteeing freshness.



## Carefully Picked

We find local producers and organic farms that meet our criteria, source the products directly and have our food engineers inspect them.



## Sustainable Goals

We offer you the products of conscious producers with an aim to create a healthy and sustainable future.

# Our Projects Supporting Community Health

GRI 103-1, 103-2, 103-3, 203-2, 413, 413-1, 416, 417-2

We develop projects that complement the products and services we offer to promote a healthy lifestyle and that support community health. We believe that a proper diet and conscious consumption should be encouraged for a healthy society. To this end, we expand the areas of influence of our projects through collaborations and ensure their sustainability.

## OUR WELLBEING JOURNEY PROGRAM

With the “WellBeing Journey” program we launched in 2018, we aim to raise awareness among and lead a positive behavior change in our customers towards balanced nutrition, increasing daily physical activity, adequate water consumption, oral and dental health.

In the Migros Mobile application, we created a special section under “WellBeing Journey Program”. Here, the

nutrient distributions of our customers’ 3-month food purchases and the ideal daily food consumption table are created side by side with an intelligent algorithm. Based on global parameters and data from the Ministry of Health, our customers can compare their consumption with ideal consumption and see at a glance which food group they neglect for a balanced diet. We offer tailor-made offers at a discount in order to cover the difference in balanced nutrition and encourage a wellbeing journey. The system updates the distribution chart of our customers after each purchase and provide a new wellbeing offer every two weeks.

## Our WellBeing Journey project won 7 international awards.

In addition, our application also includes weekly exercise suggestions and notifications on oral and dental health, water consumption and sun protection as well as interactive contents to support a healthy lifestyle such as a step tracker

**As part of our efforts to raise awareness on healthy living, we reached 1.53 million people.**



to increase physical activity, water drinking reminders for adequate water consumption and tooth brushing reminder for oral care.

In 2019, we had various collaborations to further improve the contents of our project and develop its overall performance. Accordingly, we **updated the ideal consumption table for vegans and vegetarians** in the Migros Mobile application in collaboration with Anadolu Medical Center in 1Q20. We **removed the animal products such as meat and milk**, which are outside their consumption habits, from their **ideal consumption tables** and revised our WellBeing Offers. In addition, we made our application more interactive **by providing the informative messages** in the application **through videos prepared by Nutritionists**.

Moreover, we developed a new performance criterion with KPMG Turkey to measure the effectiveness of our project. **With the Balanced Nutrition Index (BNI)** we calculate the average annual distribution of our customers' food shopping based on main food groups. Then we calculate the deviation of this data according to the recommended consumption rates and find the BNI score of all our customers. While the BNI

score of our customers who participated in our project was 70.5 just before the project started, we saw that this reading increased to 75.7 as of December 2019. Thus, **we measured the contribution of our project to our customers' balanced nutritional habits**.

Since the beginning of our project, we have considered our employees as ambassadors of the **WellBeing Journey**. All our innovations have enabled us to provide our employees with up-to-date trainings and to **re-launch our project** with exclusive WellBeing offers and discounts for them. When our employees opened the Migros Mobile application, they first saw pop-ups that directed them to the WellBeing page, allowing them to see their special offers. Moreover, we improved the visibility of our project by placing information banners, visuals and free-standing boards in our stores and our Head Office building.

With the WellBeing Journey, **we reached 1.53 million people** from the start of the project until the end of 2019 with the aim of raising awareness on healthy living. Through collaborations with our suppliers, we set up WellBeing Journey areas in 26 stores and four festivals where we were joined by nutritionists and dentists to

provide information to the participants face-to-face. **Our WellBeing Journey project won 7 international awards**. It was recognized as an exemplary project at world retail summits in Lisbon, Berlin, London, Tokyo, Warsaw and Monaco in 2018 and 2019, and well-received as a pioneering retail practice.



## GROWING HEALTHY WITH MIGROS PROJECT

We aim to ensure effective behavioral changes by including children in our activities raising awareness on public health. To that end, we have running the “Growing Healthy with Migros” project since 2016 to further strengthen the awareness among children on healthy and good living.

## 176,122 children participated in our activities raising awareness on healthy and good living.

Store tours for children at 396 Migros stores in 70 cities have been carried out by our volunteer store managers who invite the children in the neighborhood and their families to Migros stores. Children learn various subjects such as the benefits of fruits and vegetables, the control processes of the products until they reach the shelves, Good Agricultural Practices, and tips of label reading. Children also learn about the benefits of waste collection bins in stores and

their contribution to a better future by recycling their waste. The “Migros Healthy Growth Guide” is given to children as a gift during the tours where the importance of balanced nutrition and exercise is emphasized. 176,122 children have participated in the awareness raising events we have been organizing for three years as part of the Growing Healthy with Migros project.

In addition, with our April 23 Migros Children’s Theater Festival, which we have been organizing for 25 years, we have introduced 1 million children to theater for free. We have also been providing the audience with good Living training along with the “Migros Healthy Growth Guide” prepared in collaboration with the Food Safety Association for the past four years.



# Supporting Conscious Shopping with Transparent Product Information

GRI 103-1, 103-2, 103-3, 416, 417-1, 417-2

We believe that our customers have rights to access detailed information about the contents of the products, and we adopt a sensitive approach towards this issue. Accordingly, in 2019, **we provided nutritional information on the calorie, carbohydrate, sugar, protein, fiber, fat and salt contents in the packaging of 209 private-label food products with transparency.** 72 of our 103 private-label non-food products contain usage information.



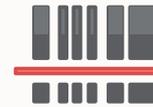
In addition to this information we share, we have been leading a global transformation project in Turkey since 2017. In retail, the producers and retailers need a well-functioning common infrastructure in order to quickly access correct and reliable product information online.

**In collaboration with GS1 Turkey, we are responsible for the Turkey-based activities of the project** initiated by the Consumer Goods Forum (CGF), of which we became a member to support our consumers develop conscious shopping habits through transparent product information. As part of the project, CGF member companies provide consistent and transparent data flow for all products through the GS1 barcode system.

Retailers will have GS1 verify the barcode of each product they sell with seven basic attributes, creating a standard dataset globally. With this system, information entered into the product barcode by a producer anywhere in the world will be online and displayed on retailers' screens within seconds.

## Data Accuracy and Transparency Road

In line with the decision made by CGF member companies, the world retail and FMCG sector will provide consistent and transparent data flow through the GS1 barcode system. The actions required are listed as follows:



All products will have a **valid barcode** issued by GS1.



Retailers and online marketplaces will ask GS1 to verify the barcode of each product they sell through **7 basic attributes.**



With the global data model, **a standard data set** will be created for each product globally.

With the participation of sector representatives, a country data set with the minimum amount of data required to ensure transparent and consistent data flow in the **retailer - producer - consumer** triangle has been created. Using the various category-based data sets, mainly weight, ingredients and origin, product information was entered into barcodes stored in the GS1 infrastructure. There are still ongoing efforts utilizing the GS1 platform, which Migros has integrated into its system, to pair other retailers and producers. After the project is completed, it will allow all the information and processes from the ingredients of products to the production process, from fields to the shelves to be offered digitally as well as providing speed and efficiency to the retail sector. Thus, consumers will be able to shop more consciously and comfortably, and producers will be able to communicate their products and services to consumers better and first hand.

Another project we carry out as part of our support for conscious shopping aims to provide easy access to information about the products we offer for sale through our online channels. The regulation under "distant sales" in the Turkish Food Codex Labeling and Informing

Consumers Regulation will come into force on 01.01.2020. In this context, we will ensure that our customers see the label information specified in the relevant regulation at the stage of purchase of the food products we sell online. We are working together with our suppliers in order to comply with this regulation.



# Our Employees' Health and Safety

GRI 103-1, 103-2, 103-3, 403-1, 403-2, 403-3



## OUR EMPLOYEE HEALTH PROGRAM

With our 'Good Job, Good Future' motto, we support our employees' career and personal development, as well as carrying out a comprehensive employee health program to help them be healthier and happier and boost their physical and mental strength. Our program includes the head office, regional directors and our employees in our stores.

We also actively engage our employees in our WellBeing Journey program. Before the launch of the project in 2018, our employees were trained on the program and they were the first ones to use and test the WellBeing Journey section on the Migros Mobile application. At the end of 2019, we retrained our employees and provided them with special offers to increase their engagement in the project. You can find detailed information in the WellBeing Journey Program section.

We support our employees with easy access to private health insurance, health services and nutritionists to help them live a better life. In order to promote a healthy diet, **we share the calorie information of the meals served in our cafeterias every day and offer diet menu options** to our employees. In this regard, we strive for raising awareness on health by organizing many training and health seminars.

With the special recipes of dietitian Çağatay Demir, our corporate nutrition counselor, a healthy lunch alternative was served in the Head Office cafeteria. İzmir Regional Office started providing healthy diet services.

In 2019, we offered our employees clinical massage therapy, osteopathy, an on-site dietitian, breathing exercises, yoga classes, an on-site laboratory, flu vaccine and skin analysis. We have held talks in many health-related topics such

GRI 403-3

as healthy diet, metabolic syndrome and living with diabetes, methods of coping with forgetfulness, solutions to neck and lower back pain and correct breathing techniques.

Moreover, we offer our employees a platform to improve themselves in various fields, socialize and boost their motivation through our hobby and travel clubs. This year, we have added the Migros Bicycle Club to our hobby clubs. **The Migros Bicycle Club members organized a collective bicycle tour with the slogan 'I Pedal with Migros for a Healthy Lifestyle'** to turn the spotlight on the importance of healthy living and physical exercise for a sustainable future.

As part of our employee health programs, Ramstore in Kazakhstan has a hobby club. We also participate in the Almaty Marathon with a team made up of our company employees. As the North Macedonia Ramstore team, we participate in the Skopje Marathon every year and encourage our employees and customers to participate as well.

**14,423 Migros employees benefited from 22 different projects we launched in 2019.** In addition, as part of our periodic health checks, our store employees had

a comprehensive medical examination (including blood count, blood sugar, HBSAG, Anti HCV, Anti-HIV, AST and ALT tests, chest x-rays, throat swabs, nasal swabs, and stool cultures) in 2019.



## SAFETY AND SECURITY IN THE WORKPLACE

In line with our priority to protect the health and safety of our employees, we are committed to providing them with a healthy and safe workplace. We classify all our areas of operation and carry out our OHS activities in accordance with the Law on Occupational Health and Safety (OHS). Accordingly, while the Head Office, regional directorates and stores are classified as less dangerous; MİGET Meat Processing Plant, breeding farm, distribution centers and fruit and vegetable warehouses are classified as dangerous.

We have an OHS Unit within the Industrial Relations and Support Services Directorate, which is under the responsibility of our CHRO. Our department director serves as an OHS representative. Our top level OHS management unit is our Occupational Health and Safety Committee, which consists of senior managers of Human Resources Management and related departments and reports directly to our CEO. The committee also includes occupational safety specialists 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 in Turkey. OHS committee meetings are held regularly in our stores, MİGET, breeding farm, distribution centers and fruit and vegetable warehouses. The Occupational Health and Safety processes of all our units are managed systematically. We transitioned to the **TS ISO 45001 Occupational Health and Safety Management System Standard.**

## All our units are certified with the TS ISO 45001 Occupational Health and Safety Management System.

We aim to create a safe working environment in order to protect our employees, business partners and customers against the health and safety risks arising from our workplace environment, and we adopt proactive approaches to ensure continuity. [Our Occupational Health and Safety policy](#) applies to all our employees, customers and business partners (subcontractors, contractors, suppliers, etc.) and is published on our corporate website. As

## Earthquake Simulation Truck

In collaboration with the Kandilli Observatory, we rolled out the earthquake simulation truck to remind both our customers and employees the possibility of an earthquake and raise awareness on the issue. In the trainings we organized, we emphasized the fact that our country was seismically active, and communicated the precautions to be taken to minimize the risks of a possible earthquake and what to do during an earthquake. After the briefing, the participants went in a 20-second earthquake simulation. 2,622 people benefited from the mobile project that visited nine cities.



part of occupational health and safety, the formal agreements with unions include provisions on food aid, cleaning materials and tools, health permit and fees, workplace physician, examination room and medicine cabinets, persons to be working when ill and in light works, work clothes and equipment.

We use a **special OHS software to systematically and centrally control and report all our OHS-related processes and activities.** With this software, we monitor risk assessments for new and existing locations every year, and we plan corrective and preventive actions in designated areas. In 2019, we invested TRY 6.03 million in OHS efforts and training.

### OHS TRAININGS

In line with our goal of providing a safer working environment for our employees, we also provide them with trainings as part of occupational health and safety policy so that they can learn their duties and responsibilities and be more careful. Our occupational safety specialists and workplace physicians provide on-the-job and periodic OHS trainings face-to-face in a classroom setting both in our service locations and during on-boarding. In

addition, trainings provided to our employees in all our locations are complemented with distance trainings. In 2019, 22,282 employees had 157,844 hours of face-to-face on-the-job training, and 31,899 employees completed 220,727 hours of distance training instructed by occupational safety experts and workplace doctors. **1,425 employees from all our locations completed their first aid training.** In addition, as part of our OHS efforts, we provide emergency action plan training and drills by the trainers and occupational safety experts of the companies we have contracted in all our workplaces.

### OUR PERFORMANCE AND GOALS

In addition to the main Occupational Health and Safety Committee in our Head Office, Occupational Health and Safety Committees were established in all units of our company with 50 or more employees. In 2019, we received 72,002 hours of OHS services from 66 occupational safety experts, 84 workplace doctors and four other health personnel from companies authorized to provide occupational health and safety services in all our stores and other workplaces meeting this criterion. The number of store employees receiving OHS services

GRI 403-2

is 8,876, which corresponds to 29 percent of the entire store employees. The total number of employees receiving OHS services, including administrative employees, is 10,246, and which makes up 32 percent of the total number of employees.

In 2019, 23,108 health checks were carried out by workplace doctors as part of pre-employment medical assessments and periodic examinations. Occupational health and safety documentation including the Emergency Action Plan and risk assessments of 198 new stores opened in 2019 were completed.

The staff with the highest risk of work accidents are charcutiers and butchers working in service departments due to their use of sharp objects. **We aim to reduce lost work time through our OHS activities and trainings we provide to our employees.**

In 2019, we reduced the number of lost days due to work accidents in our stores (like for like\*) by 25 percent. As a growing company, **we aim to reduce our work accident / lost day severity ratio from 2018 to 2023 by 2 percent** in order to provide meaningful data despite the number of newly opened stores and

employees. **We achieved a 1.49 percent decrease in this ratio in 2019** and there were no lost days due to occupational diseases.

Moreover, our international operations also implement pivotal OHS projects. We fully comply with all legal requirements set out by the law on occupational health and safety in Ramstore in North Macedonia. In this regard, an Occupational Health and Safety Procedure is created and shared with all employees over the company's intranet. Employees receive the necessary OHS trainings where they are granted a certificate. As per the regulations, OHS reports are prepared annually. On the other hand, according to the relevant law on occupational health and safety, the working environment and conditions of the stores in Ramstore in Kazakhstan (temperature, lighting, radiation, noise, etc.) are assessed by independent assessors and the results are submitted to government agencies. In addition, each new employee receives an OHS training and these trainings are repeated every six months.

*[You can find the distribution of work accidents by type of injury and gender for 2019 in the Annexes.](#)*

**OHS performance in 2019 \*\***

WORK ACCIDENTS	2017	2018	2019
Work accident severity rate (lost days) ***	27.9	19.7	19.4
Work accident severity rate (lost hours) ****	0.022	0.015	0.015

\*\* Stores and Administrative Units are included.

\*\*\* 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 every 100 hours worked due to work accidents.



\* The performance changes of the same store (like for like) are the percentage of the year-over-year improvement in the lost days due to work accidents in 2019.