



2019

Sustainability Report

THIS IS OUR WORLD



YILDIZ ★ HOLDING



**THIS IS
OUR WORLD**

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Report
2019
SUSTAINABILITY
REPORT

Reported by
S360

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TRK
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GENERAL MANAGER'S MESSAGE

Dear Stakeholders,

As a pioneering Cash & Carry market with the most widespread store network in Turkey, we continue responding to needs of our customers and suppliers thanks to our *Standing by Trade* approach and omni-channel business model, which helps us grow stronger together with all our stakeholders.

2019 was a year in which we achieved successful results in all business segments and reached annual strategic targets. While expanding our operations, we also increased rate of growth, the number of private brands we sell, the number of SEÇ Markets, digital trade volume, and the number of corporate customers with Prosaf, with many awards crowning our success. We expanded our impact area by offering products to our customers and suppliers that secure the price-quality balance and by increasing the number of stores through our business partner model that provides competitive advantages. We fulfill our mission together with 2,213 employees in 175 stores in the 69 provinces we operate in. We support local socio-economic development by supplying products from local producers. We offer our employees a variety of personal and professional development opportunities. We invest in digitalization in the fields of Human Resources and customer relations, and we implement new projects that aim to improve satisfaction and efficiency.

With the supply chain partnership model SEÇ Market, we contribute to the growth of suppliers and the development of the local economy.

The number of SEÇ Markets grew to 801 stores in 73 cities by the end of the year, and their share of the company revenue exceeded 450 million TL. We increased the professional sales power Prosaf, thus reaching customers through new channels and bringing high quality, safe products to a total of 1 million 916 thousand customers. We continue to reach customers through new channels. In 2019, we launched the Click-Come-Pick-Up service in stores in five provinces, which allows customers to pick-up orders from the store they want within the time frame of their choice.

Customer relations management and digital transformation are among our main focus areas. Thanks to our investment and research in these areas, we adapt quickly to new trends and customer expectations, and deliver high quality, safe products with the goal of high customer satisfaction. The Salesforce-Customer Representative Field Management project developed in this context won an International Stevie Award in 2019.

The effects of climate change are increasing; consequently, extreme weather events, floods, and droughts reduce the amount of arable land. As a Cash & Carry company which derives about 40% of its net sales revenues from food, we are aware of our responsibilities in climate change mitigation, which poses a risk to sustainable agricultural production. We put great importance in combating climate change, thus take concrete steps. In 2019, we qualified for and received

the ISO 14001:2015 Environmental Management System Certificate, which covers Bizim Toptan stores and its headquarters.

While we have been focusing on new targets in 2020, we have also taken measures against the potential impact on our business model of the Covid-19 pandemic. Financial and non-financial risks have greatly affected supply chains during this period of increased volatility in global markets. Price speculation and supply problems have emerged as the pandemic has proceeded in our country. Bizim Toptan is continuing to offer our products at affordable, economical prices to meet the surging demand experienced during this global pandemic period, and by managing the supply chain effectively, we are maintaining sufficient stock, giving customers access to the products they need.

I would like to thank all our stakeholders, especially our employees, who showed great performance on the topics shared in this report. In addition, I would like to express my gratitude to all our supply chain employees who have made an extraordinary effort to ensure that basic products such as food and cleaning products are available on market shelves all over Turkey, and to all our store employees who take every precaution to protect the health of customers in our stores and serve with great dedication throughout the country.

Kind Regards,
Hüseyin Balcı
General Manager



ABOUT THE REPORT

This is Bizim Toptan Satış Mağazaları A.Ş.'s third Sustainability Report, published to share its performance that is accelerating in line with Yıldız Holding's sustainability strategy, **This is Our World**.

This report presents stakeholders with the sustainability performance of Bizim Toptan's activities which are environmentally and socially responsible and seek to create economic value. This report has been prepared in accordance with the GRI Standards: "Core" option. This report covers the period between January 1 and December 31, 2019, and comparisons are made with previous periods where necessary to display improvements in our overall performance.



Any questions, opinions, or suggestions can be sent to surdurulebilirlik@bizimtoptan.com.tr.



2017



2018



2019

ABOUT BİZİM TOPTAN

As Bizim Toptan Satış Mağazaları A.Ş., we carry out wholesaling activities of the brands with high brand awareness according to the consumers. Wholesaling activities of these national and international companies operating in Turkey are in main product categories such as food, non-alcoholic beverages, tobacco products, sanitation products, self-care products and paper products.

With 175 stores in 69 provinces, strong Customer Relations Management (CRM) applications, and our omni-channel sales model that develops from alternative sales channels, we are the largest (in terms of number of stores), most widespread (in terms of accessibility), and innovative company in the Cash & Carry sector. Since 2011, we have been traded on Borsa Istanbul. In July 2014, we acquired the partnership goods supply system and began supplying member markets within this system, making us the only company with such a system and a leader in the sector.

In line with our strategic plans, we focus on increasing customer number and diversity, increasing turnover per store, and developing alternative sales channels and digital sales platforms.

Wholesalers, traders, grocery stores, markets, supermarkets, specialized retailers, hotels, restaurants, and cafes make up Bizim Toptan's general customer portfolio. In addition, we also provide individual customers with the opportunity to shop. In the field of digital commerce, where changing consumer habits are increasingly directed and which has great growth potential, we offer our customers the Bizim Toptan digital sales platform, which is a pacesetter with many applications in our sector. Customers can shop at www.bizimtoptan.com.tr and on mobile platforms.

VISION

To become a strategic business partner to our customers and suppliers by reducing their costs and risks, thus increasing their competitive advantage.

MISSION

To become a strategic business partner to our customers and suppliers by reducing their costs and risks, thus increasing their competitive advantage.



Bizim Toptan at a glance

69 provinces | 175 stores

2,213 Employees

Approximately 1 Million 916 thousand¹ Active Customers

Average of 5,300 Customers per day

Stores with an average net sales area of 1,000 m²

Approximately 3,000 product types per store

518 Suppliers

ProsaF team of 220 people operating in 97 stores in 66 provinces

801 SEÇ Markets franchise model stores in 73 provinces

4.5 Billion TL sales volume



CORPORATE GOVERNANCE

Based on transparency, responsibility, and accountability, our corporate governance approach is the foundation of our trust relationship with stakeholders. Our understanding of corporate governance is based on maximum compliance with the Capital Markets Board of Turkey's Corporate Governance Principles and all related legislation. The Board of Directors, consisting of 8 members, 3 of whom are independent, is the highest governance body in the corporate governance structure. There is 1 female member on the Board of Directors. The Chairman and General Manager of the company are two separate people and the Chairman is an independent member of the Board⁵. Senior management, which consists of General Manager and senior level executives whom directly reports to the General Manager, is in charge of execution of activities. The Board of Directors meets when required, depending on the activities of our company. Audit Committee, Early Detection of Risk Committee, Corporate Governance Committee and the Sustainability Committee work under the Board of Directors.

Corporate governance implementation principles and the reasons for non-implemented corporate governance principles can be accessed in Corporate Governance Principles Compliance Report. Detailed information about our Corporate Governance structure can be found on pages 25-29 of

our [2019 Annual Report](#) and [2019 Corporate Governance Compliance Report](#).

You can access detailed information about the Audit Committee, the Corporate Governance Committee, and the Early Detection of Risk Committee, all operating under the Board of Directors, on our corporate [website](#).

ETHICAL PRINCIPLES

Ethical principles form the basis of the way we do business. Guiding us in anti-bribery and corruption, these principles were collected together as Bizim Toptan Satış Mağazaları A.Ş.'s Code of Ethics in 2018. We expect all our stakeholders, especially employees and suppliers, to comply with these principles. To ensure that the Code of Ethics, which form the basis of Corporate Governance, are adopted throughout the company, we provided Ethical Principles training to central office employees via OnCampus, an online training platform. In 2019, 1,925 employees attended a total of 481 hours of ethical training, completing the program.

Our stakeholders can submit notices about bribery, corruption, or violations of ethical principles via Yıldız Holding's Ethical Notification Line (0216 52434 24) or the etik.bildirim@yildizholding.com.tr e-mail address. In addition, ethical

notifications can be made via Yıldız Holding's Customer Relations Center (MİM), call center number 0212 576 33 00, and email at mim@yildizholding.com.tr. All notifications are kept confidential. Employees found to be violating ethical principles are referred to the Disciplinary Board, which, together with the Executive Board, imposes sanctions that may include termination of the labor contract. In 2019, The Ethical Committee received nine notices about Bizim Toptan, four of which were about manager attitudes, three were about corporate practices, and two were about irregular processes. No notification of bribery or corruption was made to the Ethical Notification Line.

You can access the Bizim Toptan Satış Mağazaları A.Ş. Code of Ethics [here](#).

RISK MANAGEMENT

All factors that may influence the reputation of our company, threaten its' existence or harm the trust-based relationship between we and our stakeholders are managed with a risk management approach. We categorize the risks that have a potential to impact the balance, in five main categories: Strategic, Operational, Financial, Compliance, and Reputation Risks. The risks were assessed by Early Detection of Risk Committee, reporting directly to the Board of Directors. The Committee evaluates risk fac-

tors comprehensively and forms prevention plans against potential risks. The Budget and Reporting Directorate within the company and the auditing units of Yıldız Holding coordinate risk management. By reporting audit results to the relevant committee and board members, we control all workflow and employees' operations as part of risk management. Consisting entirely of independent members, the Audit Committee, on the other hand, is responsible for competent and transparent audits of our financial data.

The Audit Committee's Duties and Working Principles can be found [here](#).

Detailed information about the Early Detection of Risk Committee can be found on page 81 and 82 of our [2019 Annual Report](#).

OUR SUSTAINABILITY APPROACH

The climate crisis, increasing pressure on natural resources, demographic changes, rapid urbanization, and digitalization all have critical impacts on sector. However, the food and retail sector can maintain competitive advantages by responding to changing consumer demands and expectations, and adapting to digital transformation. As one of the leading companies in this sector, we have to address the change in consumer's perception of sustainability around the globe as well as in Turkey.

This year, Bizim Toptan continued to take part in the sustainability transformation initiated by Yıldız Holding, following its strategy *This is Our World*, and to manage the environmental, social, and economic effects of our activities. We

established the Sustainability Committee in 2018 with the purpose of coordinating sustainability issues of Bizim Toptan in a systematic manner. The Committee assumes responsibilities such as setting corporate targets to improve our sustainability performance in line with Yıldız Holding's sustainability strategy, planning and implementing action plans to achieve targets, and monitoring corporate governance, and social and environmental performance.

The committee is formed and appointed with the approval of the Board of Directors. Execution is carried out by the Vice Chairman of the Board of Directors, chaired by the General Manager, and carried out under the secretariat of the Senior Director of Investor Relations. 11 members including the Marketing and Customer Relations Director, Human Resources Director, Supply Chain Senior Manager, Channel Development and Occupational Safety Senior Manager, Marketing and Customer Relations Manager, Brand Director, Environmental Management Representative, Quality Expert, and Project Manager are responsible for sustainability decisions. Our General Manager is also a member of Yıldız Holding's Sustainability Platform, which is sponsored by Yıldız Holding's Chairman of the Board of Directors, Ali Ülker, and operates under the chairmanship of Yıldız Holding's General Manager, Mehmet Tütüncü. The platform aims to ensure that companies affiliated with Yıldız Holding integrate sustainability in their business models, and provides guidance in this global sustainability leadership journey.

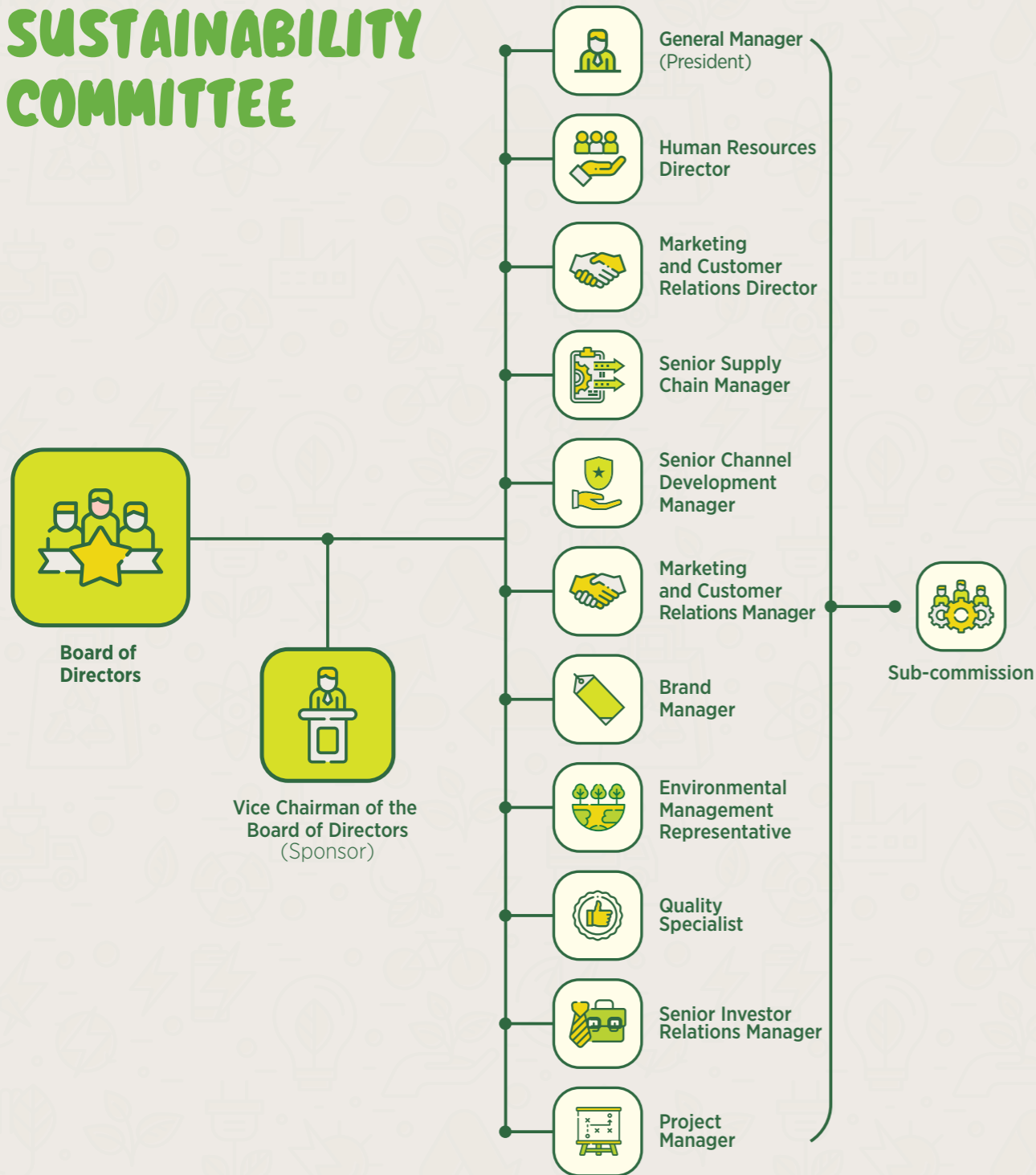
The Bizim Toptan Sustainability Committee convenes at least twice a year and whenever necessary,

and decisions taken are reported through the Committee Chairman to the Board of Directors. In the first quarter of 2019, the Sustainability Committee decided to establish a Sub-Commission (Working Group) under the Sustainability Committee to be responsible for applying sustainability decisions throughout the company and for tracking related sustainability efforts. We present our sustainability performance to our stakeholders through the sustainability report which is prepared through the efforts of the Committee and the Sub-commission.

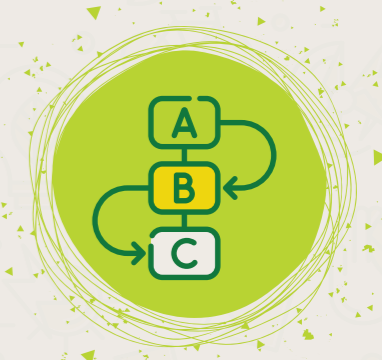
The Sub-Commission works to implement the Sustainability Committee decisions and supports the Committee in this context. The Sustainability Committee also regularly reports to the Board of Directors. The Sub-Commission met regularly throughout the year to continue its activities. Working directly under the Committee, the Sub-commission serves to implement the decisions taken by the Committee to enable adoption of sustainability throughout the company. The Sub-Commission consists of 10 members including the Special Channels Sales Specialist, Maintenance-Repair Manager, Demand Planning and Supply Chain Manager, Human Resources Manager, Quality Specialist, Assistant Quality Specialist, Software Specialist, Sales Operations Manager, Project Manager, and a representative from the Finance Directorate.

Detailed information about the Sustainability Committee's Duties and Working Principles [can be found](#) on our corporate website sustainability tab.

ORGANIZATIONAL STRUCTURE OF THE SUSTAINABILITY COMMITTEE



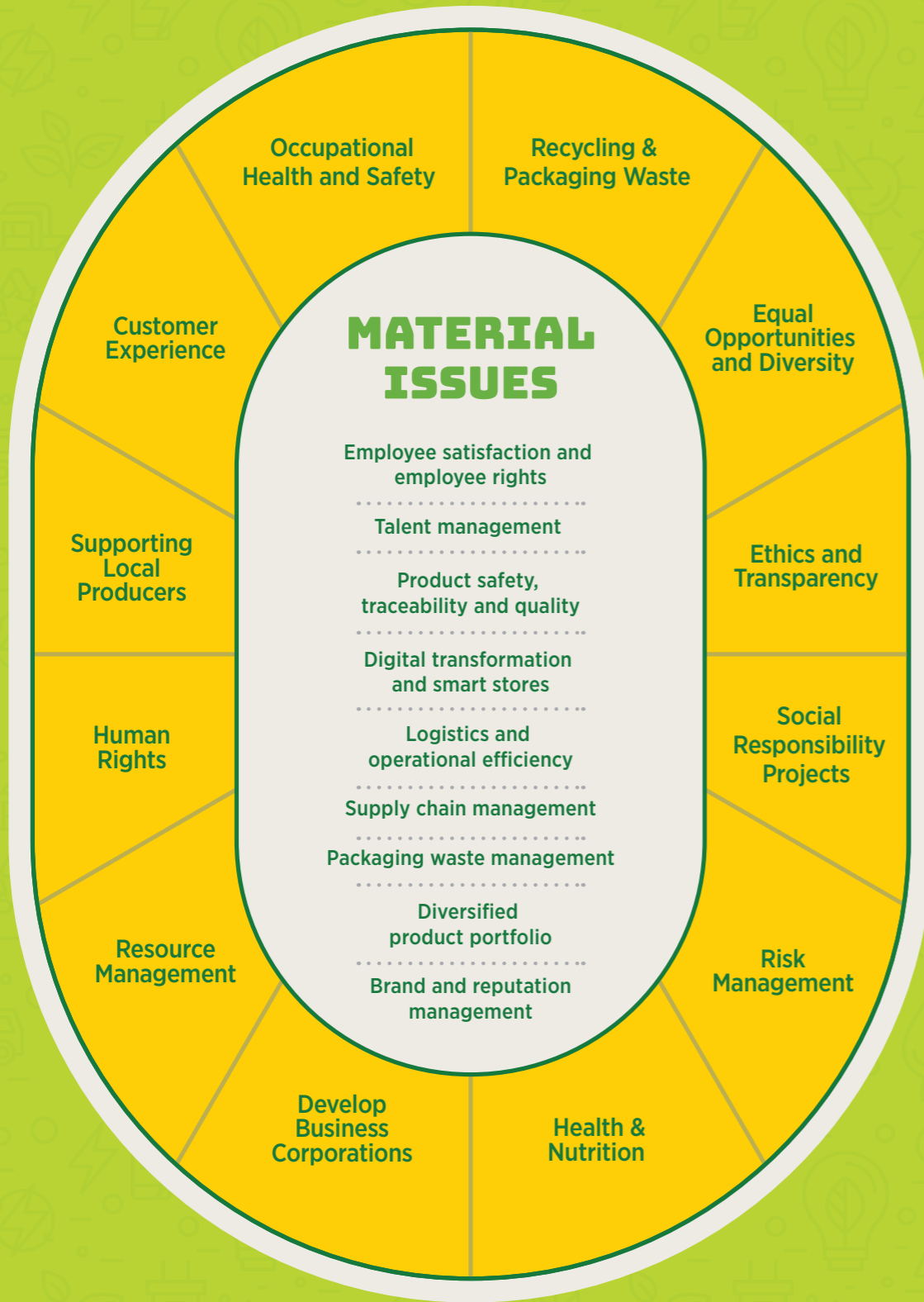
MATERIAL ISSUES



The success of companies in today's conditions are measured by the value created for stakeholders as well as with financial profitability, and Bizim Toptan's goal is to increase our success and do better for the future while achieving sustainable growth. Accordingly, in 2018 we sought the opinions of internal and external stakeholders to set our material issues.



In 2019, we held a workshop with the members of the Committee to set targets that will advance company performance on material issues. With these targets, we have taken an important step that systematically tracks our performance in the areas of effective energy use and digitalization, product management, employee satisfaction, brand and reputation management, supply chain, logistics, and packaging waste.



COMMUNICATION WITH STAKEHOLDERS



We use different methods to communicate with our stakeholders.

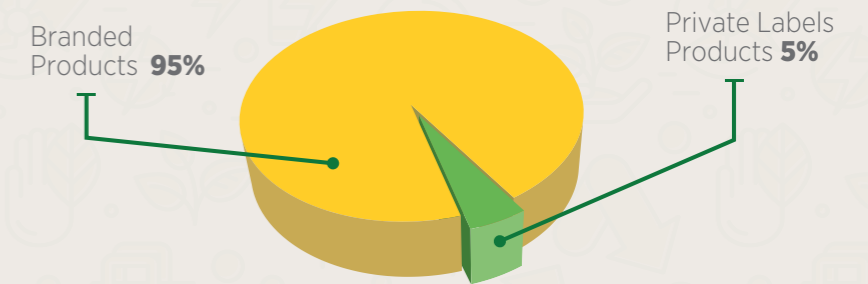
STAKEHOLDER GROUP	COMMUNICATION METHOD	COMMUNICATION FREQUENCY
Employees	Internal information e-mails, internal communication bulletins, meetings, satisfaction surveys, website, social media, OnCampus (Corporate social communication platform).	Regularly
Customers	Website, social media, informative e-mails, text messages, surveys, mobile apps, Customer Communication Center (CCC).	Regularly
Suppliers	B2B meetings, e-mails, meetings, field visits.	Regularly
Business Partners	Audits, B2B meetings, e-mails.	Regularly
Non-governmental Organizations and Associations	Joint projects.	At least twice a year
Investors	Investor conferences, roadshows, webcasts at the end of the quarter following financial result statements, documents shared through the investor relations website and disclosures published on the Public Disclosure Platform.	Regularly
Analysts	Investor conferences, roadshows, webcasts at the end of the quarter following financial result statements, documents shared through the investor relations website and statements published on the Public Disclosure Platform (KAP) in addition to the analysts' day meeting held once a year in tandem with the other publicly traded companies of our main partner, Yıldız Holding A.Ş.	Regularly



PRODUCTS INSPIRE

We offer our customers safe, quality products in competitive conditions. With our customer-oriented business culture, we aim to ensure that customer satisfaction is always at the highest level.

QUALITY AND AFFORDABLE PRODUCTS



Product Rates by Brand

Bizim Toptan offers our customers a variety of product portfolios consisting of over 300 brands in an affordable way without sacrificing quality. We share the contents of our products transparently. By doing so, we aim to continuously increase customer satisfaction with our customer-oriented business model.

WE MEET THE NEEDS OF OVER 1.92 MILLION CUSTOMERS WITH OVER 5,000 DIFFERENT PRODUCTS IN OUR 175 STORES IN 69 PROVINCES.

Our work focuses on Decent Work and Economic Growth (8), and Sustainable Production and Consumption and (12) from within the Sustainable Development Goals and continues accordingly.

Bizim Toptan offers safe, high quality products at economical prices in line with our customer-oriented business model. We meet the needs of over 1.92 million customers with over 5,000 different products in our 175 stores in 69 provinces. We are the largest (in terms of the number of stores) and most widespread (in terms of accessibility) company in the Cash & Carry sector. We focus on offering a variety of safe, quality products and supporting our customers' business processes with digital solutions.

We offer our customers national and international branded products

as well as private label products such as staple food, snacks, charcuterie and breakfast food, non-alcoholic beverages, sanitation and non-food products with competitive price advantage. In 2019, we offered 278 products of 16 private labels to our customers.

We diversify our product portfolio, which have been adapted regionally according to customers' demands, with the options of private label products. Our total product line is made up of 95% branded products and 5% private label products. In 2019, the rate of private label product sales within main category sales reached 19%. The number of customers who purchased these products increased by 26% compared to last year to exceed 1.2 million.

THE NUMBER OF CUSTOMERS WHO PURCHASED PRIVATE LABEL PRODUCTS INCREASED BY 26% COMPARED TO LAST YEAR.





PRODUCT SAFETY AND QUALITY

It's important to us that customers who prefer Bizim Toptan can shop safely and then offer the products they buy from us to their own customers with the same level of confidence. We guarantee that all our products on offer to our customers comply with legal regulations, and international safety and quality standards.

All products on sale in our stores comply with the Turkish Food Codex Legislation, and we manage our stores according to the quality standards specified in ISO 9001:2008 Quality Management System.



You can access our Bizim Toptan Quality Understanding (Turkish) [here](#).

You can access our Bizim Toptan Food Safety Policy [here](#).

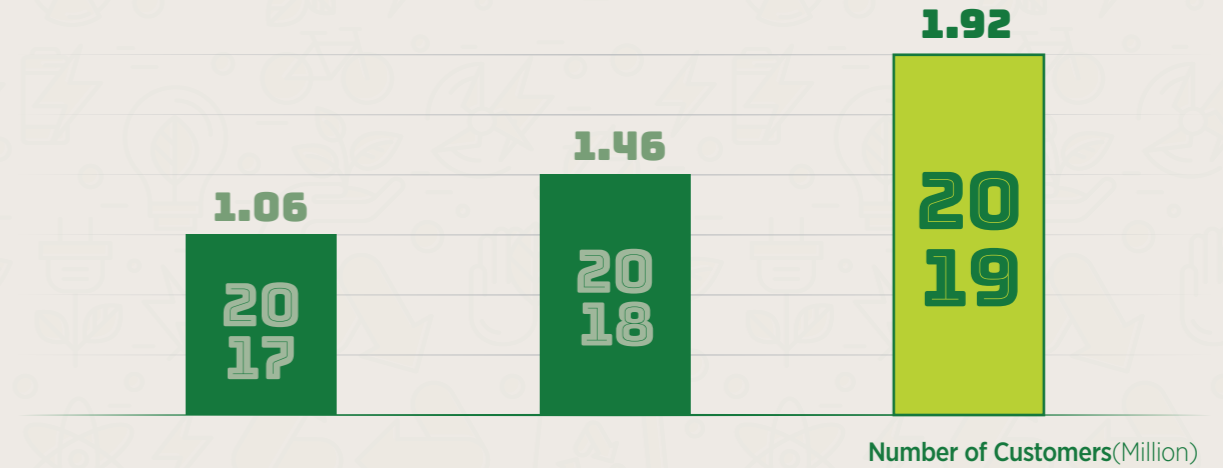
We carry out regular audits of production conditions and specifications according to food safety regulations to ensure the suitability of products for human health. All our products offered for sale and their suppliers are rigorously audited and checked for food safety and suitability for human health, and are produced in healthy and hygienic conditions, while we ensure quality and food safety through periodic inspections and analyses of products. We produce 82% of our private label products in production plants that operate according to certified international food safety management systems.

We provide all the employees in our stores with quality and food safety training based on our Quality, Food Safety, Occupational Safety Systems, and Hygiene Standards. This training ensures that our employees act with the awareness of food safety throughout the entire sales process starting from the receipt of

goods, and they can offer our customers safe and healthy services. In 2019, 21 of our managers received 1 hour of food safety training per person as part of the B-Raise Management Trainee Program.

CUSTOMER RELATIONS AND SATISFACTION

In accordance with our mission of becoming a strategic business partner of our customers, we focus on customer and consumer satisfaction, and closely follow their demands and needs. We offer quality, healthy, reliable and advantageous products that meet the needs and demands of customers, and we also implement innovative practices. Through this and our focus on different customer and consumer groups, we increase customer satisfaction and improve their experience. Our number of customers increased by 31.3% compared to the previous year and exceeded 1.92 million.



THROUGH STRONG CUSTOMER RELATIONS MANAGEMENT, OUR NUMBER OF CUSTOMERS INCREASED BY 31.3% COMPARED TO THE PREVIOUS YEAR AND EXCEEDED 1.92 MILLION.

2019 STARS OF THE YEAR
YILDIZ HOLDING

In 2019, focusing on customer satisfaction and maintaining our leading role in the sector, we studied the issues of marketing, product portfolio, and pricing to understand and respond to customer needs before the customer arrives, and strengthening our omni-channel customer and sales model with successful CRM applications. Our **“Salesforce-Customer Representative Field Management”** project as used by the Senior Project Manager and the Information Technologies Director won a **2019 Stevie Award**. In addition, our Salesforce project also won **The Stars the Year award organized by Yıldız Holding** for two consecutive years, as well as receiving many international awards.

STAR FORCE

Our Starforce project combines customer and sales campaign information, customer notifications, and customer representative visit planning and performance that are usually tracked on different systems on a single digital platform, thus forming an effective, zero-fault business model that can take dynamic actions. This project is managed jointly with Bizim Toptan Marketing CRM, Bizim Toptan IT, and Yıldız Holding IT, using one of the most effective CRM software in the world. By managing all our marketing activities centrally on this platform, we can also focus on omni-channel tracking of customer demands.

Using sales campaign automation, we automate and optimize all processes ranging from identifying customer expectations and communications, to after-analyses of activities on a single digital platform, making all processes scalable.

This ability to quickly plan and create sales campaigns saved us a minimum of 30 man/hours per month. The project created special customer cards for our 700,000 existing commercial customers, and we made about 25,000 new subscriptions from the field through this platform. This enabled customer representatives to quickly view customer groups' information, purchasing (shopping) habits, and their activities.

At the same time, we can conduct 100% performance measurement and evaluations of sales campaigns, and more quickly analyze and report results, allowing us to make immediate changes as necessary. This also ensures that customer representatives' premiums are instantly viewable after calculation based on their performance measurement and evaluation.

THROUGH DIGITALIZATION, WE OFFER CUSTOMERS AND CONSUMERS FASTER, EASIER, AND MORE CUSTOMIZED SERVICES.

Through digitalization, we offer customers and consumers faster, easier, and more customized services. Thanks to these applications, customers and consumers can share their demands, preferences, and comments with us, and at the same time, using the projects we have developed, they can access our products and services quickly and easily. This way, we can provide both continuous and periodic privileges to our customers through loyalty programs, card memberships, and mobile applications.



Our loyalty program, **Bizim Card**, provides our customers and consumers with the opportunity to make wholesale purchases from our stores, and the **Bizim Card Mobile Application** offers customers a variety of advantages for their shopping experience. In addition, digitizing business processes allows us to determine customer needs beforehand to ease marketing, product portfolio, and pricing processes.



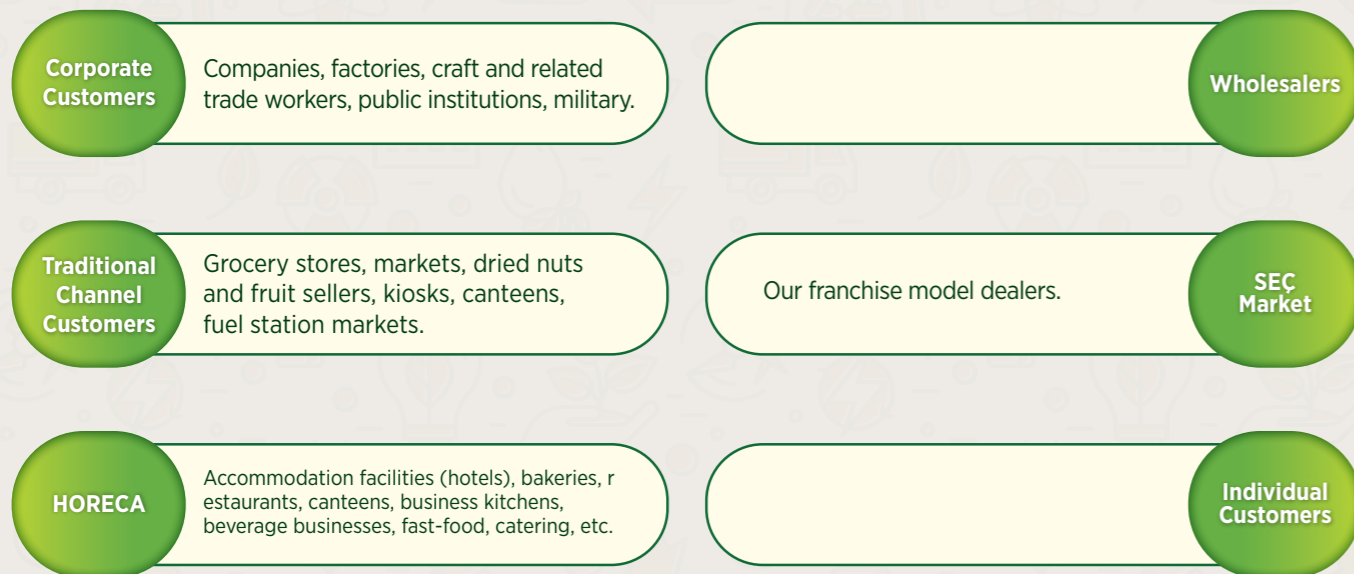
CUSTOMER FEEDBACK

Customers can send us feedback about our products and services through various channels. We receive and respond to customer feedback that comes to Yıldız Holding's Customer Relations Center's call center at **0212 577 75 52**, the mim@yildizholding.com.tr e-mail address, and our social media accounts. Notices to Yıldız Holding's Customer Relations Center are answered within 2 days (48 hours) by our company's Customer Experience Management Directorate.

A total of **4,228** customer notifications were delivered in **2019**, **61%** of which were complaints. **47%** of these notifications were delivered through social media channels and were all resolved. We resolve all notified issues in accordance with the Personal Data Protection Law and Yıldız Holding's Customer Relations Center Policy, guaranteeing customers' privacy and information security.

In addition to our proactive work, we also perform studies that measure our customers' satisfaction levels to help identify areas that need development, and take whatever steps are necessary. We conducted our first Customer Satisfaction Survey in 2017, and the second and third in 2018 and 2019 respectively. According to the 2019 survey results, customer satisfaction was **85%**. Confidential customer research, on the other hand, showed satisfaction at **81%** in 2019. We send a survey text message (SMS) to our customers with their e-invoices in order to measure satisfaction. In 2020, paper invoices have been made optional for purchases of TL 50 and under.

CUSTOMER GROUPS AND CHANNELS





NEW POWER OF SALES
PROSAF
 PROFESSIONAL
 SALES TEAM

In 2018, we expanded our service area by establishing PROSAF, the professional sales team, to deliver all our stores' brands to traditional and outside-of-home consumption outlets. ProsaF is a micro distribution channel that supplies and distributes products by making short or long-term agreements with petrol stations' markets, school and hospital canteens, fast-food chains, and buffets and cafes, providing them with special advantages and service.

We offer all our products to customers from a single supplier with advantages such as online ordering, flexible payment options, on-site delivery, and easy return and exchange. Our 220-person PROSAF team operates in 97 stores in 66 provinces, offering a wide portfolio of more than 7,000 branded and private label products. We carry out various work according to the PROSAF roadmap.



**WITH PROSAF
 WE OFFER OUR CUSTOMERS**



CUSTOMER SEGMENTATION
 By creating a product portfolio specific to each customer group, we provide customers with all the products they need.



ProsaF Marina Service

We meet the needs of marina customers, including private boats during the high season of sea tourism, with our special trams, refrigerated vehicles, and motor-operated electric vehicles. For this purpose, we opened the Göcek Marina store exclusive to Marine Service in 2018 and operations continued in 2019.



Corporate and Chain Customers

We meet all the office food and provision needs of medium and large companies with a wide portfolio of branded and private label products at competitive prices via our widespread network.



PROSAF's New Product Portfolio

Strategic moves in product categories respond to customer needs by enriching portfolios with new products.



Exclusive Distributor

In 2019, we undertook the role of exclusive regional and national distributor, thus becoming EVYAP's exclusive distributor at fuel stations, penetrating 650 locations.



DIGITAL COMMERCE

In light of changing shopping habits due to technological developments, digitalization, and the ever-increasing volume of digital commerce, we launched the digital sales platform and mobile app bizimtoptan.com.tr in 2017, allowing customers to order approximately 3,000 products over the internet.

We also offer logistics options such as cargo or vehicle-delivery based on the content and size of orders to facilitate customers' business processes.



In 2019, we started a service called "Click, Come & Pick-Up", where customers can order online via our website or mobile application and come to pick-up their purchases from our stores within the time - frame they want after we prepare their order in the store, saving our customers' time.



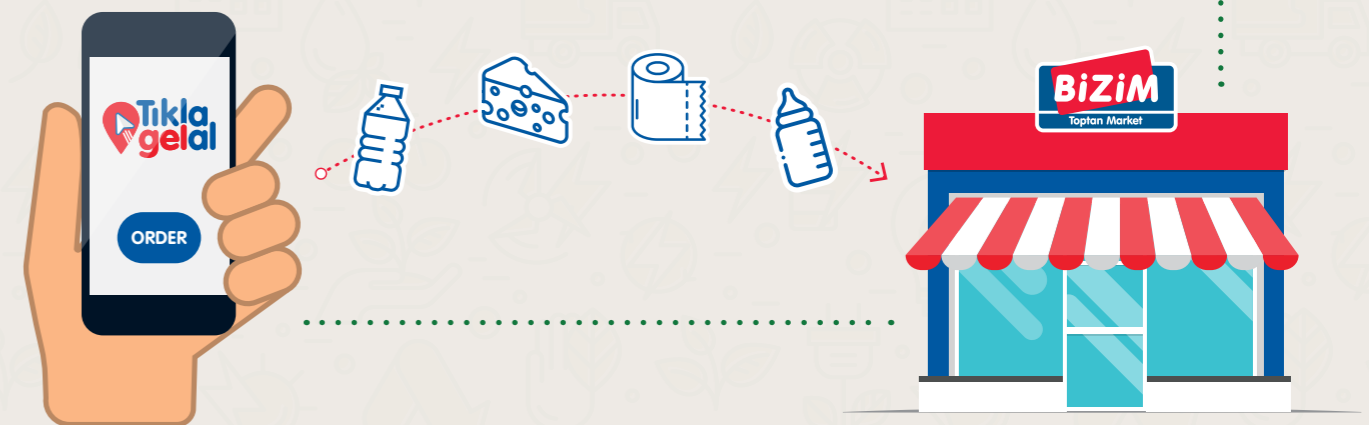
Available in our Istanbul, Kocaeli, Tekirdağ, Edirne, and Kırklareli stores in 2019, we aim to expand this service to all our Bizim Toptan stores by the end of 2020.



Our store personnel carefully prepare our customers' online orders for delivery at the desired date and time, and our customers can make their payments safely through online channels without having to wait in line.



In 2020, we plan to use WhatsApp Business to perform order registrations, satisfaction survey participation, and in-store analytical studies to put the products and services that directly touch the lives of customers on the market.





PEOPLE EMPOWER

As we are the Cash & Carry company with the most widespread network in Turkey, we interact with different stakeholders.

We have adopted a business model that supports social and economic development throughout our entire value chain. Together with employees, customers, suppliers, business partners, and society, we achieve our goals with common power.

STRATEGIC SUPPLY CHAIN MANAGEMENT

**AS OF 2019,
WE WORK WITH
527 SUPPLIERS,
25% OF WHOM ARE
NEW, AND ALL ARE
LOCAL.**

In the Cash& Carry sector, we are Turkey's largest (in terms of the number of stores) and the most widespread (in terms of accessibility) company. Among the innovative steps we have taken to grow our company sustainably is to improve our supply chain management. These steps include focusing on supply chain management efficiency, digitalization, and cooperation with suppliers and business partners. We analyze the risks in our supply chain and manage them with central systems to make the most efficient use of our resources.

As of 2019, we work with 527 suppliers, 25% of which are new, and all are local. We support local production and capital by choosing local suppliers and develop together through collaboration. This way, we directly contribute to local socio-economic development. With 175 stores in 69 provinces, we manage our accessible widespread store network in the most efficient way, so we are digitalizing business processes, and since 2017, we have been managing the supply chain using a centralized system.

The Supply Chain Directorate manages supply-demand, planning-ordering, and logistical processes. We inform suppliers of our

product acceptance standards, preventing time loss during product receiving and transfer operations due to pallet overloads, weak strength pallets, or product quality problems.

We improve our ordering, planning, and shipping processes according to our suppliers' feedback. In addition, we digitalize most of these processes, so we are using the same system as suppliers. We are optimizing supply chain processes through digitalization and thus, minimizing turnover losses, increasing product stock availability, and improving shipping performance. By integrating communication between field teams and stores using mobile applications with the Enterprise Resource Planning (ERP) system, demand and approvals progress quickly. These applications help reduce costs and labor as well as save time.

We control logistics networks through applications such as Warehouse Management System, Vehicle-Field Management, Warehouse Auto Count Parameter, ABC Analysis Report, and Route Optimization, to track order entry, exit, and delivery processes. We calculate load factors according to articulated lorry and truck capacities during the plan-

ning phase of orders and perform route optimization. We ship products regularly from our warehouses in Adana, Gebze, and Erzurum and the cold storage house in Tuzla to stores throughout Turkey.

SUPPLIER SELECTION AND AUDITING

We expect all the food suppliers we work with to comply with the quality and food safety standards and environmental criteria that we set. Therefore, we regularly audit and inspect our suppliers' production plants and report the results within the framework presented by ISO 22000 Food Safety Management Systems. Prior to signing a contract with suppliers, we audit their production plants within the framework of the ISO 9001:2015 Quality Management System and the ISO 22000 Food Safety Management System.

In addition, we audit food suppliers who produce our private label products at least twice a year ensuring that at least one of the ISO 22000 Food Safety Management System, ISO-FSSC 22000 Food Safety Management Schema, IFS International Food Standard, BRC Food Safety Standard or AIB Standards is complied with. We aim to supply environmentally friendly products to reduce the impact of suppliers on the environment, so we audit suppliers according to environmental criteria. We start working with suppliers only after the successful conclusion of supplier audits. We take action by informing suppliers in case of non-compliance during audits.

BUSINESS PARTNERSHIP SUPPLY MODEL

In order to develop our business model and differentiate ourselves in the sector, we have implemented our business partner goods supply model since 2014 within the framework of a channel-based growth strategy. Following the acquisition of 196 business partner stores that belonged to ŞOK Markets under Yıldız Holding in order to increase our growth in the market channel, we became the first and only wholesaler with a partnership goods supply model. Our strategy in this model is to grow together with our business partners in a mutual B2B win-win approach.

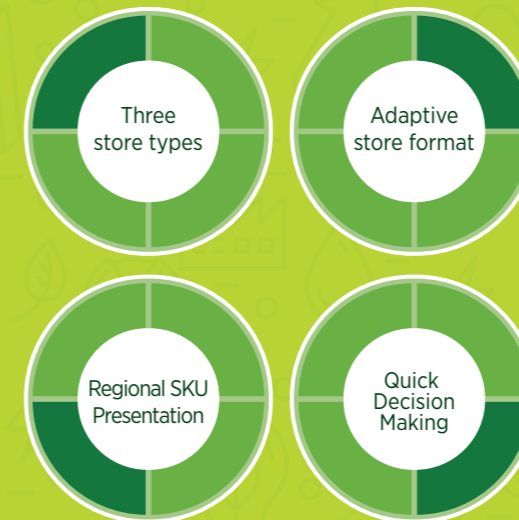
Since 2016, we have focused on increasing the sustainable growth, loyalty, business partnerships, and efficiency of Bizim Toptan stores using our Business Partnership Supply Model's SEÇ Market brand to create a competitive, profitable, and corporate identity while at the same time caring about small enterprises and new investors in the retail market. This model is based on using our extensive product portfolio and purchasing power to supply goods and services at advantageous prices to the markets included in the system. As part of our business partnership goods supply system, we also aim to combine our company's purchasing power with the power of our partner markets in the field. In this context, we offer discounted prices and advantages on a wide range of products consisting of branded and private label products. In addition to logistics, promotion, and advertising, we support the growth of partners and increase their competitiveness through fast and easy ordering, marketing, and by sharing operational information. The number of SEÇ Markets reached 801 stores in 73 cities by the end of the year, contributing 450 million TL in sales revenue to our company. With no plans to slow down, we are continuing to use the SEÇ Market model, which has been increasingly important to Bizim Toptan sales channels, in addition to applying our rapid growth, increased accessibility, and expansion strategy in 2020.



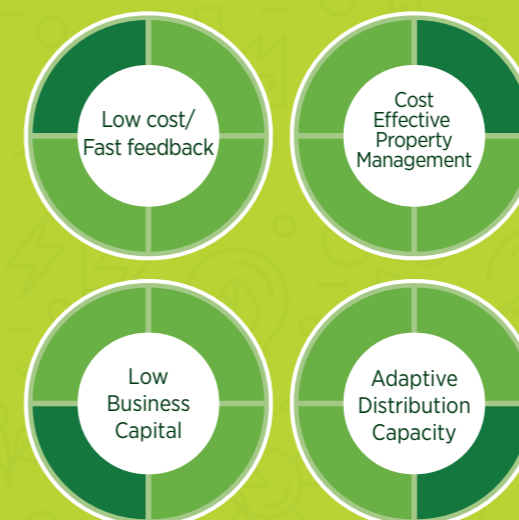
THE NUMBER OF SEÇ MARKETS REACHED 801 STORES IN 73 CITIES BY THE END OF THE YEAR, CONTRIBUTING 450 MILLION TL IN SALES REVENUES TO OUR COMPANY.

-  Win-win model based on business partnership.
-  Retail expertise support.
-  Regular and consistent supply of high quality products at low cost from a single source.
-  Advantage of ensuring customer loyalty by selling exclusive brands.
-  Easy and fast ordering system.
-  Chance to set up a business with minimum investment.
-  Low operating costs.
-  Easy payments that would make positive impact on the business capital management of SEÇ Market dealers such as forward and instalment purchase are offered.

HIGH FLEXIBILITY



HIGH SCALABILITY



CORPORATE SOCIAL RESPONSIBILITY

Bizim Toptan cares about providing social benefits while leading the sector and supporting social and economic development. We are committed to taking steps that respect and support the environment, education, and public health.

Every year since 2014, on the third Thursday of November, we support Yıldız Holding's corporate responsibility event, *Make Happy, Be Happy* by cooperating with various non-governmental organizations. As part of this, we donated 5 wheelchairs in the name of our employees via the Turkish Red Crescent, in addition to providing stationery support to children in need at 2 village schools in the East and 1 nursery in Istanbul.

Throughout 2019, we brought our employees together with professionals in various fields every month, enabling our employees to learn from experts on a wide range of issues, from technology to leadership, and parent-children relationships to performance management. The social responsibility group created by female employees in 2018, A Nice Good Gesture, continued its activities in 2019.

With aid they collected during the month of Ramadan, we provided supplies to families in need. Through our employees, we delivered story - books, brainteasing games, puzzles, stationery, Legos, toys, and test books to students studying in village schools. We donated cleaning products and diapers to the nursery in need.



EMPLOYEES


We believe that our employees are our most valuable asset. We act with an approach that centers on people and aims to create value for our employees in the long term. We understand the impact of our employees on the long-term success of our company and the satisfaction of our customers. We aim to continue our growth and strength in a sustainable way with happy, qualified, and expert employees. Therefore, we offer them a healthy, safe working environment with career and development opportunities and aim to increase employee satisfaction and commitment continuously.

We prioritize fairness and equality of opportunity in all human resources activities including job applications, recruitment, promotions, wages, career development, training, and performance management. With effective career and performance management, we plan employee development and create training programs to adapt to ever-changing trends. We also attach importance to attracting and retaining young talent at Bizim Toptan and develop innovative applications to ensure that we do so.

In 2019, the number of employees in our Headquarters and stores increased by 10%, reaching 2,213. Women made up 8.6%

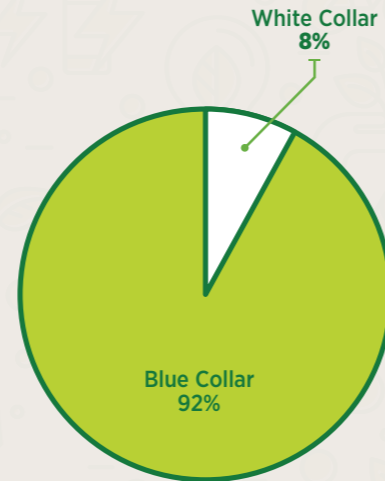
of our total employees, an increase of 7% compared to 2018. Blue-collar workers made up 92% of our employees.

You can see our human resources policy including issues such as working rules, opportunity equality, discrimination, and employee rights in the [Bizim Toptan Code of Ethics](#) and [Yıldız Holding's Ethical and Working Principles](#).



PERFORMANCE AND CAREER MANAGEMENT

Global trends such as digitalization, changing customer expectations, increased competition, and the disappearance of intermediary agencies continue to shape the Cash & Carry sector. To manage the impact of these trends on our sector and adapt to changes, we prioritize investment in human resources and manage talent in the best way to ensure their highest possible contribution to the company.



Employees by category

We give our employees the opportunity to explore career opportunities and provide personal and professional development training.

It's important to us that we measure and improve the existing and potential performance of employees. Thus, we apply a performance assessment system based on progress in business objectives and competencies. We also form the most effective evaluation approaches for white-collar employees in the head office and blue-collar employees on the field.

• We organize Goal Setting Workshops every year in January using the balanced goal card methodology for all white-collar employees in the head office, which allows us to evaluate the performance of our employees through a system of three factors: Financial, Customers, and Business Processes and the Human Dimension. By combining evaluation results from goal setting, interim evaluation, and final evaluation, and comparing them with the company's annual financial achievements, an individual performance evaluation is reached.

• We evaluate the performance of our blue-collar employees by measuring key performance indicators such as work increase over quarterly periods, profitability, customer satisfaction, stock management, and auditing. Bonus performance indicators are used in field performance evaluation process which includes task and competence evaluations made twice a year. These evaluation results, on the other hand, are also used in yearly Human Resources planning.

The performance system is used to determine year-end incentives and bonus. We apply a remuneration system based on the workload required by each position and use bonus systems where all employees advance towards the same goal and are based on objective measurements.

EMPLOYEE TRAINING

Training is very important for increasing both employees' competencies and customer satisfaction.

Therefore, we take performance evaluation, career plans, and job and position-specific development needs into account when designing training. In addition to increasing Bizim Toptan's competence, the training we give also contributes to the development of a qualified workforce in the sector. We provide training on topics such as developing managerial skills, store management, and development of sales competencies, and improve our training processes by utilizing digitalization.

Head office employees can participate in personal development, leadership, and technical and vocational training, as well as foreign language training organized by Yıldız Holding. The Human Resources Department responsible for the management of trainings organizes leadership seminars and conferences in different topics every month in the head office. Expert professionals attend these events that focus on topics from technology to leadership, and from parent-children relationships to performance man-

agement. By moving employee training to digital platforms, the amount of online training increases, ensuring greater efficiency in their duration and content, and making it possible to reach more employees.

We also provide orientation training for all new employees, so they learn working procedures and adapt more easily. In addition, we continue to support young talent at Bizim Toptan, offering both internships and job opportunities, and supporting them throughout their experience. In 2019, we offered 14 internship positions at Bizim Toptan through the JOB Intern process carried out by Yıldız Holding.

When filling vacant job positions, we give priority to our own employees, taking their potential into account, and create development plans in accordance with their needs and the company's. In 2019, we provided a total of 39,823 hours of training with an average of 18 hours of training per employee.



2019 TRAINING	2017	2018	2019
Total training time provided to employees (excluding OHS trainings)	511	43,104	39,823
Average annual training time per employee	0.2	21.4	18

	<p>The B-Raise Executive Training Program aims to cultivate qualified store managers with diverse views who will carry Bizim Toptan into the future, by providing employees with training by experienced internal trainers on corporate culture, internal auditing, customer management, finance, and human resources. In field training, the executive candidates experience all the roles they will be required to manage by working in pilot stores located in various regions of Turkey for three months, and working in different positions from cashier to salesman, and from warehouse to goods receiving, changing pilot stores once a month. In 2019, 21 employees participated in this training, and we've increased this to 24 for next year.</p>
<p>Store Manager Development Program</p>	<p>Our employees continued to receive training through the Store Manager Development Program, designed with three modules to ensure that Bizim Toptan achieves its future goals and taking action today to ensure that the entire team moves towards the same future goal. Important topics in the program include Positive Attitude and Relationship Management in Merchandising, Team Management in Merchandizing, Being A Store Manager and Strategic Retail Management, Target and Financial Management in a Store, Sales and Customer Management, Store Area Management, and Sales Enhancing Activities. 155 employees participated in the development program in 2019.</p>
<p>Customer Representative Training Program</p>	<p>We have started a Customer Representative Training Program to train and expand our talent pool of customer representatives who will take an active role in our stores' new customer acquisition process. 43 employees participated in the program in 2019.</p>
	<p>Our professional sales team, Prosaf, was created in 2018 to deliver all the brands in our stores to traditional and out-of-home consumption points. The Sales School was established to provide both technical in-class training and field training for newly recruited field sales teams. 47 employees attended the Sales School this year.</p>
	<p>Audit Players helps head office employees and store managers participate in store audit processes, ensuring field and head office alignment, with the goal of doing business with zero errors. In addition, we have changed the perspectives of employees attending the program with this project regarding quality way of doing business. 20 people participated in the Audit Players program in 2019.</p>
	<p>Lasting four months in total, the JUMP Career Path Program allowed us to define the steps all our employees would need to take to reach their targeted positions. We identified candidates that were most suitable for the position of Regional Manager, one of the most critical positions in our company, and while they continued to work in their current jobs, prepared them for this position with projects and practical applications in the field as part of the JUMP Career Path Program. The JUMP Career Program aims to make our employees' career planning fair and transparent, and contributes to their career development by enabling them to gain experience in different positions. Our evaluations resulted in four of our employees being included in the Regional Manager pool, and two have been promoted to Regional Manager positions.</p>
	<p>OnCampus is a corporate social communication and learning-development platform our employees can access through the mobile application or our corporate website. It aims to bring all employees' perspectives and quality understanding into alignment by using internally resourced training in technical, professional, and personal development. We contribute to the formation of a learning culture with this platform, where our employees can share good practices and achievements as well. The OnCampus project won a Gold Award at the International Stevie Awards in 2019. By the end of 2019, we had provided a total of 3,815 hours of training over the platform.</p>



EMPLOYEE SATISFACTION AND LOYALTY

We believe that qualified, happy, and motivated employees are essential in order to make a difference in our sector and to obtain competitive advantage. In this respect, we care about our employees' satisfaction and loyalty and take whatever actions are necessary in this direction.

We conduct an Employee Satisfaction Survey every two years for head office employees and every three years for store employees. Our latest survey, conducted with 65% employee participation, revealed a loyalty score of 77.

We believe that efficiency and employee communication play important roles in increasing satisfaction. In 2018, the Senior Directorate of Human Resources and the Information Technology Directorate launched the İKON project to digitalize human resources processes. We launched the second phase of İKON in 2019 to digitalize processes such as payroll viewing, promotion-transfer-rotation processes, temporary assignments, instant rewards, permission procedures, recruitment, and performance evaluations.

In order to strengthen communication with our employees and inform them about new developments, success stories, and rewards within Bizim Toptan, we started to publish the internal communication bulletin, **BİZDEN**, which comes out every quarter.

EMPLOYEE VOLUNTEERING

Volunteering is one of the most important factors that increases employee commitment. Our social responsibility team, called A Nice Gesture, is predominantly made up of female employees, and they coordinated provisions aid to families in need. Food prepared by the 170 employees who took part in the project was put up for sale in the office and the revenues were donated to UNICEF. In addition, our employees collected books, puzzles, stationery materials, and test books and sent them to students studying in village schools.

OCCUPATIONAL HEALTH AND SAFETY

One of our biggest responsibilities is ensuring that our employees work in a healthy, safe working environment. We comply fully with occupational health and safety (OHS) rules in our head offices and stores within the framework of laws and regulations,

and we make improvements every year as we work towards our Zero Work Accident goal. We are investing in the digitalization of processes such as systematic and centralized auditing, and reporting of occupational health and safety activities in our 175 stores in 69 provinces. In addition, we conduct risk assessments throughout the year and follow the procedures and practices for eliminating OHS risks.

The 16-person Occupational Health and Safety (OHS) Board, consisting of senior executives in the general directorate, reports directly to the General Manager. The OHS Board includes the General Manager, OHS Manager, Marketing and Brand Affairs Manager, Sales Operations Deputy General Manager, Quality Assurance and OHS Senior Manager, Finance Director, Sales Senior Manager, HR Director, Sales Operations Manager, Technical Purchasing Manager, Supply Chain Senior Manager, Asia Regional Manager, Energy and Efficiency Manager, Commercial Sales Manager, and Security and Risk Manager. Actions are taken on occupational health and safety issues in stores through the Board's sub-committees.

In 2019, we provided 4,308 person*hours of OHS training. In addition, we provided a total of 160 hours of OHS training to 10 of our sub-contractors.

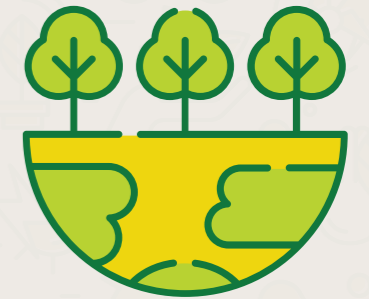


PLANET RESTORE

We protect our natural capital, which is critical to meet the needs of future generations and ensuring the continuity of our sector.

We are reducing our environmental impact via projects aimed at energy saving and efficiency.

ENVIRONMENTAL MANAGEMENT



The impacts of climate crisis are scaling up and accordingly extreme weather events, floods, and droughts result in the shrinking of arable lands. As a company which derives about 34% of its net sales revenues from food and is dependent on arable lands, we are aware of our responsibilities under these circumstances, which poses a risk to agricultural sustainability. We focus on reducing the carbon emissions that result from our activities and increasing our energy efficiency, and we are striving to reduce our environmental impact via best practices in water and waste management.

As a Yıldız Holding subsidiary, we are guided by the **Planet - Restore** approach, which focuses on improving environmental conditions to reduce our environmental impact. In light of this approach, we identify the impact of our business on the environment and continuously aim to improve our performance in energy, water, and waste.

The Environmental Policy and Environmental Management System

sets the framework of Bizim Toptan's environmental management approach.

The main focus areas we have identified for reducing our environmental impact are:

- Ensuring the development of environmental awareness and protection in line with our goals, with the support and participation of our employees and all relevant stakeholders,
- Reducing waste at the source, using and re-using natural resources efficiently,
- Reducing our carbon footprint by using energy efficiently,
- Ensuring that the products we offer our customers are sustainable on the basis of their life cycle,
- Fulfilling all environmental compliance obligations.

As a retail sector company our main environmental impact consists of carbon emissions from logistics, energy consumption in warehouses and supermarkets, and packaging waste. To manage these effects systematically, in 2019 we obtained the ISO 14001:2015 Environmental Management System Certificate covering all Bizim Toptan stores and

headquarters. Certificates and documents are shared through the Quality System-Document Management System, an intranet system accessible to all employees. All work the Standard requires is regularly reported to the relevant unit managers and to senior management once a year.

TS EN ISO 14001:2015 Basic Environmental and Internal Auditor training was given to a team of 24 people consisting of members of the inventory team, general directorate employees, and regional managers to ensure that employees understand the scope of the Environmental Management System, adopt the principles of the system, and thus systematically apply environmental management.

In addition, we uploaded this training content to the OnCampus application in the mandatory training category to develop environmental awareness in all our employees.



In addition to understanding how we should conduct our operations while being environmentally responsible, we also comply with legal obligations. In 2019, we did not receive any environmental penalties for our operations.

The environmental risks that we have identified to prevent the impact of adverse environmental conditions on our business are as follows:

- Risks that affect the company's policy, vision, and mission,
- Risks that arise from relevant parties as well as internal and external environmental analyses affecting the company,
- Common risks that affect the whole environmental management system,
- Risks that arise from the company's environmental impact,
- Risks from legal and other conditions.

In 2019, to improve our environmental performance we focused on energy efficiency, infrastructure improvement, and waste reduction.

You can access the **Bizim Toptan Environmental Policy** and Main Principles Concerning Environmental Management System [here](#).



ENERGY EFFICIENCY

We make effort to reduce greenhouse gas emissions arising from logistics and operations, ensure energy efficiency in our operations by focusing on our main environmental impacts in the retail sector we operate in.

In 2019, we improved our air conditioning and lighting systems infrastructure and continued to work on route optimization in the scope of energy efficiency efforts. In order to take control of our energy consumption, we completed the infrastructure integration on our cooling, air conditioning, and lighting systems. In accordance with our energy management system, we renovated all our stores by installing a remote monitoring system.

The hourly, daily, and monthly electricity consumption of every store can be monitored on a category basis in 2020.

WASTE MANAGEMENT

An increase in single-use plastics and packaging waste has been observed by the effects of pandemic. Changing daily habits to increase the use of plastics thinking they are more sterile deepens the waste crisis, which is already a critical environmental problem.

Waste is one of the significant impacts arising from our operational activities, and is one of the main environmental management issues we focus on. The majority of the waste resulting from our operations is packaging waste. Therefore, the recycling of packaging waste forms the basis of our waste management approach.

We separate different types of waste at the source and ensure that they are recycled by licensed companies. On average, 780 kg of waste per month is collected from each store by municipalities and municipality-contracted institutions. In addition to our own recycling efforts, we also communicate with customers who visit our stores to raise their awareness on recycling.

- We collect paper, plastic, metal, glass, electronics, and battery waste in designated boxes in common areas in offices, kitchens, and warehouses and send them for recycling.

- In 2019, to collect batteries from our stores and those brought in by customers, we placed waste battery boxes in all our stores as part of the project to send batteries to the Association of Portable Battery Manufacturers and Importers as authorized by the Ministry of Environment and Urbanization.

- As part of our cooperation with the Consumer and Environmental Education Foundation (TÜKÇEV), we collect our private label products from the market and send them for recycling.

- In one of our e-commerce stores, used and worn cardboard boxes are processed in a packaging processing machine and converted into new, high quality packaging material.

- With this method, used only to protect products shipped by cargo, we no longer need an additional second packaging.



By recycling packaging waste, we are saving financially at the same time, we're reducing waste generation.

WATER CONSUMPTION

Although there is no significant water consumption related to our operations, we implement practices for efficient water use in our stores and head office. We focus on reducing our water-based environmental impact with these applications by monitoring and reducing water use with systemic improvements.





ANNEXES

- SOCIAL PERFORMANCE INDICATORS
- ENVIRONMENTAL PERFORMANCE INDICATORS
- AWARDS
- GRI CONTENT INDEX

SOCIAL PERFORMANCE INDICATORS

Number of employees	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees by gender	164	1,691	179	1,833	192	2,021
Total number of employees	1,855		2,012		2,213	

Employees by category *	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of white-collar employees	41	112	42	116	46	126
Number of blue-collar employees	123	1,579	137	1,717	146	1,895
Total number of employees	1,855		2,012		2,213	

* No employees are covered by collective bargaining agreement.

Number of employees by Employment type	2017		2018		2019	
	Full time	Part time	Full time	Part time	Full time	Part time
Number of employees by employment type	1,855	0	2,017	5	2,209	4
Total number of employees	1,855		2,012		2,213	

Number of New Recruits by Gender and Age	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of new hires during the year	82	324	60	452	85	835
Under 30 years old	62	222	44	294	61	487
30-50 years old (including 30 and 50 years old)	20	100	16	158	24	347
Over 50 years old	0	2	0	0	0	1

Number of Employees of Contractors by Category and Employment Type	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of subcontracted employees by gender	4	28	5	31	5	40
	Full time	Part time	Full time	Part time	Full time	Part time
Number of subcontracted employees by employment type	32	0	36	0	45	0

Number of Employees by Term of Employment	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
0-5 years	149	726	172	1,000	172	1,152
5-10 years	10	510	6	451	18	451
10 years and above	4	456	1	382	2	418

Number of Employees in Management	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Under 30 years old	0	0	0	0	0	0
30-50 years old	3	51	4	41	4	44
Over 50 years old	0	2	0	2	0	4
	Female	Male	Female	Male	Female	Male
Number of male and female members of the Board of Directors	1	7	1	7	1	7

SOCIAL PERFORMANCE INDICATORS

Number of Employees Left by Gender and Age	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Under 30 years old	54	240	83	410	71	345
30-50 years old	16	197	22	270	23	282
Over 50 years old	0	9	0	8	0	3
Total	70	446	105	688	94	630
Employee turnover	13.7		23.3		32.2	

Number of Employees on Parental Leave and back from Parental Leave by Gender	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees benefiting from maternity/parental leave	3	157	4	186	4	148
Number of employees returning to work after maternity/parental leave expires	3	157	4	186	4	148

Number of Employees subject to Performance Evaluation by Gender	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees subject to performance evaluation	26	104	43	113	45	126

Employee Training	2017	2018	2019
Total employee training hours	511	43,104	39,823
Training hours per employee	0.3	21.4	18
Total sub-contractor training hours	5	150	60

OHS Performance	2017	2018	2019
Number of accidents	62	15	46
Number of Fatality	0	0	0
Occupational diseases	0	0	0
Occupational diseases rate (ODR)*	0	0	0
Accident frequency rate (IR)**	3.1	3.30	1.84
Injury severity rate	-	15.87	1.87
Lost Day Rate (LDR)***	-	60.76	2.04

* Occupational disease rate (ODR): Number of occupational diseases * 200,000 / Total working hours
 ** Accident Frequency Rate: Total number of accidents / (Total working hours-Lost hours) * 1,000,000
 *** Lost Day Rate: Total number of lost days * 1,000,000 / Total working hours

OHS Trainings	2017	2018	2019
Total employee training hours	-	13,196	4,308
Training hours per employee	-	6.55	1.94
Total sub-contractor training hours	-	-	160

Anti- Bribery and Corruption	2017	2018	2019
Number of corruption cases detected	9	10	17
Number of disciplinary penalties imposed on employees for corruption	8	9	16
Number of public prosecutions regarding corruption	6	1	5

ENVIRONMENTAL PERFORMANCE INDICATORS

Energy Consumption (MWh)*	2017	2018	2019
Buildings' fuel & electricity	24,241	26,053	28,886
<i>Purchased electricity</i>	22,314	24,408	27,870
<i>Natural Gas, Fuel Oil & LPG</i>	1,927	1,352	954
<i>Generator (diesel)</i>	0	294	62
Vehicle fuels	585	2,731	4,870
<i>Diesel</i>	585	2,731	4,870
TOTAL NET Energy Consumption	24,826	28,784	33,757

* Energy consumption is provided in TL and calculated taking average annual unit prices (EMRA-Energy Market Regulatory Authority, Natural Gas distribution companies, etc.) into account. The lower heating values and conversion factors of energy resources were obtained from the "Regulation on Increasing Efficiency in the Use of Energy Resources and Energy" ANNEX-2 Lower Heating Values of Energy Resources and their Conversion Factor Equivalents of Petroleum tables, published in the Official Gazette No. 28097 on October 27, 2011.

Greenhouse Gas Emissions* (tons CO ₂ -equivalent)	2017	2018	2019
Scope 1	603.5	1,121.3	1,570
<i>Vehicles</i>	158.5	739.9	1,319.2
<i>Fuels used in the plant</i>	445	302.6	234.1
<i>Generators (diesel)</i>	0	78.8	16.7
Scope 2	11,401.2	12,365.1	14,317.6
<i>Electricity consumption</i>	11,401.2	12,365.1	14,317.6
TOTAL	12,004.7	13,486.4	15,887.7

* Greenhouse gas emissions (tons of CO₂ equivalent) data are provided in TL and calculated as an average value. Greenhouse gas emissions are calculated according to the GHG (Greenhouse Gas) protocol. Global Warming Potential (GWP) coefficients are taken from the 6th Evaluation Report of the Intergovernmental Panel on Climate Change (IPCC).

Water consumption (m ³)	2017	2018	2019
Municipal water	26,923,35	27,176,05	11,092,4

* The data on water are given in TL and calculated as an average value considering the ISKI (Istanbul Water and Sewerage Administration) workplace tariff.

Raw materials used in packaging (tons)	2017	2018	2019*
Plastic (bags)	486.4	629.14	-
Plastic-weighted composite (Stretch)	74.34	98.34	74.02

* 2019 data is provided as the number of plastic bags.

Packaging waste	2019
Plastic bag (pcs)	3,269.732

AWARDS



April 2019 • Martech – Best CRM technology



April 2019 • Martech – Best use of technology on Social Platforms



October 2019 • Stevie – Marketing Department of the Year – Gold



October 2019 • Stevie – Human resources application (Oncampus) – Gold



October 2019 • Stevie – Customer Service Team of the Year – Silver



October 2019 • Stevie – Company of the Year – Bronze



October 2019 • Stevie – Marketing Campaign of the Year – Bronze



October 2019 • Stevie – Training Application of the Year – Bronze



October 2019 • Lift Awards – Newsletter



December 2019 • European Business Awards – Customer & Market Engagement

GRI CONTENT INDEX

GRI Standard	Disclosures	Page Number/Direct Reference	Omissions	
GRI 101: Foundation 106				
GRI 102: General Disclosures 2016				
GRI 102: General Indicators 2016	Organizational Profile			
	102-1	5	-	
	102-2	5	-	
	102-3	https://www.biziminvestorrelations.com/en/view-to-bizim-toptan/contact.aspx	-	
	102-4	Page 17 - Bizim Toptan 2019 Annual Report https://www.biziminvestorrelations.com/en/financial-and-operating-data/annual-reports.aspx	-	
	102-5	https://www.biziminvestorrelations.com/en/view-to-bizim-toptan/shareholder-structure.aspx	-	
	102-6	Bizim Toptan 2019 Annual Report https://www.biziminvestorrelations.com/en/financial-and-operating-data/annual-reports.aspx	-	
	102-7	Bizim Toptan 2019 Annual Report https://www.biziminvestorrelations.com/en/financial-and-operating-data/annual-reports.aspx	-	
	102-8	35, 36	-	
	102-9	23	-	
	102-10	There has been no significant change in the reporting period	-	
	102-11	6 - 7	-	
	Strategy			
	102-14	3	-	
	Ethics and Integrity			
	102-15	6, 7	-	
	102-16	6	-	
	102-17	6	-	
	Governance			
	102-18	6, 7	-	
	102-19	7	-	
	102-20	7	-	
	102-21	11	-	
	102-22		-	
	102-23	https://www.biziminvestorrelations.com/en/corporate-governance/committees.aspx	-	
	102-24		-	
	102-25		-	
	102-35	https://www.biziminvestorrelations.com/en/corporate-governance/remuneration-policy.aspx	-	
	Stakeholder Engagement			
	102-40	11	-	
	102-41	In Bizim Toptan there are no employees under collective bargaining agreements	-	
	102-42	11	-	
	102-43	11	-	
	102-44	11	-	
	Reporting Practice			
	102-45	Bizim Toptan 2019 Annual Report https://www.biziminvestorrelations.com/en/financial-and-operating-data/annual-reports.aspx	-	
	102-46	4	-	
	102-47	10	-	

GRI CONTENT INDEX

GRI Standard	Disclosures	Page Number/Direct Reference	Omissions
GRI 101: Foundation 106			
GRI 102: General Indicators 2016			
GRI 102: General Indicators 2016	102-48	https://www.biziminvestorrelations.com/_assets/pdf/surdurebilirlik/surdurebilirlik-2018-en.pdf	-
	102-49	There has been no significant change in the reporting period	-
	102-50	4	-
	102-51	1 January - 31 December 2019	-
	102-52	Annually	-
	102-53	4	-
	102-54	4	-
	102-55	39 - 42	-
102-56	Report not assured	-	
GRI 200: Economic Standard Series			
Economic Performance			
GRI 103: Management Approach 2016	103-1	https://www.biziminvestorrelations.com/en/financial-and-operating-data/financial-statements.aspx	-
	103-2	https://www.biziminvestorrelations.com/en/financial-and-operating-data/financial-statements.aspx	-
	103-3	https://www.biziminvestorrelations.com/en/financial-and-operating-data/financial-statements.aspx	-
GRI 201: Economic Performance 2016	201-1	https://www.biziminvestorrelations.com/en/financial-and-operating-data/financial-statements.aspx	-
Procurement Practices			
GRI 103: Management Approach 2016	103-1	23	-
	103-2	23	-
	103-3	23	-
GRI 204: Procurement Practices 2016	204-1	23	-
GRI 300: Environmental Standards Series			
Energy			
GRI 103: Management Approach 2016	103-1	31	-
	103-2	31	-
	103-3	31	-
GRI 302: Energy 2016	302-1	32, 37	-
Water			
GRI 103: Management Approach 2016	103-1	31	-
	103-2	31	-
	103-3	31, 33	-
GRI 303: Water 2016	302-1	37	-

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GRI Standard	Disclosures	Page Number/Direct Reference	Omissions
Emissions			
GRI 103: Management Approach 2016	103-1	31	-
	103-2	31	-
	103-3	31	-
GRI 305: Emissions 2016	305-5	32, 37	-
GRI 400: Social Standards Series			
Employment			
GRI 103: Management Approach 2016	103-1	26	-
	103-2	26	-
	103-3	26	-
GRI 401: Employment 2016	401-1	26, 35, 36	-
	401-3	36	-
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1	29	-
	103-2	29	-
	103-3	29	-
GRI 403: Occupational Health and Safety 2016	403-1	29, 36	-
	403-3	36	-
Training and Education			
GRI 103: Management Approach 2016	103-1	27, 28	-
	103-2	27, 28	-
	103-3	27, 28	-
GRI 404: Training and Education 2016	404-1	27, 28, 36	-
	404-2	36	-
	404-3	36	-
Customer Health and Safety			
GRI 103: Management Approach 2016	103-1	13, 14	-
	103-2	13, 14	-
	103-3	13, 14	-
GRI 416: Customer Health and Safety	416-1	14	-
Marketing and Labeling			
GRI 103: Management Approach 2016	103-1	13, 14	-
	103-2	13, 14	-
	103-3	13, 14	-
GRI 417: Marketing and Labeling	417-1	14	-

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GRI Standard	Disclosures	Page Number/Direct Reference	Omissions
Material Topics That Are Not Covered by the GRI Standards			
Product Safety, Traceability and Quality			
GRI 103: Management Approach 2016	103-1	13, 14	-
	103-2	13, 14	-
	103-3	13, 14	-
Digital Transformation and Smart Stores			
GRI 103: Management Approach 2016	103-1	16, 17	-
	103-2	16, 17	-
	103-3	16, 17	-
Logistical and Operational Efficiency			
GRI 103: Management Approach 2016	103-1	23	-
	103-2	23	-
	103-3	23	-
Brand and Reputation Management			
GRI 103: Management Approach 2016	103-1	6, 7	-
	103-2	6, 7	-
	103-3	6, 7	-

Bizim Toptan Satış Mağazaları A.Ş.

Kuşbakış Caddesi No: 19 Post Code: 34662
Altunizade / Üsküdar / İstanbul
+90 212 577 75 72 www.bizimtoptan.com.tr