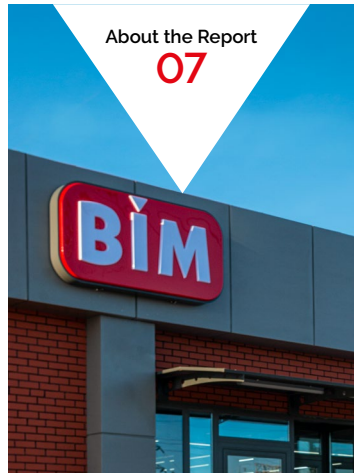




# A New Beginning Every Day in Line with Our Sustainability Goals



# Contents



About the Report  
**07**



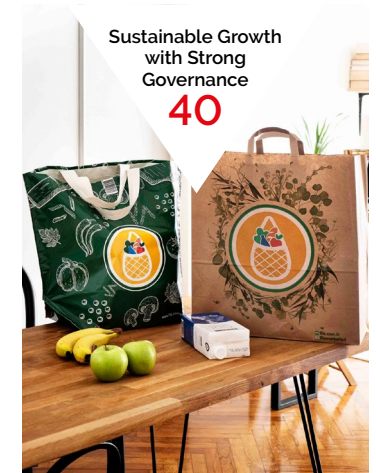
Quality Products and Services  
**20**



Responsible Value Chain  
**27**



Healthy and Thriving Environment  
**33**



Sustainable Growth with Strong Governance  
**40**

- 07 About the Report**
- 08 Message from the Executive Committee**
- 10 BIM at a Glance**
- 13 Developments in 2021
- 14 Sustainability Management**
- 15 BIM Sustainability Approach
- 16 Sustainability Material Topics

- 20 Quality Products and Services**
- 22 Product Quality and Safety
- 23 BIM Private-Label Products
- 25 R&D Activities
- 26 Customer Experience and Satisfaction

- 27 Responsible Value Chain**
- 28 Supply Chain Management
- 29 Employees
- 30 Employment
- 31 Career Management and Trainings
- 32 Occupational Health and Safety

- 33 Healthy and Thriving Environment**
- 35 Climate Change and Energy
- 35 Energy Efficiency and Renewable Energy Investments
- 36 Efficiency in Logistics Activities
- 37 Packaging and Waste Management
- 38 Food Waste
- 39 Water Management
- 39 Biodiversity

- 40 Sustainable Growth with Strong Governance**
- 42 Foreseeable Economic Performance
- 43 Risk Management and Internal Control
- 46 Annexes**
- 46 Corporate Memberships
- 46 Stakeholder Dialogue
- 47 Performance Indicators
- 50 GRI Content Index**

## First steps into 2026

As the first representative of the hard discount model in Turkey, we are proud to carry our success since the day we were established, and we work trustfully to carry our success to the future. Accordingly, we have a strong understanding of sustainability.

Now we have set our first sustainability goals to ensure we have a stable road map for the future. From the availability of quality products to reducing environmental impact, we have realistic goals. We plan to take important and strong steps towards these goals.

We set 2026 as the first stop. With these results, we plan to successfully complete the first phase and increase the value we add to life and the world.



## Our Sustainability Goals



**Increasing the number of private-label products with QR codes to 10% of the total private-label product portfolio by 2026.**

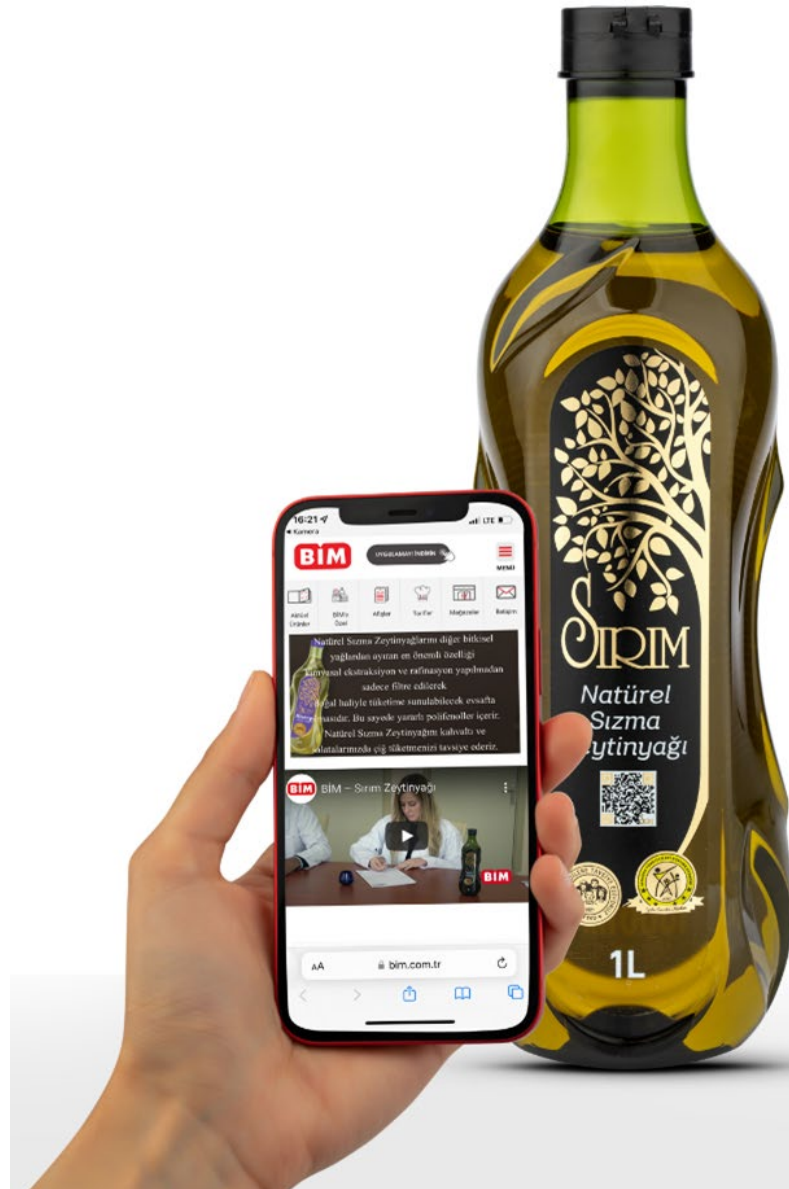


**Transition to a new "energy-efficient and modern looking" design in all stores by 2030.**



**Achieving a 20% reduction in greenhouse gas intensity (kgCO<sub>2</sub>e/m<sup>2</sup>) by 2026 compared to 2019.**





## Our goal is a safe and transparent product journey

We have strengthened our ties with our customers in areas such as BİM Para and mobile applications with the digitalization steps we have accelerated during the COVID-19 pandemic. Taking an important step to utilize technology for the benefit of people, we have launched a QR code application that enables our customers to quickly access detailed information about our private-label products and their production phases. In this direction, our objective is;

**Increasing the number of private-label products with QR codes to 10% of the total private-label product portfolio by 2026.**

## Our goal is to change the face of shopping and increase energy efficiency

We promote the transition operation to a new store decoration launched to improve the shopping experience of our customers and expand our renewal network. In this way, we are going to accelerate the reduction of our carbon footprint with our new heat-insulated design focused on energy efficiency. In this direction, our objective is;

**Transition to a new "energy-efficient and modern looking" design in all stores by 2030.**





## We aim for a sustainable future

We are reducing our environmental impact day by day through our efforts in terms of sustainability. Being listed in the Borsa Istanbul Sustainability Index, we perform best practices in waste management and the use of renewable energy. BİM plans to reduce its environmental impact in its operations in order to contribute to fight against the climate change. Our goal for future generations:

**Achieving a 20% reduction in greenhouse gas intensity ( $\text{kgCO}_2\text{e}/\text{m}^2$ ) by 2026 compared to 2019**

## About the Report

2021 Sustainability Report of BİM Birleşik Mağazalar A.Ş. deals with the outcomes of the company's activities in the environmental, social and governance fields between 1 January - 31 December 2021. The Company shared its performance for the first time to cover the activities in 2020 in the environmental, social and governance fields, continues to share them on a regular basis every year. This Report covers Turkey operations of BİM Birleşik Mağazalar A.Ş. operating under BİM and FILE brands unless otherwise stated. Only the financial indicators include Turkey and foreign operations of BİM including FILE.

This Report in which BİM presents its sustainability strategy and performance to its stakeholders in a transparent manner has been prepared in accordance with "Core" option of the Global Reporting Initiative (GRI) Standards. The contributions that the company activities have made to the United Nations Sustainable Development Goals (SDG) is also shared in this report.

BİM stakeholders may send any of their questions and opinions to [esg@bim.com.tr](mailto:esg@bim.com.tr) on sustainability.

*Please click on the address to reach the e-mail address.*





## Message from the Executive Committee

Our policy of "everyday low prices," our principle of including cost savings in product prices, our lean business model, and the fact that we outweigh the interests of our customers over short-term high profit also form the basis for our newly set sustainability goals.

Dear Esteemed Stakeholders,

While the global impact of the COVID-19 pandemic has been alleviated by the vaccination efforts implemented as of the beginning of 2021, the economic instability caused by the pandemic has continued to be effective in Turkey as well as the rest of the world. Through our mission within this scope, we resolutely continued to support Turkey's struggle against inflation by making quality products accessible to everyone.

The climate crisis was another global development with social and economic impacts. The climate crisis has remained among the most significant global risks. Aside from the global steps taken in the struggle against climate change, Turkey's ratification of the Paris Agreement in 2021, setting the net zero targets for 2053 and the Climate Council held in 2022 enabled our country to take a major step forward in the fight against the climate crisis.

In the light of all these developments, we expedited our efforts by placing the BİM Sustainability Approach at the center. We have implemented policies that ensure the management of priority issues. We maintained our steady progress by establishing our primary sustainability goals. In line with our environmental and social goals, we plan to successfully complete the first five-year phase by 2026, which we have determined as the first stop, and thus increase the value we add to life and the world.



Our "Everyday low price" policy, which constitutes the basis of the BİM Sustainability Approach as the first representative of the high discount model in Turkey, our principle of reflecting cost savings on product prices, our lean business model, and prioritizing the interests of our customers over short-term high profits also constitute the basis of our newly set sustainability goals. We will continue to take significant and strong steps with our roadmap created with realistic targets, from accessibility of quality products to reducing environmental impact.

### **BİM provides quality products and services.**

We increased the number of products in our stores from 800 to 850 and increased the number of alternative products offered to our customers in 2021. Based on our mission to contribute to social welfare, we continued to invest in our high-quality, affordable private-label products. Accordingly, we made two major investments in 2021. We also founded a company with a capital of TL 40 million for the production of private-label biscuits

and confectionery products and launched the establishment of a factory in Eskişehir. We acquired Bircan Fide, an Afyon-based company engaged in soilless agriculture in geothermal greenhouses. We will produce different products, especially tomatoes, in a 100 thousand square meters closed greenhouse area using soilless agriculture. We also continued to contribute to healthy nutrition by increasing our fruit and vegetable product range. We continue to serve with a total of 10,489 stores, 9,611 in Turkey, and 878 abroad with our newly opened stores. We also continue our efforts to transition to a new store design, which we initiated to offer our customers an innovative shopping experience. As of 2021, we launched the BİM Market and FILE Market applications to meet our customers' demand for innovative business models and to be accessible wherever and whenever they want. By leveraging technology for the benefit of the people, we enhance our mission of delivering quality products and services. As part of our goal of a safe and transparent product journey we set within this

## Message from the Executive Committee

We contribute to employment in the regions in which we operate and continue to contribute to the value chain. We once again became one of Turkey's largest employers in 2021 with more than 70,000 employees, 65,000 of which are based in Turkey.

scope, we launched a QR code application where our customers can quickly access detailed information about our private-label products and production phases. Thus, our customers will witness the quality and reliability of our private labels more closely. We aim that by 2026, the number of private-label products with QR codes will be at least 10% of the total private-label product portfolio.

### **BİM manages the value chain responsibly.**

Working entirely with local suppliers, we continue to contribute to the national economy. In 2021, we paid approximately TL 57 billion to suppliers, contributing to the local economy. We contribute to employment in the regions in which we operate and continue to contribute to the value chain. With more than 70,000 employees, approximately 65,000 of whom are employed in Turkey, we were once again one of the top employers in Turkey in 2021. We have exceeded our 6,000-strong net employment target for 2021, creating more than 9,000 jobs. We aim to create 8,000 net employment in 2022 through our high employee loyalty and organic growth strategy. With the acquisition of Bircan Fide, an Afyon-based company engaged in soilless agriculture in geothermal greenhouses, in 2021, we initiated the production of different products, especially tomatoes, through soilless agriculture in a closed greenhouse area of 100 thousand square meters in order to improve supply sustainability. We also finalized the incorporation of Es Global, a company with a capital of TL 40 million, to produce some of the biscuit and confectionery products sold in BİM stores.

### **BİM aims to ensure a healthy and thriving environment.**

We engage in alternative activities in order to fulfill our responsibility in the fight against the climate crisis and to achieve the realistic targets we have set in this direction. We keep investing in renewable energy sources, especially to reduce our greenhouse gas emissions by avoiding the use of fossil fuels. Within the scope of our project to install solar power plants on the roofs of regional warehouses, which is shown as an exemplary practice in the sector, by the end of 2021, we completed the installations of Batman, Arnavutköy and Iğdır warehouses. Within the scope of the solar energy plants project, we aim to complete installations on the roofs of 37 warehouses and continue the reduction we achieved in the greenhouse gas emissions thanks to these efforts. We are aware of the importance of reducing all environmental impacts in fighting the climate crisis, and we continue to improve our waste management processes accordingly. In 2021, we prevented the use of 266 tons of plastic and 75 tons of paper thanks to our efforts to improve the quality of our packaging waste. In 2021, we donated 65,000 saplings to reforest the areas damaged by forest fires. We aim to reduce our environmental impact every day through our sustainability efforts. Accordingly, by 2030, we aim to transition all stores to a new design with an "energy-efficient and more modern appearance" and to reduce greenhouse gas density by 20 percent in 2026 compared to 2019. Thus, we not only aim to reduce our environmental impact but also to improve the shopping experience of our customers.



### **BİM achieves sustainable growth with strong governance.**

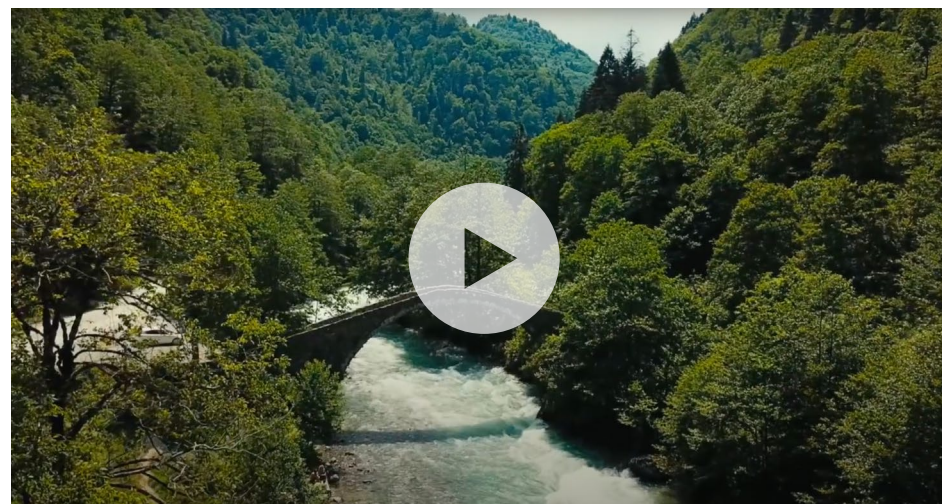
We sustainably grow our financial performance thanks to our strong corporate governance. Within this scope, we also support social welfare and purchasing power with our "Everyday low prices" policy. We continued our 2021 year-end financial growth, with consolidated revenues up 27% to TL 70.5 billion and EBITDA up 28% to TL 6.5 billion. In 2021, our investments increased by 69% to TL 2.2 billion from TL 1.3 billion in 2020. In order to provide a more accessible service to our customers, we plan to invest 3.2 percent of our revenues with the new stores and logistics centers we plan to open in 2022. We continue distributing dividends to our investors on a regular basis in line with our dividend policy.

We are pleased to present our Sustainability Report in which we transparently share our goals and performance in the environmental, social and governance areas covering the BİM Sustainability Approach, to our stakeholders. We express our sincerest gratitude to all our stakeholders, particularly our employees, whose dedication and hard work contributed to this Report.

## BİM at a Glance

As one of the most valuable companies in Turkey, BİM, Turkey's leading chain market, conducts operations that are beneficial to the national economy, society and reduce environmental impact.

Since its establishment in 1995, BİM has been committed to bringing affordable and high quality products to consumers, and today it is Turkey's leading chain market. As of 2021, BİM offers its services with a total of 70,197 employees in Turkey and abroad, 10,489 stores (9,611 in Turkey and 878 abroad), and 72 logistics centers, 67 of which are located in Turkey. Annual net sales of BİM, with a sales increase by 118% in the last three years, reached TL 70.5 billion on a consolidated basis as of 2021. Increasing its profitability by 12% compared to the previous year, it achieved a net profit of TL 2.9 billion in 2021. The Company continued to increase its investments in 2021 and realized TL 2.2 billion worth of investments, all of which were financed from its equity capital.



[Click play to watch our \*\*Environment Day\*\* commercial.](#)

### BİM Shareholding Structure (as of June, 30 2022)

Merkez Bereket Gıda Sanayi ve Ticaret A.Ş.	TL 91,998,214	15.15%
Naspak Gıda Sanayi ve Ticaret A.Ş.	TL 68,600,000	11.30%
Other (Non-Public)	TL 15,312,000	2.52%
Other (Public)	TL 431,289,786	71.03%
<b>Total</b>	<b>TL 607,200,000</b>	<b>100%</b>

As one of Turkey's most valuable companies, BİM aims to mitigate its environmental impact while conducting operations that benefit the national economy and society. In terms of its number of employees, it is among the largest companies of Turkey and contributes to the Turkish economy by providing employment in its stores and business partners. BİM, with its efficient cost management and limited product portfolio, is the first representative of hard discount model in Turkey. Starting its journey with its lean business model and "Everyday low price" policy, BİM fights inflation so as to incessantly provide its customers with quality products at the best prices and support economical households. Pioneering the sector and setting an example with its low price policy, BİM will continue its fight against inflation in the following periods.



# BİM at a Glance

Constantly creating added value for Turkey thanks to its “everyday low price” policy, BİM continued to contribute to its customers’ purchasing power in 2021 as well.

## The share of BİM private label products in net sales is 64%.

BİM is a retail company rendering services with its private label products under the scope of its policies of low price and fight against inflation. Thus, BİM works on its private label products with especially its suppliers and gradually increases the share of its brands in the product portfolio. BİM provides products with best prices to its customers by avoiding any unnecessary expenses escalating product prices such as marketing and advertising and without compromising on the quality. When BİM went public in 2005, the share of its private labels in net sales was 46%. This share has increased to 64% in 2021. Within the product portfolio, there are approximately 850 products which are updated according to customer demands and expectations. In 2021, 81 new products were added to the portfolio and the variety of fruit and vegetable products was increased.

BİM considers its suppliers as its business partners, one of the most important stakeholders it has and carries out responsible purchasing and production. BİM supports and develops its suppliers in the entire production processes so that they can produce by taking into account quality in the final product. Enlisted among the companies with the shortest payment period in the sector, BİM is an entity that the suppliers particularly want to work with. Despite local and global challenges, BİM continued to support its suppliers with early payments and advance payments, and relations based on mutual trust continued in 2021.

 Total number of stores  
**10,489**

## Domestic Stores



Stores  
**9,451**



Logistics Centers  
**64+1\***

## BİM Morocco



Stores  
**578**



Logistics Centers  
**3**



Stores  
**160**



Logistics Centers  
**3**

## BİM Egypt



Stores  
**300**



Logistics Centers  
**2**

**1.3 million m<sup>2</sup> closed storage area on a total of 2.6 million m<sup>2</sup> land**

\* One of the logistics centers comprises the warehouse of GDP Gıda Paketleme Sanayi ve Ticaret A.Ş., a subsidiary subject to consolidation.

# BİM at a Glance

Launching the online shopping channel in 2021, BİM and FİLE continue to expand the service network with the mobile application.



In 2021, BİM achieved a 27% growth in net sales.

### BİM During the Fight Against Pandemic

Despite the ongoing pandemic conditions, a normalization process began in 2021, with a demonstrable effect on operational and financial results. BİM's efficient pandemic management and product availability enhanced consumer confidence in BİM, and 2021 was a year of continuous robust growth for BİM. The results for 2021 exceeded expectations, with BİM achieving a 27% increase in net sales.

Aware of its social responsibility, BİM continuously stood by consumers with its "everyday low price" policy, even as rising inflation during the year reduced consumers' purchasing power. Reflecting gains from efficiency improvements to product prices, BİM continued to create added value for our country. The Company maintained progress in store openings this year as well, opening more than 1,000 new stores.

The number of stores opened according to the new store concept, which is more environmentally friendly while offering a better shopping experience, reached 2,300. With this new design, BİM also adopted practices such as heat insulation to boost energy efficiency while gaining a modern look and product visibility. Thus, environmental effects and costs were reduced at BİM stores. The number of our BİM Mini stores, which are still in the trial phase, reached 86 in 2021.

BİM maintains its international presence in two countries: Morocco and Egypt. BİM Morocco, which began operations in 2009 and achieved net profitability for the first time in 2019, expanded to 578 stores in 2021 and maintained net profitability despite adverse market conditions. Its operations in Egypt which is the second overseas location began in 2013 and continued in 300 stores in 2021.

### A Modern Store Experience: FİLE

Opening its doors in 2015 as the new retail design of BİM, FİLE provides an innovative and special supermarket experience to its customers while sustaining BİM's business approach. Having a wider and refreshing shopping space as compared to other hard discount markets, FİLE stores also have special service sections such as personal care, meat-deli and bakery products counters in addition to the staple food products. Having more options than BİM in terms of product diversity, FİLE has been growing rapidly since it started its journey. In 2021, FİLE opened 37 more stores and now serving with 160 stores. FİLE set up its third warehouse in Ankara in 2021 in addition to its two warehouses in Istanbul, expanding its area of activity. Thanks to a plain presentation of the correct business model, FİLE quickly achieved EBITDA profitability and managed to attain net profitability in the fifth year of its operations. 33% of FİLE's sales consist of private-label products. 45 products not previously offered to the market before in Turkey have been introduced to consumers for the first time thanks to FİLE.



## Developments in 2021

BİM made an investment of TL 2.2 billion on a consolidated basis in 2021 and made significant strides in sustainability.



Number of Employees

**70,197**



Net Sales

**TL 70.5 billion**



Net Profit

**TL 2.9 billion**

- By the end of 2021, our consolidated sales volume increased by 27% reaching TL 70.5 billion, and our EBITDA grew by 28% to TL 6.5 billion as compared to the previous year.
- BİM invested TL 2.2 billion on a consolidated basis.
- BİM currently has 10,489 stores in total, including 1,124 new stores opened in Turkey and abroad.
- BİM private-label products have a sales rate of 64%.
- Average number of daily consolidated customer visits was 5 million.
- The product range increased from 800 to 850.
- All suppliers are local, and their number reached 1,655.
- In 2021, 1,181 supplier audits were conducted.
- It has a total of 70,197 employees, 65,055 of whom are based in Türkiye.
- 538,728 person\*hour of OHS training was provided, which is nearly 8 hours per person.
- Energy density per square meter was 193.04 kWh/m<sup>2</sup> with a decrease of 4% and GHG density was 1178 kg CO<sub>2</sub>/m<sup>2</sup> with a decrease of nearly 6% in 2021 as compared to 2020.
- BİM prevented 266 tons of plastics and 75 tons of paper consumption annually at the end of its sustainable packaging efforts, thus saving TL 8 billion.
- BİM recycled the solid wastes, consisting of 89% of non-hazardous waste which was a total of 317 thousand tons in 2021.
- Bircan Fide, an Afyon-based company that specializes in soilless agriculture in geothermal greenhouses, was acquired in 2021.
- In 2021, Es Global Gıda Sanayi ve Ticaret A.Ş. was established to improve the quality of some biscuit and confectionery products sold in BİM stores and to achieve sustainable product supply.

# Sustainability Management

Pursuant to BIM's understanding of sustainability, ESG factors should be considered in its activities and decision-making mechanisms for long-term value generation, to make the value generated persistent and to increase them and the risks and opportunities in the fields of ESG should be managed effectively.

The climate crisis, the impact of which we feel today in environmental, social and economic areas, is one of the leading global risks. Moreover, rising population, income inequality, livelihood problems, and changing consumption habits around the world have both environmental and socio-economic impacts. Within this scope, the pressure on all sectors is also particularly felt in the food sector. The problem of poor access to food, concerns about food safety and problems in the supply chain pose a critical risk with regard to the business world. In this respect, companies that correctly analyze the risks and opportunities in environmental, social and governance (ESG) areas and keep pace with the transformation are one step ahead of the competition.

Pursuant to BIM's understanding of sustainability, ESG factors should be considered in its activities and decision-making mechanisms for long-term value generation, to make the value generated persistent and to increase them and the risks and opportunities in the fields of ESG should be managed effectively. Accordingly, extensive works were carried out in 2020 for the integration of sustainability into the business model. The sustainability structure was established with these efforts and steps are taken in accordance with the sustainability strategy (BIM Sustainability Approach) and sustainability roadmap developed in 2020. While strengthening our institutional structure with 9 policies published in the last year, a roadmap was created by announcing long-term targets on ESG issues for the first time in 2022.

A Sustainability Committee reporting to the Board of Directors of BIM was gathered together. The committee consists of Chief Financial Officer (CFO), Chief Operating Officer (COO) and two Board members. The chairperson of the committee is an independent member of the board of directors. Four work groups, namely i) Sustainability Strategy Management & Corporate Governance, ii) Customer Experience & Products & Supply Chain, iii) Employees and iv) Environment, report to the Committee and carry out their duties. Work groups consist of executives and employees from the related units. Actions that can be implemented by every work group are designated on the sustainability road map. Moreover, sustainability goals give direction to the works.



**General Coordination:**  
Investor Relations & Sustainability Department

*BIM Sustainability Committee Working Principles can be found [here](#).*

# BİM Sustainability Approach

While prioritizing the interests of its customers over short-term high profits in daily operations, BİM also considers the interests of humanity and future generations in line with its understanding of sustainability.

As the first representative of the hard discount model in Turkey, BİM consistently undertakes to improve its sustainability policy and demonstrate shared values for its stakeholders. Reflecting the basis of its sustainability approach, an important societal mission, is the BİM philosophy, consisting of the "Everyday low price" policy, the principle of transmitting cost savings to product prices, and a lean business model.

While prioritizing the interests of its customers over short-term high profits in daily operations, BİM, also considers the interests of humanity and future generations in line with its understanding of sustainability. BİM focuses on issues in which the Company can offer a genuine impact and solutions that work for the benefit of humanity. BİM has committed to fulfilling its social responsibilities since its foundation.

The Company upholds its sustainability approach based on value and outcome, and does not consider its sustainability work as marketing or advertising activity. BİM conducts its communications in this area in a manner that contributes to social awareness.

While adopting its sustainability strategy, BİM designates and implements concrete, effective strategies where the Company can optimally leverage its operational capabilities within the scope of its areas of activity. BİM contributes to the United Nations Sustainable Development Goals (SDG) taking into consideration its field of activity, business model and corporate culture.

In line with its business model, BİM provides access to high quality products, and supports household purchasing power with its "Everyday low price" policy, successfully implemented via cost-effective management. The Company also encourages responsible purchasing and production, and operates at locations that are extremely close and accessible to its customers.

**The BİM Sustainability Approach defines the Company's vision in accordance with its business model and the sustainability issues under focus:**

**BİM provides quality products and services.**

**BİM manages the value chain responsibly.**

**BİM aims to ensure a healthy and thriving environment.**

**BİM achieves sustainable growth with strong governance.**

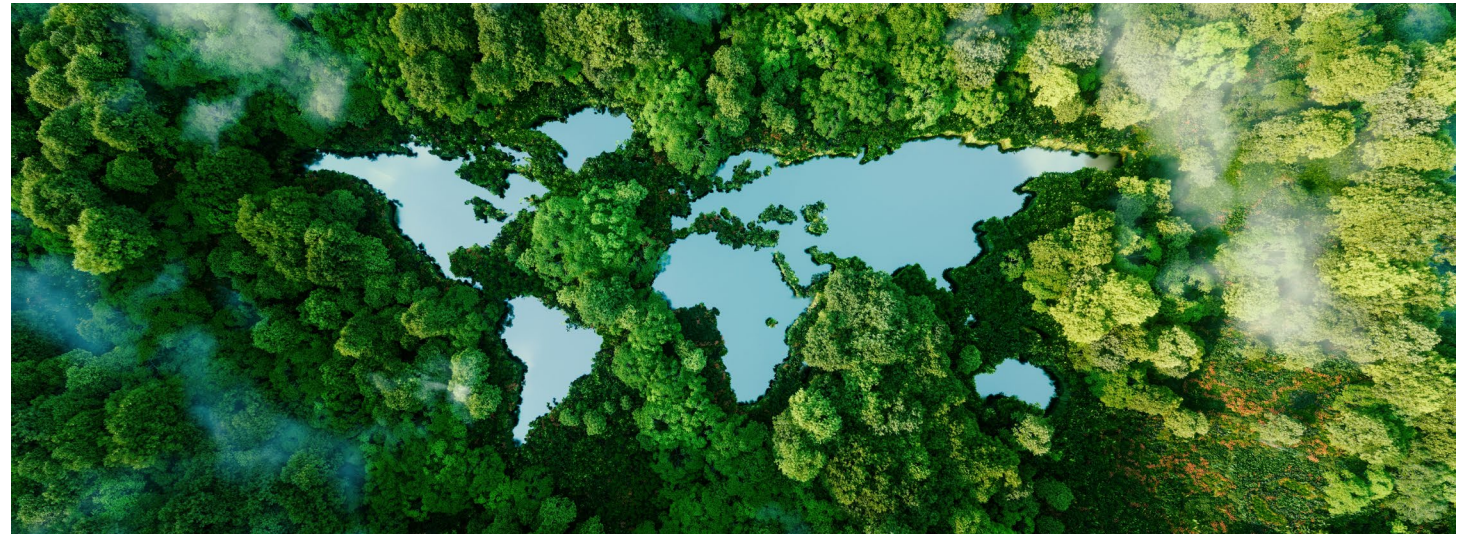
*Click on the boxes to go to the relevant sections.*





# Sustainability Material Topics

International literature, stakeholder opinions and business strategy were evaluated from an integrated viewpoint for the purposes of determining material issues required to be focused on in the field of sustainability.



In order to determine material issues required to highlight in the field of sustainability, current situation, comparison and stakeholder analyses were conducted.

### Materiality Analysis

International literature, stakeholder opinions and business strategy were evaluated from an integrated viewpoint for the purposes of determining material issues required to be focused on in the field of sustainability.

An exhaustive stakeholder analysis was realized in accordance with AA1000 Stakeholder Engagement Standard. While determining the priorities of the stakeholders:

- An online questionnaire was sent to the employees as internal stakeholders and investors, suppliers, business partners, non-governmental organizations (NGOs) and representatives as external stakeholders.
- Insights related to global risks that the World Economic Forum points out under the scope of external trend analysis dwelling upon international and local developments, priority issues that Sustainability Accounting Standards Board (SASB) prepared specially for the sectors, SDGs, European Green Deal, 11<sup>th</sup> Development Plan of Turkey and retail trends of the post-pandemic period have been reviewed.

While analyzing business priorities of BİM;

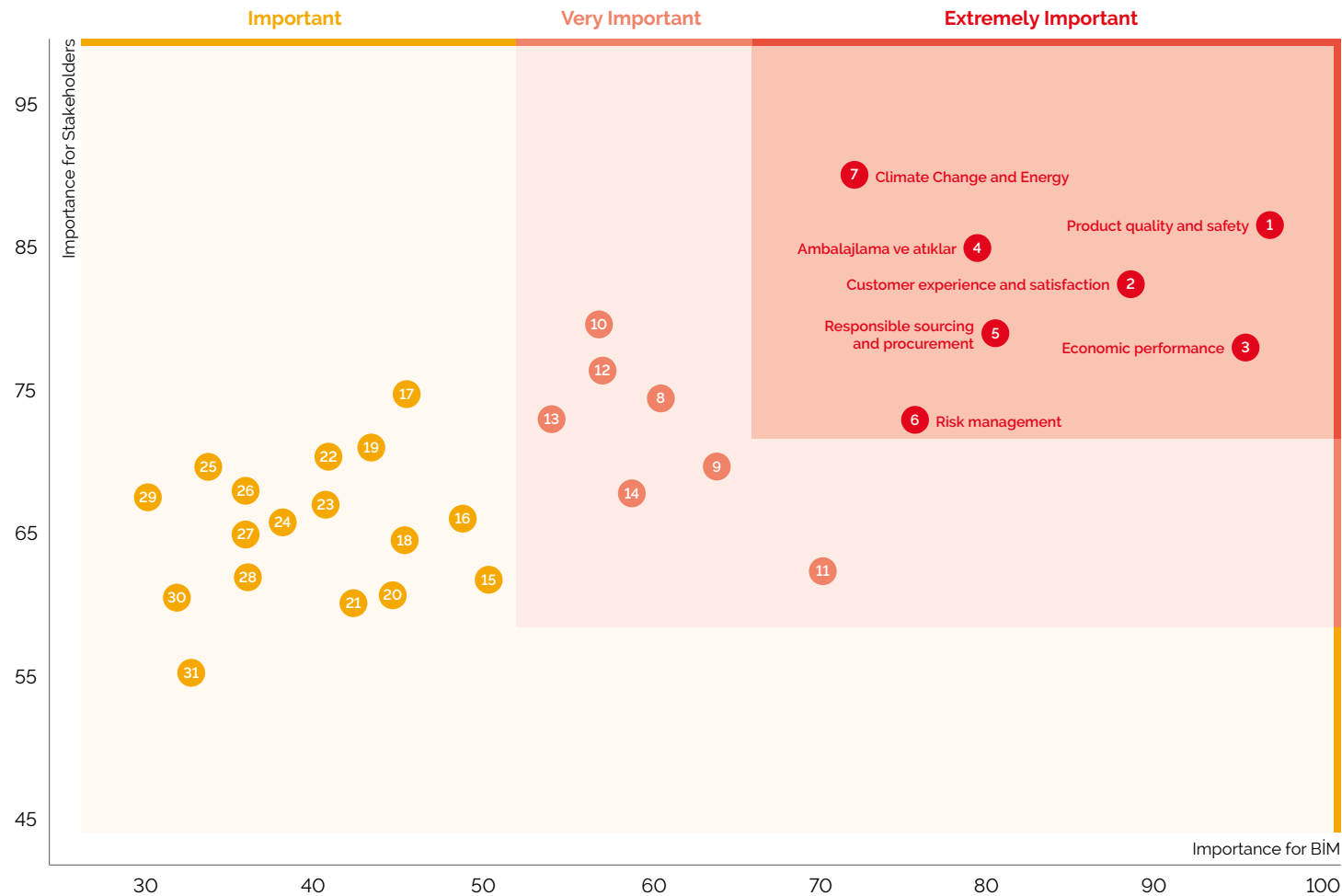
- Issues that BİM focuses on in line with the business strategy has been taken into consideration.
- Opinions of the BİM's Board members and senior management were obtained via online questionnaire.
- Impact analysis methodology which ensures that every issue is handled in terms of different effects and opportunities was used as recommended by SASB in determining prioritized issues. The risks and opportunities standing out financially, legally and with respect to innovation and competition.

As a result of the materiality analysis, extremely important and very important material issues were determined.



# Sustainability Material Topics

## Materiality Matrix












- Extremely Important**
1. Product quality and safety
  2. Customer experience and satisfaction
  3. Economic performance
  4. Packaging and waste
  5. Responsible sourcing and procurement
  6. Risk management
  7. Climate Change and Energy

- Very Important**
8. Business Ethics
  9. R&D and Innovation
  10. Human rights and fair working conditions
  11. Food accessibility
  12. Food Waste
  13. Transparency
  14. Corporate Governance











- Important**
15. Talent management
  16. Technology and digital transformation
  17. Occupational Health and Safety
  18. Combatting Bribery & Corruption
  19. Water and wastewater
  20. Contribution to local development
  21. Product information
  22. Employee Engagement and Satisfaction
  23. Circular economy
  24. Sustainable Agriculture
  25. Equal Opportunity and Diversity
  26. Stakeholder engagement
  27. Data privacy and cyber security
  28. Multi-stakeholder initiatives and collaborations
  29. Biodiversity
  30. Animal welfare
  31. Social responsibility programs

# Sustainability Material Topics

Importance	Related Strategy Area	Material Topic	How is It Managed?	Relevant Section	Related SDG
<b>Extremely Important</b>	BIM provides quality products and services.	Product quality and safety	BIM provides quality and safe products at affordable prices, having them produced specially for its customers. Food safety is assured according to international standards.	Quality Products and Services	
	BIM provides quality products and services.	Customer experience and satisfaction	For BIM, customer benefits are more important than short-term high profits. With its unconditional return policy, BIM ensures that the customers return the products they are dissatisfied with, without any further discussion. Locations that are very close to the customers and its quality products and services assure that BIM keeps customer satisfaction at a high level constantly.	Quality Products and Services	
	BIM achieves sustainable growth with strong governance.	Economic performance	Maintaining strong economic performance every year, BIM periodically distributes profit share to its investors in accordance with its dividend policy. BIM contributes to the welfare and purchasing power of the society in line with its "Everyday low price" policy. BIM also reduces its environmental impacts at the same time with its effective cost management that it implements in all operations and decision making processes. While providing a significant support to the employment of the regions where it operates, BIM provides great convenience to its suppliers whom it considers among the most important stakeholders with short payment periods and other means of support.	Sustainable Growth with Strong Governance	
	BIM aims to ensure a healthy and thriving environment.	Packaging and waste	BIM makes efforts to manage the environmental impact of private label packages and activate cost structure. Furthermore, BIM supports the public projects.	Healthy and Thriving Environment	
	BIM manages the value chain responsibly.	Responsible sourcing and procurement	BIM improves social and environmental conditions by making its operations efficient throughout the entire supply chain in line with the responsible purchasing and production principles. BIM supports the suppliers to make quality production at low cost with its high purchasing power and the tailored products. BIM transforms and develops the sector by encouraging the producers of private label products for responsible production. Via efficient monitoring and auditing mechanism, it keeps sustainability and quality of the supply chain at the highest level.	Responsible Value Chain	 
	BIM achieves sustainable growth with strong governance.	Risk management	BIM manages the risks and opportunities in a proactive manner for a robust and sustainable growth. In line with the future targets of the company, BIM realizes its effective management of the risks in the field of ESG.	Sustainable Growth with Strong Governance	
	BIM aims to ensure a healthy and thriving environment.	Climate change and energy	With its lean business model, BIM works focused on efficiency by avoiding all unnecessary expenditures including energy consumption. BIM focuses on mitigating environmental impact in its operations in order to support the fight against climate change. Within this scope, BIM takes firm steps to secure energy efficiency and makes renewable energy investments. It increases resource productivity with its effective logistics infrastructure.	Healthy and Thriving Environment	 



# Sustainability Material Topics

Importance	Related Strategy Area	Material Topic	How is It Managed?	Relevant Section	Related SDG
Very Important	BIM achieves sustainable growth with strong governance.	Business ethics	BIM establishes fair, transparent and responsible relations based on accountability principle with all stakeholders in accordance with local and international legislation and ethical business approach.	Sustainable Growth with Strong Governance	
	BIM provides quality products and services.	R&D and innovation	BIM develops responsible and innovative products with innovation works. It ensures healthy, beneficial, quality and innovative products are manufactured for everybody. BIM offers solutions for responsible purchasing and production for the environment and society and supports sustainable transformation of the business world by collaborating with public and private sector and NGOs.	Quality Products and Services	
	BIM manages the value chain responsibly.	Human rights and fair working conditions	Any discrimination in any issue such as religion, language, race and gender is not tolerated in the human resources policies. Human values are given priority and efforts are made to enhance the quality of life throughout the value chain.	Responsible Value Chain	 
	BIM provides quality products and services.	Food accessibility	BIM has high quality and safe products produced specially at low costs for its customers. BIM attains low prices without compromising on the quality by keeping operational costs at the lowest level. BIM avoids from decoration and advertising expenses. It makes high quality affordable for everybody.	Quality Products and Services	  
	BIM aims to ensure a healthy and thriving environment.	Food waste	Various projects protecting cold chain in store and warehouse operations are implemented and public projects are supported so as to reduce food wastes. Food wastes are one of the performance assessment criteria of the employees.	Healthy and Thriving Environment	
	BIM achieves sustainable growth with strong governance.	Transparency	BIM transparently shares information on activity, ESG strategy and performance with its stakeholders.	Sustainable Growth with Strong Governance	
	BIM achieves sustainable growth with strong governance.	Corporate governance	BIM oversees the benefits of the investors and all stakeholders and creates values for them under the scope of corporate management. While rendering its financial performance sustainable thanks to its strong corporate management. BIM adopts transparent and ethic understanding of business with an efficient risk management.	Sustainable Growth with Strong Governance	



## Quality Products and Services

**BIM offers quality products at the most affordable price.**

22 → *Product Quality and Safety*

23 → *BIM Private-Label Products*

25 → *R&D Activities*

26 → *Customer Experience and Satisfaction*



## Quality Products and Services

Effective cost management, the “Everyday low price” policy, and purchasing and operating power, ensure that high quality, safe and innovative products are available to all segments of society.



BİM keeps operational costs to a minimum level and reflects the consequent savings to customers as discounts. Effective cost management, the “Everyday low price” policy, and purchasing and operating power, ensure that high quality, safe and innovative products are available to all segments of society.

BİM’s journey, which began with 21 stores in 1995, continues with 9,611 stores in Turkey and 878 stores abroad, a total of 10,489 stores. Despite the harsh economic conditions imposed by the global pandemic, BİM realized a 12% growth in the annual number of stores in 2021, opening 1,123 stores. Always considering the needs of its consumers and working from a customer-based perspective,

BİM offered more alternatives by increasing its SKU range from 800 to 850 and expanding its product range in 2021. BİM increased its total sales by 30% in the last three years, thanks to the Company’s uncompromising quality and products that are used by a wide segment of society.

With its organizational structure, effective cost management practices and limited product range, BİM is the first representative of the discount model in Turkey. BİM’s discount concept is based on three fundamental pillars:

- Accelerating decision-making and implementation processes by establishing an active logistics and information network among regional head offices and stores through a dynamic organizational structure;

- Avoiding unnecessary expenses that raise product prices; keeping the costs of management, store decoration, personnel, distribution, marketing and advertising at a minimum level;
- Maintaining effective quality standard controls by limiting the product range to around 850 items, and ensuring that products reach customers at the most affordable prices.



## Product Quality and Safety

All the facilities which produce BİM's private label products are audited and assessed in terms of consumer health and safety.

BİM offers quality products at the most affordable prices, and food safety is managed systematically based on the national standards. Targeting to continuously meet customers' needs completely and consistently, BİM adopts constant improvements in food safety as a company policy. For this reason, the Quality Assurance Unit exists as part of the Purchasing Head Office.

The duties of the Quality Assurance Unit include, but are not limited to, the following:

- Conducting activities to ensure the sustainable quality standards of purchased products as per the defined strategies,
- Conducting activities for legal proceedings of product packages,
- Following up on legal changes and problems in respective product groups,
- Inspecting the quality of products per the procedures,
- Carrying out tests when required and during scheduled times.

The Company's private label products are produced in facilities that have been awarded international food safety management systems certification; all facilities are audited and assessed in terms of consumer health and safety. In 2021, 1,380,000 parameters were analyzed in 13,500 product samples. There is a full legal compliance policy in terms of product safety and consumer health. All private-label product suppliers and branded product suppliers which do not have international certificates are audited under the categories of product safety, infrastructure and process, cleaning practices, pest control and critical applications. All the products are controlled at laboratories approved by the Ministry of Agriculture and Forestry.

In 2021, Es Global Gıda Sanayi ve Ticaret A.Ş. was established to improve the quality of some biscuit and confectionery products sold in BİM stores and to achieve sustainable product supply. The establishment procedures of the factory and production lines in the Eskişehir province are ongoing.

**At BİM, food safety is systematically managed on the basis of national standards.**

### Maximum value to human health

BİM demonstrates the importance it attributes to human health through the quality products it offers. To control the quality of the product portfolio, the Company works in coordination with public and private laboratories and, if necessary, with international laboratories. All food products sold at BİM undergo physical, chemical, and microbiological tests at these laboratories. Food products offered for sale are regularly checked in terms of content such as pathogenic and non-pathogenic microorganisms, toxins, pesticides, veterinary drugs, antibiotic residues, limited use additives and preservatives, GMO presence, etc. Non-food products offered for sale are also checked in terms of legal parameters such as azo-dyes, phthalates and heavy metals that can threaten human health. Furthermore, tobacco and alcoholic beverages that are harmful to human health are not sold in accordance with the Company's policy.

### Project to Improve Packaging Standards

BİM cares for human health by eliminating hazardous substances in product packaging. The Project of Improving Packaging Standards is aimed at reducing the impact of food-contact packaging on human health, and the environmental impact of packaging wastes. Within the scope of this project, the use of aluminum in dried nuts packaging was discontinued due to the speed of circulation in product sales.



Click play to watch our **I Have So Many Reasons** commercial.



Number of analyzed product samples in 2021

**13,500**



## BİM Private-Label Products

BİM was the first company to introduce the understanding of selling private label products into the Turkish retail sector. BİM plays a key role in the fight against inflation in Turkey by offering such high-quality products at affordable prices.

BİM offers high quality products produced for its customers and presents these products at the best possible price. With its private label products, highly regarded in the business model, BİM manages its product range effectively and offers products from diverse categories without compromising on quality. The formulas and designs of private label products offered at BİM stores belong solely to BİM and production is conducted by suppliers selected by the Company. Therefore, there is a dynamic management approach for the respective products. The most outstanding feature of these products is that they are relatively cheaper than their counterparts of the same quality.

BİM was the first company to introduce the understanding of selling private label products into the Turkish retail sector. BİM plays a key role in the fight against inflation in Turkey by offering such high-quality products at affordable prices. Each year, BİM improves its private label product portfolio. When BİM went public in 2005, the share of its private labels in net sales was 46%. This share expanded to 64% in 2021. In 2022, BİM aims to increase the ratio of private label products within total products at both BİM and FİLE stores.

BİM transitioned to a QR code system on product labels to increase information sharing and customer satisfaction for its private-label products. Consumers can learn about the production stages of the product with the QR code they scan via their smartphones. In line with the sustainability goals, BİM aims to increase the number of private-label products bearing QR codes to 10% of the total private-label product portfolio by 2026.



Establishing a new supply system, FİLE added new private-label products to its portfolio, in addition to national and international products. Three new private-label brands in basic product categories were introduced to consumers; 33% of the products sold at FİLE consist of private label products. In 2021, forty-five new products, launched for the first time in Turkey, were introduced to customers at FİLE stores.

### R&D Activities

BİM focuses on R&D works in order to introduce new products and reach more consumers. Being aware of the significance of its growth strategy, the R&D unit carries out activities together with the suppliers who are key stakeholders of BİM. As a result of the studies and tests conducted with suppliers' participation, 81 new products were introduced to consumers in 2021. The private-label products, which are the main elements of BİM's discount concept, constituted 40% of newly released products in 2021. 40% of the new products offered to customers in 2021 consisted of the private-label products, which are the main elements of BİM's discount concept.





## BİM Private-Label Products

With its private label products, highly regarded in the business model, BİM manages its product range effectively and offers products from diverse categories without compromising on quality.

Products offered by BİM are divided into four main groups:

### BİM's private label products

Introducing the concept of private-label products to the retail industry with "Dost Süt," BİM leads this concept in Turkey. BİM stores offer only high-quality private label products, produced by suppliers selected by the Company. BİM solely owns the brands and formulas of these products.

### Exclusive products

These are branded products with packaging and contents specifically designed for BİM. They are available only at BİM stores.

### Spot products

These are products kept in stock for a limited time and offered to customers in weekly periods. When spot products are on offer, they increase the number of customers visiting BİM stores and, consequently, increase the sales of standard listed products as well.

### Branded products

These are the products that are widely available in the market.

**A total of 17 products carrying BİM's private label were awarded Taste Award Certificates by the Brussels-based International Taste Institute, which was established in 2005.**

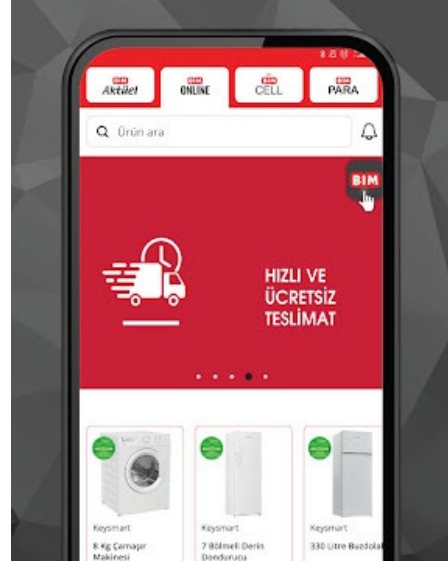


BİM was awarded the Taste Award certificate by the International Taste Institute for 17 more products in the spring 2021 evaluation. Having previously achieved the same success with 48 products, BİM has now extended the number of Taste Award certified products to 65.

## R&D Activities

Innovative business models emerging thanks to digitalization and new technologies create alternative channels for customers and new revenue opportunities for companies. Customer satisfaction is aimed to be increased with the digital services developed within this scope.

### Digitalization



#### BİM Mobile Application

Launched on December 24, 2021, the BİM Market application is used to sell non-food products. Current products can be easily viewed on the app, which can be downloaded via Appstore or Google Play. The BİM Market app focuses on customer satisfaction and offers free shipping, options to pay in installments, and affordable price advantages with the addition of new products every Friday. In addition, users can get information about BİM Cell online transactions and BİM Para, the contactless payment application that facilitates shopping at BİM via the app.



#### FILE Mobile Application

As the demand for online food shopping has increased with the pandemic, consumers' expectations in this area have also heightened. In 2021, FILE launched its online shopping channel and continues its services by covering a large part of Istanbul's population with its mobile application, providing services in 21 cities.



#### BİM Para / FILE Para

Taking key steps in contactless payment, which has become increasingly vital as a result of the pandemic, BİM now allows its customers to send money to each other and make contactless payments at cash registers using the BİM Para and FILE Para mobile applications. By the end of 2021, the number of transactions completed through BİM Para surpassed 2.4 million.

## Customer Experience and Satisfaction

At the end of 2021, BİM started to offer shopping services for non-food products through its mobile application.



Customer satisfaction has been the backbone of BİM's 26-year corporate culture. BİM attaches more importance to the benefits of its customers than to short-term high profits in line with its approach. The Company aims to present an optimal shopping experience to its customers at all times via an unconditional return policy and competent employees.

BİM, the largest player in food retailing in Turkey, continued to fully meet the needs of consumers through effective supply chain and inventory management under challenging and unexpected pandemic conditions, and expanded its customer profile even in such a period. Despite the pandemic conditions, the number of consolidated daily customer visits increased from 4.7 million in 2020 to 5 million in 2021. Bimcell is a virtual prepaid operator, and its subscriber base increases each day. Bimcell's number of subscribers was 2.7 million as of the end of 2021.

BİM demonstrates utmost attention to the needs, expectations and complaints of customers in order to continually improve customer experience and maintain customer satisfaction at the highest level. BİM customers may return any product at any time, unconditionally and without stating any reason, at the closest BİM store by providing the receipt and credit card slip.

BİM constantly reviews its product range in line with customer expectations and increased its product range from 800 to 850 in 2021, without harming the overall concept. In particular, the Company added more options to the fruit and vegetable section, encouraging healthy shopping.

*BİM's Philosophy is available [here](#).*

BİM monitors products in the sustainable product category alongside its product diversity and works to increase the current ratio. The overall ratio of this category in total turnover in 2021 was realized as 1.6%. On the other hand, tobacco and alcoholic beverages, which are harmful to the health, are not sold.

The concept of online shopping started to occupy a larger place in the lives of consumers with the global pandemic. Some studies suggest that consumers exposed to this experience may continue to prefer online shopping in the post-pandemic period. Having opened 37 new stores and serving with 160 stores by the end of 2021, FILE started to meet the needs of its customers through its mobile application in May 2021. Meanwhile, the BİM mobile application became available at the end of 2021. The app, which lists only non-food products, provides services all over Turkey.



Consolidated number of average customer visits in 2021

**5 million**



Number of products

**850**





## Responsible Value Chain

BIM contributes to the local economy by selecting all its suppliers from among the local producers.

28 → Supply Chain Management

29 → Employees



# Supply Chain Management

BIM supports suppliers in performing quality production at low cost with its high purchasing power and tailored products.

**Effective value chain management is considered essential in predetermining and managing reputational, financial, environmental and social risks.**

The shortage of access to resources, the effects of the COVID-19 pandemic, global disruptions and the climate crisis are putting pressure on the supply chain. While companies that accurately analyze environmental and social risks in supply chain management gain a competitive edge, short-term planning becomes increasingly irrelevant. Proactive supply chain management, based on long-term infrastructure innovation, is critical for multinational corporations. Companies, which are least reliably affected by environmental and social risks thanks to improved supply chain management improving durability through systemic change, are also receiving positive financial results.

**BIM, by supporting the development of suppliers responsible for the production of private-label products, pioneers the development of the sector.**

BIM supports suppliers in performing quality production at low cost with its high purchasing power and tailored products. BIM, by supporting the development of suppliers responsible for the production of private-label products, pioneers the development of the sector. The Company contributes to the development and productivity of this ecosystem through the long-term, trust-based relationships established with its stakeholders, and maintains the sustainability of the supply chain at a high level via efficient monitoring and auditing mechanisms. Operating standards under the scope of supply chain management are determined by the Purchasing General Manager. The Purchasing General Manager reports directly to the General Purchasing Committee (GPC).



In 2021, the total number of BIM suppliers reached 1,655, an approximate increase of 8% compared to 2020. All suppliers of the company are local producers and BIM thus supports the local economy. In 2021, the Company paid approximately TL 57 billion to suppliers.

Having published its Responsible Procurement Policy in 2022, the Company adheres to responsible procurement and production principles. With the share of its private-label products in net sales rising to 64% in 2021, BIM intends to lead the transformation of the sector with its high quality and best price policy.

**The production sites of candidate suppliers are inspected within the scope of a BIM-specific question list.**

BIM conducts regular audits in order to protect its quality and safety standards throughout the entire supply chain. The manufacturing sites of candidate suppliers are audited according to a questionnaire exclusive to BIM, and only those suppliers deemed eligible and sufficient are selected to manufacture for BIM. Existing suppliers are subjected to periodic announced and unannounced inspections. A specific

question list contributes to the product safety and infrastructure development of suppliers, which undergo periodic audits. In 2021, the Quality Assurance Unit conducted 1,181 supplier audits in this respect. Of these audits, 750 were realized at 381 sites of suppliers responsible for private label products. The remaining audits were conducted with suppliers who do not produce private label products. These audits are initiated when the producers are candidate producers and are entered into the BIM system. Suppliers of private-label products with BIM IFS Food/Non Food, BRC Food/Non Food and AIB certification are exempted from audits. For branded product suppliers without these certifications and for private label product suppliers without regarding whether they have these certificates, a single audit is performed covering five topics, namely product safety, infrastructure and process, cleaning practices, pest control, and critical applications.



<sup>1</sup> Supply chains: To build resilience, manage proactively <https://www.mckinsey.com/business-functions/operations/our-insights/supply-chains-to-build-resilience-manage-proactively>

## Employees

At BİM, where equal pay for equal work policy is applied for male and female employees, the gender pay gap among employees was measured as only 0.6% in 2021.

Changing world order, digitalization and innovative business models are transforming existing career plans and competencies. This change reveals that human resources management is an essential factor shaping company strategy. The fact that consumers have easier access to alternative products brings customer satisfaction and therefore customer loyalty to a significant position. In managing environmental and social risks correctly, employees, who have the most critical importance for companies to gain competitive advantage, come to the forefront on the basis of their competencies. Aside from strengthening employee competencies in line with future business models, the importance of inclusion and diversity is growing by the day. BİM continues its activities being aware of the significance of investing in employees to maintain customer satisfaction at the highest level in the retail sector in which it operates.

BİM invests in its human capital to increase their competencies and support their careers with its human capital policies. Competent and qualified BİM employees provide quality services in their business processes and constantly keep customer satisfaction at high level. These investments made in the competencies of the employees not only add value to BİM, but also ensure that skilled employees are cultivated for the retail sector. BİM backs up Turkish economy with its employment volume that has been on increase in line with its organic growth strategy. Company does not make any discrimination in its business processes, particularly in employment and provides a fair and equal business environment.



BİM employees and executives play a key role in companies' achieving their targets. Within the scope of this strategic importance, a Human Resources policy has been prepared, focusing on employee development. The policy has outlined the main qualifications adopted by BİM employees and prioritized as corporate culture. The recruitment processes prioritize the required knowledge, experience and skills, as well as programs aimed at the development of employees. Employee rights were protected in line with the principles of diversity and inclusion. At BİM, where equal pay for equal work policy is applied for male and female employees, the gender pay gap among employees was measured as only 0.6% in 2021.

Remote working, which has come to the agenda more frequently in business life due to the pandemic conditions, remain on the agenda of companies during the normalization process. Given the nature of the sector in which BİM operates, flexible working and remote working opportunities are limited. Nevertheless, the Company tests the option of telecommuting in the IT Department for two days a week, except for those who need to be present in the office.

<sup>2</sup>PWC. The future of work; A journey to 2022  
<https://www.pwc.com/ee/et/publications/pub/future-of-work-report.pdf>



# Employees

Thanks to its high employee engagement and organic growth, as of the end of 2021, BİM is among the companies in Turkey providing the most employment.

## Employment

Retail sector offers direct employment in business processes such as store, logistics, warehousing and packaging; and indirect employment with many partnerships in terms of production. The sector also provides common value for the society thanks to its wide ecosystem. Furthermore, due to the nature of its operations, the modern hard discount retailing sector does not allow any informal employment, but rather fosters production, employment and drop in inflation.

Thanks to its high employee engagement and organic growth, as of the end of 2021, BİM is among the companies in Turkey providing the most employment. In 2021, the number of employees increased by 16%. BİM has a total of 70,197 employees, of which approximately 65,000 are in Turkey. In

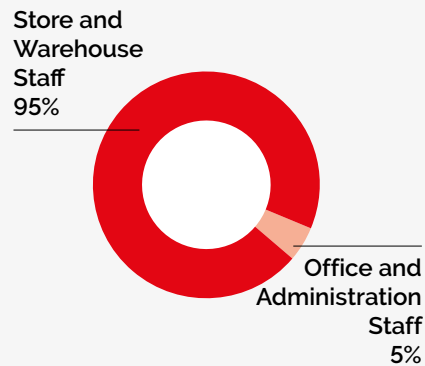
Turkey, nearly 5% of BİM employees are office and administration staff while 95% is store and warehouse staff. 44% of the employees are woman while the rate of woman within the office and administration staff is nearly 37%. This rate is 44% in store and warehouse employees.

Although the financial conditions of the companies have been negatively affected due to the pandemic conditions, BİM has generated nearly 9,086 net employment and continued fostering the development and sustainable growth of the Turkish economy.

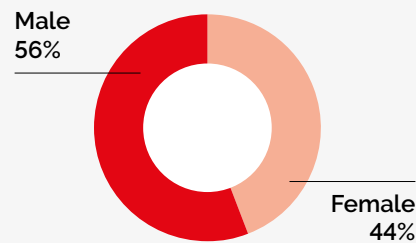
In 2021, 85% of the recruitments were people under the age of 30, and 53% of them were women. Successful corporate culture and vertical career policy encouraging employees result in high employee engagement and ensure that employee turnover rate remains below the sector average. The turnover rate for office employees was 8% in 2021, compared to 34% for store/warehouse employees.

Through its decentralized structure, the Company does not only contribute to a single region, but rather to the entire country. BİM aims to create 8,000 jobs in 2022.

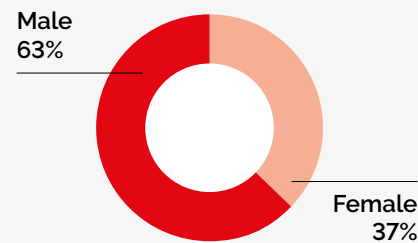
**Employees by Category**



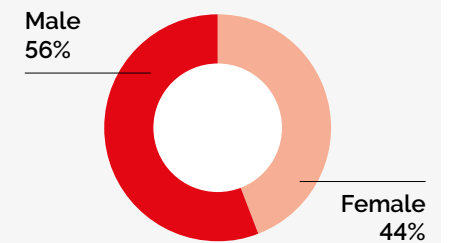
**Employees by Gender**



**Office and Administration Staff by Gender**



**Store and Warehouse Staff by Gender**



# Employees

**BİM provides career opportunities and a business environment where the employees will maintain their development and attaches importance to training programs.**

## Career Management and Trainings

BİM applies the principle of equality for the career development of its employees. One of the privileges of the company in terms of career management is to fill strategic vacancies through internal recruitment. Accordingly, the majority of current management staff are employees who either started their careers at BİM or have been at the Company since its foundation and were promoted due to their outstanding performances. This policy not only ensures the adoption of corporate culture but also positively impacts employee motivation.

BİM conducts objective performance reviews to measure existing employee performance and identify areas for growth. Around 16% of office and management personnel were exposed to regular performance and career development evaluations in 2021.

In 2021, BİM created a training program for store and regional managers to support employee development.

In addition to following an effective career management, companies' supporting personal and professional skills of its employees through various education, development and leadership programs plays a key role in fulfilling strategic targets and boosting sectoral competencies. Particularly the investments made in the employees' competencies in the retail sector assure employee engagement and high customer satisfaction by developing sales skills.



BİM provides career opportunities and a business environment where the employees will maintain their development and attaches importance to training programs. Within this scope, orientation training and programs are provided both for recruits and promoted employees; the topics to be addressed during the training are standardized through internal regulations. Additionally, occupational training is offered for positions requiring expertise; OHS and hygiene training is delivered for recruits regularly. Furthermore, the decentralized organizational structure of the company allows young executives to take initiatives and provides opportunities for them to develop their skills.

BİM drafted a training program within a curriculum such as a corporate academy for store and regional managers in order to foster employee development. Within the scope of the pilot training project, launched

in the Çorlu region in 2020 and developing further in 2021, 16.7 hours of online training was provided per employee, amounting to 1,187 person\*hours in 2021. In-class training sessions were conducted for 72 hours.

As part of the project, a mobile application was used to deliver the online trainings to the employees, and the effect of the in-class and online trainings on the employees was analyzed. Project outputs have been analyzed with employee and field surveys realized after the trainings given in two categories, namely online and in class. While test trainings made an improvement in the customer satisfaction by 32%, an increase by 10% was achieved in employee satisfaction specifically for the target group at the end of 360° appraisals. The program, which was launched in Çorlu Region, will be expanded to 6 new regions in 2022.





# Employees

Assuring that all employees work in a safe and healthy business environment is among the most prioritized targets of BİM.

## Occupational Health and Safety

Assuring that all employees work in a safe and healthy business environment is among the most prioritized targets of BİM. The company managing occupational health and safety (OHS) issues together with Occupational Health and Safety Committee within the framework of legislation constantly monitors its performance in this issue and reports accident statistics. 38% of the employees are represented in this Committee.

OHS risks in the areas of office, warehouse and logistics due to decentralized structure are handled and managed separately. The most authorized executive concerning the management of the risks and monitoring of the performance is Regional General Manager responsible for OHS and is on the second reporting line to the Chief Executive Officer. In accordance with these risks, BİM organizes various trainings in order to expand OHS culture and increase employee competencies. In 2021, the Company provided a total of 538.728 hours of OHS training, with approximately 8 training hours per employee. The number of training hours given increased by approximately 22% as compared to 2020.

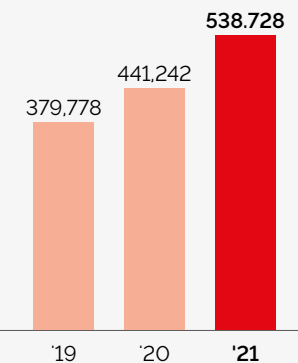
The Company analyzed the causes of occupational accidents in detail in 2021 and initiated efforts to reduce the frequency of occupational accidents. As a result of these efforts, the accident frequency rate is targeted to be reduced by 10% in 2022 compared to 2021.



BİM has initiated the preparations and work necessary to obtain ISO 45001 certification in a regional warehouse for trial purposes in order to increase occupational health and safety. Scheduled for 2022, the impact of the certificate on occupational accidents will be observed, and if the test is a success, the issue of obtaining the certificate in other regions will be considered.

In addition to its own employees, the company also takes care of the health and safety of the subcontractor firm employees by stipulating each of the OHS rule violations as a penal clause in the contracts made with contractors for warehouse construction.

## OHS Trainings by Years (person\*hour)



Decrease target in accident frequency rate (2021-2022)  
**10%**





## Healthy and Thriving Environment

BİM aims to contribute to a healthy and thriving environment and sustainable future.

35 → *Climate Change and Energy*

37 → *Packaging and Waste Management*

39 → *Water Management*

39 → *Biodiversity*

# Healthy and Thriving Environment

BİM focuses on energy efficiency and renewable energy investments in line with the combat against climate change.



The climate crisis increases its adverse environmental and socio-economic consequences. The World Economic Forum's annual Global Risk Report 2022 ranks a failure to tackle climate change as the most critical long-term risk. In the long run, this risk which threatens future generations and all life on Earth is also seen as the risk with the most devastating impacts over the next decade.<sup>3</sup> As biodiversity diminishes and access to natural resources becomes more restricted, climate change puts pressure on supply chains and production processes in particular. This underlines the importance of cooperation in combating climate change. Environmental, social and economic sustainability can only be achieved if all stakeholders work together. The responsibility of the private sector in combating the climate crisis is to ensure sectoral continuity through the sharing of know-how and innovative business models.

BİM aims to contribute to a healthy and thriving environment and sustainable future. The Company focuses on energy efficiency and renewable energy investments in line with the fight against climate change. Under the scope of waste management, BİM conducts activities to prevent packaging and food waste. Developing projects and applications regarding this issue, BİM set aside TL 18 million for environmental investments and expenses in 2021 and received no penalties concerning the environment.

BİM began working to obtain its ISO 14001 Environmental Management System standard in 2021 and aims to complete the process in 2022.

**BİM donated 65,000 saplings in 2021 to support the restoration of burned forest areas in Antalya.**



Environmental investments and expenditures for 2021  
**TL 18 million**

<sup>3</sup>World Economic Forum, Global Risk Report 2022 <https://www.weforum.org/reports/global-risks-report-2022/>



# Climate Change and Energy

BİM intends to reduce the environmental impact in its operations so as to contribute to the fight against climate change, one of the most critical global environmental issues.

The devastating effects of climate change have been observed more in recent years. Extreme weather events, volatility in rainfall regimes, and consequent drought are seen as the most important of environmental impacts. The most important factor leading to climate change is greenhouse gas emissions. With the Paris Agreement, the goal is to keep global warming below 1.5°C. Despite the set net zero target, the Intergovernmental Panel on Climate Change (IPCC) sixth assessment report predicts that if there is no net reduction in greenhouse gas emissions within 30 months, the impacts of climate change will worsen and the surface temperature will rise by 1.5°C and even 2°C during the twenty-first century.

The net zero target will only be achieved if the public, private and financial sectors work collectively. Production and consumption of renewable energy is considered to be one of the prominent issues in achieving the net zero target in the fight against the climate change. Developing projects and practices aimed at increasing energy efficiency is critical to reduce greenhouse gas emissions caused by fossil fuels. Within this scope, the business world's use of renewable energy sources should be increased, especially in production processes. To achieve this, either procurement or direct production is required to meet energy needs from renewable energy sources.

BİM intends to reduce the environmental impact in its operations so as to contribute to the fight against climate change, one of the most critical global environmental issues.

<sup>4</sup>Climate Change 2021: The Physical Science Basis <https://www.ipcc.ch/report/ar6/wg1/>



Click the play button to watch our **Istanbul Samandira Solar Power Project commercial.**

Within this scope, the Company implements projects and applications that will boost energy efficiency, and makes investments towards electricity generation from renewable energy. At the same time, works are realized to increase resource efficiency in logistic activities and mitigate greenhouse gas emissions.

### Energy Efficiency and Renewable Energy Investments

The majority of BİM's energy consumption consists of the stores' energy use. Increasing energy efficiency at the stores both reduces the Company's environmental impact and provides financial savings. Accordingly, the store format was renewed in 2020, and important improvements were made in terms of energy savings and thermal insulation.

In BİM's new store model, stone wool and windows with high insulation are utilized to provide internal thermal insulation, while energy-saving LED lighting models were employed to reduce energy consumption. Due to these applications, an average of 25% in heat and 10% in electricity savings were achieved. As well, an automatic control board application was started for lighting and energy-consuming tools for non-business hours. The number of stores opened under the new store concept reached 2,300. The target is to adopt the new concept in all stores by 2030.



# Climate Change and Energy

Generating electricity from renewable sources, BİM launched a project to install solar power plants (SPPs) on the regional warehouses' rooftops and invested TL 10 million in the project in 2021.

In addition, measures are taken to ensure energy efficiency at the warehouses. In the first stage, heat insulation is installed by reinforcing buildings' external thermal insulation and implementing curtain walls/glass facade systems. In 2021, in BİM's Turkey operations, energy intensity per square meter decreased by 5% compared to 2019, with 193.04 kWh/m<sup>2</sup> measured.

BİM generates electric energy from renewable resources. Within this scope, the Company launched a project to install solar power plants (SPPs) on the roofs of regional warehouses and made an investment of TL 10 million as part of its TL 18 million environmental investments in 2021. In the first phase of the project, where in the medium term a total of 37 warehouse rooftop installations are planned, the installations of Batman, Arnavutköy and İğdir warehouses were completed by the end of 2021. Thus, 1,643 MWh of electricity was generated in 2021. Across BİM operations, the greenhouse gas density per square meter has contracted by nearly 11% since 2019, reaching 118 kg carbon dioxide equivalent.

## Efficiency in Logistics Activities

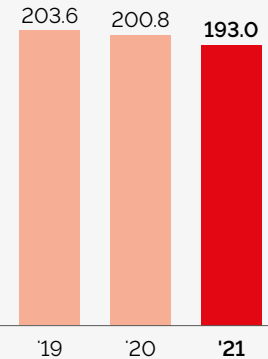
BİM focuses on efficiency in terms of source consumption and is engaged in works to optimize fuel consumption in logistic activities within this scope. With its decentralized structure, BİM conducts its logistic activities via warehouses. Warehouses opened in proximity to the stores raise performance efficiency and reduce fuel consumption between warehouse and store. In addition, the physical condition of the trucks used in logistic activities is also important. The Company ensures that trucks transporting between the warehouses and the stores are nearly 100% full, while 70% of these trucks are equipped with Euro 6 engines with low-emission standards and the most up-to-date fuel efficiency.

FİLE Market makes use of the Fleet Tracking System in its logistics activities. The system provides efficiency in fuel consumption by informing drivers on optimal vehicle use and the most efficient routes to the 160 stores where the system is activated.

The ratio of fuel consumption to net sales remained unchanged at 0.21% as of 2021.

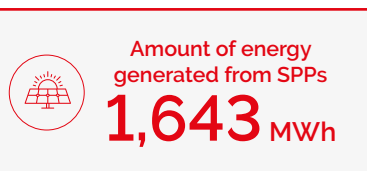
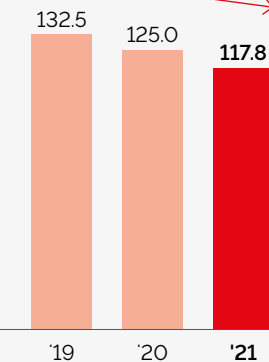
### Energy Density (kWh/m<sup>2</sup>)

5% reduction



### Greenhouse Gas Emission Density (kgCO<sub>2</sub>e/m<sup>2</sup>)

11% reduction



# Packaging and Waste Management

BİM takes concrete steps to reduce packaging and food waste. It supports public projects for waste reduction.

In order to use resources efficiently and maintain their value, waste generation must be prevented, and in case it cannot be prevented, the principles of the circular economy and the correct waste management processes must be carried out. Increased demand for food products requires effective management of food and plastic waste in order to ensure food safety.

Today, the majority of environmental pollution is due to plastic wastes. Plastic, a cheap and durable material, has come into widespread use due to changing consumer habits and an increasing human population. However, recycling practices that fall short against galloping plastic consumption cause pollution to increase every year. Research predicts that if no precautions are taken, there will be more plastic in the ocean and seas than fish in 2050. Food that is lost in the supply chain and wasted by not being consumed, as well as plastics, leads to inefficient use of resources. Food waste, which also has a critical place in terms of environmental pollution, leads to greenhouse gas emissions, one of the most important drivers of the climate crisis, as a result of decomposition. According to the Food and Agriculture Organization of the United Nations (FAO), one-third of the food produced every year is lost or wasted, with an estimated direct economic impact of USD 750 billion annually. When the environmental, social and economic dimensions of these wastes are considered, the business world has a great responsibility. For the fight against the climate crisis, as well as efficient resource utilization and the provision of food safety, food and plastic wastes must be managed effectively.



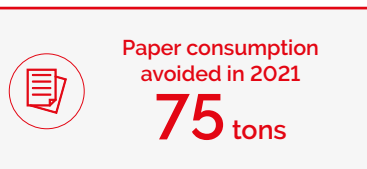
Within this scope, existing waste-generating systems should be re-designed, in case of waste generation projects and methods to recycle waste should be established, and circular economy principles should be correctly utilized. Redesigned systems using circular economy concepts can lessen negative environmental impacts while also providing opportunities for social and economic development.

BİM has a significant impact on the management of product packaging, thanks to its private-label products.

BİM takes concrete steps to reduce packaging and food waste. It supports public projects for waste reduction. In addition, practices are developed to both strengthen the physical infrastructure within the company and to ensure that effective waste management becomes a corporate culture. The company contributes to raising consumer awareness and protects environmental health. BİM has a significant impact on the management of product packaging, thanks to its private-label

products. BİM has a Packaging Purchasing Department within the Purchasing Department to better monitor the environmental impact of its own brand packaging and to activate the cost structure. This Unit carries out works to increase the efficiency of packaging sources used for products and to widen sustainable raw material alternatives. Within this scope, 266 tons of plastic and 75 tons of paper consumption were prevented annually in 2021. Financial savings are also achieved through applications that positively impact human health and environmental sustainability. Approximately TL 8 million in financial savings were achieved through the practices.

BİM's packaging conservation activities offered the Company a potential savings of 341 tons in resource consumption and nearly TL 8 million, annually.



<sup>5</sup> Ellen MacArthur Foundation, New Plastics Economy Catalyzing Action.  
<sup>6</sup> FAO, Food wastage footprint- Impacts on natural resources.

# Packaging and Waste Management

Approximately 7,600 BİM stores obtained Zero-Waste Certificates in 2021; application and approval procedures are ongoing for the remaining stores.

BİM transfers nylon and cardboard waste generated from operational activities to municipalities and to licensed companies that recycle packaging waste. In this manner, almost all the solid wastes generated in warehouses and stores are recycled. The company recycled the solid wastes, consisting of 89% of non-hazardous waste which was a total of 317 thousand tons in 2021. Food waste makes up the rest of this waste. The machine-type stretch film application, which has been tested as part of waste prevention projects, will be implemented in 2022. This project aims to prevent the generation of plastic waste from stretch film by 30%.

Also, at the end of 2020, hard copy approval was removed from various approval mechanisms at the Head Office, and various electronic approvals (invoices, expenses, permits, etc.) via an e-approval portal were implemented. The relevant approval portal was extended to all regional directorates in 2021.

Dedicated areas were allocated in stores for the separation of recyclable wastes.

Launched by the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change, the "Zero Waste" project aims to raise awareness of waste reduction and environmental pollution. BİM has started working on this project and allocated special areas in its stores for the sorting of recyclable waste. As of 2021, approximately 7,600 stores have received Zero Waste certificates, while the application and approval processes for the remaining stores continued.

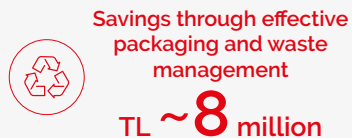
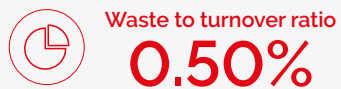
Apart from the Zero Waste project, BİM contributes to the establishment of a deposit system for reusable packaging, the preparatory processes for which are underway by the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change and the Turkish Environment Agency. Workshops organized by the Environment Agency to develop legislation were attended and opinions were submitted with regard to the deposit system.

### Food Waste

Food products comprise nearly 74% of BİM's net sales. Given this rate, food losses are a significant part of the company's environmental impact. Food wastes comprise 11% of BİM's non-hazardous wastes. BİM aims to improve the ratio of food waste to net sales every quarter. Company performance on food waste is monitored based on the ratio to net sales.

Food waste in 2021 was 12.30 kg per square meter, 3.85 tons per store and 36,400 tons in total. The proportion of these wastes to turnover was measured as 0.50% in 2021, with BİM demonstrating the sector's best performance in this area. Among the food waste mitigation projects is keeping the cold food chain intact in logistics operations.

With one of these projects, in order to ensure that the cold food chain is kept intact in logistics operations, the boxes of the trucks used for distribution have started to be supplied with ATP-FNB-X and/or FRC certificates in accordance with the Refrigerated ATP (Perishable Food Transportation) Convention, which allows products to be transported between +4 and -20 degrees. By the end of 2021, refrigerated boxes were integrated into 22% of the logistics fleet and TL 8 million was invested in them in 2021. By 2026, it is foreseen that all trucks will be equipped with refrigerated boxes. Furthermore, BİM associates wastage per store with employees' performance assessments, thus encouraging attention to this issue. The annual reduction of food wastes per store is reflected in employee bonuses.



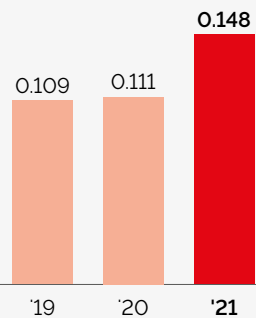
## Water Management

Considering the operational volume of BİM, the Company's use of water resources is less impactful than its other activities with regard to environmental issues.

Considering the operational volume of BİM, the Company's use of water resources is less impactful than its other activities with regard to environmental issues. Municipal water is consumed by employees at BİM offices, stores and logistic centers; the wastewater is cleaned in treatment facilities in the related region and then recharged.

In 2021, an average of 648,908 m<sup>3</sup> of water was consumed. In 2021, while the number of employees increased by 16%, the water consumption density increased by 33%.

**Water Consumption Density (m<sup>3</sup>/m<sup>2</sup>)**



## Biodiversity

BİM evaluates the protection of biodiversity and the impact of its operations on living life.

Changing site conditions depending on human activities, climate change and environmental pollution causes a contraction in biological diversity. This loss, which causes the deterioration of ecosystems, affects all production processes, mainly agricultural production. Biodiversity should be monitored in order to ease the pressure on natural resources and protection programs should be designated for endangered species.

BİM evaluates protection of the biodiversity and the impacts of the Company's operations on various species and, with respect to these impacts, acts in accordance with the requirements of the United Nations Convention on Biological Diversity.

Bircan Fide, an Afyon-based company that specializes in soilless agriculture in geothermal greenhouses, was acquired in 2021. Soilless agriculture is used to grow various goods, particularly tomatoes, in a 100 thousand square meters of closed greenhouse environment. There are no pesticide residues in the products thanks to production without the use of pesticides. Geothermal water used during production is re-injected back into the system after use, ensuring sustainable production. Efforts to increase greenhouse capacity are underway in 2022.





## Sustainable Growth with Strong Governance

BİM safeguards the interests of all stakeholders in its ecosystem in accordance with its corporate governance approach..

42 → *Foreseeable Economic Performance*

43 → *Risk Management and Internal Control*

# Sustainable Growth with Strong Governance

BİM guarantees its sustainable growth through its trust-based relations with stakeholders, including investors and shareholders, as well as with its unceasing investments.

BİM protects the interests of all stakeholders in the ecosystem in line with its understanding of fair, transparent and responsible corporate governance based on the principle of accountability. BİM guarantees its sustainable growth through its trust-based relations with stakeholders, including investors and shareholders, as well as with its unceasing investments.

There are six members, including two independent members, in the Board of Directors, which is the Company's top level management body. The operations of the Board are strengthened by diversity, with members offering a range of knowledge, experience and competencies. The Audit Committee, the Corporate Governance Committee, the Early Risk Assessment Committee and the Sustainability Committee carry out activities, reporting directly to the Board of Directors. The Company complies with the obligatory provisions of the Capital

Markets Board Corporate Governance Principles Communiqué and aims to comply with non-obligatory principles to the maximum extent.

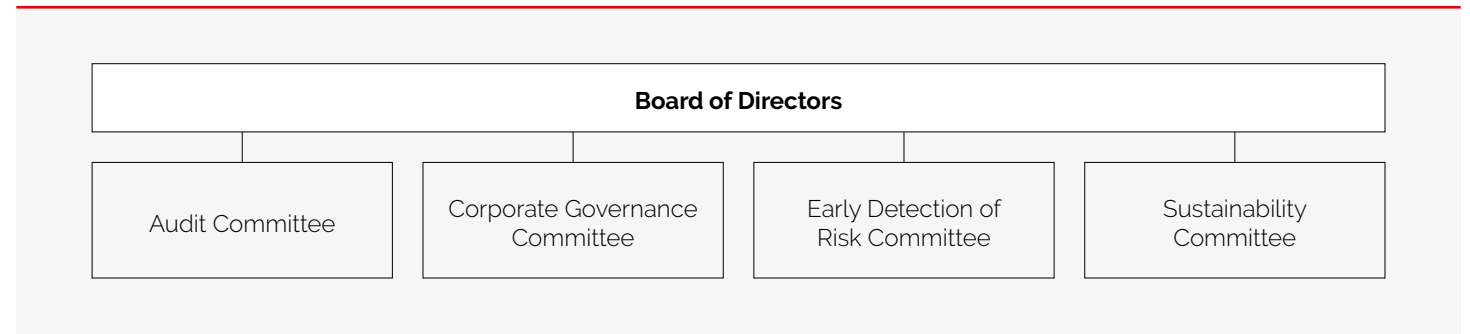
In 2021, the Company undertook a number of initiatives to further improve its corporate governance practices. In line with these initiatives, policies that set out the company's goals and vision in many areas have been published. The Company has approved and publicly disclosed its Non-Compliance Notification Policy, Anti-Bribery and Anti-Corruption Policy, Code of Ethics, Responsible Procurement Policy, Human Resources Policy, Human Rights Policy, Environmental Policy, Information Security Policy, and Customer Satisfaction Policy within the last year.

Complaints against these policies are meticulously evaluated, and an Ethics Hotline has been established in order to report any violations of these policies. In this context, notifications of non-compliance can be made:

- by e-mail to [bimetik@kpmg.com.tr](mailto:bimetik@kpmg.com.tr),
- by telephone to 0 850 2208797, or
- by filling out a form on the website <https://etikdestekhatti.com/>.

→ *BİM Corporate Governance Principles Compliance Report is available **here**.*

→ *BİM's Policies are available **here**.*



## Foreseeable Economic Performance

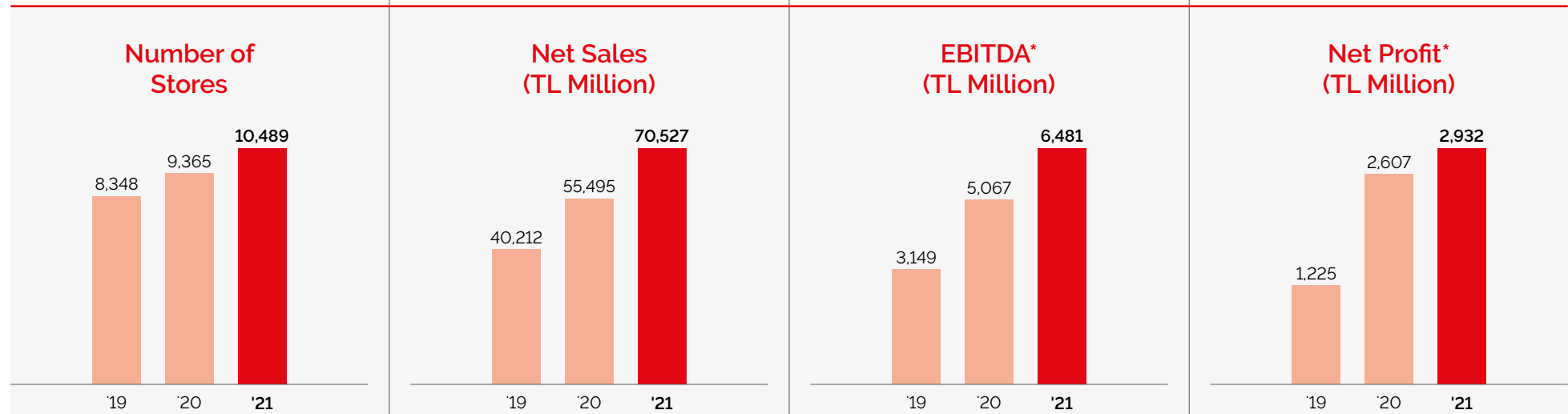
By the end of 2021, our consolidated sales volume increased by 27% reaching TL 70.5 billion, and our EBITDA grew by 28% to TL 6.5 billion as compared to the previous year.

Being among the companies with the highest level of predictability and transparency, BİM assures its investors and shareholders. BİM distributes profits to its investors on a regular basis, in line with its dividend policy. Investor relations activities at BİM are carried out by the Investor Relations and Sustainability Department, which reports to the Reporting and Investor Relations Directorate. The relevant unit carries out its activities under the Company's Disclosure Policy with the aim of conveying the most accurate and complete information to investors at the same time in accordance with the CMB Legislation. In 2021, a total of 56 material event disclosures were issued and investors and shareholders were briefed at eight investor conferences. Also 154 meetings were held with investors.

By the end of 2021, our consolidated sales volume increased by 27% reaching TL 70.5 billion, and our EBITDA grew by 28% to TL 6.5 billion as compared to the previous year. BİM's sales revenues in the last three years increased by 118%; thus, the compound annual growth rate of BİM in the last five years was realized as 29%. The store portfolio expanded by 12%, with 1,124 new stores opened on a consolidated basis, reaching a total of 10,489 stores in Turkey and abroad.

By carrying out activities with negative net working capital, BİM finances itself through its cash collection. All investments, a total amount of TL 2.2 billion made on a consolidated basis, were financed through the cash flow generated from BİM's own operational activities. Having ceaselessly

continued its investments even during the pandemic, the Company distributed cash profits in the approximate amount of TL 3.6 million in 2021, in addition to its operational cash outflow. Furthermore, BİM made new investments in order to meet a portion of its supply needs in biscuits, chocolate, and the fresh fruits and vegetables category, for achieving sustainability in the product category. The Company aims to prevent potential risks in its supply chain and increase the quality of its products. Continuing its investments in the coming year, the Company's investments to turnover rate is expected to be approximately 3.2% in 2022.



\*Includes Turkey Financial Reporting Standard n.16 (IFRS 16) impact

## Risk Management and Internal Control

BİM proactively manages the risks and opportunities in its fields of activity for sustainable growth; thus carries out all its activities considering the risks it is exposed to by taking risk prevention measures.



BİM proactively manages the risks and opportunities in its fields of activity for sustainable growth; thus carries out all its activities considering the risks it is exposed to by taking risk prevention measures. Within this framework, the risk management methods defined by the Board as per the risk appetite have become part of the Company's policies and procedures as well as its business processes. Additionally, pursuant to the regulations of the Capital Markets Board and relevant provisions of the Turkish Commercial Code, an Early Detection of Risk Committee has been established within the Company. This Committee is responsible to ensure the early detection of risks that could endanger the existence, development, and continuity of the company, as well as to implement the necessary measures against those risks. The Committee has identified the types of risks that the Company may be exposed to and the associated risk indicators.

Developments in these risk indicators are continuously monitored and analyzed, and appropriate risk prevention actions are regularly assessed.

Risk exposures were closely monitored through predefined indicators within 2021. The Early Detection of Risk Committee convened five times in 2021. The Committee informed the Company's Board of Directors through reports regarding the outcomes they reached and the assessments they made. BİM placed suitable internal control mechanisms against risks in the business processes. In addition, the Company also developed organizational structures, policies, job descriptions, procedures and monitoring practices. The Company has an Internal Audit Unit tasked with assessing and developing the effectiveness of risk management, internal control, and corporate governance processes, helping the Company develop

these and achieve its goals. The Internal Audit Unit operates under the Audit Committee, which consists of Independent Members of the Board of Directors. This unit identifies any major potential risks or deficiencies in internal control systems and identifies measures to be taken to reduce these risks in the relevant management units. The unit then reports the actions taken and their outcomes to senior management and the Audit Committee. All the activities of the Company are under the scope of the Internal Audit Unit. The activities are audited within the framework of annual plans prepared as a result of risk assessment.

The Company manages strategic, operational, credit/counterparty, exchange rate, liquidity, compliance and reputation risks it is exposed to as a result of its activities.



# Risk Management and Internal Control

Risk Category	Risk Definition	Managing Risks
Strategic risk	Strategic risk is the probability of loss arising from miscalculations in the Company's strategy or errors occurring in the implementation of the current strategy.	<p>The Company's strategic objective is to attain high productivity in the discount retailing industry, to expand into the countries where this concept can be applied in the future, and to serve consumers in those countries. Consistently offering quality products, increasing operational efficiency, providing discounted prices, increasing the ratio of private-label products in the product portfolio, and reducing costs by increasing the productivity of suppliers are also among the Company's objectives. Compliance with strategic objectives is closely monitored through supervision by the management and by means of the budget. Furthermore, customer preferences and the actions of other players in the market are closely monitored. Accordingly, the product portfolio is periodically reviewed and renewed in line with these needs. In addition, a Business Development Unit was established within the company to start operations in 2022, in order to address new strategic issues, conduct research on projects with technological and digital aspects, and evaluate the implementation processes of these projects.</p> <p>In order to expand its market share in the retail sector, the company has implemented a business model targeting different customer segments with the FILE brand. There are continuing efforts in the field of online shopping, which has grown significantly in the last period. Within this framework, FILE started to offer home delivery and online sales services with a limited number of non-food products via the BIM market mobile application.</p>
Operational risk	Operational risk, is the risk of loss resulting from inadequate and unsuccessful business processes, employees and systems, or external events.	The Company has created appropriate policies and procedures for business processes, has made functional segregation of duties within the organization, and has set up approval and authorization mechanisms as part of these processes. In addition, procedures have been put in place for the protection and reconciliation of physical assets. Effective reporting and monitoring practices also have been established. Operational procedures and practices are regularly reviewed by the management and audit agencies. The Company's essential processes are carried out through a computer program that is widely used all over the world. Data generated by our company's operations is processed using an internationally renowned ERP system. The system infrastructure is managed by utilizing devices and software with generally recognized effectiveness, in compliance with international information systems management standards and regulations. The majority of our company's operations do not process customer data. Customer data, which is needed within the scope of some of our limited operations and is provided at a minimum level, is also secured in accordance with international information security management standards. Risks to information security are regularly re-evaluated. The existing control environment is reviewed in terms of compliance with international information systems risk and control management frameworks and regulations.
Credit risk/ counterparty risk	Credit risk/counterparty risk refers to the risk that the Company may be exposed to due to the failure of the parties with whom it has commercial relations to fulfill their commitments.	The Company may be exposed to these risks due to credit card receivables, money collected from stores by contracting companies, bank deposits, financial investments made and advances that may be paid to some suppliers. The Company has defined the selection procedures of parties with which it may be involved in a business relationship and has determined the information and documents to be obtained from these parties. In this way, the responsibilities for the commitments of the other party are examined before commencing business relations, and business relations are initiated with those considered appropriate. The Company works with reputable financial institutions. The operational and financial status of the subsidiaries and affiliates to which financial investments are made are closely monitored. Appropriate warranties are also taken for advance payments that are made as a natural process of the business.



# Risk Management and Internal Control

Risk Category	Risk Definition	Managing Risks
Foreign Exchange Risk	Currency risk is the possibility of loss arising from the uncertainty caused by changes in exchange rates.	The Company's transactions are for the most part in Turkish Lira, and assets and liabilities in foreign currencies are not significant. The Company is exposed to exchange rate risk mainly due to its operations in Morocco and Egypt. Their impact, however, is low.
Liquidity risk	Liquidity risk is the failure of assets owned by a company to meet the cash demand.	The maturity alignment between the assets and liabilities is in favor of the Company. The liquidity requirement is closely monitored, asset and liability maturity adjustments are made, and sufficient cash reserves are maintained.
Compliance Risk	Compliance risk is the risk to suffer loss due to failure to fulfill legal obligations or the negative impact created by a change in regulations on a company's operations.	Based on its structure and operations, the Company is subject to various laws and regulations. In determining its policies and procedures, the Company has taken into consideration the requirements of the relevant legislation, and has established its processes in compliance with these requirements. The amendments in relevant regulations are monitored through internal sources, consultants and sectoral associations. The potential effects are evaluated. The strategies and business procedures are revised if required.
Reputation Risk	Reputation risk refers to the current and potential impacts of negative public opinion on the Company.	The company is mainly exposed to reputation risk based on products sold, customer services, employee relations and legislation. An effective control framework has been established for product and customer services with unconditional return policy, scheduled supplier inspections, product analyses and testing. In addition, all customer complaints are handled and finalized with precision. The regulations stipulated by labor legislation are complied with. The Company considers its employees as the key element for success and offers them an environment and career opportunity to improve themselves. Executive appointments are made mainly from internal human resources, which in turn enhance employee satisfaction.
Sustainability Risk	Sustainability risk is the risk of financial, operational or reputational damage as a result of the inadequacy of the company's business processes regarding the management of environmental or social issues or the occurrence of developments beyond the company's control.	<p>Processes and risks related to sustainability are managed within the framework of a holistic and inclusive strategy. To this end, the sustainability targets of the Company have been determined and a road map that will be applied to achieve the targets has been created. The process is carried out by working groups consisting of experts and managers under the leadership of the Sustainability Committee, which is affiliated to the Board of Directors.</p> <p>As a result of the studies carried out, significant sustainability related processes such as product quality and safety, customer experience and satisfaction, packaging and food waste, climate change, bribery and corruption, business ethics, human rights and fair working conditions, as well as the risks associated with these processes have been determined. As part of the management of these risks, the Company has periodic laboratory analyzes conducted on the products and inspects the production facilities of its suppliers, with and without prior notification. It prioritizes customer satisfaction with its unconditional return policy and develops new business models in order to respond to the preferences of different customer groups. Renewable energy resources are used in energy consumption and projects for the reduction of packaging wastes are conducted in order to alleviate the impact of its operations on the environment. Furthermore, food waste rate is defined among employees' performance criteria and monitored closely; thus, the food waste rate is considerably low. Ethical principles, anti-bribery and anti-corruption and whistleblowing policies have been established and acceptable business conduct has been defined in these policies and announced to employees and suppliers. An ethics hotline has been established in order to report possible violations in ethical matters and has been made available to employees and suppliers as of 2021. In addition, regulations and practices for the protection of employee rights and the prevention of discrimination are governed by personnel regulations, human rights policy, human resources policy and ethical principles.</p> <p>A sustainability report was released in 2021 in order to disclose its sustainability efforts to the public. In 2022, long-term goals were announced.</p>



## Corporate Memberships

- Turkish Union of Chambers and Stock Exchanges (TOBB) - Turkish Retail Trade Council
- Turkish Council of Shopping Centers & Retailers (TCSCR)
- Food Retailers Association

## Stakeholder Dialogue

Impact	Stakeholder Group	Communication Method	Communication Frequency
<b>Direct Economic Impact</b>	Employees	Internal communication activities, internal meetings, annual report, sustainability report, PDP disclosures	Year-round
	Suppliers	Meetings, official correspondence, annual report, sustainability report, PDP disclosures	
	Shareholders and Investors	Conferences, briefings, investor presentations, annual report, sustainability report, PDP disclosures	
	Customers	Website contact form, annual report, sustainability report, PDP disclosures	
<b>Indirect Economic Impact</b>	Financial Institutions and Analysts	Briefings, investor presentations, annual report, sustainability report, PDP disclosures	Year-round
	Business Partners	Meetings, official correspondence, annual report, sustainability report, PDP disclosures	
	Public Institutions	Meetings, workshops, official correspondence, annual report, sustainability report, PDP disclosures	
	Non-Governmental Organizations	Meetings, annual report, sustainability report, PDP disclosures	Multiple times a year
	Media	Press releases, interviews, annual report, sustainability report, PDP disclosures	Four to five times a year
<b>Bringers of New Opportunities, Knowledge and Insight</b>	Universities	Meetings, annual report, sustainability report, PDP disclosures	Multiple times a year



# Performance Indicators

## Social Performance Indicators

Employees By Gender and Category	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Office and administration staff	974	1,769	1,016	1,872	1,267	2,140
Store and warehouse staff	17,752	26,579	21,508	31,573	27,134	34,514
<b>Number of Employees</b>	<b>18,726</b>	<b>28,348</b>	<b>22,524</b>	<b>33,445</b>	<b>28,401</b>	<b>36,654</b>

By Category and Type of Work	2019		2020		2021	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Office and administration staff	2,740	3	2,885	3	3,403	4
Store and warehouse staff	42,155	2,176	50,691	2,390	59,004	2,644
<b>Number of employees</b>	<b>44,895</b>	<b>2,179</b>	<b>53,576</b>	<b>2,393</b>	<b>62,407</b>	<b>2,648</b>

Employees by Work Duration	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
0-5 Years	14,499	17,196	17,628	21,269	23,417	24,420
5-10 Years	3,129	6,365	3,610	6,716	3,654	6,809
10 Years and More	1,098	4,787	1,286	5,460	1,329	5,426

New Employees	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Below 30 Years	6,412	7,022	9,045	10,561	13,848	12,032
Between 30-50 Years	1,221	3,305	1,296	3,391	1,651	3,004
Above 50 Years	3	42	3	43	3	52
<b>Number of new hires</b>	<b>7,636</b>	<b>10,369</b>	<b>10,344</b>	<b>13,995</b>	<b>15,502</b>	<b>15,088</b>

Turnover	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Below 30 Years	5,553	5,243	5,260	5,691	8,308	8,509
Between 30-50 Years	1,216	2,567	1,275	3,067	1,313	3,267
Above 50 Years	6	73	11	140	4	103
<b>Total number of employees leaving work</b>	<b>6,755</b>	<b>7,883</b>	<b>6,546</b>	<b>8,898</b>	<b>9,625</b>	<b>11,879</b>
Employee Turnover Rate*	36%	28%	29%	27%	34%	32%

\* Including the employees who resign



# Performance Indicators

Employees in the Management	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Below 30 Years	1	0	1	0	0	2
Between 30-50 Years	78	474	86	501	95	557
Above 50 Years	3	27	3	36	3	32
Board of Directors	0	6	0	6	0	6

Performance System	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Number of employees subject to regular performance assessment	66	378	74	414	79	453

Training	2019	2020	2021
Total Training Hours	-	3,164	19,775
Average Training Hours Per Employee	-	3.6	16.66

OHS Data	2019	2020	2021
Accident Frequency Rate*	2.0	1.8	2.6
Occupational disease rate**	0.0	0.0	0.0
Absenteeism Rate***	40.60	20.34	19.23
Number of Fatalities	5.0	4.0	5.0

\* Accident Frequency Rate = Total accidents with injury x 200,000 / Total hours worked  
 \*\* Occupational Disease Rate = Total occupational disease cases x 200,000 / Total hours worked  
 \*\*\* Absenteeism = Number of days lost due to accident x 200,000 / Total hours worked

OHS Training	2019	2020	2021
Total Training Hours	379,778	441,242	538,728
Average OHS Training Hours Per Employee	8.07	7.88	8.28



# Performance Indicators

## Environmental Performance Indicators

<b>Greenhouse Gas Emissions* (ton CO<sub>2</sub> equivalent)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Scope 1</b>	<b>251,890</b>	<b>274,592</b>	<b>297,453</b>
Vehicles	65,676	73,073	74,430
F-gases	170,780	183,740	196,544
Fuels used in the facility	15,433	17,779	26,479
<b>Scope 2</b>	<b>211,015</b>	<b>212,395</b>	<b>220,005</b>
Electricity consumption	211,015	212,395	220,005
<b>Total</b>	<b>462,906</b>	<b>486,987</b>	<b>517,458</b>
<b>Greenhouse Gas Density (kgCO<sub>2</sub>e/m<sup>2</sup>)</b>	<b>132.5</b>	<b>125.0</b>	<b>117.8</b>
<b>Energy Consumption (MWh)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Buildings (Fuel-Electricity)</b>	<b>486,945</b>	<b>533,082</b>	<b>591,988</b>
Electricity purchased	410,753	445,310	461,265
Natural gas - fuel-oil - LPG	76,192	87,773	130,723
<b>Vehicle Fuel Oil</b>	<b>224,364</b>	<b>249,360</b>	<b>254,075</b>
Diesel	224,364	249,360	254,075
<b>Total</b>	<b>711,309</b>	<b>782,442</b>	<b>846,063</b>
<b>Renewable Energy</b>	0	210	1,643
Renewable Energy (Electricity)	0	210	1,643
<b>Total Net Energy Consumption</b>	<b>711,309</b>	<b>782,652</b>	<b>847,706</b>
<b>Energy Density (kWh/m<sup>2</sup>)</b>	<b>203.6</b>	<b>200.8</b>	<b>193.0</b>
<b>Water Consumption (m<sup>3</sup>)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Municipal Water	382,000	434,000	648,908
<b>Non-Hazardous Waste Amount (tons)*</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Total Non-Hazardous Waste</b>	<b>287,193</b>	<b>327,080</b>	<b>316,547</b>
Recycled	272,037	298,669	280,147
Food Waste	15,156	28,411	36,400

\* There is no hazardous waste originating from BIM's own activities.

# GRI Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission
<b>GRI 101: Foundation 2016</b>			
<b>GRI 102: General Disclosures 2016</b>			
	<b>Organizational Profile</b>		
	102-1	7	-
	102-2	10-12	-
	102-3	<a href="https://english.bim.com.tr/Categories/633/contact-us.aspx">https://english.bim.com.tr/Categories/633/contact-us.aspx</a>	-
	102-4	11	-
	102-5	10	-
	102-6	10-12	-
	102-7	10-12	-
	102-8	29-30, 47-48	-
	102-9	28	-
	102-10	10-12	-
	102-11	43-45	-
	102-12	46	-
	102-13	46	-
	<b>Strategy</b>		
	102-14	8-9	-
	102-15	43-45	-
	<b>Ethics and Integrity</b>		
	102-16	15, 41, <a href="https://english.bim.com.tr/Policies/General/Ethical%20Principles.pdf">https://english.bim.com.tr/Policies/General/Ethical%20Principles.pdf</a>	-
	102-17	<a href="https://english.bim.com.tr/Policies/General/Whistle%20Blowing%20Policy.pdf">https://english.bim.com.tr/Policies/General/Whistle%20Blowing%20Policy.pdf</a>	-
	<b>Governance</b>		
	102-18	14, 41	-
	102-19	14	-
	<b>Stakeholder Engagement</b>		
	102-40	46	-
	102-41	There is no employee covered by collective bargaining agreement.	-
	102-42	16, 46	-
	102-43	16, 46	-
	102-44	17-19	-
	<b>Reporting Practice</b>		
	102-45	10, 42	-
	102-46	7	-
	102-47	16-19	-
	102-48	None	-
	102-49	None	-
	102-50	7	-
	102-51	7	-
	102-52	7	-
	102-53	7	-
	102-54	7	-
	102-55	50	-
	102-56	No external assurance sought.	-

GRI 102: Genel Bildirimler 2016



# GRI Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission
<b>GRI 200: Economic Standard Series</b>			
<b>Economic Performance</b>			
GRI 103: Management Approach 2016	103-1	10, 42	-
	103-2	10, 42	-
	103-3	10, 42	-
GRI 201: Economic Performance 2016	201-1	10, 42	-
	201-3	2021 Annual Report p. 105, 118 <a href="https://english.bim.com.tr/AnnualReports/2021/2021%20Annual%20Report.pdf">https://english.bim.com.tr/AnnualReports/2021/2021%20Annual%20Report.pdf</a>	-
<b>GRI 300: Environmental Standards Series</b>			
<b>Energy</b>			
GRI 103: Management Approach 2016	103-1	34-36	-
	103-2	34-36	-
	103-3	34-36	-
GRI 302: Energy 2016	302-1	49	-
	302-3	36, 49	-
	302-4	35-36, 49	-
<b>Water and Effluents</b>			
GRI 303: Water and Effluents 2018	303-3	39, 49	-
<b>Emissions</b>			
GRI 103: Management Approach 2016	103-1	35-36	-
	103-2	35-36	-
	103-3	35-36	-
GRI 305: Emissions 2016	305-1	49	-
	305-2	49	-
	305-3	49	-
	305-4	36, 49	-
<b>Waste</b>			
GRI 306: Waste 2020	306-1	37, 38	-
	306-2	37, 38	-
	306-3	49	-
	306-4	49	-
<b>Environmental Compliance</b>			
GRI 103: Management Approach 2016	103-1	34	-
	103-2	34	-
	103-3	34	-
GRI 307: Environmental Compliance 2016	307-1	34	-
<b>Supplier Environmental Assessment</b>			
GRI 103: Management Approach 2016	103-1	28	-
	103-2	28	-
	103-3	28	-
GRI 308: Supplier Environmental Assessment 2016	308-1	28	-



# GRI Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission	
<b>GRI 400: Social Standards Series</b>				
<b>Employment</b>				
GRI 103: Management Approach 2016	103-1	29-31	-	
	103-2	29-31	-	
	103-3	29-31	-	
GRI 401: Employment 2016	401-1	47-48	-	
<b>Occupational Health and Safety</b>				
GRI 403: Occupational Health and Safety 2018	403-1	32	-	
	403-2	32	-	
	403-3	32	-	
	403-4	32	-	
	403-5	32, 48	-	
	403-7	32	-	
	403-9	48	-	
	403-10	48	-	
	<b>Training and Education</b>			
	GRI 103: Management Approach 2016	103-1	31	-
103-2		31	-	
103-3		31	-	
GRI 404: Training and Education 2016	404-1	31, 48	-	
	404-2	31	-	
	404-3	48	-	
<b>Diversity and Equal Opportunity</b>				
GRI 103: Management Approach 2016	103-1	29-31	-	
	103-2	29-31	-	
	103-3	29-31	-	
GRI 405: Diversity and Equal Opportunity 2016	405-1	30, 47-48	-	
<b>Supplier Social Assessment</b>				
GRI 103: Management Approach 2016	103-1	28	-	
	103-2	28	-	
	103-3	28	-	
GRI 414: Supplier Social Assessment 2016	414-1	28	-	
<b>Customer Health and Safety</b>				
"GRI 103: Yönetim Yaklaşımı 2016"	103-1	22	-	
	103-2	22	-	
	103-3	22	-	
GRI 416: Customer Health and Safety 2016	416-1	22	-	
<b>Material Topics That Are Not Covered by the GRI Standards</b>				
<b>Responsible Sourcing and Procurement</b>				
GRI 103: Management Approach 2016	103-1	28	-	
	103-2	28	-	
	103-3	28	-	
<b>Risk Management</b>				
GRI 103: Management Approach 2016	103-1	43-45	-	
	103-2	43-45	-	
	103-3	43-45	-	



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