



**ANADOLU
EFES**

**2023 INTEGRATED REPORT
SUMMARY**

TOWARDS A BRIGHTER TOMORROW:

**Our Sustainability
Journey**

Our Inspiration Story

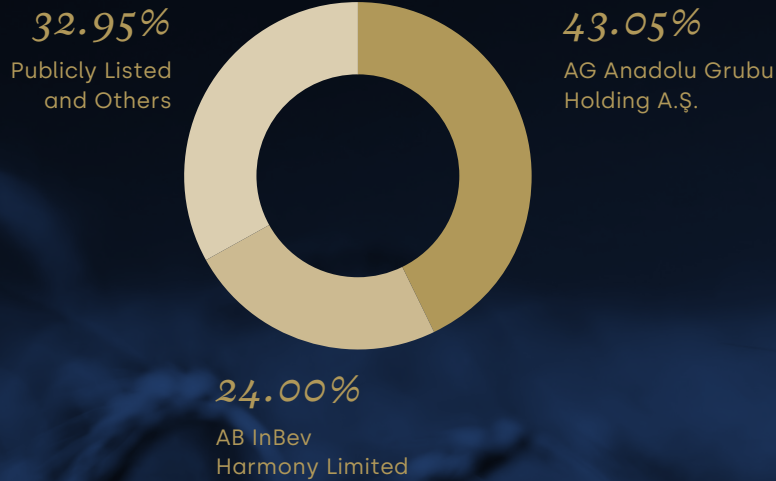
As we deliver our beer to millions of consumers, we take responsibility for every step of the value chain, encompassing not just our own operations but those of all our stakeholders. Embracing this commitment, we strive to amplify our positive impact throughout the value chain, dedicated to creating +1 value for a sustainable future.

We draw inspiration from the value chain in every step we take, from adopting sustainable agricultural practices in raw material production to enhancing our environmental performance in malting and brewing processes. We implement sustainable packaging initiatives, plan green transportation in distribution and logistics, and provide our customers with the highest quality, reliable products.

In our 2023 Integrated Report, we detail where we focus at each stage of the value chain and how we broaden and deepen our integrated perspective, drawing continuous inspiration from this comprehensive approach.



Capital and Shareholding Structure



DECEMBER 31, 2023	SHARE CAPITAL (TRL)	SHARE CAPITAL (%)
AG Anadolu Grubu Holding A.Ş.	254,891,157	43.05
AB InBev Harmony Limited	142,105,263	24.00
Publicly Listed and Others	195,108,843	32.95

Our Mission

We brew joy passionately and responsibly.

Our Vision

Becoming the largest brewer from the Adriatic to China by contributing to social developments and beer culture.

Our Values

PASSIONATE

We are passionate in all we do.

COLLABORATIVE

We collaborate to grow together.

AGILE

We are agile in the face of change.

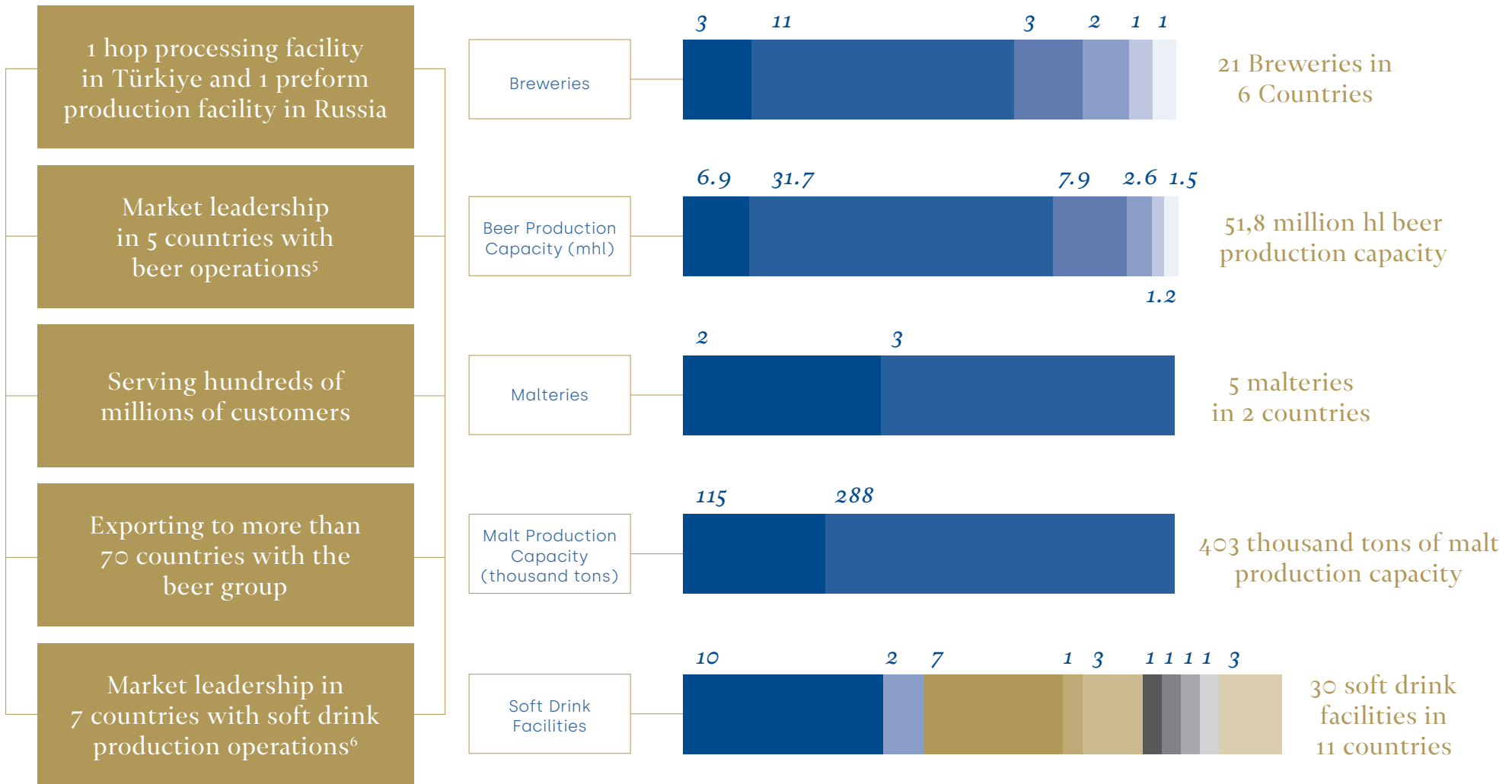
ACCOUNTABLE

We are accountable of what we do.

FAIR

We are fair in all our decisions and actions.

Our Geographical Footprint



⁵ Market leader in Türkiye, Russia, Kazakhstan, Georgia, and Moldova. Data from Ukraine is not available.

⁶ Market leader in Türkiye, Kazakhstan, Pakistan, Azerbaijan, Tajikistan, Kyrgyzstan, and Uzbekistan.



Our Value Chain Steps

We create our integrated thinking approach by drawing inspiration from our value chain. While making our financial and non-financial strategic decisions, we consider our 7-step value chain beyond our own operations. While bringing our beer products to millions of consumers, we are responsible for every step of the value chain, representing not just our own operations but all of our stakeholders. With this understanding, we focus on increasing our positive impact at every step of our value chain as we work to create added value for the future. We draw inspiration from our value chain in every step we take, from adopting sustainable agricultural practices in raw material production processes to improving our environmental performance in malting and brewing processes, implementing sustainable packaging initiatives, planning green transportation in distribution and logistics, and providing our customers with the highest quality, reliable products.



Barley and hops, the raw materials that give our beer products their color and flavor, are produced with a sustainable agricultural approach and the substantial efforts of our diligent farmers.

Barley and hops harvested from the fields are processed in our facilities and sent to our breweries to be included in the beer production process.

With our 21 breweries, we brew joy, producing beer in 6 countries worldwide.

Our brewed and filtered beers are bottled, canned, and loaded into kegs, ready for consumption.

We ensure that our products, ready for consumption, reach consumers through the established distribution channels.

Through our 315 dealers and distributors, our brands reach consumers at various sales points.

Through our operations in the countries where we operate and our exports to over 70 countries, we reach millions of beer consumers.



Highlights of 2023

We Grow with
Financial Discipline and
an Innovative Approach

- The **10th largest** brewer company in the world
- **35.2%** increase in Beer Group net profit
- **5%** increase in beer sales volume
- Exports to more than **70** countries
- **115** new and improved products

We Work to Generate
Social Benefit

- **36** social benefit projects
- **28.6 million TRL** investment focused on social development

We Target Zero for
the Environment

- Investing in projects that have led to energy reductions worth over **578 million TRL**
- **19** new projects for energy efficiency
- **5,431 MWh** in energy savings through projects
- **3,335 tons** of CO₂e emission reduction
- **99%** of total waste recycled or reused, only **1%** sent to landfill.

We Strengthen with
Our Employees

- **34** employee-focused projects
- **12.7 million TRL** investment in employee development

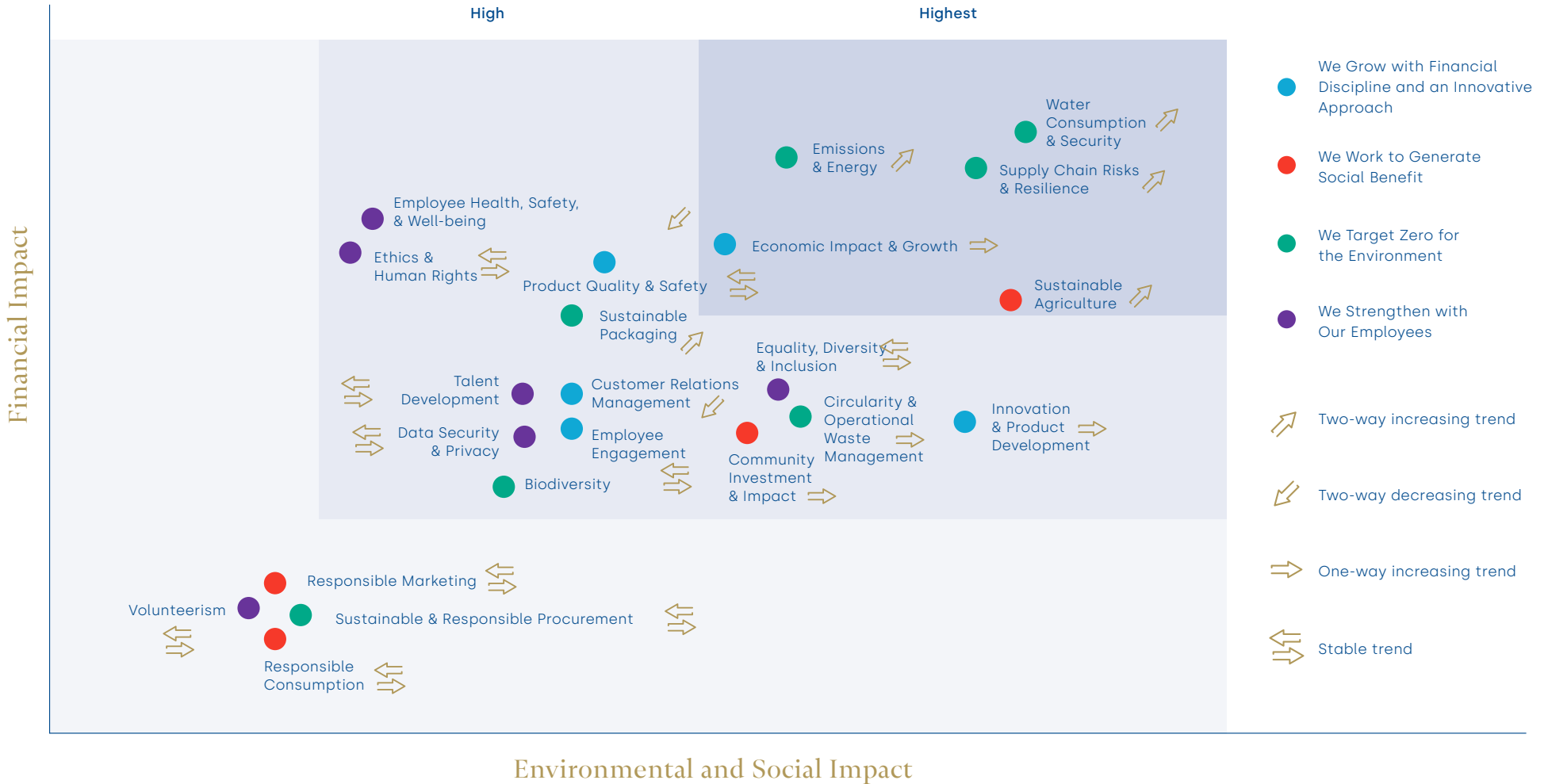
Renew materiality analysis
with a double
materiality approach

+1 Value for the Future
Stakeholder Dialogue Meeting

Integration of sustainability risks
into the risk management system
and financial impact analysis

DOUBLE MATERIALITY MATRIX

In the matrix below, you can see other issues classified as high priority and priority. Additionally, the arrows within the matrix indicate how the priorities of issues have shifted following the steps taken with the double materiality approach after conducting the stakeholder survey at the beginning of the analysis.



OUR INTEGRATED THINKING APPROACH REGARDING OUR MATERIAL ISSUES



INPUTS

FINANCIAL CAPITAL

In the beer group:

- 12.17 billion TRL equity
- 22.61 billion TRL total financial debt
- 4.21 billion TRL investment expenditures
- Integrated risk management approach
- Effective revenue management, tight balance sheet and expense management capability
- Financial impact perspective on sustainability risks

MANUFACTURED CAPITAL

- 21 breweries
- 5 malteries
- 1 hops and 1 preform production facility
- 51.8 million hl beer, 403 thousand tons malt production capacity
- Advanced logistics and distribution network

INTELLECTUAL CAPITAL

- Over 47 million TRL in R&D investment
- 152 different brands under main and sub-brands
- 54 brands with production license and sales distribution rights
- Experienced field research team
- Support for internal entrepreneurship ecosystem and collaborations with startups
- Comprehensive and effective distribution channels strategy with solid target audience insights

RELATIONAL SOCIAL CAPITAL

- 36 social benefit projects and 28.6 million TRL worth of investments
- Support for sustainable tourism, entrepreneurship, sustainable agriculture, culture, arts, and sports
- 4 social benefit projects aimed at creating environmental awareness
- Working with 2,410 farmers
- Strong sales and supply network with 7,701 suppliers, 315 dealers, and distributors
- Long-term, outstanding relationships with all stakeholders and effective collaborations

HUMAN CAPITAL

- Competent workforce with 8,218 employees
- Approximately 12.7 million TRL investment in the sector and need-focused employee development and training programs
- Equal work environment supported by our Diversity and Inclusion Policy
- Work practices that prioritize employee health, safety, and well-being
- Fair and performance-based reward and fringe benefits systems

NATURAL CAPITAL

- Efficiency and gradual transition projects to renewable energy to achieve the net zero target
- Total energy consumption of 1.43 million MWh, 25% of which is electricity
- Circular economy approach shaped around our zero waste targets
- 13.3 million m³ of water consumption identified through our location-specific water stress risk studies
- Sustainable packaging initiatives
- Sustainable supply chain and local procurement

VALUE CREATION MODEL



VALUE CREATED

We Grow with Financial Discipline and an Innovative Approach

In the beer group:

- Approximately 5 billion TRL free cash flow
- Approximately 12.3 billion TRL net profit
- 5% increase in sales volume

Overall:

- 0.3x net debt leverage ratio
- 109% increase in share value by year-end
- 1.6 billion TRL corporate tax paid
- 81.4 billion TRL market value
- 1.4 billion TRL gross dividend distribution
- Efficient and accurate spending methodology in customer satisfaction and market reach
- Industry leadership and substantial market share with high brand value
- 115 new products launched, and 65 improved products
- Innovative products offered through Anadolu Efes Innovation Workshop
- The first in the industry, +1 Aging Technique, is currently in the process of being patented
- 50 startups supported or collaborated with
- 6 ventures in the incubation process through internal entrepreneurship

We Target Zero for the Environment

- 6.6% emission reduction per beer production through projects with greenhouse gas mitigating effects
- 10.7 MWp capacity solar power investment
- 4.4% waste reduction
- 99% recycling or reuse of total waste
- 206 tons of plastic reduction through the IPG commitment
- Contribution to the circular economy by upcycling functional malt fibers
- 93% local procurement

We Work for Social Good

- Reaching approximately 159 million people through social benefit projects
- 55,125,072,837 TRL paid to local suppliers
- Training for 634 farmers and 1,188 tons of seed support focused on sustainable agriculture
- Nearly 15,000 art enthusiasts engaged in theatre through Mavi Sahne
- Impacting an ecosystem of 200,000 people with 2 million dollars in grants and communication support with the Future is in Tourism project
- Supporting underwater biodiversity through our +1 Breath to the Sea project
- 89% dealer satisfaction rate
- Good scores in national and global sustainability indexes

We Strengthen with Our Employees

- Low employee turnover rate with 5% high potential and 5.7% voluntary turnover rate
- 88% employee engagement rate
- Robust and long-term career planning for our employees
- 46% youth among our 1,043 newly hired employees
- 33% of open positions were filled with internal candidates
- 30% female employees, 40% female representation in management
- 100% gender pay equality in accordance with the company's salary policy

OUR INSPIRATION INNOVATION



Capital Elements
Impact Area



Sustainable Development
Goals Impact Area

Summary of Our Performance and Future Areas of Focus

		PERFORMANCE			
MATERIAL ISSUES	STRATEGIES & INDICATORS	2021*	2022	2023	GOALS
Economic Impact and Growth	Free Cash Flow (million TRL)	1,758.8	2,916.2	4,984.4	<ul style="list-style-type: none"> • Maximizing shareholder value by ensuring the distribution of at least 40% of our distributable profit as cash and/or bonus shares, thereby creating economic value for our shareholders. • Maximizing free cash flow and maintaining a net debt/EBITDA ratio of 1x-2x to sustain our strong financial performance. • Always maintaining our brand value and market share at the highest level. • Continuously meeting consumer expectations by implementing the most innovative products and packaging, aiming to derive 5% of our annual total volume from our new products.
	Market Value (billion TRL)	16,001**	38,991**	81,414	
	Net Sales Revenue (million TRL)	17,356.1	61,872.4	58,003.5	
	Net Profit (million TRL)	279.7	9,095.8	12,293.4	
	Corporate Tax Paid (million TRL)	296	1,383	1,559	
Innovation and Product Development	Beer Production Capacity (million hl)	53.5	52.2	51.8	
	Malt Production Capacity (thousand tons)	399	403	403	
	R&D Expenditure (million TRL)	3.3	> 22	> 47	
	Number of New and Improved Products	- ¹¹	85	115	
	Sales Volume (million hl)	37.9	34.0	35.7	
Customer Relations and Management	Number of Dealers and Distributors	340	298	315	
	Dealer and Distributor Satisfaction Rate	87.4%	90.4%	89.0%	

¹¹ Since 2022 is a KPI that started to be monitored in 2022, there is no previous year data.

* Indicators within the scope of Economic Impact and Growth Indicators within the scope of economic impact and growth for 2021 are presented without inflation accounting adjustments.

** Closing share prices and market values are based on adjusted prices after dividend distribution.

OUR INSPIRATION COMMUNITY



Capital Elements
Impact Area



Sustainable Development
Goals Impact Area

Our Goals

Increasing our social investments and positive impact by collaborating with all our stakeholders by 2030.

Our Performance

- 36 social benefit-focused projects
- Over 28 million TRL invested in social benefit projects
- 2.5 million TRL in donations
- 159 million people reached through social benefit projects



Summary Performance and Future Areas of Focus

		PERFORMANCE			
MATERIAL ISSUES	STRATEGIES & INDICATORS	2021	2022	2023	GOALS
Social Investment and Impact	Number of Social Benefit Projects Conducted During the Year	19	26	36	<ul style="list-style-type: none"> We will continue our social investments with a long-term perspective in collaboration with all our stakeholders, focusing on sustainable tourism, supporting entrepreneurship, sustainable agriculture, culture, art, and sports, and increasing our social impact. We will introduce our farmers to regenerative agriculture methods. We will increase our trainings to improve their knowledge and organize meetings with our barley suppliers, who are the bridge between us and our farmers, to better understand their needs.
	Number of People Reached by Social Benefit Projects	141,153,115	64,390,048	>159,000,000	
	Amount Invested in Social Benefit Projects During the Year	5.9 million TRL	9.8 million TRL	28.6 million TRL	
	Number of Volunteers	185	285	1,307	
Sustainable Agriculture	Amount Invested in Sustainable Agriculture	400,000 TRL	450,000 TRL	30,000,000 TRL	
	Amount of Seeds Distributed	3,403	5,219	7,693	
	Number of Farmers Trained in Sustainable Agriculture	100	250	9,000	
Responsible Consumption	Number of People Reached by Responsible Consumption Projects	> 134 million	> 55 million	>55 million	

OUR INSPIRATION

TACKLING CLIMATE CHANGE



Capital Elements
Impact Area



Sustainable Development
Goals Impact Area

Our Goals

- Achieve net zero emissions in all our operations by 2030
- Continue to reduce plastic

Our Policies

- Environmental Policy
- Water and Energy Policy
- Supplier Code of Conduct

Our Performance

In 2023;

- 19 new energy-saving projects
- Over 578 million TRL in direct and indirect energy-saving investments
- Implementation of energy efficiency projects aiming to achieve an annual energy efficiency of 5,431 MWh and a reduction of 3,335 tons of CO₂e emissions
- Renewable energy investments of 10.7 MWp in Türkiye, with the aim of accomplishing an annual reduction of 6,500 tons of CO₂e emissions
- Achieved our 800 tons of plastic reduction commitment to the Business Plastics Initiative (İPG) by reducing a total of 802 tons of plastic.

Our Performance Summary and Future Areas of Focus

		PERFORMANCE			
MATERIAL ISSUES	STRATEGIES & INDICATORS	2021	2022	2023	GOALS
Energy and Emissions	Scope 1 Emissions (tons CO ₂ e)	218,231	216,351	217,090	<ul style="list-style-type: none"> Achieving net-zero carbon emissions in all our operations by 2030. Obtaining zero waste or an equivalent certificate in all malt and beer operations by 2030. Reducing water consumption per beer production in our breweries to 10% less than the 2020 baseline by 2025, specifically for Türkiye, Kazakhstan, Moldova, and Georgia operations. Continue to combat plastic use, reducing its consumption rate.
	Scope 2 Emissions (tons CO ₂ e)	182,079	137,338	132,912	
	Renewable Energy Usage (MWh)	277,513	237,201	170,323	
Water Consumption and Security	Water Consumption (m ³)	14,452,477	12,538,719	13,354,100	
	Water Intensity in Beer Production (m ³ /hl)	0.34	0.31	0.33	
Supply Chain Risks and Resilience	Proportion of Agricultural Raw Material Purchased from High Water Stress Areas (%) ¹⁴	-	-	66%	
	Local Procurement Rate (%)	92%	94%	93%	
Circularity and Operational Waste Management	Amount of Waste (tons)	639,088	544,700	520,351	
	Recycled/Reused Waste Ratio (%)	99%	99%	99%	
Sustainable Packaging	Proportion of Recycled Packaging in Cardboard Packaging (%)	50%-90%	50%-90%	80%-100%	
Biodiversity	Number of Biodiversity-Focused Projects	0	1	1	

¹⁴ Since it is a KPI that started to be tracked in 2023, there is no previous year data.

OUR INSPIRATION

OUR EMPLOYEES



Capital Elements
Impact Area



Sustainable Development
Goals Impact Area

Our Goals

- Increase the representation of women employees to 51% by 2030.
- Achieve at least 30% female representation on our Board of Directors by 2030.

Our Policies

- Equality, Diversity, and Inclusion Policy
- Equality, Diversity, and Inclusion Policy on the Board of Directors

Our Performance

- 30% female representation among all employees
- 40% female representation in all managerial roles
- 39% female representation in lower-level managerial roles
- 38% female representation in executive management positions
- 36% female representation among employees under 30
- 46% female representation among managers under 30
- 18% female representation in STEM positions
- 31% female representation in revenue-generating roles
- 32% female representation in recruitment
- 9% female representation on the Board of Directors

Our Summary Performance and Future Areas of Focus

		PERFORMANCE			
MATERIAL ISSUES	STRATEGIES & INDICATORS	2021	2022	2023	GOALS
Employee Health, Safety and Well-being	Number of Accidents	94	113	56	<ul style="list-style-type: none"> • Increase the percentage of female employees from 30% to 51% by 2030 • Ensure at least 15% of employees benefit from the reward budget • Improve work-life balance • Achieve zero workplace accidents and occupational diseases • Maintain a high gender-pay-equity ratio • Increase female employee engagement rate • Fill 100% of entry-level positions through the Young Talent Program • Maintain the highest level of employee engagement • Reduce the turnover rate of high-potential employees
	OHS Training per Employee	2.71	8.48	9.22	
Equality, Diversity, and Inclusion	Number of Employees	8,513	8,302	8,218	
	Percentage of Female Employees	30%	30%	30%	
	Percentage of Female Managers	40%	40%	40%	
	Percentage of Executive Female Managers	31%	36%	38%	
	Employee Gender Pay Ratio	99.8%	99.5%	100%	
Percentage of Entry-Level Positions Filled by Young Talent Program (%)	65	100	100		
Talent Development	Investment in Talent Development (TRL)	3,668,091	9,934,207	12,700,000	
	Training Hours Provided to Employees	61,178	61,766 ¹⁵	141,865	
Employee Engagement	Net Employee Engagement Score	83%	87.6%	88%	
	Employee Turnover Rate	15.02%	8%	12%	
Ethics and Human Rights	Ethics Training Hours Provided to Employees	1,270	1,294	3,908	

¹⁵ Excluding our operations in Russia and Ukraine.



**ANADOLU
EFES**