



## BİM SUSTAINABILITY REPORT 2022



Türkiye's heroes for  
a sustainable future

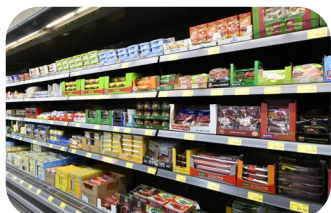
## CONTENTS



### Quality Products and Services

*BIM has a portfolio of safe, high-quality products to meet ever-changing consumer demands and requirements.*

22



### Responsible Value Chain

*BIM contributes to the local economy by purchasing all its supplies from local suppliers.*

31



### Healthy and Thriving Environment

*BIM aims to contribute to a healthy, thriving environment and a sustainable future.*

39



### Sustainable Growth with Strong Governance

*BIM attaches great importance to the adoption of its policies by stakeholders in line with its vision and goals.*

49

#### **06 About the Report**

#### **07 Message from the Executive Committee**

#### **10 About BIM**

#### **13 Sustainability Approach of BIM**

- 13 Sustainability Management
- 15 Sustainability Approach of BIM
- 16 Sustainability Priorities
- 21 Our Goals

#### **22 Quality Products and Services**

- 24 Product Quality and Safety
- 26 BIM Private Label Products
- 28 Digitalization and Information Security
- 30 Customer Experience and Satisfaction

#### **31 Responsible Value Chain**

- 32 Supply Chain Management
- 34 Employees

#### **39 Healthy and Thriving Environment**

- 41 Climate Change and Energy
- 44 Packaging and Waste Management
- 47 Water Management
- 48 Biodiversity

#### **49 Sustainable Growth with Strong Governance**

- 52 Foreseeable Economic Performance
- 53 Risk Management and Internal Control

#### **57 Annexes**

- 57 Corporate Memberships
- 57 Stakeholder Dialogue
- 58 Performance Indicators

#### **60 GRI Content Index**

#### **63 SASB Index**



[Link to homepage](#)



[Link to contents](#)



[Link to the related video](#)



[Link to the relevant section](#)



# Our goals are for a better future...

*We became Türkiye's leading food retail brand, in line with our goals from the day we embarked on our journey within the sector to improve quality and affordability that is accessible throughout the whole country. We have continuously aimed to increase those goals and improve our roadmap while considering the well-being of the planet, the environment, and humankind by carrying out our operational processes with a focus on a clean and sustainable future.*

*Thanks to the products and services we offer, and the practices and investments we implement, we have sustained strong and steady growth.*

*And just as we have in the past, we will continue to value humanity and the environment in all our short-term and long-term goals, today and in the future.*





## For the future of our planet...

*We place the future of our planet at the core of our decision-making processes. In 2022 we continued to implement significant environmental practices. We have achieved a notable reduction in plastic and cardboard packaging waste. We are also currently taking an important step to save energy by installing glass doors on the open refrigerators in our stores. We are proud of being the leader in the sector in SPP(Solar Power Plant) projects.*

## 14.6 MW

Installed capacity of SPP projects





# For social and economic development...

*We consider every one of our stakeholders as of the utmost importance and value to us. We support our local suppliers and contribute to the economy with our specially manufactured products while at the same time aiding development with the employment we establish. We are one of the largest employers in Türkiye, and through BIM Academy, we also provide training that is beneficial to individual career development and the workforce in general, with young people successfully advancing toward their goals. Furthermore, we are significantly increasing the number of female employees and managers on our staff.*

## 9 Thousand

New employment

## 47%

Rate of female employees





## For everyone's satisfaction...

We offer safe, high-quality products to our customers at low costs and ensure the production of healthy, beneficial, quality and innovative products for everyone. Additionally, we are further focusing our efforts on the creation of sustainable products and aim to expand our product and sales volume in this category. We also continue to increase customer satisfaction within this framework.

## 24

Net promoter score (NPS)\*

\* According to NielsenIQ market research data, based on the results of 3,000 surveys conducted with customers while they exit BIM stores.







## ABOUT THE REPORT

Since 2020, BİM Birleşik Mağazalar A.Ş. has been transparently disclosing its economic, environmental, and social performance data and activities with all its stakeholders via the BİM Sustainability Report.

BİM Birleşik Mağazalar A.Ş. Sustainability Report for 2022 includes the company's performance and best practices regarding its operations for the period January 1-December 31, 2022. Unless otherwise stated, this Report contains information about BİM Birleşik Mağazalar A.Ş. operations under the BİM and FİLE

brands in Türkiye. Only financial indicators cover BİM's operations in Türkiye and overseas, including FİLE.

This Report, in which BİM presents its sustainability strategy and actions in line with this strategy to its stakeholders along with its performance, has been drawn up in accordance with the GRI Standards published by the Global Reporting Initiative (GRI). The Report also includes the Sustainability Accounting Standards Board (SASB) index information and the contribution of company activities to the United Nations Sustainable Development Goals (SKAs).

Any stakeholder who would like to submit their questions and opinions regarding BİM's activities and performances in sustainability aspects, can contact BİM via the e-mail address [esg@bim.com.tr](mailto:esg@bim.com.tr).



To access the e-mail address, please click on the address.



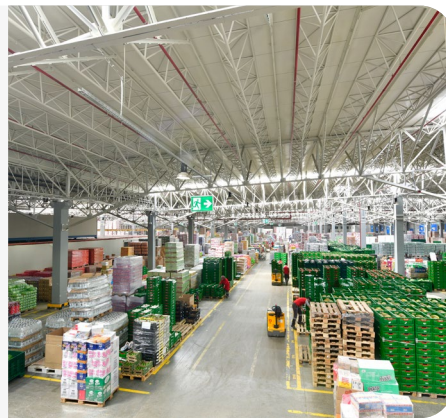
## MESSAGE FROM THE EXECUTIVE COMMITTEE

# We have continued to make affordable prices and high-quality products accessible to everyone in 2022 as well.

## TL 148 billion

### Consolidated sales revenue

*Thanks to our strong corporate governance, our consolidated sales revenue reached TL 148 billion, up 109% compared to 2021, indicating continuous financial growth in 2022.*



Dear Stakeholders,

We wish Allah's mercy upon those who lost their lives in the earthquakes that struck in our country on February 6, impacting ten provinces with an epicenter in Hatay. We also wish a swift recovery to all those injured in the disaster. We know that we can only overcome these challenging days in unity and solidarity. For the continuity of life and the re-establishment of order, BIM will continue to support the region as in the early days.

The global crises of recent years have demonstrated the need to rebuild social and economic systems with more resilient and sustainable models. As the impact of the COVID-19 pandemic on the global economy remains on the agenda, global supply chains, which have been destabilized once again by the Russia-Ukraine war, have led to increased environmental, social, and economic uncertainties. In addition, as the impacts of the global climate crisis have become more risky on the business world, the pressure of local and global regulations have increased. In light of these developments, the problems that individuals face in accessing basic needs such as energy, shelter, and food make systemic transformation imperative while also requiring companies to take greater responsibility. In this context, we have accelerated our activities, which centers on BIM Sustainability Approach, with our "Everyday low prices policy", with our principle of reflecting cost savings

on product prices, with out lean business model and with prioritizing customers' interests over short term high profit. Accordingly, we have continued to make affordable prices and high-quality products accessible to everyone in 2022 as well.

At BIM, as the first representative of the hard discount model in Türkiye, we combat inflation with our lean business model and "everyday low prices" policy to support the cost-conscious lifestyle of households. We position these policies at the basis of our BIM Sustainability Approach and we always prioritize our customers' interest over short-term high profit. We set new targets in 2022 in addition to our existing sustainability goals, in line with this approach to maintain our steady progress. We manage our practices and targets in line with the four key focus areas, making quality products accessible to our customers while reducing our environmental impact by observing the sustainability of our business model.

### **BIM offers high-quality products and services.**

At BIM, we always work to increase the number of products in our stores as part of our commitment to offering quality products and services. Investing in our private-label products provides a shopping experience where our customers meet their needs at affordable prices. We also continued offering our customers around 850 high-quality products and services in our product portfolio in 2022.



## MESSAGE FROM THE EXECUTIVE COMMITTEE

At BIM, we believe in the impact of working in tandem with our suppliers, employees, customers, investors, and all business partners we cross paths with to advance toward successful and sustainable models.

Last year we have established Es Global company for the production of our private-label biscuit and confectionery products. The establishment of the factory and production lines in Eskişehir province is ongoing, and it's planned to commence operations in the last quarter of 2023.

As our investments in private-label products increase, we believe they also play an important role in reinforcing social awareness and increasing transparency towards our customers. Therefore, in line with our sustainability goals, we ensure that by 2026 10% of our private-label products will have QR codes providing information about the items' production stages.

This year, we also continued our efforts to increase the diversity of our "Responsible/Sustainable Products" category, which includes products produced and improved with innovative approaches, taking into account quality and economic criteria as well as social and environmental factors. While the proportion of products in the sustainable product category to total turnover was 8.6% in 2022, we aim to increase this ratio to 10% by 2026.

In 2022, we opened 1,021 new stores consolidated to deliver our quality products and services to more people, increasing our domestic and international store portfolio by 9.7% and serving our customers in 11,510 BIM stores. We will continue our mission of providing quality products and services by developing innovative and more accessible shopping experiences.

# 11,510

Total number of stores

*In 2022, by opening 1,021 new stores we increased our domestic and international store portfolio by 9.7% and served our customers in 11,510 BIM stores.*



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

Today, organizations must work with all business partners to create more sustainable economic models. At BIM, we believe in the impact of working in tandem with our suppliers, employees, customers, investors, and all business partners we cross paths with to advance toward successful and sustainable models.

While combating inflation with the "everyday low price" approach we apply to our products, we also prioritize contributing to the national economy by working exclusively with local suppliers. Accordingly, we have contributed to local employment in our regions of operation with approximately TL 121 billion in payments made to our local suppliers, numbering 1,578 throughout 2022.

At the same time, we supported our suppliers with timely and advance payments against the economic challenges experienced nationwide.

In line with our company's vision of ranking among the leading employers in Türkiye with high employee loyalty and an organic growth strategy, we had increased our employee number by 13.7% by the end of 2022. Thus, in 2022, we maintained our position among companies that provide the most employment in Turkey with nearly 80,000 employees, 92.5% of whom were in Türkiye.

We continue to manage our value chain responsibly by placing high employee satisfaction and organic growth at the center of our strategy.



## MESSAGE FROM THE EXECUTIVE COMMITTEE

**Recognizing that our greatest environmental impact stems from our store, warehouse, and logistics network, we focused our climate efforts on energy efficiency and renewable energy.**

### **BİM works towards the goal of a livable environment.**

The rapidly rising impacts of the climate crisis threaten future generations and all life on Earth. Climate change has begun to significantly affect our lives, leading to extreme weather events and consequences that will change the world, such as irreversible soil degradation and biodiversity degradation. In light of this reality, we are determined to fulfill our responsibility in combating the climate crisis. At BİM, we aim to achieve realistic climate goals within our vision of a livable environment and a sustainable future.

Recognizing that our greatest environmental impact stems from our store, warehouse, and logistics network, we focused our climate efforts on energy efficiency and renewable energy. With these focus areas, we aim to prevent the use of fossil fuels and thus reduce our greenhouse gas emissions.

In 2022, we completed the installation of SPPs on seven additional warehouse roofs in continuation of our solar power plants project launched in 2021, which is an exemplar for the sector. Thus, we started generating electricity through SPPs in our ten warehouses. Thanks to the 12,220 MWh of electricity we generated in 2022, we saved 5.3 thousand tons of CO<sub>2</sub>e. While the total installed capacity of 10 SPP projects reached 15 MW in 2022, we aim to reach a total installed capacity of 40 MW in 2023 with ongoing projects.

We continue our energy efficiency efforts as part of the goal to reduce our greenhouse gas intensity by 20% by 2026 compared to 2019. This year, we also requested relevant carbon data from identified critical suppliers (who account for 8% of turnover), calculated their Scope 3 emissions, and included them in the report.

We know that the organized retail sector we operate in holds an important place in waste management, especially in packaging and food. In this context, while addressing the climate crisis, we have identified waste management as another priority area in step with our energy-focused approach. Thanks to the projects we realize for our stores, warehouses, and trucks, we reduce, recycle, and reuse food and packaging waste as part of the circular economy. With our efforts to curb packaging waste, we aim by 2025 to reduce 820 tons of paper waste and 750 tons of plastic waste while using 480 tons of recycled plastic in our packaging. This year, we also accelerated efforts to reduce food waste by joining the 10x20x30 initiative launched by the World Resource Institute to halve global food waste among retailers and consumers.

### **BİM achieves sustainable growth through strong corporate management.**

An organization's ability to actively make timely investments in the right projects to improve its environmental, social, and governance performance substantially depends on its financial performance. We are committed to the sustainability of our financial performance to realize all our goals and our vision of becoming a sustainable company.

This year, for the first time, we included the information on the Task Force on Climate-related Financial Disclosures (TCFD) in our report. With the principle of transparency, we explicitly disclose our management approach, strategy, and risk management concerning the climate crisis-related risks and opportunities that we have identified.

Thanks to our strong corporate governance, our consolidated sales revenues reached TL 148 billion, up 109% compared to 2021, indicating continuous financial growth in 2022. Our EBITDA has increased 178% to TL 8.16 billion while investments rose 3.5% year-on-year to TL 5.1 billion.

To be closer and more accessible to our customers, in 2022, we achieved our investment target of 3.2% of our turnover thanks to the new stores and logistics centers we opened. Meanwhile, we continued to distribute regular dividends to our investors in line with our dividend policy.

As the Executive Board of BİM, we thank all our colleagues, suppliers, customers, shareholders, and valuable stakeholders who have contributed to improving our environmental, social, and governance targets and performance over the past year.



## ABOUT BİM

# BİM's pioneering position in low price policy is expected to continue in the coming years.

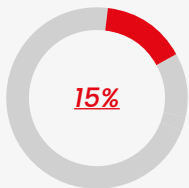
BİM, Türkiye's leading discount market, has been aiming to introduce affordable prices and high-quality products with its consumers since its establishment in 1995. As of 2022, the Company has a total of 79,809 employees, including 73,976 in Türkiye and 5,833 overseas, and continues to serve its customers through 72 logistics centers and 10,572 stores in Türkiye.

BİM's sales in 2022 increased by 109% compared to 2021 and its net sales reached TL 148 billion on a consolidated basis. Net profit, which increased by 178% compared to 2021, reached TL 8.16 billion; BİM has made investments worth TL 5.1 billion, all based on owner's equity.

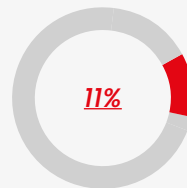
BİM supports households in saving money by offering good quality, low-priced products to its customers through its lean business model and "everyday low price" policy. The company is the first representative of the hard discount model in Türkiye with its effective cost management and limited product portfolio. BİM's pioneering position in low price policy is expected to continue in the coming years.

The Company also contributes to the Turkish economy through the employment opportunities it provides and is among the companies with the largest number of employees in Türkiye.

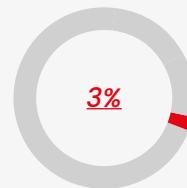
### BİM Shareholding Structure (as of June 30, 2023)



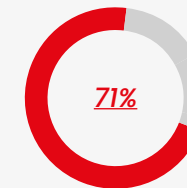
Merkez Bereket  
Gıda Sanayi ve  
Ticaret A.Ş.  
TL 92,000,000



Naspak Gıda Sanayi  
ve Ticaret A.Ş.  
TL 70,000,000



Other (Non-Listed)  
TL 15,012,000



Other (Listed)  
TL 430,188,000

**Total TL 607,200,000**



## ABOUT BİM

**BİM serves especially with its private label and invests in this powerful area for the sustainability of its prioritized approach “Everyday low price.”**

### Investment to Private Label

As a part of the organized retail sector, BİM serves especially with its private label and invests in this powerful area for the sustainability of its prioritized approach “Everyday low price.” BİM managed to increase the share of its private label, which was 46% in net sales in 2005 when it went public, to 65% by 2022. Approximately 850 products in the product portfolio are regularly updated according to customer demands and expectations.




BİM continuously supports and improves its suppliers, which are among its most important stakeholders and considered as business partners, to ensure quality in all production processes. Despite local and global challenges, BİM is known as one of the companies with the shortest payment period in the sector and continues to stand by its suppliers with its advance payments.

### Stores and Activities

BİM is expanding its new store concept that offers its customers a better shopping experience while also considering its environmental impact. 1,326 stores with the new store design featuring higher product visibility, modern design, and energy efficiency such as thermal insulation were opened in 2022, bringing the total to 3,626 stores. In addition, the number of BİM Mini stores reached 169.

In addition to operations in Türkiye, BİM has two overseas operations: Morocco, which became operational in 2009, and Egypt, which became operational in 2013. BİM Morocco operation, which achieved profitability for the first time in 2019, continues its operations with 627 stores, while in Egypt it serves with 311 stores.



Domestic Stores		BİM Morocco	BİM Egypt
			
<b>10,370</b>	<b>202</b>	<b>627</b>	<b>311</b>
Number of stores	Number of stores	Number of stores	Number of stores
<b>67+2*</b>	<b>3</b>	<b>3</b>	<b>2</b>
Number of Logistics Centers	Number of Logistics Centers	Number of Logistics Centers	Number of Logistics Centers

\* Two of its logistics centers includes the warehouses of GDP Gıda Paketleme Sanayi ve Ticaret A.Ş., a subsidiary subject to consolidation.



## ABOUT BİM

Achieving success in a short time with a lean presentation and the right business model, FILE managed to reach EBITDA profitability in a short period of time and net profitability in its fifth year of operation.



### A Modern Supermarket Experience: FILE

FILE, which was launched in 2015 as a new retail model with the aim of offering a larger and more spacious shopping experience compared to other discount supermarkets, has more options than BİM in terms of range of products. Reaching a total of 202 stores with 42 stores opened in 2022, FILE serves with three warehouses in Istanbul and Ankara.

Achieving success in a short time with a lean presentation and the right business model, FILE managed to reach EBITDA profitability in a short period of time and net profitability in its fifth year of operation.

### Main Developments in 2022

- BİM's consolidated sales volume reached TL 148 billion by the end of 2022, increasing by 109% compared to the previous year. With 80% growth, the EBITDA reached TL 11.8 billion.
- BİM invested TL 5.1 billion capital on a consolidated basis.
- In 2022, 961 stores were opened in Türkiye and 60 stores abroad, totaling 1,021 new stores.
- The average number of daily consolidated customer visits reached 5.8 million.
- The sales rate of private label products was 65%.
- The entire BİM's suppliers, totaling 1,578 in 2022, are domestic suppliers.
- In 2022, 756 supplier audit were conducted.

- As of 2022, BİM has a total of 79,809 employees, 73,976 in Türkiye and 5,833 abroad.
- A total of 575 thousand person\*hour (approximately 7.7 hours per person) OHS training was provided throughout the company.
- By 2021, energy intensity per square meter increased by 7.2% to 206.9 kWh/m<sup>2</sup>, and Scope 2 greenhouse gas intensity decreased by 1.7% to 115.8 kg CO<sub>2</sub>/m<sup>2</sup>.
- For Scope 3 greenhouse gas emissions calculations, Scope 3 greenhouse gas emissions were calculated using a sample of suppliers selected to account for approximately 8% of BİM's turnover.

- BİM's sustainable packaging efforts in 2022 prevented the annual consumption of 439 tons of plastic and 351 tons of paper, thus achieving 15 million TL financial savings.
- In 2022, 100,195 tons of solid waste, corresponding to 73% of total non-hazardous waste, was recycled.
- In the customer satisfaction survey conducted in 2022, the NPS (Net Promoter Score) rate was 24.
- Employee Satisfaction Survey score was 76%.
- The ratio of products in the sustainable product category to total sales was 8.6%.
- In 2022, the Competition Law Compliance Policy, Responsible Procurement Policy, Customer Satisfaction Policy and Environmental Policy were approved and shared publicly.



## SUSTAINABILITY MANAGEMENT

# Action plans in line with the developed sustainability strategy continue to be implemented.

### Sustainability Approach of BIM...

*While prioritizing the interests of its customers over short-term high profits in its daily operations, BIM cares for the interests of humanity and future generations in line with its sustainability approach.*



The global crises of recent years, interconnected risks, and developments that undermine the resilience of systems lead to the risk of multiple crises. Unstable geopolitical cooperation, environmental, geopolitical, and socioeconomic risks related to the supply and demand of natural resources contribute to the risk of a potential multiple crisis, while global risks are expected to become much more diversified and widen their sphere of influence in the medium term. Problems in access to natural resources such as water resources, minerals, and metals, especially food safety, deepen the multiple crisis environment and make it necessary to address complex systems in a holistic manner. At the same time, global crises increase the pressure on social structures and hinder economic stabilization, especially for developing countries and vulnerable communities. The crises in areas such as energy supply, high inflation, food supply, and the cost of living, which are felt globally, make it imperative for all stakeholders, especially the private sector, which constitute social and economic structures, to develop a proactive sustainability management approach.<sup>1</sup>

While all these problems affect global systems, the effects of the climate crisis and disruptions in the supply chain are putting much more intense pressure on the food sector. In particular, rising temperatures, extreme weather events, and natural disasters adversely affect the food supply due to the economic and social impacts they cause.<sup>2</sup> In addition, today, the way food is produced is one of the most important causes of the climate crisis. Studies shows that the global food system has been responsible for about one-third of greenhouse gas emissions and is considered the main cause of biodiversity loss, in recent years.<sup>3</sup> Global crises, especially the climate crisis, create important development areas for companies that keep pace with transformation and are able to analyze risks and opportunities correctly in environmental, social, and governance (ESG) areas, and offer the chance to get one step ahead in 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 increase them, and the risks and opportunities in the fields of ESG should be managed effectively.

<sup>1</sup> WEF - Global Risks Report 2023

<sup>2</sup> WEF - How to mitigate the effects of climate change on global food security

<sup>3</sup> World Bank - What You Need to Know About Food Security and Climate Change



## SUSTAINABILITY MANAGEMENT

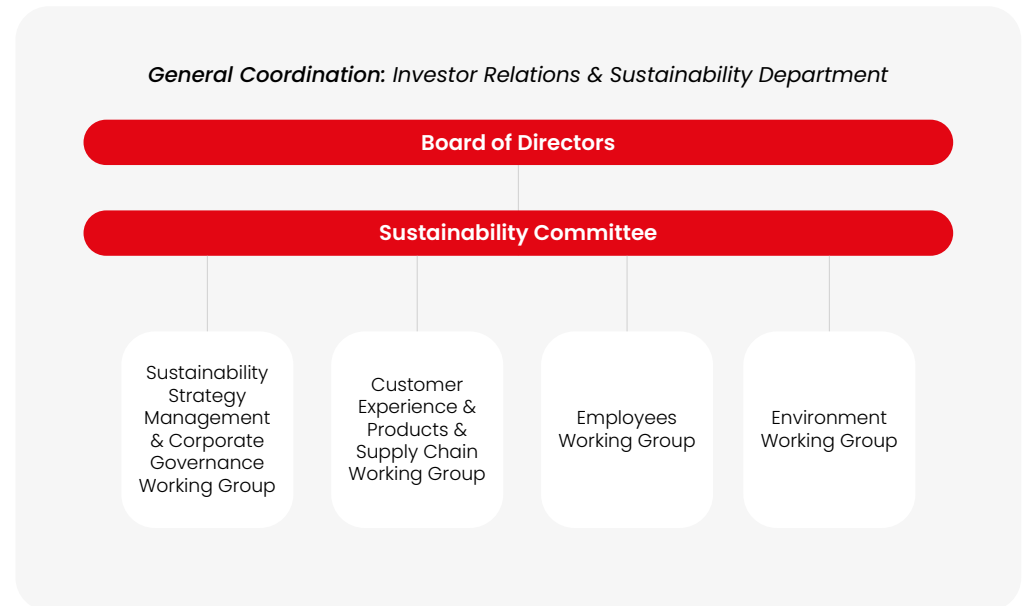
**BIM works to make sustainability a corporate culture and ensure that all stakeholders throughout the value chain adopt BIM's sustainability approach.**



In this context, efforts were initiated in 2020 to ensure that sustainability efforts are at the center of the company's strategic decision-making mechanisms, and action plans in line with the sustainability strategy (BIM Sustainability Approach) and sustainability roadmap developed continue to be implemented.

In 2022, BIM started to share its ESG-focused long-term goals and continues to work with the road map it has prepared by considering its sustainability priorities. Continuing to improve its approach to ESG issues with Responsible Procurement, Environment, Customer Satisfaction, Competition Law Policies published in 2022, BIM works to make sustainability a corporate culture and ensure that all stakeholders throughout the value chain adopt BIM's sustainability approach.

The Sustainability Committee, which is responsible for implementing and monitoring the actions and sustainability targets included in BIM's sustainability roadmap, reports to the Board of Directors. The committee consists of Chief Financial Officer (CFO), Chief Operating Officer (COO) and two Board members and the chairperson. 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. In 2022, the Sustainability Committee convened 2 times.



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

## SUSTAINABILITY APPROACH OF BIM

Focusing on issues where it can generate real impact and contribute to the solution of problems, BIM considers the interests of humanity and future generations with its Sustainability Approach.

BIM is a pioneer in the food retailing sector with innovative approaches such as the hard discount model and the “Everyday low price” policy, and it is committed to always moving forward and creating shared value for its stakeholders through its Sustainability Approach. Assuming a mission for social and economic welfare, BIM prioritizes the interests of its customers over short-term high profits in its daily operations with its principle of reflecting cost savings in product prices and its lean business model. With this philosophy, which forms the basis of its sustainability approach, BIM focuses on issues where it can generate real impact and contribute to solving problems, while also observing the interests of humanity and future generations.

Managing sustainability through results-oriented efforts that create common benefits and values, BIM has been aware of its social responsibilities since its foundation and does not see its sustainability efforts as a marketing and advertising activity. In this context, it

carries out communication activities to raise social awareness and transparently share its impact-oriented activities.

BIM contributes to the United Nations Sustainable Development Goals (SDGs) by having a material and impact-oriented sustainability strategy and understanding that covers the entire value chain. With its business model, BIM 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. Continuing its operations with strategies to utilize its operational capabilities in the most efficient manner, BIM manages its vision and the sustainability issues it focuses on in line with the company’s business model under four main focus areas within the scope of the BIM Sustainability Approach.



Click the boxes to go to the relevant sections



## SUSTAINABILITY PRIORITIES

# The risks and opportunities that stands out financially, legally and in terms of innovation and competition have been evaluated.

### Integrated viewpoint...

*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. In addition, the impact of BIM's activities on the environment, society, and the economy was also evaluated with an impact-focused approach and provided input to the materiality analysis.

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 who are internal stakeholders and to investors, suppliers, business partners, non-governmental organizations (NGOs) and representatives that are external stakeholders.
- Foresights 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 Türkiye and Retail trends of the post-pandemic period have been reviewed.

While analyzing business priorities of BIM;

- Issues that BIM focuses on in line with the business strategy has been taken into consideration.
- Opinions of the BIM'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 material issues. The risks and opportunities that stands out financially, legally and in terms of innovation and competition have been evaluated.

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

### **BIM External Stakeholder Priorities**

In its materiality analysis, BIM also analyzed external stakeholder priorities and the effects of related priority issues on external stakeholders. By analyzing the positive and negative impacts of the material issues on external stakeholders consisting of Investors, Suppliers and Business Partners, Customers, International Organizations, Associations, and NGOs, the impacts of BIM's business processes on external stakeholders were also determined. As a result of the studies conducted, "Food Waste" and "Climate Crisis and Energy" were identified as the two material topics, which have the greatest impact on external stakeholders due to BIM's business processes.

## SUSTAINABILITY PRIORITIES

### BİM, started to calculate Scope 3 emissions in 2022 using the data of suppliers that correspond to 8% of its turnover.

#### Food waste

Preventing food waste is of utmost importance for the organized retail sector in which BİM operates. The rapid increase in the global population and changes in consumer habits increase the demand for food. Resource efficiency and optimization of raw material consumption across food chains are essential to prevent food waste due to food wastage and loss. Efficient and sustainable food production and distribution systems are needed to reduce food waste, which accounts for 8-10% of global greenhouse gas emissions. BİM carefully considers the opinions and suggestions of external stakeholders regarding food waste, which is identified as the most material topic for external stakeholders. The waste of food products in the retail sector due to different reasons such as improper storage conditions or supply-demand imbalance causes negative environmental impacts such as pollution and greenhouse gas emissions. In the interviews with external

stakeholders, especially in the stakeholder group of non-governmental organizations and associations, they provided opinions and suggestions for BİM to reduce food waste and pointed out this issue.

In this respect, BİM carries out activities regarding the re-design of existing waste-generating systems, the development of projects and practices for recycling wastes in case of waste generation, and the correct usage of circular economy principles. 74% of BİM's net sales consists of food products and food waste in related products is among the material issues for the Company. The Company carries out activities to prevent food waste throughout the value chain, including projects to keep the cold food chain intact in logistics operations. Furthermore, food waste rate is defined among employees' performance criteria and monitored closely; thus, the food waste rate is considerably low.

The Company monitors its performance on food waste by ratios of waste to net sales and carries out activities to improve this performance every year.

#### Climate change and energy

The organized retail sector in which BİM operates is among the sectors most affected by the climate crisis, while also standing out due to its impact on the climate crisis. Energy resources used intensively for operational processes increase carbon emissions throughout the value chain. BİM places the topic of climate change and energy, identified as the second most material issue by external stakeholders, at the core of its sustainability approach. Investors expect BİM to disclose more indicators and information in line with international standards, while suppliers and various non-profit organizations have expressed their views that BİM should continue to reduce the greenhouse gas emission impacts stemming from its operations.

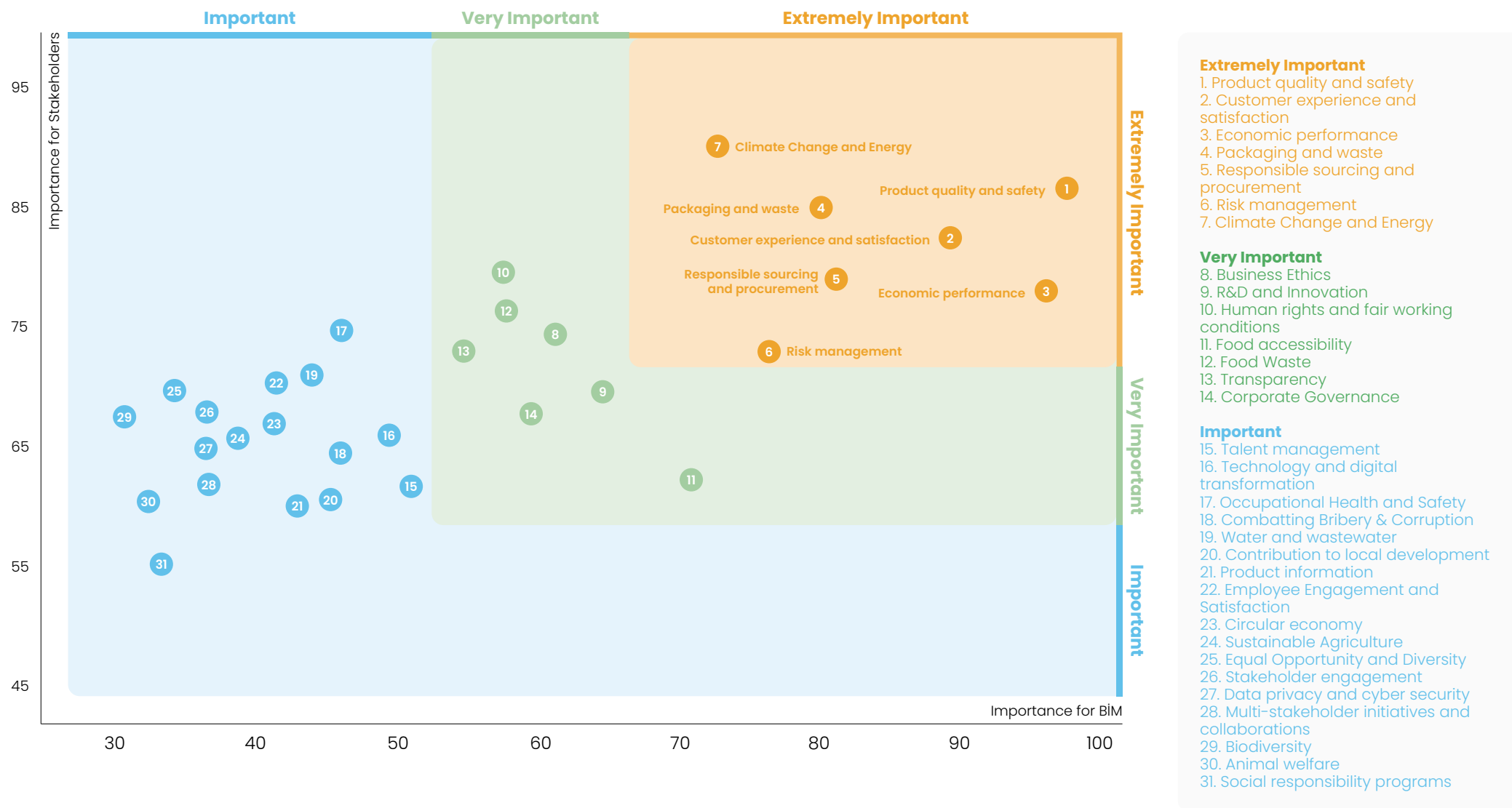
Furthermore, they provided their views and suggestions on projects and collaborations that would enable the reduction of environmental impacts throughout the value chain.

As part of its efforts to combat the climate crisis, which is at the core of BİM's sustainability strategy as well, BİM carries out impact reducing projects throughout its value chain. The Company's performance management on energy efficiency is largely dependent on the electricity consumption of its stores.









By increasing energy efficiency in its stores and warehouses, the Company both reduces its environmental impact and achieves financial savings. In this context, the designs of BİM stores were renewed in 2020 with improvements focusing on energy saving and thermal insulation. In addition to its energy efficiency efforts, BİM aims to reduce greenhouse gas emissions comprehensively by investing in power generation from renewable energy. The Company also calculated Scope 3 emissions using the data of suppliers that correspond to 8% of its turnover in 2022 and included them in the report. Due to the nature of the sector in which BİM operates, transportation and distribution activities also account for a significant portion of its environmental impact. The Company carries out these activities through its warehouses with a decentralized logistics organization, thereby optimizing fuel consumption in its operations. BİM warehouses are opened considering the location of the stores in order to ensure the highest efficiency, and they are arranged in such a way that the distance between store and warehouse remains minimum.



## SUSTAINABILITY PRIORITIES












## SUSTAINABILITY PRIORITIES

Importance	Relevant Strategy Area	Material Issue	How Is it Managed?	Relevant Section	Related SDG
Extremely Important	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 private label 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 suppliers 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 PRIORITIES

Importance	Relevant Strategy Area	Material Issue	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 Principles of the Company..	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	

## OUR GOALS

BIM sets new targets in each area of sustainability and constantly monitors its corporate performance development.

Title	Base year	Value in base year	Target	Target year	2022 realization ratio
Greenhouse gas density	2019	132.5	To reduce by 20%	2026	115.8 (13% decrease)
Transition to new design stores	2021	0	All stores	2030	35%
Proportion of private label products with QR codes	2021	0	10%	2026	4%
Turnover share of sustainable products	2022	8.6%	10%	2026	New target
Accident frequency rate	2022	2.8	To reduce by 15%	2026	New target
Time spent in training in the BIM Academy project (Annual)	2022	41,000 hours	200,000 hours	2026	New target
Reducing the use of plastic raw materials (Annual)	2022	439 tons	750 tons	2025	New target
Reducing the use of paper raw materials (Annual)	2022	351 tons	820 tons	2025	New target
Use of recycled raw materials (Annual)	2022	295 tons	480 tons	2025	New target
Ratio of SPP generation to total electricity consumption	2022	2.2%	25%	2025	New target



# Quality Products and Services

*BIM has a portfolio of high quality and safe products to meet changing consumer demands and needs.*

**24**

**Product Quality and Safety**

**26**

**BIM Private Label Products**

**28**

**Digitalization and Information Security**

**30**

**Customer Experience and Satisfaction**



## QUALITY PRODUCTS AND SERVICES

# BİM offers quality products at the most affordable price.

BİM makes quality, safe, and innovative products accessible to all segments of society through effective cost management and its “Everyday low prices” policy. Essentially based on keeping operational costs at the lowest level and transferring gains to customers as price discounts, BİM’s approach is supported by strong purchasing and resilient operational power. Having started its operations in 1995 with 21 stores, BİM continues to expand its operations today with a total of 11,510 stores, 10,572 in Türkiye and 938 abroad. Despite the global economic crisis and high inflation, the Company opened 1,021 new stores in 2022, increasing its total number of stores by 10% compared to 2021.

Continuing its operations for 27 years with a customer-oriented perspective, BİM has a portfolio of high quality and safe products to meet changing consumer demands and needs. Offering products that meet the basic needs of its customers with a portfolio of approximately 850 products, BİM added new products to its portfolio in 2022, as it does every year, while removing products with declining performance from its portfolio. Thus, BİM continued to respond to different consumer demands and increased its total sales by 58% annually in the last three years with its uncompromising approach to quality.



BİM is the first representative of the effective cost management and “Everyday low prices” policy in Türkiye. The discount model is based on three main focuses with its limited product portfolio, of which it is the pioneer.

- 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.

### **Resilient operational power...**

***Based on keeping operational costs at the lowest level and transferring gains to customers as price discounts, BİM’s approach is supported by strong purchasing and resilient operational power.***



## PRODUCT QUALITY AND SAFETY

# BİM manages its affordable products in line with national quality and food safety standards.

**14,000 samples**

*BİM has a policy of full compliance with legal regulations on product safety and consumer health, and all of its products are tested in Ministry-approved laboratories. 1.4 million parameters were analyzed in 14,000 samples for products in 2022.*



The global food crisis and rapidly growing population require the private sector to take responsibility for food safety. Implementing the quality and safety standards required by national authorities and informing employees about food safety are critical in respect of consumer protection. Studies show that every day on average 1.6 million people get sick from unsafe food consumption.<sup>4</sup>

With its customer-oriented approach, BİM aims to respond continuously and comprehensively to changing consumer demands and needs and manages its affordable products in line with national quality and food safety standards. It always manages food safety at the highest level despite the problems in the global supply chain and the increasing demand for food in parallel with population density. In this context, continuous improvements are made and controls are ensured by the Quality Assurance Unit, which operates under the General Directorate of Purchasing.

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.

BİM's private label products, which account for 65% of its product portfolio, are produced in facilities certified by international food safety systems, while consumer health and safety-oriented audits are conducted for all products. The suppliers producing BİM's private label products and branded product suppliers which do not have certificates in compliance with the international standards are audited under the categories of product safety, infrastructure and process, cleaning practices, pest control and critical applications. BİM has a policy of full compliance with legal regulations on product safety and consumer health, and all of its products are tested in Ministry-approved laboratories. In this context, 1.4 million parameters were analyzed in 14,000 samples for products in 2022.

With Es Global Gıda Sanayi ve Ticaret A.Ş., established in 2021, BİM aimed to improve the quality of some biscuit and confectionery products sold in its stores and make product supply sustainable. The establishment of the factory in Eskişehir province is planned to be operational in the last quarter of 2023.

<sup>4</sup> WHO – World Food Safety Day 2023

## PRODUCT QUALITY AND SAFETY

The ratio of BİM's sustainable product turnover to total turnover is targeted to reach 10% by 2026.

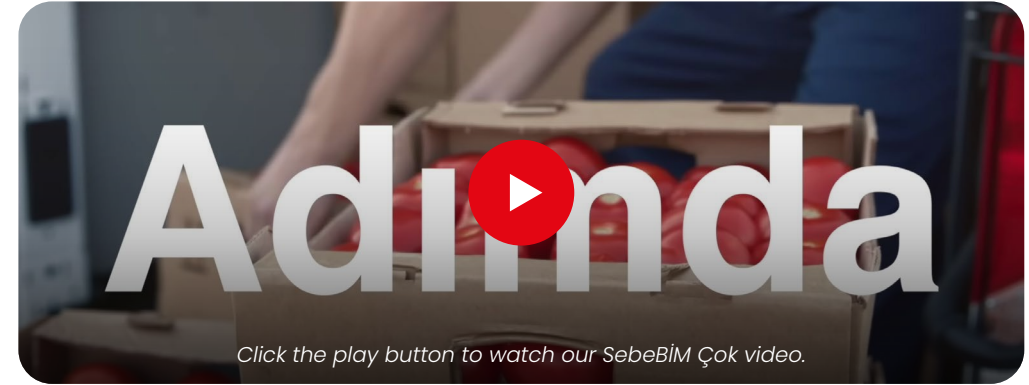
### Maximum Value to Human Health

The value given to human health is at the heart of BİM's customer-oriented approach. It aims to keep the quality of its product portfolio at the highest level at all times by working in coordination with official and private laboratories as well as international laboratories when necessary. Excluding spot items, all food products sold at BİM undergo physical, chemical, and microbiological tests. 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 in these laboratories. In addition, in accordance with the legislation, the sale of GMO products is prohibited in our country and we do not sell any products containing GMOs.

In 2022, 8 product ingredients were reformulated within the scope of healthy content. In this context, the sugar content was reduced in 6 products, while the additive in Ekmecik Lavaş & Tortilla was removed and molderator, a natural preservative, was used. In addition, the use of titanium dioxide additive in Simbat yellow and white roasted chickpea has been discontinued. In addition, as a matter of company policy, tobacco and alcoholic products that are harmful to human health are not sold.

### Sustainable Products

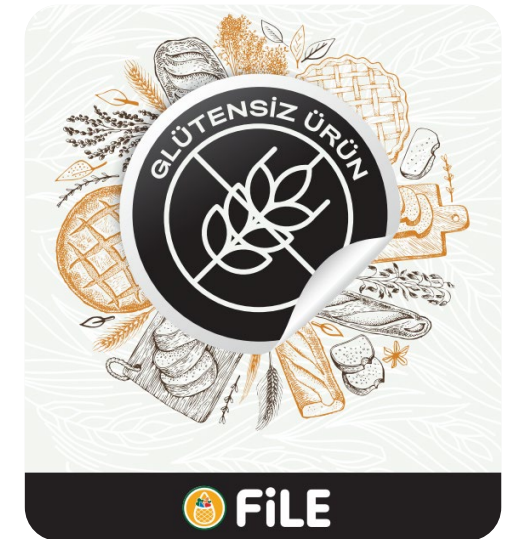
For BİM, "Responsible/Sustainable Products" include products that are produced and improved with innovative approaches, taking quality and economic criteria as well as social and environmental factors into account. BİM is working to increase diversification in the sustainable product category that has been identified within the scope of the sustainable product definition it has developed. In 2022, the share of products in the sustainable product category in total turnover was 8.6%. Among these products,



organic products accounted for 0.1% of total turnover, while other responsible/sustainable product categories were food products with reduced salt/fat/sugar ratios, more nutritious products that support a healthy lifestyle, products for disadvantaged groups, products produced with certified raw materials, products that are traceable throughout the supply chain, products and packaging that are recyclable/recycled unlike their counterparts, products that use less water, energy, or raw materials than similar products, products that reduce energy, water, and raw material consumption during use, and products produced by disadvantaged groups.

In order to raise awareness about the accessibility of gluten-free products in File stores, black label application was passed. File aims to facilitate the life of celiac patients who have to be fed with gluten-free products and those who prefer gluten-free feeding but have difficulty in reaching these products.

The target is for the ratio of BİM's sustainable product turnover to total turnover to reach 10% by 2026.





## BİM PRIVATE LABEL PRODUCTS

# BİM stands out with the innovative practices it has implemented in the retail sector.

BİM increases the sustainability and efficiency of its product range with its private label products, which are critical to its business model while offering products in different categories to customers by keeping quality and food safety at the highest level. BİM's private label products, which are of high quality and specially produced for customers, reach consumers at the most affordable prices. BİM manages its private label products with a dynamic approach and exclusively owns the formulation and design of these products. BİM's private label products, which are more affordable than similar products of the same quality, are produced by suppliers selected by the company.

BİM stands out with the innovative practices it has implemented in the retail sector. As the first company introduced the concept of selling with its private label in Türkiye, BİM also supports the fight against inflation by regularly expanding its private label product portfolio. The share of BİM private label in net sales increased from 48% in 2005, the year BİM went public, to 65% in 2022. In addition, efforts are underway to increase the share of BİM private label products in the total product portfolio at both BİM and FILE stores.

BİM provides consumers with information about the production stages of its BİM private label products through the QR code system, which it has switched to in order to increase information sharing and customer satisfaction.

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.

### R&D Activities

BİM places R&D activities at the heart of its sustainable growth strategy. In this context, R & D efforts are carried out to introduce new products and reach more consumers, and suppliers among critical stakeholders are included in these processes. In 2022, 155 new products were offered to consumers as a result of studies and tests in which suppliers also participated, and 31% of the new products offered to customers in 2022 consisted of BİM's private label products, which are elements of the discount concept. FILE, which combines the discount concept with the supermarket concept, introduced 82 products that had never been offered to the market before to consumers for the first time in Türkiye.

## 155 new products

*In 2022, 155 new products were offered to consumers and 31% of the new products consisted of BİM's private label products, which are elements of the discount concept.*



## BİM PRIVATE LABEL PRODUCTS

As the first company introduced the concept of selling with its private label in Türkiye, BİM also supports the fight against inflation by regularly expanding its private label product portfolio.

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 sector with Dost Süt, BİM is the pioneer of this concept in Türkiye. BİM stores offer only high-quality BİM private label products, produced by suppliers selected by the Company. BİM solely owns the brands and formulas of these products.

### Exclusive products

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

### Spot products

Spot products 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.



## DIGITALIZATION AND INFORMATION SECURITY

# BİM increases customer satisfaction with the digital services it develops.

Digitalization is critical for enhancing the efficiency of innovative business models and operational processes globally. According to research, in the food retail sector, the share of online commerce is expected to increase from 15% to 30% by 2030, accounting for 90% of the sector's growth.<sup>5</sup> Companies that digitalize their business processes and work to reach consumers through alternative channels may be able to maintain their competitive advantage through digitalization efforts.

By integrating innovative technologies into its business model, BİM keeps pace with the digitalizing world, thus creating alternative channels for its customers. BİM provides access to new revenue models in this way and aims to increase customer satisfaction with the digital services it develops.

### 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.

### FILE Mobile Application

In recent years, as the demand for online food shopping has increased, consumers' expectations in this area have also heightened. In 2021, FILE launched its online shopping channel and serves with a total of 52 stores, including two dark stores in Türkiye with its mobile application.

### Innovative technologies...

*By integrating innovative technologies into its business model, BİM keeps pace with the digitalizing world, thus creating alternative channels for its customers.*



### BİM Para / FILE Para

BİM Para and FILE Para mobile applications enable customers to send money to each other and make contactless payments at cash desks. By the end of 2022, the number of transactions made by customers through BİM Para with contactless payment method exceeded 5 million.

*In 2022, the number of transactions on BİM Para doubled compared to the previous year.*

<sup>5</sup> "McKinsey – Transforming the EU Retail & Wholesale Sector



## DIGITALIZATION AND INFORMATION SECURITY

BIM closely follows global developments in the fields of information security and cyber security and regularly updates its approach.

### Information Security

BIM has developed an information security management approach to ensure that information is assessed within the scope of confidentiality, integrity, and accessibility and protected from all threats that may be exposed from inside and/or outside, whether intentional or incidental, and ensure that the activities are carried out effectively, accurately, quickly, and safely. The activities carried out within the scope of digitalization efforts are continuously assessed within the scope of cyber security measures, and internal and external audits on information security are supported by

information security trainings provided to all employees. The main objectives of BIM's information security management approach are to raise the information security awareness of employees, implement technical security controls, and ensure that the basic and supporting business activities of the organization continue with minimum interruption and thus minimize corporate risks. BIM closely follows global developments in the fields of information security and cyber security and regularly updates its approach. In 2022, there were no violations related to cybersecurity and customers' personal information.



BIM Information Security Policy is available [here](#).

## CUSTOMER EXPERIENCE AND SATISFACTION

# BİM aims to continuously improve customer experience.

Technological developments in recent years, online commerce, which has increased its impact with the pandemic and changing consumer demands are seen as topics that need to be carefully addressed in terms of customer experience and satisfaction. According to studies, customers demand that the range of products and services they encounter in the ever-increasing range of different communication channels is more customized, efficient and tailored to the specific needs of each customer.<sup>6</sup> Specific to the food retail sector, a product-centric approach, high quality and safety standards, and an improved in-store and online shopping experience provide opportunities for companies to improve customer satisfaction.

Customer satisfaction, which is at the heart of BİM's customer-oriented approach, is defined by BİM's understanding and includes prioritizing the interests of customers over short-term high profits, unconditional return policy and offering customers the best shopping experience at all times with its qualified employees. Pioneering in Türkiye with its innovative approaches to the food retailing sector, BİM continues its operations without being affected by problems in the global supply chain thanks to its resilient and proactively managed supply chain and inventory management. In 2022, the number of consolidated daily customer visits increased by 18% year-on-year to 5.8 million. Bimcell, a virtual prepaid operator, continues to expand its subscriber base each day, with the number of subscribers reaching 2.9 million as of the end of 2022.

## 2.9 million subscribers

*Bimcell, a virtual prepaid operator, continues to expand its subscriber base each day, with the number of subscribers reaching 2.9 million as of the end of 2022.*



Aiming to continuously improve customer experience, BİM aims to increase customer satisfaction by paying utmost attention to the needs, expectations and complaints of its customers. According to the results of 3,000 surveys conducted by NielsenIQ at the doorstep with existing customers in BİM stores, BİM's Net Promoter Score (NPS) was 24, higher than other national chains. This data shows that BİM is the company that best meets customer expectations among retail companies.

Aiming to continuously increase customer satisfaction and experience, BİM offers different services to its customers. In this context, 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.

*According to NielsenIQ market research data; the NPS (Net Promoter Score) of BİM was 24\*, which is highest compared to other national chains.*

\* Based on the results of 3 thousand surveys conducted at the exit of the door with current customers in BİM stores.

<sup>6</sup> Deloitte - The fundamental guide for how to provide excellent customer service in a cost-effective manner



# Responsible Value Chain

*BİM contributes to the local economy by selecting all its suppliers among the local suppliers.*

**32**  
Supply Chain Management

**34**  
Employees





## SUPPLY CHAIN MANAGEMENT

# The total number of suppliers of BIM was 1,578 in 2022.

Today, the need for more flexible, sustainable, and transparent supply chains is becoming more prominent. Therefore, it is critical to transform supply chains, keep abreast of technological developments, and increase collaboration to create a stronger and more resilient supply chain network. Global studies show that companies are reassessing their existing capabilities, potentials, and insights, taking precautions against uncertainties and disruptions in the global supply chain and embarking on a process of organizational transformation.<sup>7</sup> In this way, by adapting quickly to changes in demand, competitive advantage can be achieved while increasing customer satisfaction. At the same time, transparency of supply chain processes builds trust among stakeholders, as well as fulfills the need to respond to society's expectations. Effective value chain management also has positive financial implications. Managing environmental and social risks increases operational efficiency and reduces costs.

With its high purchasing power and specially manufactured products, BIM supports suppliers to produce quality products at low cost and leads the development of the industry by supporting the development of suppliers responsible for the production of its private label products within the scope of supply chain management.

Through the long-term and trust-based relationships it has established with its stakeholders, BIM enables suppliers to increase their capacities, enhance their productivity, and improve their quality standards. It also works in collaboration with its suppliers, providing them with technical support, training, and resource. BIM aims to maximize the sustainability of its supply chain through effective monitoring and auditing mechanisms. The Company monitors suppliers' production processes, controls their quality standards, and audits their compliance, thus ensuring the quality, reliability, and environmental and social compliance of products.

Operating standards under the scope of supply chain management are determined by the Purchasing General Manager of BIM. The Purchasing General Manager reports regularly to the General Purchasing Committee (GPC). Thus, a structure, in which supply chain management strategies are effectively implemented and performance is monitored, is created within the company.

### Trust-based relationships...

*Through the long-term and trust-based relationships it has established with its stakeholders, BIM enables suppliers to increase their capacities, enhance their productivity, and improve their quality standards.*



<sup>7</sup> McKinsey – Procurement 2023: Ten CPO actions to defy the toughest challenges

## SUPPLY CHAIN MANAGEMENT

Within the scope of the studies carried out by the Quality Assurance Unit in 2022, a total of 756 supplier audits were conducted.



BIM operates with a sustainable supply chain management approach. It contributes to the development of the supply chain in the sector by establishing long-term cooperation and trust-based relationships with its suppliers. BIM aims to supply quality products at low cost and thus offer competitive prices to customers, while maintaining the sustainability of the supply chain and following ethical standards. BIM supports the local economy by working with local suppliers as part of its supply chain management strategy.

BIM adopted the responsible procurement and production principles with its [Responsible Procurement Policy](#) published in 2022. By acting in line with this policy, the Company aims to improve the quality of life for both employees throughout the supply chain and customers with the resulting products, by observing human values. Accordingly, BIM's Responsible Procurement Policy aims

to observe social, environmental, and ethical responsibilities in supply chain management processes.

BIM aims to lead the transformation of the sector with its quality and affordable price policy. While ensuring compliance with high quality standards in its private label products, it aims to offer affordable prices to customers. In this way, customers have access to high-quality products and the company has the opportunity to gain a competitive position in the sector. In 2022, the proportion of BIM's private label products to its net sales was 65%.

BIM conducts regular audits in order to maintain its quality and safety standards throughout the entire supply chain. The Company audits the production sites of candidate suppliers within the scope of a BIM-specific question list. These audits are conducted to assess the suitability and adequacy of suppliers' production processes. Only suppliers that

are deemed suitable and able to meet the specified standards are eligible to produce for BIM. Existing suppliers are subject to periodically scheduled audits. These audits are carried out with and without prior notification. This encourages suppliers to continuously raise their quality and safety standards.

BIM maintains quality and safety standards throughout the supply chain and contributes to the continuous development of suppliers through regular audits. Thus, reliable and high-quality products are offered to customers, while at the same time ensuring the sustainability and reliability of the supply chain.

Within the scope of the studies carried out by the Quality Assurance Unit in 2022, a total of 756 supplier audits were conducted. 424 of these audits were carried out on 295 suppliers responsible for the production of BIM's

private label products. The remaining audits were conducted with branded product manufacturers. These audits are conducted both when the suppliers are candidate suppliers and they 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. However, suppliers of private label products that do not have these certificates and suppliers of all private-label products, regardless of whether they have certificates or not, are subject to a single audit process under the following five headings:

1. Product safety
2. Infrastructure and process
3. Cleaning applications
4. Pest control
5. Critical applications

## EMPLOYEES

# By adopting an organic growth strategy, BIM increases its employment.

With the pandemic process, many changes have occurred in the business world and it has had significant impacts. The ever-changing and evolving nature of the business world has made it imperative for human resources management to keep pace with innovations and transformations. The focus on employee health and well-being continues to increase. This includes mental health as well as physical health. Support and resources for employee mental health are also becoming increasingly important. Studies shows that 87% of business leaders believe that developing the right workplace model for employees is crucial to the success of the companies.<sup>8</sup> At the same time, diversity and inclusion have become even more important.

Companies strive to attract employees with a variety of skills, experiences, and different cultures and ensure diversity. Creating an inclusive work environment and ensuring a working environment where everyone feels they have equal opportunities has become an important priority of human resources management.

Being aware of the importance of investing in employees on the way to achieving the highest level of customer satisfaction in the retail sector, BIM continues to work to increase employee satisfaction and motivation. These investments not only add value to BIM but also contribute to the training of talented employees in the retail sector.

The Company encourages continuous self-development of its employees and provides opportunities for career advancement. It supports its employees to increase their skills and knowledge through training and development opportunities. It supports employees to advance in their careers by offering them the opportunity to take part in different positions and responsibilities. Therefore, employees have the opportunity to continuously develop themselves and advance in their careers.

By adopting an organic growth strategy, BIM increases its employment every year and supports the Turkish economy. The Company adopts the principle of equality and does not discriminate in any way demonstrating a fair approach in recruitment processes and throughout the working life of employees.

With the vision of becoming the most preferred employer in its sector, BIM continues to pursue human resources processes and practices that are embraced and touch people. The Human Resources policy, which includes the main qualities adopted by BIM employees and prioritized as a corporate culture, can be accessed from the link below.



You can access the Human Resources policy [here](#).

BIM aims to minimize the gender-based wage gap by implementing the policy of equal pay for equal work between male and female employees. In 2022, the gender pay gap among employees at BIM is measured as only 0.04%, mainly due to performance bonuses.

Employee satisfaction is one of the most important factors in ensuring the company's sustainable success. BIM prioritizes the happiness and motivation of its employees by aiming to keep their satisfaction at the highest level.

After the pandemic period, during which remote working and flexible working models became widespread, employees were provided with the opportunity to work from home or work based on flexible working hours. This has led to new tasks for human resources departments, such as creating remote working policies and developing the technological infrastructure that will enable employees to maintain cooperation and communication. Due to the nature of the sector in which BIM operates, there are limited opportunities for flexible working hours and/or remote working. Nevertheless, the IT Department works remotely for two days a week, except for those who need to be present in the office.

**At BIM, the gender-based wage gap among employees in 2022 was only 0.04%.**

<sup>8</sup> Deloitte - Activating the future of workplace



## EMPLOYEES

With its high employee engagement and organic growth strategy, BIM continues to be one of Türkiye's leading employers.



### Employment

The retail sector plays an important role, providing employment directly and indirectly through various business processes and partnerships. Along with activities such as merchandising, logistics, warehousing, and packaging, the sector establishes a broad ecosystem and offers shared value for society. The employment provided by the retail sector offers opportunities for both employees working directly in retail businesses and those working in the supply chain. This contributes to lower unemployment rates, improved income distribution, and increased social welfare. Also, the sector supports production growth through partnerships with suppliers, which in turn contributes to economic growth.

Unregistered employment is not common in the organized retail sector. Modern discount food retailing has a structure that operates in accordance with the laws and does not allow informal employment.

This enables for the protection of the rights of employees and maintaining a fair working environment.

With its high employee engagement and organic growth strategy, BIM continues to be one of Türkiye's leading employers. BIM increased the number of its employees by 13.7% to approximately 80 thousand by the end of 2022. Approximately 74 thousand of these employees work in Türkiye. In 2022, 84% of the recruitments were people under the age of 30, and 57% of them were women.

BIM prioritizes the appointment of personnel from its own human resources to strategic positions, providing its employees with the opportunity to progress and promote in their respective fields. This increases employee motivation and at the same time supports the development of talents in the company.

Vertical career opportunities encourage employees to pursue longer-term goals while sharing experience and knowledge within the company. 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 9% in 2022, compared to 49% for store/warehouse employees. The total number of employees who quit their jobs in 2022 was 23,918.

<b>Employees by Category</b>	<b>2021</b>	<b>2022</b>
Store and Warehouse Staff	95%	95%
Office and Managerial Staff	5%	5%
<b>Employees by Gender</b>	<b>2021</b>	<b>2022</b>
Female	44%	47%
Male	56%	53%
<b>Office and Managerial Staff by Gender</b>	<b>2021</b>	<b>2022</b>
Female	37%	35%
Male	63%	65%
<b>Store and Warehouse Staff by Gender</b>	<b>2021</b>	<b>2022</b>
Female	44%	47%
Male	56%	53%

## EMPLOYEES

**BIM continuously offers new training programs and opportunities for the development of its employees, enabling them to make the best use of their talents.**

### Career Management and Trainings

Employees, who have a critical position in the success of companies' sustainability strategies, are considered one of the most important stakeholders. Supporting the development of employees and helping them build their careers in the right way stands out in terms of supporting sustainability efforts and creating a holistic corporate culture. Studies suggest that failing to make the sustainability vision a corporate culture and to support the development of employees with training in this context prevents the sustainability strategies to be successful by 29%.<sup>9</sup> In addition to employee development, well-designed career management is critical for guiding employees to the right positions where they can apply their talents most efficiently and acquire the competencies of the future.

BIM follows a fair career management policy by approaching its employees with the principle of equality in career development. The Company has set as a priority goal to prefer in-house candidates for strategic positions. Thus, a majority of the management team consists of employees who started their careers at BIM or have served since the company's establishment and have been promoted on the basis of their performance. Employees are more motivated with a career roadmap allowing them to see their own talents and potential. By investing in its employees, the Company encourages them to develop their potential and contribute to the Company's success. This practice increases employees' work motivation and contributes to the long-term success of the company.

### Opportunities offered to employees...

*BIM established a training program for store and regional managers to support employee development.*



BIM attaches importance to offer support and opportunities required for ensuring that the employees thereof are able to use their potential in full and advance their careers. To this end, it contributes to the career development of its employees by objectively evaluating their performance. In 2022, approximately 15% of office and managerial staff have been subject to regular performance and career development reviews. The evaluations performed with an objective approach are applied to emphasize employees' strengths and identify areas open for improvement.

BIM continuously offers new training programs and opportunities for the development of its employees, enabling them to make the best use of their talents.

Investments in employee competencies in the retail sector increase employee loyalty, enhance work motivation, and improve sales skills. Thus, employees are equipped with the required capabilities to advance in their careers and contribute to the company's success. This significantly increases customer satisfaction and strengthens customers' loyalty to the company.

<sup>9</sup> Deloitte – Advancing the human element of sustainability

## EMPLOYEES

**According to the results of the Employee Satisfaction Survey, the employee satisfaction rate was measured as 76%.**

BİM established a training program for store and regional managers to support employee development. This program aims to support employees in developing their personal and professional skills and advancing their careers. Within the scope of the project, which was launched in Çorlu region in 2020 and then gradually expanded, 41 thousand person\*hours of online training was provided in 2022. In 2022, 6,200 person\*hours of face-to-face training was provided to marketing managers and regional supervisors. Within the scope of the project, an average of 8,200 employees benefited from the trainings in 2022, with 42% of the participants being women. In 2022, training expenditure per person under this project amounted to TL 430.

According to the results of the Employee Satisfaction Survey, the employee satisfaction rate was measured as 76%.

BİM organizes orientation trainings and programs for new recruited or promoted employees. New employees adapt to

their jobs faster by receiving detailed information about the company's culture, values, policies, business processes, and expectations. Vocational trainings are offered to employees with the positions requiring specialization. These trainings help employees improve their knowledge and skills in their areas of expertise. In addition, Occupational Health and Safety (OHS) and hygiene trainings are provided to new employees. These trainings are carried out to ensure that employees work in a safe working environment and act in accordance with hygiene rules.

BİM's decentralized organizational structure offers young executives the opportunity to develop their entrepreneurial and leadership skills. This structure allows employees to take more responsibility and initiative. Young executives can advance their careers by gaining experience in managing projects, developing teamwork skills, and participating in decision-making processes.





## EMPLOYEES

**In 2022, Piraziz Regional Warehouse was awarded ISO45001 Occupational Health and Safety Management System Certification.**

### Occupational Health and Safety

BIM adopts an approach that prioritizes the safety and health of its entire employees. The Company has established the Occupational Health and Safety Board to manage and supervise Occupational Health and Safety (OHS) issues in accordance with legal regulations. This board is responsible for determining, implementing, and reviewing occupational health and safety policies.

OHS performance is continuously monitored and accident statistics are regularly reported. In this way, risks that may occur in the working environment are identified, measures are taken, and continuous improvement activities are carried out. The Company also encourages its employees to be involved in OHS issues. The representation rate of employees in the Occupational Health and Safety Board is 38%, which ensures that employees have a voice in OHS policies and practices.

BIM adopts a decentralized structure and therefore handles and manages OHS risks separately in office, warehouse, and logistics areas. This approach ensures more effective management of risks identified according to the specific characteristics of each area. The manager responsible for OHS is selected from among the Regional General Managers, and he/she is two reporting levels away from the Executive Committee.

The required hardware and equipment are provided to protect the health and safety of employees, and effective communication channels are used to report risky situations and take precautions. At the same time, training and awareness programs on OHS issues are continuously provided, allowing employees to have safe working habits. In 2022, the Company provided employees with a total of 575 thousand person\*hours of OHS training, including



447 thousand for General OHS, 67 thousand for first aid, and 61 thousand for emergency situations. Training hours per employee was approximately 7.8.

The Company analyzed the causes of occupational accidents in detail in 2022 and initiated efforts to reduce the frequency of occupational accidents. Since the frequency of occupational accidents of new employees is high, especially in the first years of their employment, training activities have been accelerated and special studies are carried out on equipment with a high incidence of occupational accidents. As a result of these efforts, it is aimed to reduce the accident frequency rate by 15% until 2026 compared to 2022.

In 2022, Piraziz Regional Warehouse received ISO45001 Occupational Health and Safety Management System Certificate. In order to increase occupational health and safety,

efforts are ongoing for other regional warehouses to be certified.

BIM implements occupational health and safety practices not only for its own employees but also for contractor companies. Accordingly, it includes penal clauses in the agreements concluded with contractors for warehouse construction to penalize each and every violation of OHS rules.

This practice aims to ensure that contractor companies fully implement OHS measures in their business processes. In case contractors fail to comply with the terms of the agreements, penalties are imposed, encouraging contractor employees to fulfill their responsibilities in terms of health and safety.

***It is aimed to reduce the accident frequency rate by 15% until 2026 compared to 2022.***



# Healthy and Thriving Environment

*BIM aims to contribute to combatting climate change in many areas, particularly in the focus areas of energy efficiency and renewable energy, by conducting its activities with the vision of a healthy and thriving environment as well as a sustainable future.*

**41**

[Climate Change and Energy](#)

**44**

[Packaging and Waste Management](#)

**47**

[Water Management](#)

**48**

[Biodiversity](#)





## HEALTHY AND THRIVING ENVIRONMENT

# BİM's Iskenderun Regional Warehouse obtained ISO 14001 Environmental Management System Certification.



In the modern world, where fundamental problems intertwined with each other requiring systemic changes, the adverse environmental and socioeconomic impacts of the climate crisis are increasing every day. In the 2023 Global Risk Report published by the World Economic Forum, the connections among the most impactful risks of the next decade reveal the need for systemic change, while the climate crisis is among the risks of utmost importance urgently requiring to be addressed.<sup>10</sup>

“Failure to prevent the climate crisis”, which ranks first among the most devastating risks of the next decade, threatens future generations and the entire life on Earth in the long term. For sectors that are highly dependent on agriculture, such as food and food retail, changing weather patterns, extreme weather events, and water shortages can have consequences as severe as the shutdown of operations. From productivity losses to supply chain disruptions and rising production costs, the risks are so great that existing business systems urgently need to transform.

However, the food retail sector appears to be facing reputational damage from the potential to be associated with massive food waste and high levels of packaging waste. Companies need to transform by observing environmental, social, and economic sustainability; invest in resilient food systems; optimize their supply chain management; and work with all stakeholders to carry out innovative works on resilient and environmentally friendly food products in order to mitigate these risks and seize opportunities.

In this respect, BİM aims to contribute to the fight against climate change with various studies it carries out, particularly in the focus areas of energy efficiency and renewable energy, by conducting its activities with the vision of a livable environment and a sustainable future.

BİM, which started to work in the İskenderun regional warehouse in 2021 to get the ISO 14001 Environmental Management System standard and received the relevant document in 2022, continues its efforts to disseminate this document to other regional warehouses.

During 2022, BİM was not penalized for significant environmental reasons.

<sup>10</sup> *World Economic Forum Global Risks Report 2023*



## CLIMATE CHANGE AND ENERGY

# BİM reduces the environmental impact of its operations by focusing on energy efficiency, resource efficiency, and greenhouse gas emission.



Click the play button to watch our Isparta Solar Power Plant video.

The most recent Synthesis Report of the 6<sup>th</sup> Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) was published in 2023, showing that there is a 50% chance that the goal of keeping global warming below 1.5° C, set to ensure the sustainability of life on Earth, shall fail.<sup>11</sup> Accordingly, the impacts of climate change are expected to become more and more serious and dangerous, with an increase in global weather events such as extreme temperatures, heavy rainfall, storms, hurricanes, floods, droughts, and melting glaciers. These increases observed on a global scale have also shown their effects in our country and according to the “Türkiye’s Climate in 2022”, 2022 is the year exposed to the highest number of extreme weather events of all times.<sup>12</sup>

According to the IPCC’s recent report, scaling up efforts to minimize climate change depends on the public, private, and financial sectors working in collaboration. Accordingly, the impact of private companies is particularly crucial in the combatting global warming, and all companies need to actively manage their emissions across their operations and supply chains, with short and long-term targets.

In light of all this information, BİM continues its efforts to contribute to the combatting climate change. To this end, the Company prioritizes reducing the environmental impact of its operations, conducts efforts to increase resource efficiency in its logistics activities, and places particular emphasis on energy efficiency and renewable energy utilization projects. In addition to its projects and practices in these two areas, BİM aims to reduce greenhouse gas emissions comprehensively by investing in power generation from renewable energy.

Today, companies are no longer only responsible for the impact of their operations, but for the impact along the entire supply chain, and regulations and trends point that all companies should start to disclose their Scope 3 emissions. In this regard, BİM calculated Scope 3 emissions using the data of suppliers that correspond to 8% of its turnover in 2022 and included them in the report.

<sup>11</sup> IPCC, Synthesis Report: Climate Change 2023

<sup>12</sup> The Republic of Türkiye Ministry of Environment, Urbanization and Climate Change, General Directorate of Meteorology Climate Assessment for 2022

## CLIMATE CHANGE AND ENERGY

Energy intensity per square meter in BIM Türkiye operations in 2022 was measured as 206.9 kWh/m<sup>2</sup>.

### Energy Efficiency and Renewable Energy

BİM's performance management on energy efficiency is largely dependent on the electricity consumption of its stores. By increasing energy efficiency in its stores and warehouses, the Company both reduces its environmental impact and achieves financial savings. In this context, the designs of BİM stores were renewed in 2020 with improvements focusing on energy saving and thermal insulation.

Stone wool and high windows are used to provide internal thermal insulation in the renovated stores, and energy-efficient LED lighting models were introduced to reduce energy consumption. The number of newly designed stores will reach 3,626 by 2022. BİM aims to apply the new design to its entire stores by 2030. The Company also decided to introduce glass doors on vertical refrigerators as part of its efforts to increase energy efficiency in refrigerators in stores.

Efforts are also underway to optimize the energy efficiency of BİM warehouses. In this context, thermal insulation is provided in BİM warehouses by reinforcing the external facade insulation and applying curtain wall/glass systems.

Aiming to increase the rate of renewable energy consumption by reducing fossil fuel-based energy consumption, BİM expands its impact in this area and operates with the mission of becoming a company not only consuming renewable energy but also producing it. In this context, the Company has been installing solar power plants (SPPs) on the roofs of its regional warehouses since 2021.

### 12,220 MWh Electric power generation

*In 2022, 12,220 MWh of power was generated through SPP projects. Thus, 2.2% of the electricity used in BİM Türkiye operations was met with the electricity produced by SPP projects.*



In 2022, BİM invested TL 105 million for the solar power plants installed on the roofs of its regional warehouses as part of its environmental investments totaling TL 140 million. In addition to the SPPs installed in 2021 to use power generated from renewable energy sources in the warehouses, in 2022, the installations were completed on 7 warehouse roofs and a total of 10 BİM warehouses started to generate power through SPPs. In 2022, the total installed capacity of 10 SPP projects reached 15 MW, while aiming to reach a total installed capacity of 40 MW with the ongoing projects in 2023. In 2022, electricity generated from SPP projects reached 2.2% of BİM's total electricity consumption. By 2025, this ratio is projected to reach 25%.

### Efficiency in Logistics Activities

Transportation and distribution activities account for a large share of companies' greenhouse gas emissions. Identifying and minimizing emissions from these activities, which significantly affect the environmental and economic performance of the companies, have a key position as regards combating climate change and achieving sustainability goals. By identifying inefficiencies along the supply chains of the companies and optimizing their transportation routes and methods, companies not only reduce their environmental impact, but also increase operational efficiency and cost effectiveness, and improve their brand image and reputation.

## CLIMATE CHANGE AND ENERGY

**BIM warehouses are opened considering the location of the stores in order to ensure the highest efficiency, and they are arranged in such a way that the distance between store and warehouse remains minimum.**

Due to the nature of the sector in which BIM operates, transportation and distribution activities account for a significant portion of its environmental impact. The Company carries out these activities through its warehouses with a decentralized logistics organization, thereby optimizing fuel consumption in its operations. BIM warehouses are opened considering the location of the stores in order to ensure the highest efficiency, and they are arranged in such a way that the distance between store and warehouse remains minimum.

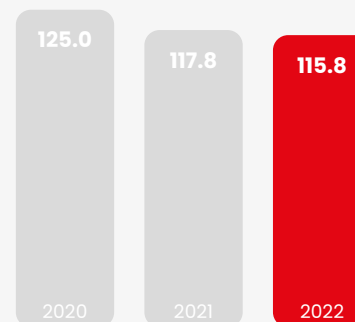
In addition to minimization of the routes between stores and warehouses, the number of travels for transportation is optimized. The trucks in the fleet are loaded as close to 100% as possible while 70% of the trucks are equipped with Euro 6 engines with the latest fuel efficiency and low emission standards.

In line with all these efforts, FILE Market applies Fleet Tracking System, which provides route optimization and supports the efficient use of vehicles. Through this system, drivers are informed about efficient driving and optimal routes to increase fuel consumption efficiency.

Company-wide fuel consumption was 0.3% of the net sales in 2022.



### Greenhouse Gas Intensity (kg CO<sub>2</sub>e/m<sup>2</sup>)





## PACKAGING AND WASTE MANAGEMENT

# BİM carries out activities for recycling wastes.



For the organized retail sector, packaging is of great importance for both managing environmental impact and extending the life cycle of food products. With the right packaging, it is possible to prevent food waste and emissions arising from it. However, the materials used in packaging should be selected from recyclable, safe, and eco-friendly raw materials, unnecessary packaging should be avoided, and a proper waste management process should be carried out.

Today, the first material that comes to mind with respect to packaging is plastic because of its low-cost and durability. Although plastic is an effective tool for packaging, it has become one of the biggest problems of the century due to unsatisfactory approaches to post-use management. For this reason, it is critical that the packages, in which materials that are difficult to dissolve in nature such as plastic are used, should be re-evaluated from the design stage, not used unless necessary, or designed in a reusable way.

The production and packaging of food products and the packaging approaches of the retail sector are changing rapidly in this direction. The world's largest food retail companies have publicized their commitment to integrating recyclable plastics and reuse models into their

business processes. Accordingly, it is reported that 27% of all plastic packaging used in the food sector has become reusable, compostable, or recyclable in line with circular economy principles.<sup>13</sup>

For the retail sector, prevention of food waste as well as packaging waste is of great importance. The rapid increase in the global population and changes in consumer habits increase the demand for food. However, rapid temperature increases and variations in precipitation regimes caused by the climate crisis are reducing agricultural productivity, leaving the global food system unable to meet demand and raising food security concerns in the long run. Addressing food safety challenges requires the optimization of resource efficiency and raw material consumption across food chains and, in particular, the prevention of food waste. Efficient and sustainable food production and distribution systems are needed to meet the growing demand for food.

In this respect, BİM carries out activities regarding the re-design of existing waste-generating systems, the development of projects and practices for recycling wastes in case of waste generation, and the correct usage of circular economy principles.

<sup>13</sup> Ellen McArthur Foundation, *Food Insights: Plastic Packaging, Global Commitment Progress Report 2022*

## PACKAGING AND WASTE MANAGEMENT

BIM achieved an annual efficiency of 790 tons in resource consumption and a financial saving of approximately TL 15 million in 2022 with its packaging efforts.



### Waste Management at BiM

*Within the framework of its waste management approach, BiM develops internal projects and practices with the aim of making packaging and food waste management a part of its corporate culture and strengthening the physical infrastructure, and supports public projects to reduce waste.*

#### Targets for 2025

##### Optimization

###### 2022 Figures

351 tons of paper waste reduction  
439 tons of plastic waste reduction

###### Our Targets for 2025

820 tons of paper waste reduction  
750 tons of plastic waste reduction

##### Recycling

###### 2022 Figures

295 tons of recycled  
plastic use

###### Our Targets for 2025

480 tons of recycled  
plastic use

Being aware of the contribution of waste management and packaging processes to the vision of a livable environment, BiM considers its waste management approach in two stages. These are to prevent waste generation in order to use natural resources efficiently and protect their value while recycling the wastes in accordance with the principles of circular economy.

Within the framework of its waste management approach, BiM develops internal projects and practices with the aim of making packaging and food waste management a part of its corporate culture and strengthening the physical infrastructure, and supports public projects to reduce waste. The Company comprehensively addresses the management of product packaging, especially for its private-label products and creates a significant impact on waste reduction.

BiM has a Packaging Purchasing Unit under the Purchasing Department in order to better manage the environmental impact of the packaging of its private labels and activate its cost structure. In-house projects promoting sustainable raw material alternatives are carried out by focusing on increasing resource efficiency in packaging.

In 2022, as a result of efforts to increase resource efficiency in packaging and promote sustainable raw material alternatives, 439 tons of plastic consumption and 351 tons of paper consumption were prevented. Approximately TL 15 million in financial savings were achieved through the said practices.

Within the scope of the pilot application commissioned to reduce plastic waste in File stores, the use of plastic bags in cases was terminated and the paper bag was used instead.

## PACKAGING AND WASTE MANAGEMENT

**Allocating special areas in its stores for sorting recyclable waste as part of the Zero Waste Project launched by the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye, BIM has received Zero Waste certificate for all its stores as of 2022.**

Almost all solid waste generated in BIM warehouses and stores is sent to municipalities and licensed companies recycling packaging waste. Thus, a large portion of the nylon and cardboard waste generated from operational activities is recycled.

73% of BIM's 136,358 tons of non-hazardous waste generated in 2022 was non-food solid waste. This entire waste has been recycled.

Focusing on waste management not only in its stores and products but also in its head office, BIM carried its paper-based approval systems onto digital medium at the end of 2020, preventing paper waste caused by invoices, expense and permit documents, and the like. This application started to be used in all regional directorates as of 2021.

As part of the Zero Waste Project launched by the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye, BIM has allocated special areas in its stores for sorting recyclable waste.

In addition to the Zero Waste project, BIM contributes to the establishment of a deposit system for reusable packaging, the preparation process of which is currently carried out by the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye and the Turkish Environment Agency.

### **Food Waste**

According to the European Commission, 57 million tons of food waste (equivalent to € 130 billion) is released every year across the European Union only. This means that 10% of the food served to consumers by retail, food services, and household uses becomes waste.<sup>14</sup> Considering the environmental impact of food waste, which accounts for 8-10% of global greenhouse gas emissions,

### **Machine-Type Stretch Film Application**

*As part of waste prevention projects, the machine-type stretch film application, which aims to prevent plastic waste caused by stretch films by 30%, has started.*



it is clear that urgent action is needed. However, studies also show that every step taken to prevent food waste has the capacity to provide advantages in many ways. Organizations fighting food waste are making progress in areas such as facilitating access to food for individuals, achieving financial savings, and accelerating the fight against the climate crisis by reducing their environmental impact.<sup>15</sup>

In the organized retail sector, of which BIM is a part, the management of food waste is among the top priorities. Food losses in food products, which constitute approximately 74% of BIM's net sales, are significant for the Company both financially and in terms of its environmental impact.

Food waste accounted for 27% of 136,358 tons non-hazardous waste of BIM in 2022. The amount of food waste was 11.20 kg per square meter, 3.5 tons per store, and 36.163 tons in total. The Company monitors its performance on food waste by ratios of

waste to net sales and carries out activities to improve this performance every year. In 2022, the ratio of these wastes to turnover was measured as 0.43% and the Company showed the best performance in its sector. BIM's most prominent project in managing food waste performance is, to procure ATP-FNB-X and/or FRC certified delivery truck bodies in accordance with the Frigorific ATP (Perishable food transport) Agreement for enabling cold food chain intact in logistics operations. As of 2022, BIM has received these certificates for 34.6% of its truck fleet.

In addition, BIM aims to carry out sustainability efforts with the participation of all employees. The waste generated per store was integrated with employee performance evaluation. Thus, the reduction of yearly food waste per store is rewarded by giving bonuses to employees.

*All trucks in BIM's logistics fleet are targeted to switch to frigorific bodies as of 2026.*

<sup>14</sup> European Commission, Food loss and waste prevention  
<sup>15</sup> UN Environment Programme, Food Waste Index Report 2021

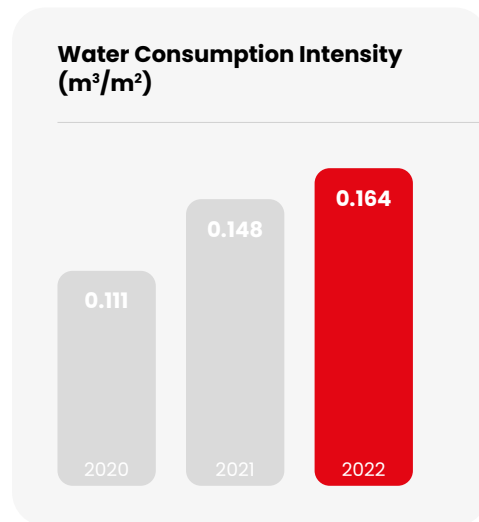


## WATER MANAGEMENT

In 2022, approximately 782,923 m<sup>3</sup> of water was consumed.

Municipal water is consumed at BIM offices, stores, and logistic centers; the wastewater is treated in treatment facilities in the related region and then recharged. Considering the operational size of the Company, its impact on water resources appears to be lower than other resources.

In 2022, 782,923 m<sup>3</sup> of water was consumed, while water consumption intensity increased by 1.6%.



## BIODIVERSITY

# BIM prioritizes monitoring biodiversity risks.

The loss of biodiversity in the world seems to be among the risks that will have the greatest impact in the next decade.<sup>16</sup> Ecosystems deteriorate with the loss of biodiversity, which causes raw material crises around the world, especially in agricultural production. The agreement by the countries participating in the United Nations Conference on Biodiversity to protect one-third of the planet by 2030 in order to preserve and improve biodiversity globally is allowing biodiversity-related efforts to accelerate. It has become imperative for companies to review their impact on biodiversity and take into account these impacts when making business decisions. In this direction, regulations are increasing and disclosure of biodiversity-related financial risks started to be requested in addition to climate-related financial risks.

As a company the activities of which are based on agricultural production, BIM prioritizes monitoring biodiversity risks and

managing its impact on this area. In this context, reducing the pressure on natural resources and preserving the diversity and health of ecosystems are important for BIM. BIM acts in accordance with the targets set at the UN Biodiversity Conference to effectively protect at least 30% of land, coastal zones, and oceans, restore 30% of terrestrial and marine ecosystems, halve global food waste, and increase funding sources.

Different products, especially tomatoes, are produced in the 100 thousand square meter closed greenhouse area of Bircan Fide, one of the subsidiaries of the Company, which carries out hydroponic farming in geothermal greenhouses. Thanks to the production made without using pesticides, there are no pesticide residues in the products. The geothermal waters used during production are re-injected into the system after use, ensuring sustainable production. Efforts to increase greenhouse capacity will continue in 2023.



<sup>16</sup> World Economic Forum Global Risks Report 2023



# Sustainable Growth with Strong Governance

*BIM 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.*

**52**

[Foreseeable Economic Performance](#)

**53**

[Risk Management and Internal Control](#)



## SUSTAINABLE GROWTH WITH STRONG GOVERNANCE

# BİM attaches importance to the adoption of the policies it develops by stakeholders in line with its vision and goals.

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.

As the highest executive body of the Company, the Board of Directors, which has a total of six members, two of whom are independent, has a strong management structure by considering diversity with members having different 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.

Aiming to continuously improve its strong governance structure, BİM has different policies such as Whistle Blowing Policy, Anti-Bribery and Anti-Corruption Policy, Ethical Principles, Responsible Procurement Policy, Human Resources Policy, Human Rights Policy, Environmental Policy, Information Security

Policy, and Customer Satisfaction Policy. Recognizing the importance of a strong governance structure for sustainable growth, improvement efforts continued and policies in line with the Company's sustainability strategy, goals, and vision have been published in 2022. In 2022, the Competition Law Compliance Policy, Responsible Procurement Policy, Customer Satisfaction Policy and Environmental Policy were approved and shared publicly.

Aware of its social responsibility, BİM makes donations and aids to various foundations, institutions and organizations, and shareholders are informed accordingly at the General Assembly. The Company donated TL 63.5 mn in 2022. 27% of the donation was made to public institutions, organizations and municipalities, 41% to charitable associations, foundations and individuals, and 32% to educational institutions. The Company does not make any political payments or support any political activity, party or candidate. No political donations were made in 2022.

BİM attaches importance to the adoption of the policies it develops by stakeholders in line with its vision and goals. In this context, complaints received via the Ethics Hotline, which was established to report situations contrary to policies, are meticulously assessed. 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's Policies are available [here](#).*

## SUSTAINABLE GROWTH WITH STRONG GOVERNANCE

BIM aims to continuously improve its strong governance structure.

In 2022, no notification was received via the Ethics Line regarding corruption, bribery, discrimination, harassment, customer personal data, conflicts of interest and money laundering; and the reports received via the Ethics Hotline were as follows:

Main Category	Sub-Category	Number of Reports
Employee Dissatisfaction	Wage Dissatisfaction	12
	Manager Attitudes and Behaviors	45
Customer Dissatisfaction	Employee Negative Behaviors	4
<b>Grand Total</b>		<b>61</b>



 [BIM Corporate Governance Principles Compliance Report is available here.](#)



## FORESEEABLE ECONOMIC PERFORMANCE

# BİM's consolidated sales volume increased by 109% reaching TL 147.7 billion.

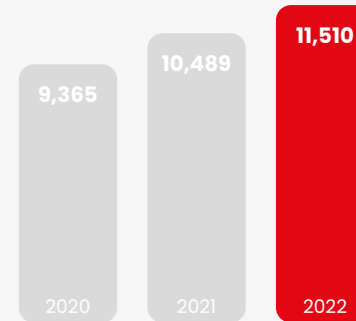
With its strong governance, predictability, and transparency, BİM establishes a secure and long-term relationship with its investors and shareholders. BİM distributes dividends to its investors on a regular basis, in line with its dividend policy. Investor relations activities at BİM are carried out by 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 2022, a total of 78 material event disclosures were issued and investors and shareholders were briefed at seven investor conferences. Also 156 meetings have been held with investors.

By the end of 2022, our consolidated sales volume increased by 109% reaching TL 147.7 billion, and our EBITDA grew by 80% to TL 11.9 billion as compared to the previous year. In the last three years, the weighted annual growth rate in sales revenues was 58%. The

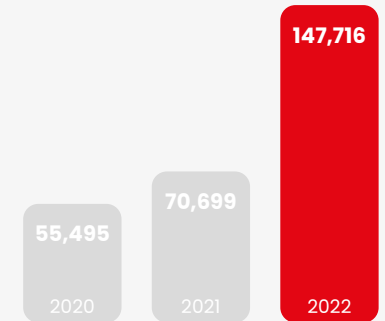
store portfolio expanded by 9.7%, with 1,021 new stores opened on a consolidated basis, reaching a total of 11,510 stores in Türkiye and overseas. By carrying out activities with negative net working capital, BİM finances itself through its cash collection. The entire capital investments with a total amount of TL 5.1 billion made on a consolidated basis, have been financed through the cash flow generated from BİM's own operational activities.

In addition to operational cash outflows, the Company distributed approximately TL 1.8 billion worth of dividends in cash in 2022. Furthermore, BİM made new investments in order to meet a portion of its supply needs in the biscuit, chocolate and fresh fruit & vegetable categories in order to ensure sustainability in product quality and prevent potential risks in the supply chain. Continuing its investments in the coming year, the Company's investments to turnover rate is expected to be approximately 3.5% in 2023.

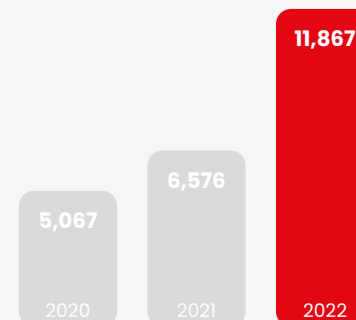
### Number of Stores



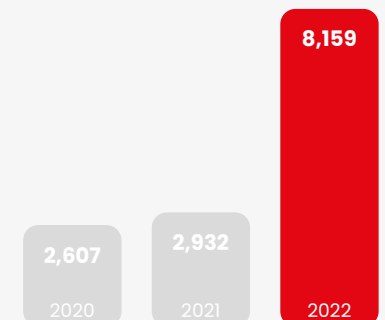
### Net Sales (Million TL)



### EBITDA\* (Million TL)



### Net Profit (Million TL)



\* Includes Türkiye Financial Reporting Standard n.16 (TFRS 16) impact.



## RISK MANAGEMENT AND INTERNAL CONTROL

**BIM incorporates efforts to prevent potential risks and evaluate opportunities into its strategic decision-making processes in order to design an agile and resilient system.**

### **Climate Change-Related Risks and Opportunities**

The organized retail sector in which BIM operates is one of the sectors feeling the effects of the climate crisis. In this context, the Company closely monitors the potential impacts of the climate crisis on its business processes. Having a proactive risk management approach, BIM incorporates efforts to prevent potential risks and evaluate opportunities into its strategic decision-making processes in order to design an agile and resilient system.

Climate-related risks are monitored by working groups consisting of experts and managers under the leadership of the Early Detection of Risk Committee and the Sustainability Committee reporting to the Board of Directors. The Committee continuously monitors and analyzes the types of non-financial risks to which the company may be exposed and the related risk indicators and evaluates the identification and implementation of appropriate risk actions. The Early Detection of Risk Committee is chaired by an Independent Board Member. The members of the Early Detection of Risk Committee do not have executive duties/positions at the Company. The aim of the committee is to preemptively diagnose any risks that could endanger the existence, development, and continuity of the company, and to take necessary measures to mitigate these identified risks and manage the risks.

The Early Detection of Risk Committee regularly evaluates the results of risk studies, while regularly informing the Board of Directors with the reports it prepares on the results and evaluations it has reached as a result of its activities. In parallel with the identified climate-related risks, the Board of Directors is responsible for determining, monitoring, and verifying management approaches and ensuring that BIM's overall sustainability performance is effective and in line with the targets. Climate change and all related sustainability issues are managed by the Sustainability Committee reporting to the Board of Directors. The Committee consists of two Board members, the Chief Financial Officer (CFO) and the Chief Operating Officer (COO) and is chaired by an Independent Board Member. Climate change and related risks and opportunities are integrated into all strategic decision-making processes of the Company. BIM has developed a holistic approach to potential risks through organizational structure, policies, job descriptions, procedures, and monitoring practices by embedding appropriate internal control mechanisms into business processes against climate-related risks.

The outputs of risk analysis processes carried out to identify and assess climate-related risks and mitigate their potential impacts form the basis of the long-term business strategy of BIM. In this context, this year, the Company, for the first time, included the information on the Task Force on Climate-related Financial Disclosures (TCFD) in its report. As a result of the risk analysis conducted, climate-related transitional and physical risks are presented below.

## RISK MANAGEMENT AND INTERNAL CONTROL

### Transition Risks

The risks identified as BIM's climate-related transition risks include risks associated with the transition to a lower carbon economy, which may require policy, legal, technology, and market changes in parallel with climate change mitigation and adaptation efforts.

	Impact	Magnitude of Impact	Risk Mitigation Efforts
<b>Policy Risks</b>	Increase in costs and financial losses due to global and local regulations (Carbon Border Adjustment Mechanism, EU Packaging and Packaging Waste Directive, etc.), penalties for non-compliance, or operational expenses incurred during the compliance process	Low	Efforts to comply with local and international regulations are ongoing, and regulations that may affect BIM in the short, medium, and long term are closely monitored. We work closely with the Ministry of Environment, Urbanization and Climate Change on the Deposit Management System, Zero Waste Management System and other issues.
	Financial losses due to fines for non-compliance with local and global regulations on sustainable agricultural practices and biodiversity (EU Anti-Deforestation Regulation, EU Farm-to-Fork Strategy, etc.) or operational costs incurred during the compliance process		We manage the climate crisis strategically within the framework of certain targets. In addition to our emission reduction targets, Scope 3 emissions of identified critical suppliers were calculated in 2022. In 2023, we started the disclosures by responding to the CDP Climate Change Program for the first time. You can find further information on BIM's management approach to the climate crisis and the projects implemented in the Livable Environment section.
<b>Technological Risks</b>	Reduced competitiveness and cost advantage due to failure to adapt to low carbon technologies such as renewable energy and energy efficiency	Low-Medium	The Biodiversity and Sustainable Agricultural Practices Policy, which is planned to be released in 2023, aims to ensure that business partners throughout the value chain adopt BIM's approach to related topics.
			BIM's performance management on energy efficiency is largely dependent on the electricity consumption of its stores. By increasing energy efficiency in its stores and warehouses, the Company both reduces its environmental impact and achieves financial savings. In this context, the designs of BIM stores were renewed in 2020 with improvements focusing on energy saving and thermal insulation. The Company also decided to introduce glass doors on vertical refrigerators as part of its efforts to increase energy efficiency in refrigerators in stores. Aiming to increase the rate of renewable energy consumption by reducing fossil fuel-based energy consumption, BIM expands its impact in this area and operates with the mission of becoming a company not only consuming renewable energy but also producing it. In this context, the Company has been installing solar power plants (SPPs) on the roofs of its regional warehouses since 2021.
<b>Market Risks</b>	Experiencing market share and thus financial losses in the case of failing to meet the increasing demand for sustainable products	Medium	For BIM, "Responsible/Sustainable Products" include products that are produced and improved with innovative approaches, taking quality and economic criteria as well as social and environmental factors into account. Within the scope of the sustainable product definition it has developed, BIM is working to increase its diversity in the sustainable product category and thus aims to respond to changing consumer and market expectations.
<b>Reputation Risks</b>	Revenue losses and talent losses that may occur as a result of damage to brand reputation due to failure to fulfill climate goals	Low	BIM transparently discloses its activities, sustainability strategy, targets, and performance in line with its vision of "Sustainable Growth with Strong Governance".  With the vision of being the most preferred employer in the sector, BIM continues to work in line with the goal of human resources processes and practices that are embraced and touching people.

## RISK MANAGEMENT AND INTERNAL CONTROL

### Physical Risks

The climate-related physical risks that BIM has identified include immediate risks, including increased severity of extreme weather events such as hurricanes or floods caused by climate change, and longer-term changes in climate patterns that could lead to sea level rise or chronic heat waves.

	Impact	Magnitude of Impact	Risk Mitigation Efforts
Acute Risks	As a result of increased frequency and severity of extreme weather events such as heat waves and floods; <ul style="list-style-type: none"> <li>Physical damage, loss of function, or loss of financial value of fixed assets,</li> <li>Disrupted operational and manufacturing activities,</li> <li>Cost increases</li> </ul>	Low-Medium	It is aimed to measure the risks of stores and logistics centers with WRI Aqueduct Water Risk Atlas and define mitigation actions.
	As a result of the failure of direct and indirect suppliers to adapt to climate change and build physical resilience to extreme weather events; <ul style="list-style-type: none"> <li>Disrupted supply processes and reduced production capacity</li> <li>Declined quality and production capacity of agricultural raw materials</li> <li>Damaged natural ecosystems</li> <li>Loss of revenue and increase in costs</li> </ul>		BIM aims to analyze the risks associated with climate change throughout its value chain. It is aimed to identify water stress risks that are anticipated to affect production activities and to prepare risk mitigation plans, especially for critical suppliers. It also works in collaboration with its suppliers, providing them with technical support, training, and resource. BIM aims to maximize the sustainability of its supply chain through effective monitoring and auditing mechanisms. The Company monitors suppliers' production processes, controls their quality standards, and audits their compliance. This ensures the quality, reliability, and environmental and social compliance of products.
Chronic Risks	Due to long-term climate changes in average temperatures and precipitation patterns; <ul style="list-style-type: none"> <li>Disruptions in production capacity, quality, and indirect supply of critical raw materials used in production,</li> <li>Financial loss due to decreased sales</li> <li>Increased operational and insurance costs</li> <li>Increased costs due to price fluctuations</li> </ul>	Medium	BIM applies a business model based on agricultural activities, with its food products accounting for approximately 74% of its net sales. Therefore, chronic risks associated with climate change are regularly analyzed in risk management processes. BIM carries out activities with its business partners to promote sustainable agricultural practices throughout its value chain. Physical risks in the regions where agricultural products with the highest share in net sales are grown and risks of excessive rainfall, drought and seasonal variability on a product basis are regularly monitored to ensure sustainable product supply.
	As a result of increased risks of water stress and forest fires in certain regions due to rising average temperatures; <ul style="list-style-type: none"> <li>Reduced product safety and quality due to disruptions in the production of critical raw materials</li> <li>Disrupted production and product supply processes due to price fluctuations,</li> <li>Increased costs due to fluctuations in raw material prices</li> </ul>		



## RISK MANAGEMENT AND INTERNAL CONTROL

### Emerging new risks

#### Packaging and Packaging Waste

**Possible Impacts:** Within the scope of Türkiye's harmonization process with the European Green Deal, it is envisaged to develop targets and strategies in line with the European Union Plastics Strategy, Packaging and Packaging Waste Directive, and Circular Economy Action Plan. In addition to changing the design, production, use, and recycling of packaging products, it is expected that the new regulations, which will prevent the use of disposable packaging and promote biodegradable and recyclable packaging materials, will also impose legal obligations for companies operating in Türkiye in the short-/medium-term. In addition to legal regulations, the changing expectations of social and economic stakeholders, especially consumers, regarding packaging use and packaging waste continue to exert pressure on companies. The majority of the products in BIM's product portfolio use plastic and paper packaging. For this reason, the Company monitors possible new regulations that will directly affect its operations related to the use of plastic and paper packaging and integrates them into its risk analysis processes.

**Actions Taken:** BIM reduced 351 tons of paper waste and 439 tons of plastic waste in 2022 through efforts to reduce packaging use and waste. In order to prevent the use of plastic packaging by 2022, the Company has set a target of using 480 tons of recycled plastic by 2025, in addition to the goal of reducing 820 tons of paper waste and 750 tons of plastic waste by 2025.

#### Changing consumer demands and responsible/sustainable products

**Possible impacts:** With the Covid-19 pandemic, increased interest in balanced nutrition and wellbeing has led to a shift in consumption preferences towards healthy diet, in parallel with consumers' concerns about their personal health. Increasing number of consumers sensitive to products with allergenic ingredients and growing preference for organic products, vegan diets, portion control, and healthy alternatives are among the rising nutrition trends. The global wellness market, which was worth approximately USD 4.86 trillion in 2022, is projected to grow by 6.92% annually until 2032, reaching a value of USD 9.49 trillion.<sup>17</sup>

This market, which is growing year by year, poses new risks for companies operating in the food and retail sector. Among these risks, it is noteworthy that plant-based, gluten-free, sugar-free, low-fat, low-salt, allergen-free, and organic products are not sufficiently included in the product portfolio in line with social sensitivity and consumer demands, and that sustainable and ethical production and responsible procurement processes that affect consumers' purchasing decisions are not embraced. Moreover, the lack of detailed and transparent label information on nutritional content, packaging, expiration dates, production processes, and food safety is considered a significant risk for the organized food retail sector in which BIM operates.

**Actions taken:** BIM provides quality and safe products at affordable prices, having them produced specially for its customers. Food safety is assured according to international standards. BIM's private label products, which account for 65% of its product portfolio, are produced in facilities certified by international food safety systems, while consumer health and safety-oriented audits are conducted for all products. Furthermore, BIM is working to increase diversification in the sustainable product category that has been identified within the scope of the sustainable product definition it has developed. In 2022, the share of products in the sustainable product category in total turnover was 8.6%. The target is for the ratio of sustainable product turnover to total turnover to reach 10% by 2026. In 2022, within the scope of healthy nutrition, the content of 8 products was reformulated and the sugar content was reduced in 6 products. In addition, BIM provides consumers with information about the production stages of its BIM private label products through the QR code system, which it has switched to in order to increase information sharing and customer satisfaction. In line with the sustainability goals, BIM aims to increase the number of private-label products bearing QR codes to 10% of the total private-label product portfolio by 2026.

<sup>17</sup> Extrapolate – Global Health and Wellness Market (2023–2032)

## 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

By Impact	Stakeholder Group	Communication Method	Communication Frequency
Direct Economic Impact	Employees	In-house communication activities, In-house 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	
Indirect Economic Impact	Financial Institutions and Analysts	Briefings, investor presentations, annual report, sustainability report, PDP disclosures	Multiple times a year
	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	
	Media	Press releases, interviews, annual report, sustainability report, PDP disclosures	
Introducers of New Opportunities, Knowledge and Insight	Universities	Meetings, annual report, sustainability report, PDP disclosures	Multiple times a year

# PERFORMANCE INDICATORS

## Social Performance Indicators

Employees By Gender and Category	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of employees	22,524	33,445	28,401	36,654	34,480	39,496
Office and managerial staff	1,016	1,872	1,267	2,140	1,294	2,400
Store and warehouse staff	21,508	31,573	27,134	34,514	33,186	37,096

By Category and Type of Work	2020		2021		2022	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Number of employees by full-time/part-time working	53,576	2,393	62,407	2,648	70,098	3,878
Office and managerial staff	2,885	3	3,403	4	3,684	10
Store and warehouse staff	50,691	2,390	59,004	2,644	66,414	3,868

Employees by Work Duration	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
0-5 years	17,628	21,269	23,417	24,420	30,130	28,452
5-10 years	3,610	6,716	3,654	6,809	2,810	5,212
10 years and more	1,286	5,460	1,329	5,426	1,540	5,832

New Recruits	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of new recruits	10,344	13,995	15,502	15,088	23,623	19,466
Below age of 30	9,045	10,561	13,848	12,032	20,682	15,613
Between ages of 30-50	1,296	3,391	1,651	3,004	2,930	3,716
Above age 50	3	43	3	52	11	137

Employee Turnover	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Total number of employees leaving work	6,546	8,898	9,625	11,879	17,544	16,624
Below age of 30	5,260	5,691	8,308	8,509	14,931	11,829
Between ages of 30-50	1,275	3,067	1,313	3,267	2,599	4,685
Above age 50	11	140	4	103	14	110
Employee turnover rate*	29%	27%	34%	32%	51%	42%

\* Including the employees who resign

Employees In Executive Positions	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Below age of 30	1	0	0	2	1	0
Between ages 30-50	86	501	95	557	102	557
Above age 50	3	36	3	32	3	59
Board of Directors	0	6	0	6	0	6

Performance System	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of employees subject to regular performance assessment	74	414	79	453	85	475

Trainings	2020		2021		2022	
Total training hours			3,164		19,775	
Average training hours per employee			3.6		16.66	

OHS Data	2020		2021		2022	
Accident frequency rate*			1.8		2.6	
Occupational disease rate**			0.0		0.0	
Absenteeism rate***			73.47		81.42	
Number of cases resulting in death			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. 2020 and 2021 data have been recalculated due to methodology change.

OHS Training	2020		2021		2022	
Total OHS training hours			441,242		538,728	
OHS training hours			298,250		364,144	
First aid training hours			86,675		105,824	
Emergency training hours			56,317		68,760	
OHS training hours per employee			7.88		8.28	



## PERFORMANCE INDICATORS

### Environmental Performance Indicators

<b>Greenhouse Gas Emissions *</b> <b>(tons CO<sub>2</sub>-equivalent)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Scope 1</b>	<b>274,592</b>	<b>297,453</b>	<b>308,683</b>
Vehicles	73,073	74,430	76,123
F-gases	183,740	196,544	205,306
Fuels used in the facility	17,779	26,479	27,254
<b>Scope 2</b>	<b>212,395</b>	<b>220,005</b>	<b>245,909</b>
Electricity consumption	212,395	220,005	245,909
<b>TOTAL (Scope 1+2)</b>	<b>486,987</b>	<b>517,458</b>	<b>554,592</b>
Greenhouse Gas Density (kgCO <sub>2</sub> e/m <sup>2</sup> )	125.0	117.8	115.8
<b>Scope 3</b>	-	-	<b>1,993,837</b>
<b>TOTAL (Scope 3 Included)</b>	-	-	<b>2,548,429</b>

\* Greenhouse gas emissions are calculated in accordance with the World Business Council on Sustainable Development (WBCSD) Greenhouse Gas Protocol methodology. KIP (GWP) values have been updated in line with the IPCC AR5 report. The lower calorific values and conversion coefficients of energy resources are taken from the Tables of Lower Thermal Value of Energy Resources and Conversion Coefficients to Petroleum Equivalents in ANNEX-2 of the "Regulation on Increasing Efficiency in the Use of Energy Resources and Energy" published in the Official Gazette No. 28097 dated October 27, 2011.

<b>Energy Consumption (MWh)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Buildings (Fuel-Electricity)</b>	<b>533,082</b>	<b>591,988</b>	<b>697,006</b>
Purchased electricity	445,310	461,265	562,352
Natural gas-fuel oil-LPG	87,773	130,723	134,654
<b>Vehicle Fuels</b>	<b>249,360</b>	<b>254,075</b>	<b>281,431</b>
Diesel	249,360	254,075	277,150
Gasoline	0	0	4,281
<b>TOTAL Energy Consumption (Renewable Energy Excluded)</b>	<b>782,442</b>	<b>846,063</b>	<b>978,437</b>
<b>Renewable Energy</b>	<b>210</b>	<b>1,643</b>	<b>12,220</b>
Renewable energy (Electricity)	210	1,643	12,220
Energy Sold	0	0	0
<b>TOTAL Energy Consumption</b>	<b>782,652</b>	<b>847,706</b>	<b>990,657</b>

<b>Amount of Non-Hazardous Waste (tons)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Total Non-Hazardous Waste</b>	-	<b>125,721</b>	<b>136,358</b>
Recycled	-	89,321	100,195
Food waste	28,411	36,400	36,163

<b>Water Consumption (m<sup>3</sup>)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Mains water	434,000	648,908	782,923

## GRI CONTENT INDEX

GRI content index		
Statement of use	BİM Birleşik Mağazalar A.Ş. has reported in accordance with the GRI Standards for the period [01.01.2022 - 31.12.2022].	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
<b>General Disclosures</b>		
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	10-12
	2-2 Entities included in the organization's sustainability reporting	6
	2-3 Reporting period, frequency and contact point	6
	2-4 Restatements of information	There is no restated information.
	2-5 External assurance	No external assurance was received for the reporting year.
	2-6 Activities, value chain and other business relationships	11-12, 32-33
	2-7 Employees	34-38
	2-8 Workers who are not employees	35, 38
	2-9 Governance structure and composition	Annual Report p:53-54, 61-62
	2-10 Nomination and selection of the highest governance body	Annual Report p:53, 75
	2-11 Chair of the highest governance body	Annual Report p: 61-62
	2-12 Role of the highest governance body in overseeing the management of impacts	53
	2-13 Delegation of responsibility for managing impacts	53

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
<b>GRI 2: General Disclosures 2021</b>	2-14 Role of the highest governance body in sustainability reporting	14
	2-15 Conflicts of interest	51
	2-16 Communication of critical concerns	50-51
	2-17 Collective knowledge of the highest governance body	Annual Report p: 61-62
	2-18 Evaluation of the performance of the highest governance body	Annual Report p:53-54
	2-19 Remuneration policies	Annual Report p:41, 53, 75
	2-29 Approach to stakeholder engagement	57
<b>Material Topics</b>		
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	16-17
	3-2 List of material topics	18-20
<b>Economic Performance</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	23-27, 52
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	52
<b>Anti-Corruption</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	50-51
<b>GRI 205: Anti-corruption 2016</b>	205-3 Confirmed incidents of corruption and actions taken	In 2022, no notification was received via the Ethics Line regarding corruption, bribery, discrimination, harassment, customer personal data, conflicts of interest and money laundering.

## GRI CONTENT INDEX

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
<b>Energy</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	41-43
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	59
	302-4 Reduction of energy consumption	59
<b>Water and Effluents</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	47
<b>Emissions</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	41-43
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	59
	305-2 Energy indirect (Scope 2) GHG emissions	59
	305-3 Other indirect (Scope 3) GHG emissions	59
	305-4 GHG emissions intensity	43, 59
	305-5 Reduction of GHG emissions	41, 59

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
<b>Waste</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	44-46
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	44-46
	306-2 Management of significant waste-related impacts	44-46
	306-3 Waste generated	59
<b>Supplier Environmental Assessment</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	32-33
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	32-33
<b>Employment</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34-38
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	4
<b>Occupational Health and Safety</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	37-38



## GRI CONTENT INDEX

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	38
	403-2 Hazard identification, risk assessment, and incident investigation	38
	403-3 Occupational health services	38
	403-4 Worker participation, consultation, and communication on occupational health and safety	38
	403-5 Worker training on occupational health and safety	38, 58
	403-6 Promotion of worker health	38
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	38
	403-10 Work-related ill health	58
<b>Training and Education</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	36-37
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	37, 58
	404-2 Programs for upgrading employee skills and transition assistance programs	36-37
	404-3 Percentage of employees receiving regular performance and career development reviews	36, 58

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
<b>Diversity and Equal Opportunity</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34, 50
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	"34, 50 BIM Human Rights Policy"
<b>Customer Health and Safety</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	24-25
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	24-25
<b>Material Topics That Are Not Covered by the GRI Standards Responsible Sourcing and Procurement</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	"32-33 BIM Responsible Procurement Policy"
<b>Risk Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	53-56

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Accounting Metric	Code	Category	Relevant GRI Disclosure	Disclosure in Sustainability Report 2022
<b>Energy management</b>				
1) Total energy consumed	FB-PF-130a.1	Quantitative	302-1	Performance Indicator (Page: 59)
2) Percentage grid electricity	FB-PF-130a.1	Quantitative	302-1	Not available.
3) Percentage renewable	FB-PF-130a.1	Quantitative	302-1	"Climate Change and Intensity (Page: 42) Performance Indicator (Page: 59)"
<b>Food Waste Management</b>				
Amount of food waste generated, percentage diverted from the waste stream	FB-FR-150a.1	Quantitative	"306-3 306-4"	Packaging and Waste Management (Page: 46)
<b>Data Security</b>				
"Description of approach to identifying and addressing data security risks"	FB-FR-230a.2	Discussion and Analysis	418-1	Digitalization and Information Security (Page: 29)
<b>Food Safety</b>				
(1) Number of recalls, (2) number of units recalled, (3) percentage of units recalled that are private-label products	FB-FR-250a.2	Quantitative	416-2	There are no products recalled.
<b>Product Health &amp; Nutrition</b>				
Revenue from products labeled and/or marketed to promote health and nutrition attributes	FB-FR-260a.1	Quantitative	N/A	"BIM Private Label Products (Page: 26-27) Risk Management and Internal Controls (Page: 56)"
Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-FR-260a.2	Discussion and Analysis	N/A	Quality Products and Services (Page: 23-25)"

<b>Product Labeling &amp; Marketing</b>				
Number of incidents of noncompliance with industry or regulatory labeling and/or marketing codes	FB-FR-270a.1	Quantitative	N/A	There are no incidents of noncompliance with industry or regulatory labeling and/or marketing codes.
Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices	FB-FR-270a.2	Quantitative	N/A	There are no monetary losses as a result of legal proceedings associated marketing and/or labeling practices.
Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	FB-FR-270a.3	Quantitative	N/A	"Quality Products and Services (Page: 25) Foreseeable Economic Performance (Page: 52)"
<b>Labor Practices</b>				
(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	FB-FR-310a.1	Quantitative	N/A	"Employees (Page: 34-35) Performance Indicator (Page: 58)"
<b>Management of Environmental &amp; Social Impacts in the Supply Chain</b>				
Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	FB-FR-430a.3	Discussion and Analysis	N/A	Supply Chain Management (Page: 32-33)



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