

*THE FUTURE IS
+ WORTH IT*



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ABOUT THE REPORT

As Anadolu Efes Biracılık ve Malt Sanayii A.Ş. we have shared our sustainability reports every year since 2010, documenting our corporate governance, environmental, and social performances. This year's report includes our Positive Impact Plan strategy, our focus areas and our performance and progress in them, and the sustainability goals for 2030 that we announced this year.



PRINCIPLES AND STANDARDS

This report was prepared in accordance with the Core section of the GRI Standards. As signers of the United Nations (UN) Global Compact (UNGC), UNGC CEO Water Mandate, and UN Women's Empowerment Principles (WEPs), this report includes data on our progress with these initiatives. Detailed information is given on pages 121-126 of our 2020 Annual Report prepared in accordance with the Capital Market Board's (CMB) Compliance Framework for Sustainability Principles.

SCOPE OF THE REPORT

This report covers all (100%) of our beer operations in Turkey, Russia, Ukraine, Kazakhstan, Georgia, and Moldova over the January 1 - December 31, 2020 period. We are partners with AB InBev for our Russia and Ukraine operations. We are partners with AB InBev for our Russia and Ukraine operations. Outside of economic performance data, information regarding Anadolu Efes subsidiaries is not included within the scope of the report. Please see our [2020 Integrated Annual Report](#) for the sustainability strategy and performance of Coca Cola İçecek A.Ş., one of our subsidiaries.

ASSURANCE

Scope 1 and Scope 2 greenhouse gas emissions and the water consumption data from our Turkey, Russia and Ukraine operations are being confirmed. In addition, data on fatal accidents, the number of accidents, and purchased electricity and data on renewable energy consumption from our Russia and Ukraine operations are also being confirmed. The statement of assurance for data from Turkey can be found in the annexes. Our Russia and Ukraine operations, where we partner with AB InBev, are confirmed by AB InBev's data, and their statement of assurance can be found on [Page 59 of the AB InBev 2020 ESG Report](#).

Since day one, we are working to create value in all our strategic areas, while keeping people's interests at the heart of what we do.



CEO'S MESSAGE

DEAR STAKEHOLDERS,

We have witnessed the fragility of societies during this pandemic period, and we are still seeing its effects. This period has deeply affected all societies, throwing things out of balance, increasing inequalities, and creating economic fluctuations, all of which will be recorded in world history. However, a journey to light begins in darkness. This is the age of enlightenment for sustainability... Through what they've seen or what they've experienced, states, societies, companies, and individuals have more deeply understood the importance of sustainability. Companies that have internalized sustainability have had to pass tough tests - acting quickly, and considering the durability of their impact-driven inclusive business models. Impact-driven leadership is now inevitable, both for the future of the world, and for companies.

At Anadolu Efes, we have once again understood the importance of considering how every step we take impacts the world and society. We know that sustainability is not a mandatory business model. Rather, it is a lifestyle and a way of thinking, so we see sustainability as a journey that all employees at all levels of the company must internalize. In 2020, we continued our journey of transformation according to our "Positive Impact Plan", with the goal of creating additional value for our employees, society, the environment, and our value chain. Along our journey, we take the United Nations Sustainable Development Goals as our guide. This year we set our sustainability goals for 2030 and have already set to work to achieve these goals.

Since day one, we are working to create value in all our strategic areas, while keeping people's interests at the heart of what we do. By using our ability to make fast decisions and act quickly, we have effectively communicated with all our stakeholders. First, we first took every measure possible to ensure the health and safety of our employees. Thanks to our dynamic corporate culture, our employees adapted quickly to the global transformation. The ethical values of Anadolu Efes include supporting employees and stakeholders when they encounter difficulties.

Our dealers, distributors and business partners have made our company strong, and we have stood by them during this difficult period. We have implemented many social benefit projects to ensure the continuity of our ecosystem during the uncertainties of the pandemic. We have stood strong during these difficult times, in solidarity with our society. In all the countries where we operate, we have also shown our support for employees in the food & beverage and entertainment sectors, implementing various social benefit projects to help as they struggle against economic difficulties due to the pandemic.

In 2020, awareness increased, not only of the pandemic, but also that the environment needs to be protected, as many countries ardently discussed what measures need to be taken to confront the climate crisis. The European Union's carbon neutral goal set for 2050, the European Green Deal, The United States re-joining the Paris Agreement and over 100 countries setting carbon neutral goals all show that we have entered a new period in the fight against the climate crisis.

CEO'S MESSAGE

At the end of 2020, we became the first company to receive the "Equality for Women at Work Certificate" from the Sustainability Academy and Intertek in the fast moving consumer goods sector.

At Anadolu Efes, with the aim of reducing our footprint, our goal is to reach net zero carbon emissions across all our operations by 2030, while also becoming a zero-waste company. In this reporting period, we took an important step towards achieving our zero waste goal. All our beer and malt plants in Turkey were certified with Zero Waste Certificates. We will extend these efforts to all our operations.

In addition to these efforts, we know that the entrepreneurship ecosystem is crucial for building a more livable world and for finding innovative solutions to problems.

At Anadolu Efes, we see environmental goals as milestones on our road to reducing our ecological footprint, so we continue to support innovations and entrepreneurs to help achieve our environmental goals.

We are well aware that sustainable development depends on empowering women in business life. We believe that equal opportunity makes us stronger, and we present equal opportunities to all our employees. Along these lines, we aim to increase our rate of female employees from 30% to 51% by 2030. In addition, we will continue to raise awareness about gender equality with all our stakeholders. We have signed the United Nations Women's Empowerment Principles (WEPs). We earned the Equal Opportunity Model Certificate developed under the Leadership of the Women Entrepreneurs Association of Turkey, KAGİDER, and with technical support by the World Bank. In 2020, we became the first company in the fast moving consumer goods sector to receive the "Equality for Women at Work Certificate" given by the Sustainability Academy and Intertek, a leading Total Quality Assurance provider. We know that equality means empowerment in the business world.

Our goal is to provide our customers with uninterrupted services and create value with our suppliers and our strong product portfolio. Across all our operations, from production to sales, we have taken important steps in digitalization - the most important component that shapes our business model, and we haven't slowed our innovation and R&D activities. We have taken every measure necessary

to pursue our curiosity and ambition. We broke new ground and brought innovation to beer production, resulting in the invention of a 3rd beer production technique in world literature, using the "+1" resting process.

As a result of all these efforts, we continued our value-based growth and profitability in 2020 despite the difficulties our sector faced, maintaining our strong position in the countries where we operate. In terms of production volume, we are Europe's 5th and the world's 10th largest brewer, exporting our products to over 70 countries. In 2020, Anadolu Efes increased its sales by 15.9%, reaching 25.7% growth in EBITDA. Our success stems from more than our 50 years of experience in the sector. It also lies on our dynamic corporate culture.

I would like to cordially thank all our colleagues, dealers, stakeholders, suppliers, business partners, and shareholders for their contribution to our sustainable success and their support during difficult times. We are thrilled to share our 10th sustainability report showing our sustainability performance with our stakeholders.

With wishes to succeed and break new ground together in the future...

Best Regards,

CAN ÇAKA

Beer Group President and Anadolu Efes CEO

ABOUT ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş.

Our journey started in 1969 with two beer factories, but we succeeded in becoming the market leader in a short time. As the largest beer producer in Turkey, we took an important step by expanding abroad in the 90s. In 2012, we established a strategic partnership with SAB Miller Plc ("SAB Miller") achieving our goal of commercial sustainability in the global market. In 2016, Anheuser-Busch InBev ("AB InBev"), the world's largest beer producer, acquired SAB Miller, thus taking ownership of 24% of Anadolu Efes' shares.

We run our overseas beer operations through our 100% owned subsidiary, Efes Breweries International N.V. ("EBI"). In addition, we are the main shareholder of Coca Cola İçecek A.Ş. ("CCI"), conducting Coca Cola operations in Turkey and abroad, with 50.3% of the shares.

As the fifth largest brewing company in Europe and the tenth largest in the world in terms of production volume, we generate more than two-thirds of our sales revenue abroad.

We export our products to over 70 countries. With our beer and soft drink brands, we serve nearly 700 million people in the countries where we and our sales teams operate, and we reach hundreds of millions of people around the world

with our exports. Across 6 countries, including Turkey, we have a total of 21 breweries, 5 malteries, 1 preform production facility, and 1 hops processing facility. 10 of our 26 bottling factories in 10 countries are among the top ten largest bottlers in the Coca-Cola system. With this sales volume, we are one of the top players in Turkey, the Commonwealth of Independent States, the Middle East, and Pakistan.

In addition, we are part of Anadolu Group, which operates in 19 countries and 9 different sectors, with 66 production plants and almost 80,000 employees, which had a turnover of TRY 62.1 billion in 2020.

This year, we completed an important development despite the difficult pandemic conditions. Following 2 years of R&D work, Anadolu Efes beer experts and engineers developed the +1 Resting Technique, a groundbreaking method for Turkey and the world. This technique was approved by the world's leading international beer standards institute, VLB Berlin, and the patent for the +1 resting technique has been applied for. The technique is expected to enter world beer literature as the third production technique.

Detailed information about beer and soft drink operations can be found in the [2020 Annual Report](#).



10th largest brewer in the world



The most preferred beer company in the Turkish sector¹



Exports to over 70 countries



TRY 26,743 million turnover at a 15.9% increase



Production in 6 countries

21 breweries,
5 malteries,
1 hops processing facility,
1 preform production facility



54.3 million hl beer production capacity



383,000 tons of malt production capacity



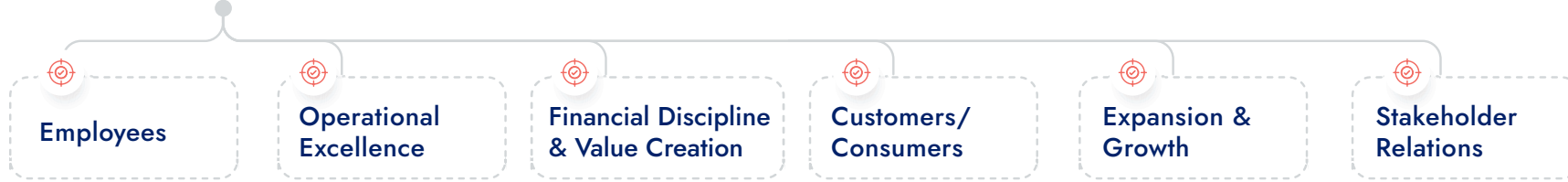
36.2 million hl beer sales by volume

¹ Results of "Turkey's Most Favorite Companies" 2020 Capital magazine survey.

² The Barth Report 2019/2020

OUR MISSION, VISION AND VALUES & STRATEGIC PRIORITIES

Our Strategic Focus Areas



Our Sustainability Priorities



Our Mission

We brew joy passionately and responsibly

Our Vision

To be the largest brewer from Adriatic to China by developing and owning social life and beer culture

Our Values



Our Strategic Focus Areas

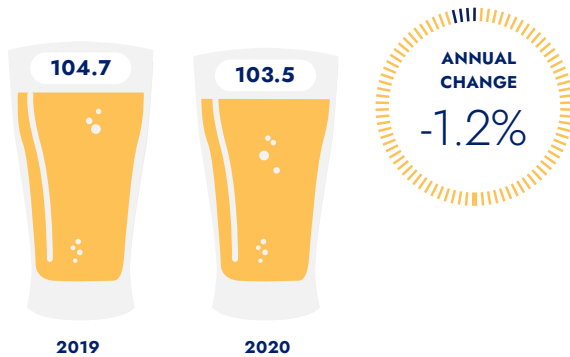
Our Sustainability Priorities

Our Values

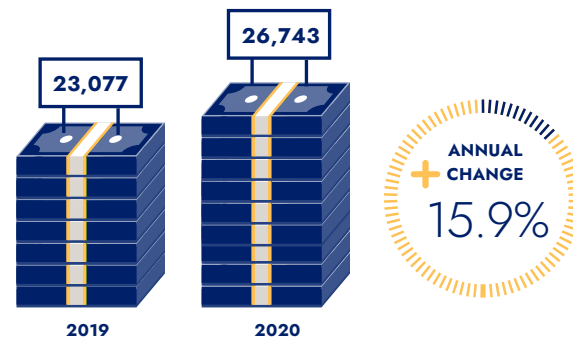
OUR FINANCIAL PERFORMANCE



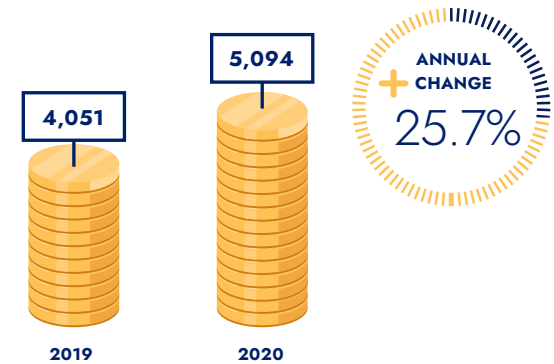
TOTAL SALES VOLUME (MHL)



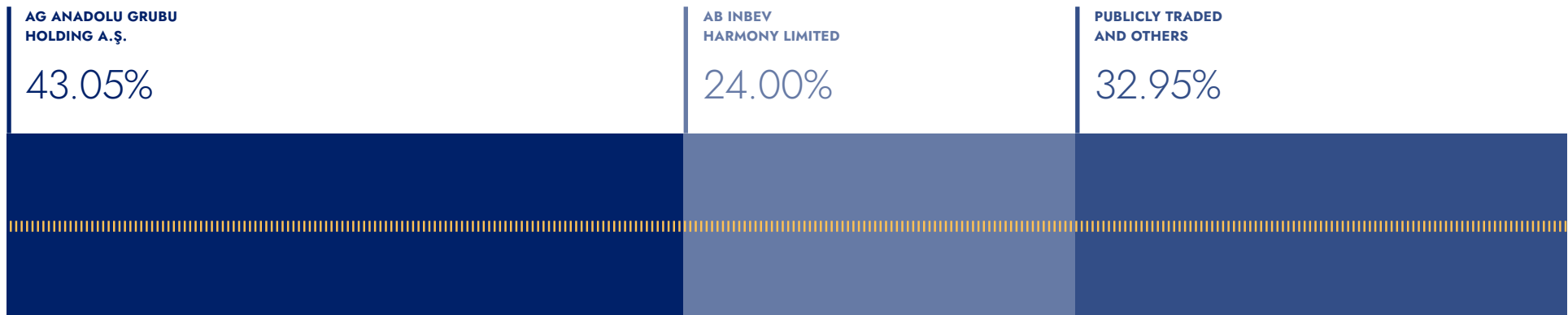
NET SALES (TRY MILLION)



EBITDA (TRY MILLION)



SHAREHOLDER STRUCTURE



BEER OPERATIONS AND REGIONS



Russia	Turkey	Ukraine	Kazakhstan	Georgia	Moldova	Belarus ⁵	Germany ⁶
Population ¹ 145.9 Million	Population ¹ 84.3 Million	Population ¹ 43.7 Million	Population ¹ 18.8 Million	Population ¹ 4.0 Million	Population ¹ 4.0 Million	Population ¹ 9.4 Million	Population ¹ 83.8 Million
<ul style="list-style-type: none"> • 11 Breweries • 33.5 mhl Beer Production Capacity • 3 Malteries • 268,000 Tons of Malt Production Capacity • 1 Preform Production facility • Per Capita Beer Consumption: 51 Liters⁴ • Market Leader² 	<ul style="list-style-type: none"> • 3 Breweries • 7.0 mhl Beer Production Capacity • 2 Malteries • 115,000 Tons of Malt Production Capacity • 1 Hops Processing facility • Per Capita Beer Consumption: 11 Liters² • Market Leader³ 	<ul style="list-style-type: none"> • 3 Breweries • 7.7 mhl Beer Production Capacity • Per Capita Beer Consumption: 41 Liters⁴ • Market Leader² 	<ul style="list-style-type: none"> • 2 Breweries • 2.6 mhl Beer Production Capacity • Per Capita Beer Consumption: 28 Liters⁴ • Market Leader³ 	<ul style="list-style-type: none"> • 1 Brewery • 2.0 mhl Beer and soft drink production capacity • Per Capita Beer Consumption: 30 Liters⁴ • Market Leader² 	<ul style="list-style-type: none"> • 1 Brewery • 1.5 mhl Beer and soft drink production capacity • Per Capita Beer Consumption: 28 Liters⁴ • Market Leader² 	<ul style="list-style-type: none"> • Per Capita Beer Consumption: 45 Liters⁴ 	

¹ United Nations

² AEFES estimate

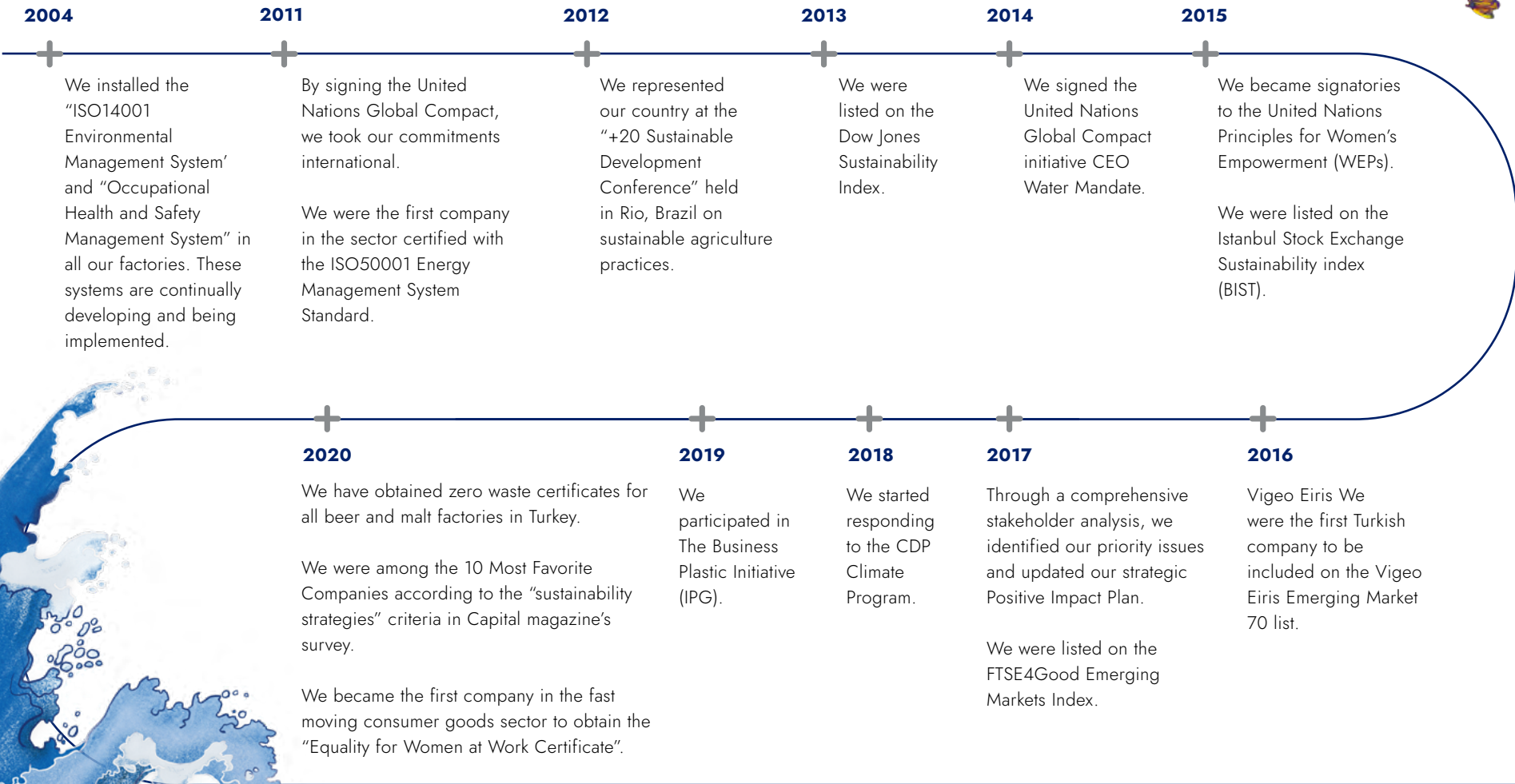
³ Nielsen, January-December 2020

⁴ GlobalData

⁵ Other than the exports by Efes Beer Group to the whole world, Anadolu Efes has organizations (either directly owned or through the controlling companies) in Belarus that carry out and/or coordinate the marketing, sales and distribution of group products.

⁶ "Efes Pilsener" brand is being produced on a contract bases by Gilde Brauerei GmbH to be sold by Efes Deutschland GmbH, a 100% subsidiary of Anadolu Efes established in German.

SUSTAINABILITY MILESTONES



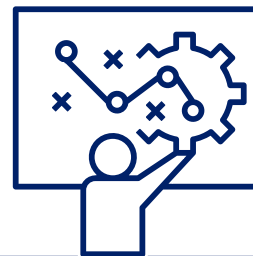
HIGHLIGHTS OF 2020



We worked on our 2030 sustainability goals.

We developed the +1 resting technique and applied to patent it.

In addition to being chosen the most favorite company in our sector in Capital Magazine's "Turkey's Most Favorite Companies" survey, we also earned a place among the 10 most favorite companies based on their "Sustainability Strategies".



We implemented many social benefit projects to ensure the continuity of our ecosystem during the difficult, uncertain times of the pandemic.



HIGHLIGHTS OF 2020: EMPLOYEES



We have been the first FMCG company in Turkey receiving

Equality for Women at Work

certificate, which shows

our commitment to provide equal opportunities and equal pay at work regardless of gender.

In Turkey, Kazakhstan, Moldova, Georgia, and Belarus, our employee loyalty was rated at

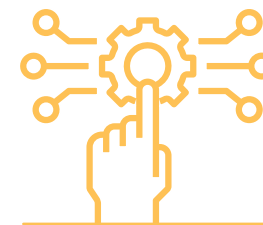
83% based on surveys we conducted with a 91% turnout.



We provided our employees with an average of **13 hours** of training per person.

To prepare our employees for the digital future and improve their competencies, we launched the

Organizational Transformation Project.



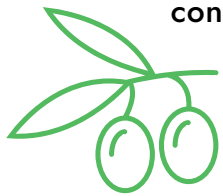
HIGHLIGHTS OF 2020: ENVIRONMENT

To reduce our plastic use, we started to use biodegradable festival cups that dissolve naturally in

2 years leaving no harmful waste, rather than plastic cups that dissolve in 450 years.



We partnered with the Biolive initiative, which produces all-natural bioplastic granules made from olive seeds for materials used to serve the beer. In this context, we have started to



use materials to serve the beer made of **20%** olive seeds.

All our Turkish malt and beer production plants in Turkey obtained the

Zero Waste Certificate.



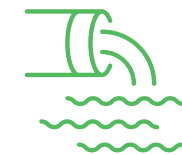
We received a **Green Point Incentives Award** in the "Waste Management System & Practices" category of the series of Green Point Industrial Awards.

Thanks to our waste reduction efforts, we prevented the creation of **18,000 tons** of waste.

We conducted a life cycle analysis of three different packaged products to understand their environmental impact.



Our efficiency and improvement efforts resulted in savings of **21,739 MWh** of energy, equal to **US\$ 611,000** amounting to the annual electric consumption of nearly **6,000 people.**



As the first Turkish company to sign the CEO Water Mandate, we prioritize water efficiency practices

and set goals to track our progress. With applications such as reverse osmosis and the optimization of current lines in our operations, we saved **288,000 m³** of water, equaling **US\$ 120,600** in financial savings.

HIGHLIGHTS OF 2020: SOCIETY



We implemented many **social benefit projects** in all the countries we operate in, with a focus on ensuring the

continuity of our ecosystem during the pandemic.



According to Capital Magazine and GFK Turkey's Corporate Social Responsibility Research, our "Tourism in the Future" project ranked among the

top 5 "Most Successful CSR Projects in the Public Eye".



We held the Social Impact Awards (SIA) in cooperation with Impact Hub Istanbul. Selected initiatives were granted a total of

TRY 30,000

in Social Impact Awards.



Through ITÜ Çekirdek's Big Bang Start Up Challenge platform, we've granted

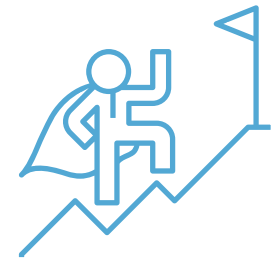
TRY 400,000

to a total of eight entrepreneurs so far.



111 ideas came up with through our Corporate Intrapreneurship Program

One of the **top 3** ideas will soon be on the market.

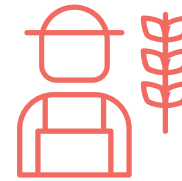


HIGHLIGHTS OF 2020: VALUE CHAIN



Our dealer and distributor satisfaction reached their highest level of the last four years, reaching **85.5%**.

We provided a total of **736** hours of training to **412** producers on topics such as irrigation, fertilization, and tillage.



87% of our total payments were made to local suppliers.



Our Russian operations

conducted **40** environmental and social audits on suppliers.



WHAT DID WE DO DURING THE PANDEMIC? — +

Our priority is always to ensure the health and safety of our employees and stakeholders.

- Taking into account all the recommendations of authorities in all the countries where our operations are located, we comprehensively took whatever measures were necessary.
- Our office employees began working from home.
- We implemented flexible, remote work schedules for sales teams wherever possible.
- For all our employees, we provided necessary materials such as masks, gloves, visors, and disinfectants.
- In our automated factories, we reviewed our comprehensive hygiene rules and all our processes. We took comprehensive measures to ensure the safety of both our factory, office, and field teams. We didn't work just to protect our employees: we also took various steps to protect the health of our business partners.
- We made improvements to all our processes while converting them to digital media.
- We organized live and online training classes specifically for the pandemic. In addition to these classes, we supported our employees through various newsletters and internal communications about awareness and mindfulness, working effectively from home, stress management, nutrition for immunity, and spending quality time with children at home.
- We created an "Employee and Family Support Platform" to make it easier for our employees and their families to stay positive during this difficult period.
- We implemented support programs to reduce stress and anxiety in our employees in Kazakhstan, Moldova, and Turkey. In Kazakhstan, we provided employees with 100 hours of psychological counseling from experienced psychologists, with the program receiving 100% positive feedback.
- In our online meetings, we not only informed our employees about developments, we also encouraged them to develop their own ideas and share their views.
- We conducted "Pulse Check" surveys with all our employees every 15 days to understand employee experiences. Through these surveys, we determined their needs, designed necessary programs, and took action.

We have not experienced any interruption in our production or sales activities as a result of taking all necessary measures during this difficult period.

- We took all the measures necessary to ensure our business continuity.
- We put plans in place to shift production to other factories in case of emergency.
- We updated our plans in case of a decline in demand, ensuring that production processes are revised according to demand.
- We experienced no difficulties in the supply of raw materials, packaging, and production materials.

Strong performance delivered in 2020 despite the challenges of COVID-19.

- We maintained our strong performance, continuing on from previous years in terms of our product portfolio, our leading position in the countries where we operate, positive balancing in the geographies of our operations and creating positive free cash flow.
- We were the only company to receive an "Investment Grade" rating in Turkey from two important credit rating agencies, Standard & Poor's and Fitch. In this context, we maintained our position as the only "Investment Grade Issuer" in Turkey in 2020.
- The emergency caused by COVID-19 affected every sector, including the beer sector. By maintaining our agility in the face of sectoral challenges, we succeeded in increasing our profitability, keeping our market position strong across all our beer operations. We expanded the scope of our existing zero-based spending project, commissioning new projects related to cost and expense optimization.
- In combination with high operational profitability, proper working capital management, and reduced investment expenditures achieved as results of actions taken during the COVID-19 period, we also created a record level of free cash flow, recorded at TRY 3 billion this difficult year.

EMPLOYEES - STAKEHOLDERS

Our priority is always to ensure the health and safety of our employees and stakeholders.

OPERATIONAL PERFORMANCE

We have not experienced any interruption in our production or sales activities as a result of taking all necessary measures during this difficult period.

FINANCIAL PERFORMANCE

Strong performance delivered in 2020 despite the challenges of COVID-19.

WHAT DID WE DO DURING THE PANDEMIC?

We believed it was important to communicate transparently and effectively with all our stakeholders. Thanks to technology, we created a strong communication network that includes all our business partners and our employees.

We focused on ensuring the continuity of our ecosystem

As Anadolu Efes, we took action to create social benefits, observing the impact of COVID-19 on different segments of society and focusing on the continuity of the ecosystem in all countries where we operate.

TURKEY

- We extended the payment maturities of our dealers and distributors, provided maturity advantages, offered multiple payment postponements, and supported them as they tried to manage their businesses during this difficult period with interest-free loans and contributions to help disinfect their warehouses and vehicles.

- Some of our business partners were forced to take drastic measures, closing plants and ceasing their operations, so we took back the beer barrels they had. We have established various platforms for these business partners and their employees, organizing training programs for their personal development.
- We contributed to the disinfection of many businesses, supplying disinfectant to support our outlets and help them adapt to the new normal more quickly. We distributed informative data sheets describing the measures to be taken and the rules to be followed by our employees, and we prepared a 'Welcome Package' that provides sales points with commercial advantages.
- Since the beginning of the process, we have provided hygiene materials to sales points including kiosks, grocery stores, and buffets. We provided the same financial and commercial advantages to these sales points as we had to our dealers and distributors. Also, to contribute to information and awareness efforts, we prepared posters detailing Covid-19 protection rules. Through our online customer information platform, we tried to support our business partners in every sense during this period with informative SMS and up-to-date information every day.
- At the same time, we believed it was important to communicate transparently and effectively with all our stakeholders. Thanks to the use of technology, we created a strong communication network that includes all our business partners and our employees. In this context, we regularly held activities such as online chats with opinion leaders and live industry information sessions.
- Beyond that, we tried to contribute to consumer awareness by putting hygiene messages on our product packaging. Our clean lid application stood

out as an important hygiene element in this period. We also increased our number of multi-product packages during the pandemic.

- Since we care about the continuity of our ecosystem, we focused on solidarity. A significant number of our sales points remained temporarily closed in 2020 due to the pandemic. Employees in the food and drink and entertainment sector from cafes, bars, and restaurants that closed faced economic difficulties. Therefore, in cooperation with the Ahbap Association, we started the "Solidarity: Better Together" campaign to show our support for workers in the sector.

In cooperation with the Ahbap Association, we started the "Solidarity: Better Together" campaign to show our support for workers in the sector. With a total of TRY 1,4 million in resources, we stood by 7,000 sector employees and their families.

WHAT DID WE DO DURING THE PANDEMIC?

- Our employees also voluntarily contributed to this project, and in the end, we stood by 7,000 sector employees and their families with a total of TRY 1,4 million in resources. We have been pleased that other companies joined the solidarity movement that we started.
- Another issue has been how temporary closures in the food and drink sector have left stray animals in difficulty. Again, together with our business partners who responded to the call of the Ahbap Association, we provided food and shelters for stray animals who had difficulty finding food in many regions of Turkey.

We implemented many social benefit projects in countries where we operate, focusing on ensuring the continuity of our ecosystem during the pandemic.

- In the TRNC, we cooperated with the municipalities of Nicosia and Kyrenia, and the Altın Patiler Association, the Cyprus Animal Rights Association, and the Sessiz Kullar Association for the same purpose.
- We made advance payments to our farmers, making it easier for them to continue their work.
- We continued our support to ensure the sustainability of culture and the arts. We were the first company to give corporate support to the “#WeReservedYourSeat” campaign launched by the theater cooperative to contribute to private theaters that were closed due to the pandemic. We gifted the 1,000 tickets that we bought to the Turkish Medical Students Association.
- We became the first corporate supporter of the #SahneyeSesVer campaign, purchasing 5,000 tickets for the Music and Stage Employees Support Night organized by the Ahbap Association. By buying a third of the tickets sold, we told industry workers, “we are with you.”
- We supported Festtogether, Turkey’s first sustainable music festival. Using a Needs Map, we provided support to health care professionals, students who needed computers for distance education, performing arts workers, and technical employees in the music sector.
- As always, we supported IKSVM as they held the 39th Annual Istanbul Film Festival both digitally and outdoors, despite the difficult conditions.
- DasDas had to close due to the pandemic, but we transformed its box-office hits Westend, Joseph K. and Yalnızlar İçin Çok Özel Bir Hizmet to the digital environment, presenting them to spectators again.

We were the first company to give corporate support to the “#WeReservedYourSeat” campaign launched by the Theater Cooperative to contribute to private theaters that were closed due to the pandemic.

WHAT DID WE DO DURING THE PANDEMIC?

In addition to Turkey, we provided different levels of support to health care professionals, local businesses, food and beverage and entertainment sector employees in all the countries where we operate.

RUSSIA AND UKRAINE

- We implemented a special support project so that 1,100 restaurants, bars, and cafes could continue to operate after the lockdown. We donated over 100,000 liters of disinfectant.
- We donated medical equipment and hand disinfectant to institutions throughout Russia and Ukraine.
- We provided ventilators, protective clothing, and masks for health centers in Ukraine.
- We sent gifts to hospitals to cheer up health workers.

MOLDOVA

- We produced a special beer called “Moldova’s Heroes” and donated all the profits we made from its sale to build rooms where doctors could rest in hospitals treating COVID-19 patients. By the end of 2020, we had donated 12 rooms in 7 hospitals. We also supplied disinfectants, water, non-alcoholic beer, and lunch support to hospitals. As part of these efforts, we also provided food supplies for 4 months for medical personnel in a COVID-19 Hospital who could not go home.
- We developed a grant program to support local tourism businesses that had been seriously affected by the pandemic. Six small businesses benefited from the grant.
- We supported theaters that had been negatively affected during this period. We supported two premieres in 2020 at the National Theater and the National Russian theater.
- We provided 1,000 liters of disinfectant for use on public transport and provided water supplies to hospitals.

KAZAKHSTAN

- We supported nearly 2,000 employees who lost their jobs at HORECA businesses due to the pandemic with coupons and grocery baskets.
- In cooperation with local governments, we delivered food packages to more than 2,000 low-income families.
- We provided food supplies for a month for medical personnel in a COVID-19 Hospital who could not go home.

GEORGIA

- Since 2011, we have been supporting the empowerment of young people over the age of 18 who do not have parental support. During the COVID-19 period, we provided young people with resources for distance learning and organized online consultations with psychologists. In addition to providing support such as rent and medication, we provided cash support to young people who lost their jobs.
- To date, about 600 young people have benefited from this program.
- We supported food and drink and entertainment sector employees who lost their jobs, and provided disinfection materials to hospitals for 2 months. We also sent gifts to hospitals to cheer up health care professionals.
- We donated to the STOPCOV Fund, launched throughout Georgia.
- For preventive measures, we supplied the government with rapid tests for COVID-19.



ANADOLU EFES POSITIVE IMPACT PLAN



Climate Crisis

Water Risks and Management

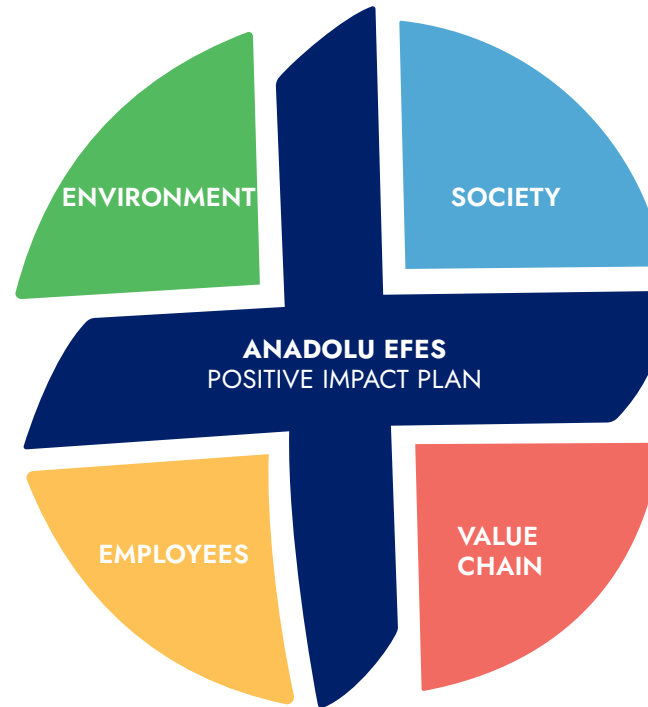
Circular Waste and Packaging Management

Talent Management

Employee Engagement

Occupational Health and Safety

Gender Equality



Contributing to Local Economies

Social Benefit Investments

Sustainable Agriculture and Support for Farmers

Responsible and Sustainable Sourcing

Quality and Food Safety

The world is facing different trends and challenges such as rapid urbanization, demographic changes, the climate crisis, declining natural resources and digitalization. COVID-19 boosted digitalization, it also showed that we need to work harder to secure social equality and develop alternatives to our current production and consumption methods that put less pressure on the environment.

The increasing number of countries that have set a carbon neutral target following the Green Deal, which includes the European Union’s goal and roadmap to ensure net zero emissions in 2050, shows that we are entering a new era in the fight against the climate crisis. However, in addition

to combating the climate crisis, we also need sustainable farming methods that protect ecosystems and make sure the growing population has access to food.

Women and disadvantaged groups are among those most affected by the pandemic. This also reveals how important it is to provide equal opportunity, to contribute to socio-economic development and to support local communities.

Current times are shaped by different trends, and we believe that business should be a transformative force for a better future.

Based on this approach, we have created a positive impact plan based on both global trends and our sustainability priorities. We take a positive impact approach with a value-added business model.

The main areas we focus on are increasing our positive impact on the environment, employees, society, and the value chain.

“Positive Impact Plan” explains how we plan to make a better impact with an innovative approach, by creating collaborations and partnerships. It also displays our contributions to the Sustainable Development Goals.

ANADOLU EFES POSITIVE IMPACT PLAN



APPROACH

Our understanding of how to create a positive impact is not limited to production, but also covers our value chain. Farmers, suppliers, dealers, distributors, and consumers are among the most important stakeholders in our value chain. We have been working shoulder to shoulder with the farmers who produce our raw materials for nearly 40 years. It is important for us to implement joint projects with our suppliers and dealers. We always prioritize quality and food safety to provide our consumers with the best products.

FOCUS AREAS

Sustainable Farming and Farmer Support, Responsible Sourcing, Quality and Food Safety



APPROACH

People are the focus of our business. We see talent as the most important element that moves our business forward. Therefore, we invest in the development of our employees, and we care about providing a fair working environment that values diversity and increases employee satisfaction. "Safety first" is our motto, as we run our operations with a zero-accident approach.

FOCUS AREAS

Talent Management, Employee Engagement, Gender Equality, Occupational Health and Safety

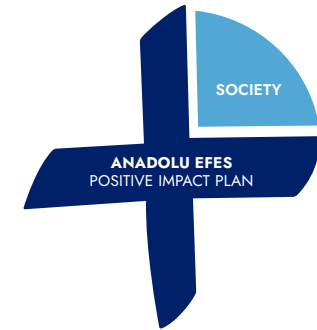


APPROACH

As a brewer that procures raw materials directly from nature, we believe that environmental sustainability plays a key role in the continuity of our operations. The climate crisis and declining natural resources are significantly affecting the agriculture and food sectors. That's why tackling the climate crisis is one of our top priorities. In addition, we aim to manage water risks and implement waste and packaging practices that support the circular economy.

FOCUS AREAS

Climate Crisis, Water Risks and Management, Circular Waste and Packaging Management



APPROACH

We see adding value to society as the key to long-term success. We prioritize local development, contributing to economic growth and employment in the countries where we operate. We are expanding our sphere of influence with different social benefit investments that create common values associated with our fields of activity.

FOCUS AREAS

Contributing to Local Economies, Social Benefit Investments



OUR 2030 GOALS



<p>GOAL TITLE</p>	<p>Targeting zero for the environment.</p> <p>We love the Earth. We're aiming zero environmental impact considering our carbon emissions and waste.</p>	<p>Increasing our support for social impact.</p> <p>We are investing in the society for a sustainable future by focusing on our social impact.</p>	<p>Getting stronger through diversity & inclusion.</p> <p>We believe in diversity & equality through awareness and our inclusive culture. We value all our employees equally and provide equal opportunities to all.</p>
<p>GOALS</p>	<p>Become net zero in all our operations by 2030.</p> <p>Become a certified zero-waste beer producer in all our operations by 2030.</p> <p>Continue to reduce plastic usage.</p>	<p>In cooperation with all our stakeholders, we will continue making our community investments according to our long-term perspective to increase the social impact we create.</p> <p>By 2030, all our farmers will be educated on sustainable agriculture practices.</p> <p>We will continue to partner with young entrepreneurs and support their dreams wherever possible.</p>	<p>Increase the representations of women in our organization from 30% to 51% by 2030.</p> <p>Become certified in gender equality in all our operations by 2023.</p>
<p>POSITIVE IMPACT AREAS</p>	<p>ENVIRONMENT</p>	<p>SOCIETY VALUE CHAIN</p>	<p>EMPLOYEES VALUE CHAIN SOCIETY</p>
<p>CONTRIBUTED TO SDGS</p>			

OUR STRATEGIC ACTION PLAN



Targeting zero for the environment.

Net Zero Emissions in Operations

In order to limit global warming to 1.5 degrees as per the Paris Agreement, we need to reduce our carbon emissions. Urgent steps must be taken to combat the climate crisis, and we are contributing to this struggle with the goal of achieving net zero emissions across all our operations by 2030. We plan to achieve this goal by investing in carbon balancing projects and energy efficient applications, using renewable energy sources, and evaluating renewable energy installation opportunities.

Energy Efficiency in Production

At Anadolu Efes, we see improving energy efficiency beyond our legal obligations as an integral part of our activities. One of our main goals is to ensure conscious energy use and continuously track our performance while maintaining quality production performance. Therefore, we monitor and support energy efficiency at every stage of our operations, from purchasing products and services to implementing new projects and investments. In all our activities, we use energy efficiently to reduce our carbon footprint. Our increased energy efficiency enables us to achieve more energy efficient operations. We will continue to develop projects that will help us reach our efficiency targets and achieve net zero emissions as fast as possible across all our operations.

Renewable Energy Supply in Production

One of the main ways an organization can reduce its impact on climate is by using renewable energy. At Anadolu Efes, we aim to meet 100% of our electricity needs from renewable energy as part of our carbon footprint reduction efforts.

Balancing our Carbon Footprint

In line with our energy efficiency goals, we are making every effort to use renewable energy to meet our operations' energy and electricity needs, and we are also evaluating our carbon balancing options to minimize our climate impact.

Zero Waste

Circular economy models play a key role in reducing natural resource consumption and pollution. At Anadolu Efes, it has been our priority since day one to reduce the amount of waste resulting from all our activities and to maximize our recycling rate. In this context, we are working to developing applications that will contribute to the circular economy based on the 3R model, which consists of 3 steps: reduce, reuse and recycle.

We will certify that all our operations with zero waste - preventing and reducing waste generation and ensuring that all waste is re-used in the economy. All our malt and beer plants in Turkey took this step last year, earning their Zero Waste Certificate.

Packaging Management

We are working to minimize the impact caused by the packaging of our products by reducing the amount of packaging, and increasing its reuse and recycling. The R&D activities that we carry out together with our business partners are very important as we seek to reduce the impact of our packaging to the lowest possible level. In this context, we focus on consuming fewer resources and increasing the use of recycled/ recyclable materials in our packaging. We will continue to design the packaging volume and weight of our products to produce minimal waste, and support reuse and recycling efforts to reduce the environmental impact caused by packaging.

Plastics Reduction

Considering the ever-increasing amount of plastics in landfills, and the pollution it creates in marine ecosystems, plastic pollution is one of today's most important environmental problems. Although our plastic consumption is very low, we remain part of the solution and avoid the use of materials that cause plastic waste wherever possible, both in our packaging and in our products. We will continue our R&D work with our entrepreneurship ecosystem, suppliers, and universities to reduce the use of plastics.



OUR STRATEGIC ACTION PLAN



Increasing our support for social impact.

We believe the social value that we create through our investments in society as investments in the future. We will continue to invest in culture, the arts, sports, and projects that support local development and women’s empowerment, cooperating with all our stakeholders to increase the social impact of these projects.

Culture-Arts

Anadolu Efes has been supporting culture and the arts non-stop for 34 years. Our goal is to make many different fields of art more accessible, from cinema to theater, and from visual arts to music and design. We will continue to invest in culture and art that inspires, empowers, educates, and entertains society.

Local Development and Women’s Empowerment

As a signer of the UN Women’s Empowerment Principles, our company’s aim has always been to ensure women’s participation in the labor force and to raise awareness about gender equality. In this context, we will continue social benefit projects that both support local development and ensure women’s empowerment in society.

Sustainable Farming and Empowering Farmers

We support the farmers who produce our raw materials and consider them to be among our most important stakeholders. We also promote sustainable farming practices to protect the soil. By improving our farmers’ abilities to practice sustainable farming every day, we are continuing our support for the soil and for the farmers who produce our raw materials.

By 2030, all our farmers will be educated on sustainable agriculture practices.

Empowering Young Entrepreneurs

We will continue to support the entrepreneurial ecosystem and cooperate with young people to help them leverage the power of innovation to realize their dreams and achieve their goals.

Sports

Our heart beats faster on the court. We’ve all been following the Anadolu Efes Sports Club for 45 years. Indeed, it introduced many of us to basketball, and was the reason a wide audience fell in love with it. Since its foundation, Anadolu Efes Sports Club has accomplished many firsts - it was the first team to bring a European championship to our country, and it won the Euroleague Championship again in 2021. We will continue to invest in sports and activities that inspire feelings of endeavor, courage, victory and excitement.



We are empowered by equal opportunity.

Gender Equality and Women’s Empowerment

We support equal opportunity for everyone through our inclusive corporate culture. We will continue our efforts to increase awareness of equality among all our employees and stakeholders, and develop more opportunities to female employees.

We will implement programs to certify that we ensure gender equality in all our operations. In this context, we took an important step towards registering our success by obtaining the Equality for Women at Work Certificate in Turkey.

Our Gender Equality Program main focus areas:

- Increasing the influence of women in decision-making roles
- Improving work-life balance
- Increasing women’s access to nontraditional jobs
- Ensuring non-sexist communication
- Preventing activities that might interfere with women’s participation in the labor force together with all our stakeholders

Through our work, we will increase our **rate of female employees from 30% to 51%.**



ETHICS AND TRANSPARENCY MANAGEMENT



ETHICS AND TRANSPARENCY MANAGEMENT

Transparency and accountability are among the most important tools 21st century companies use to improve both their economic performance and their brand value. As a reflection of this, the number of platforms and indices that measure environmental, social, and corporate (ESG) performances is increasing.³

Our corporate governance approach is based on fairness, transparency, and accountability, and we draw strength from ethics and equality. Our Board of Directors consists of 11 members, 4 of whom are independent, and one of whom is female. Different people serve as Board Members and General Manager. The Audit Committee, the Early Detection of Risk Committee, and the Corporate Governance Committee all act in support of the board.

Detailed information about committee organizations can be found [here](#).

All applicable policies, principles, and statements can be found [here](#).

Detailed information about the number of members of the Board of Directors and their responsibilities, affiliated committees, and the Corporate Governance Principles Compliance Report can be found in the [Anadolu Efes 2020 Annual Report](#).

BUSINESS ETHICS

Anadolu Efes Business Ethics are the basis of our business. We expect all our stakeholders, especially employees, distributors, suppliers, and other business partners, to comply with these principles. The main elements of these principles are the fights against bribery and corruption. We do not tolerate bribery or corruption in any geography in which we operate.

All our stakeholders have access to the Anadolu Efes Business Ethics Principles in English and Turkish on our corporate website. They are also available in the local languages of the countries where we operate and on the intranet sites of our companies.

We were one of the first organizations in Turkey to sign the United Nations Global Compact, a strategic initiative for organizations committed to bringing their operations in line with universally accepted principles in the fields of human rights, labor, the environment, and the fight against bribery and corruption.

We comply with internationally recognized human rights, the standards of the International Labor Organization, and the United Nations Universal Declaration of Human Rights, and we expect and encourage our suppliers and business partners to abide by these principles.

You can access the Anadolu Efes Business Ethics Principles [here](#) and the Anadolu Efes Human Rights Policy [here](#).

NOTIFICATION OF VIOLATIONS

Our employees can report any ethical violations to their Local Ethics Manager or Group Ethics Manager by phone or e-mail. Alternatively, anonymous notification can be made through

communication channels operated by an independent third party, via phone, email, or website. Using a telephone line dedicated to each country in which we operate, violations can be reported to www.efesethicsline.com by filling out the notification form or by sending an e-mail to efes@efesethicsline.com. We take every measure necessary to prevent possible reprisals against notifying persons, and conduct the necessary investigations in secret. The Ethics Committee of the Anadolu Group takes responsibility for handling violations and determining disciplinary procedures. In Russia, where we have a partnership with AB InBev, we also evaluate notifications received through AB InBev Efes ethical lines.

A total of 86 notices were forwarded to the ethical line, including notices collected through AB InBev Efes, in 2020.

78 of these notifications have been resolved. Work on resolving the other notices is ongoing. The notifications received concerned areas such as employee relationships, customer and supplier behavior, and business records.

ETHICS TRAINING

We provide training on the principles of Business Ethics as part of the orientation program for all new employees at Anadolu Efes. At periodic intervals, we also train our employees on principles of Business Ethics, including anti-bribery and anti-corruption issues.

In 2020, we trained 121 employees in Turkey and 1,481 employees in total. In our AB InBev Efes Russia and Ukraine operations, 3,010 employees and 651 managers received 50 minutes of ethical principles training.

³ S&P, The Rising Importance of ESG Data

RISK MANAGEMENT

We have expanded the risk management system within the company with the Corporate Risk Management software used in our domestic and foreign operations.

RISK MANAGEMENT

The 2021 version of the Global Risks Report, published annually by the World Economic Forum (WEF), reveals that for the first time since 2006, the risk of infectious diseases tops the global risk table, displacing climate change. The report also lists the highest, most likely risks for the next decade as extreme weather events, failure to combat the climate crisis, digital power concentration, digital inequality, and cyber-security.⁴

Integrating risk identification, risk management, and implementation of risk actions in parallel with business strategies provides companies with a competitive advantage, while also allowing their Environmental Management System performance to improve.

The risk management approach we adopt is based on identifying the risks that Anadolu Efes faces or is likely to face, making sure the proper actions are taken against risks as defined within the framework of risk acceptance, and developing and implementing practices to ensure competitive advantages and continuity.

The Early Detection of Risk Committee identifies risks that may endanger the existence, development and continuation of the company, implements the measures necessary as related to the identified risks, and works to manage these risks.

The chairman of this committee is elected from among the members of the Board of Directors. The Early Detection of Risk Committee meets at least twice a year and as often as is deemed necessary to be effective in its work, and submits information about all its work, meeting results, and recommendations to the Board of Directors. In this way, Corporate Risk Management is managed and monitored at the highest level. In addition, the Early Detection of Risk Committee convenes together with the Audit Committee once a year to coordinate risk management and internal auditing.

With the Corporate Risk Management System, our managers identify existing and possible risks and opportunities they may face while working to achieve the company's goals, assess their impact according to the company's risk-taking profile, and plan and implement the actions necessary.

By integrating identified risks and action plans into strategic business plans, we do our necessary resource planning. We have expanded the risk management system within the company with the Corporate Risk Management software used in our domestic and foreign operations. This ensures participation in risk assessment at all levels, and the results of these assessments support both business continuity efforts and operational and strategic decisions.

Financial risks: Liquidity risk, receivables risks, capital/debt relationship, exchange risk and other risk factors that may directly affect the financial position of the company.

Strategic risks: Risk factors that may affect the company's sustainable growth such as risks that may affect company and brand value, or risks associated with mergers and acquisitions.

Operational risks: Risk factors that can affect any part of the system, from supplier to customer, hence processes such as business continuity, compliance, reputation, occupational health, and environmental safety.

Natural disaster risks: Risk factors that can affect business continuity and safety such as fire and earthquakes.

Sustainability Risks: Risk factors that can affect sustainability such as climate change and water scarcity.

⁴ WEF, The Global Risks Report 2021

RISK MANAGEMENT

Performance and risk indicators are used as an early warning system to monitor risks and take the necessary measures in a timely manner. Our SAP Enterprise Risk Management system is an effective technological decision support system that is integrated with our company processes. With this system, we can instantly monitor operational results, minimize human-induced errors, achieve early detection of risks, and increase the effectiveness of internal control systems. We are constantly developing software and technologies, especially used by the field sales team, so they can access the most up to date information to make correct decisions quickly, thus ensuring customer satisfaction and competitive advantage. At the same time, our high-tech internal communication systems help us respond to problems and solve them fast.

We have emergency management systems and procedures in place in case of natural risks. We have made the necessary agreements with specialist multinational service providers for backup systems to ensure that our systems will not be affected and data will not be lost in case of emergency. In addition, all our facilities are insured to minimize risks that may occur in emergency situations.

At the same time, we are constantly monitoring environmental factors and emergency situations, investigating their causes, and taking measures to minimize risk.

We use performance and risk indicators as an early warning system to monitor risks and take necessary measures in a timely manner.



Within the finance function, the actual results are compared to the budgeted figures on a regular basis and any deviations are analyzed.

The “Guarantee - Risk Management System” devoted to tracking customer risks has been put into service. Accordingly, purchasing limits applicable to our customers have been established and our systems are designed to prevent any product shipments in excess of prescribed limits.

We are strengthening existing systems and processes through projects and work on cyber attacks, information security, and personal data protection.

SUSTAINABILITY MANAGEMENT

SUSTAINABILITY MANAGEMENT

We work with the goal of spreading sustainability in all the countries we operate in as well as to our employees. We updated our governance structure in 2021, so that our Global Sustainability Committee, led by our CEO, consists of our Turkey, Moldova, Georgia, and Kazakhstan Country Managers, the Director of Group Finance and Investor Relations, the Group Supply Chain Director, the Group Human Resources Director, the Group Risk Management Director, the AB InBev Efes External Communications Leader, and our Corporate Communications and Affairs Director.

Leaders of the Global Sustainability Committee follow the work and progress of these work groups, and developments are regularly reported to the Global Sustainability Committee as a whole.

Global Sustainability Committee tasks include developing strategies, setting goals and policies, and monitoring and auditing performance. Working groups are responsible for converting targets into action plans, and achieving and reporting on these targets. In addition, they are tasked with defining the risks and opportunities regarding environmental, social, economic, and governance issues. Work groups evaluate these risks and opportunities, and take the necessary steps.

We have working groups in each country in four main focus areas: Environment & Value Chain, Employees, Community Investments and Integrated Risk Management, each led by its respective managers.

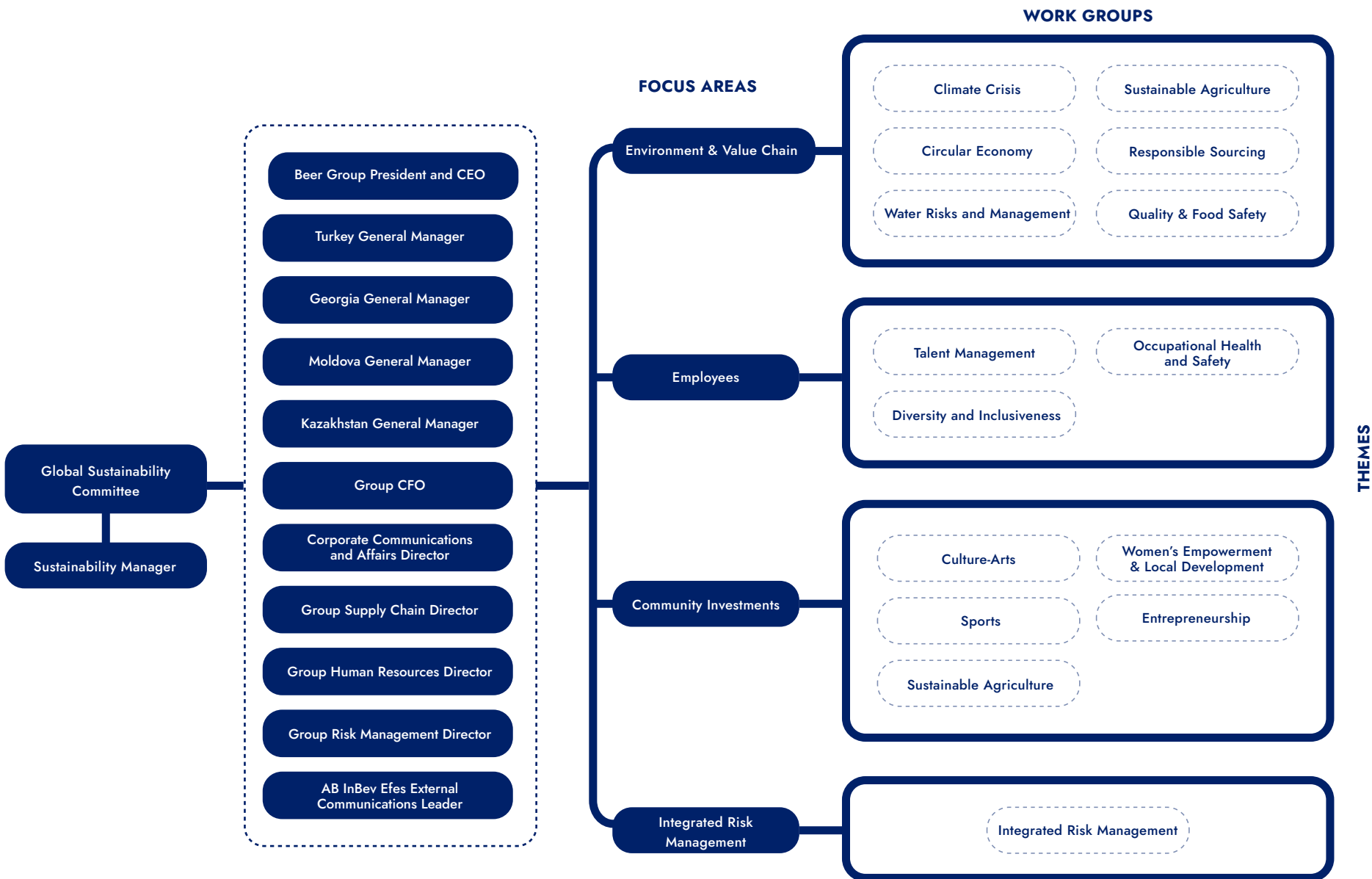
We aim to convene the Global Sustainability Committee once every three months, and the working groups every month.

Ebru Dildar Edin

Chairman of the Board of Directors of SKD Turkey

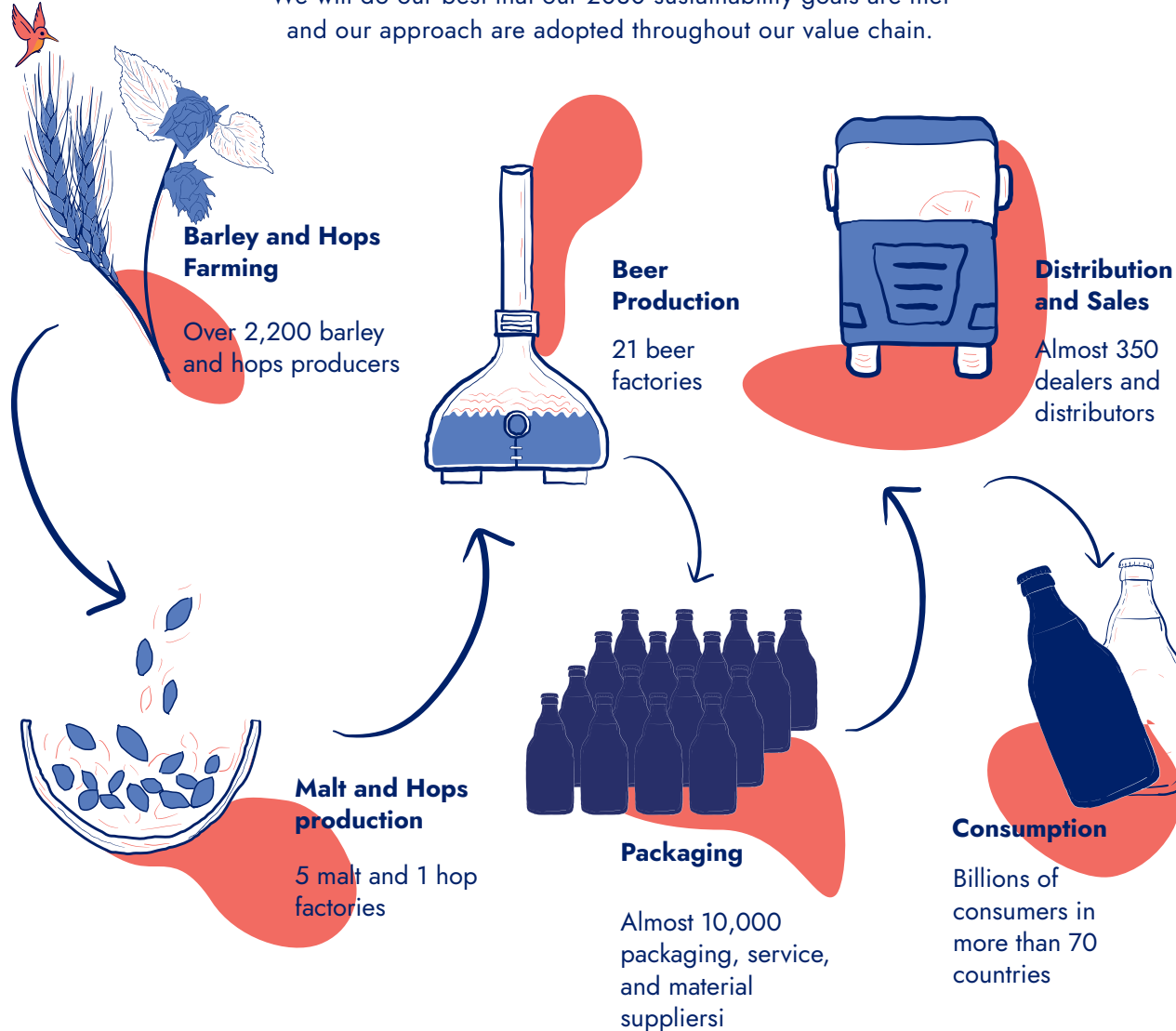



GLOBAL SUSTAINABILITY COMMITTEE



VALUE CHAIN

We will do our best that our 2030 sustainability goals are met and our approach are adopted throughout our value chain.



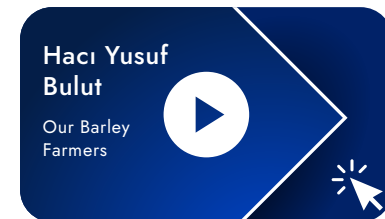
OUR VALUE CHAIN

The Anadolu Efes brand has production facilities in six countries and exports to more than 70. This makes every stakeholder in our value chain stronger. We are also working to protect the soil with sustainable agriculture.

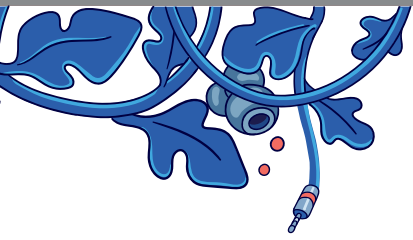
We always cooperate with our suppliers and dealers who have an important place in our stakeholder ecosystem. We aim to create more value while contributing to their empowerment through our joint projects.

This approach lets us always offer our customers and consumers safe, high quality products without interruption.

We continue to experience the effects of the global pandemic, causing disruptions to supply chains around the world. Declining consumer demand has led to a reorganization of supply processes.⁵ All these developments have increased the importance of localization of the supply chain without disruption. We are a company that considers local procurement to be very important, and of our total payments in 2020, local suppliers received 87% of them.



⁵ Global Supply Chains in a Post-Pandemic World, HBR, 2020



SUSTAINABLE AGRICULTURE AND SUPPORT FOR FARMERS

As an organization whose production is based on 4 raw materials, 2 of which are agriculturally produced, we work to spread sustainable farming practices. In this context, we use applications that both protect the soil and secure our raw material supply. This approach also helps reduce the environmental impact of farming. We see farmers as our business partners, and inform them about current agricultural practices. We encourage planned and efficient farming by empowering them financially through a contract purchase model. As our farmers become stronger and more equipped, the value we create also increases.

Thanks to our contract purchase model, farmers plan their production according to the amount we commit to purchase. This way we ensure continuity in the supply chain and the planned purchasing and production guarantees our farmers' incomes. Anadolu Efes works with 2,200 farmers in Turkey, about 400 of whom are contracted.

Through our value chain, we prevent dependence on foreign countries for seeds. We distribute certified, R&D developed seeds to our contracted farmers. These seeds increase agricultural productivity, which increases the profitability of farmers, and hence, their level of prosperity.

- We have been carrying out agricultural R&D and innovation studies since 1982.
- To date, we have developed and registered 17 types of barley seeds and 7 varieties of hops in Turkey. In 2020, about 1,600 producers benefited from the seeds we developed.
- The SmartBarley project continues with our partner AB InBev in Russia, benefitting approximately 160 contract farmers. Furthermore, it developed two new varieties of barley, and tests are ongoing on over 200 other varieties.

Smart Farming



The responsible use of natural resources is one of our environmental focus areas. In this context, we have been working shoulder to shoulder with the farmers who produce our raw materials for nearly 40 years. We encourage them to practice sustainable farming. In addition, through the Smart Farming program we started in 2018 in cooperation with WWF-Turkey, we make farmers' lives easier and contribute to local development, while supporting the fight against climate change.

You can access detailed information about the Smart Farming project in the [Society](#) section.

RESPONSIBLE SOURCING

We influence a broad stakeholder ecosystem of over 9,800 suppliers, and 350 dealers and distributors across our value chain. Our stakeholders' understanding and internalization of our business principles plays a key role in spreading the positive impact we create. Our [Supplier Working Principles](#) draws a framework for all our suppliers on the working conditions Anadolu Efes expects, and all our suppliers are liable to comply with these principles.

The supplier evaluation procedure is the basis for selecting and evaluating our suppliers. In 2020, our Russian operations conducted environmental and social audits on 40 of our suppliers, detecting no improprieties.

Mustafa Kaplan

Bermer-DinoGıda San. Tic. Ltd. Şti.
Anadolu Efes
Business Partner



Dealers and Distributors

In order to measure the satisfaction of our dealers and distributors in Turkey, and to understand their perceptions about Anadolu Efes, we conducted a satisfaction survey in 2020.

We sent the survey to a total of 157 dealers and distributors, and 100% participation was achieved. We reached the highest satisfaction level in the last four years with a satisfaction score of 85.5%, exceeding the sector average of 80.2%. This result makes us stand out in our sector, and we attribute it to acting in continuous cooperation with our stakeholders and to correctly understanding their needs and expectations. Another reason for this momentum has been our quick, agile response to the changing needs during the global pandemic.

The Anadolu Efes Turkey Sales Academy helps our dealers and distributors develop their competencies. In 2020, we gave 260 hours of online and in-class training to 385 dealer sales representatives. We conducted field coaching visits with 77 sales representatives.

In 2020, dealer and distributor satisfaction reached the highest level of the last four years in Turkey, reaching 85.5%.



PRODUCT QUALITY AND SAFETY

One of our main priorities is to always provide products of the same standard with no compromise on quality or food safety. With exports to over 70 countries, we implement the ISO9001 Quality Management System, the ISO22000 Food Safety Management System, and HACCP standards in all our operations worldwide.

+1 Resting Production Technique

Quality and innovation are essential to our brands.

- The +1 Resting Technique developed by Anadolu Efes’ team of brewers and engineers is completely unique to Anadolu Efes.
- The +1 Resting Technique was developed following 2 years of R&D work.
- The +1 Resting Technique will reset the quality standard of lager beers in Turkey and around the world.
- This technique adds a special stage to the single-stage production that brewers use around the world.
- Following approval and certification by VLB Berlin, the world’s leading beer Standards Institute, we applied to patent this technique.

MONDE SELECTION

Monde Selection, the world’s most prestigious international quality institute, awarded 12 medals to 12 of our products! An 80 person expert jury from the Belgian based Monde Selection, the world’s most prestigious international quality institute which determines the best in the sector every year, awarded 12 medals to 12 of our products for successfully passing tests of taste, smell, color, packaging, and laboratory analyses.

By winning awards 10 years in a row from Monde Selection, a platform followed around the world, this year we also received the Crystal Prestige Trophy.

Thus, we returned from Europe with 6 gold and 6 silver medals, as well as the Crystal Prestige Trophy.

RESPONSIBLE MARKETING

Our products are delivered to millions of consumers worldwide, and we market them with responsibility. In addition to communication applications that steer consumers towards conscious alcohol consumption, we comply with the sales and marketing restrictions legislation requires. We expect all our employees, and our dealers and distributors, who represent us in the field, to comply with the Marketing Communication Policy adopted by Anadolu Efes.

Responsible Consumption

As part of our “Don’t drink and drive” project we conducted in Russia, we gave online training classes during the global pandemic. A model was developed where contracted taxis picked up drunk consumers and drove them where they wanted to go. In 2020, more than 300 rides were given.

Anadolu Efes carried out another project with the same name in Ukraine with the goal of ensuring safety on the roads by reducing the rate of drunk driving. As part of the project, we provide “Test in Safety” training classes in driving schools, giving information about the consequences of drunk driving. We distributed glasses that reflect the impact of alcohol on vision to driving schools, the Ministry of Education, and police patrol teams in order to raise awareness. A total of 83,000 students have received Test in Safety training in driving schools since the project began in 2016. Our project also aims to raise awareness through the media, and we plan to reach more driving school students and drivers in the coming years. Another project in Ukraine “Say No”, aims to prevent alcohol consumption by people below the legal age.

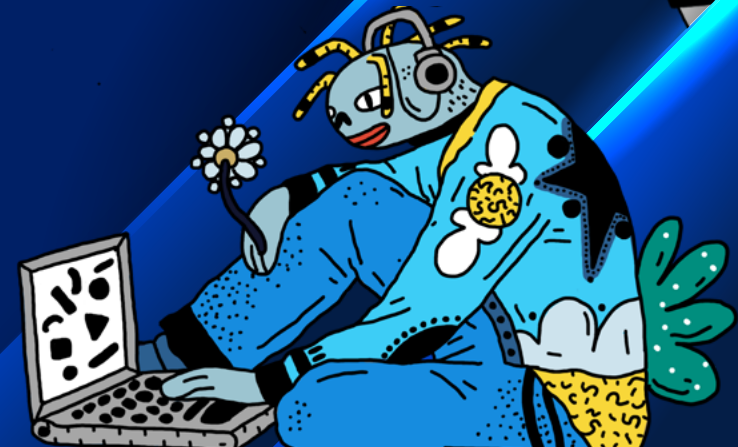
We also launched Russia’s first non-alcoholic pop-up bar, the Hoegaarden 0.0 bar. We aim to introduce consumers to our non-alcoholic products by giving them tastes of non-alcoholic beer-based cocktails and raise awareness of responsible consumption.



THE FUTURE IS + WORTH IT

- 36 Employees
- 36 Equal Opportunity and Diversity
- 38 Talent Management
- 40 Employee Engagement
- 41 Occupational Health and Safety

*Getting stronger through
diversity and inclusion*



2030 SUSTAINABILITY GOALS



Getting stronger through diversity and inclusion.

WE BELIEVE IN DIVERSITY & EQUALITY THROUGH AWARENESS AND OUR INCLUSIVE CULTURE. WE VALUE ALL OUR EMPLOYEES EQUALLY AND PROVIDE EQUAL OPPORTUNITIES TO ALL.



Goals

1. Increase the **representations of women** in our organization from 30% to **51% by 2030.**
2. Become **certified in gender equality** in all our operations by 2023.



Our Strategic Action Plan

Please click [here](#) for details on the steps we will take.

Gender equality awareness efforts

- We support equal opportunity for everyone through our inclusive corporate culture. We will continue our efforts to increase awareness of gender equality among all our employees and stakeholders, and offer more opportunities to female employees.
- We will implement programs to certify that we ensure gender equality in all our operations. For example, we took an important step in registering our success by obtaining the Equality for Women at Work Certificate in Turkey.

Our Gender Equality Program's main focus areas:

- Increasing the influence of women in decision-making roles
- Improving work-life balance
- Increasing women's access to nontraditional jobs
- Ensuring non-sexist communication
- Working together with all our stakeholders to prevent activities that may interfere with women's participation in the labor force



EMPLOYEES

We invest in talent in all of our operations, and focus on being the most preferred company to work for.

Our most important capital, which is instrumental for achieving our future goals, is our employees. Today, we invest in talent in all our operations in different countries, especially in Turkey, and focus on being the most preferred company to work for. We offer an inclusive working environment that aims for high employee loyalty, respects equality of opportunity and differences, and focuses on development. We focus on five priorities for our employees:

Banu Artüz
 Anadolu Efes Group Human Resources Director



- Hire, develop and retain talent
- Strengthen competencies
- Promote a culture of transparent communication
- Create a pleasant and flexible working environment
- Shape all human resources processes with inclusiveness that respects and incorporates differences

Our Human Resources Policy, based on fairness, equality, and honesty, determines our relationship with employees. We carry out our operations in a wide geography under the guidance of the **Anadolu Efes Principles of Work and Business Ethics** with an ethical, transparent management approach. Respect for human rights is one of our fundamental principles in our relations with our employees, suppliers, business partners, and society, and our Human Rights Policy guides us in this process. The CEO of Anadolu Efes is primarily responsible for the implementation of the Human Rights Policy, as are the General Managers of the company in the countries where we operate. The Anadolu Efes Human Rights Policy is overseen by the Anadolu Efes Executive Board.

Human Rights Policy



EQUAL OPPORTUNITY AND DIVERSITY

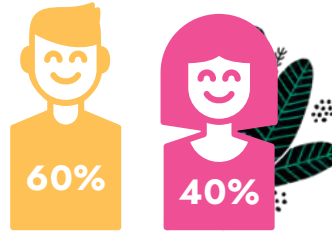
According to a study by the United Nations Women's Organization, the participation rate of women aged 25-54 in the labor force is 63%, while the rate of men is 94%. And when women do the same job as men, they earn an average of 16% less. Other research suggests that \$12 trillion in economic gains could be achieved by closing the gender equality gap. Ensuring gender equality and the equal participation of women in the labor force will accelerate and strengthen economic recovery, while helping us achieve a fairer and more resilient world at the same time.

Respect for human rights is one of our fundamental principles that guides our relations with employees, suppliers, business partners, and society.

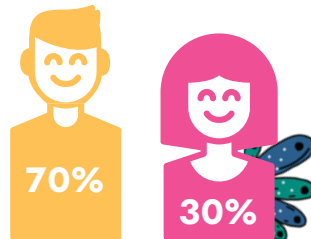
We were the first company to obtain the Equality for Women at Work Certificate given by the Sustainability Academy in collaboration with Intertek in the fast consumer goods sector in Turkey.



Female-Male Executive Ratio



Female-Male Employee Ratio



Empowering women in the beer industry

As a company that aims to raise awareness of gender equality and women's participation in the labor force, we support the training of female beer brewing experts and work to increase their number. To become a beer brewing expert, you need to graduate from one of the world's leading brewing academies. Brewer candidates spend their entire training process, ranging from six months to two years, at beer academies abroad. Anadolu Efes has a total of 48 brewers, 16 of whom are women. All of our brewers are also certified degustators. Every year, our brewers work hard to get full marks on international exams to protect their titles.

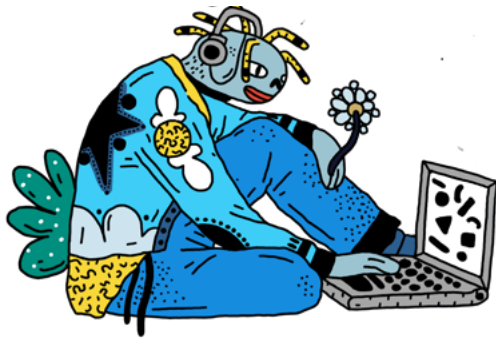
Our 33% female brewer rate is about twice the rate of women graduating from international brewing academies. Moreover, we have many other female employees who are brewer candidates.

Today, we provide a working environment and human resources processes that are based on equal opportunity, diversity, and inclusion to 8,547 employees in six different countries, including Turkey. As a signatory to the United Nations Global Compact and Women's Empowerment Principles (WEPs), we are committed to providing a fair, equal work environment that respects human rights. In addition to earning the Equality of Opportunity Model Certificate developed under the leadership of KAGİDER with technical support by the World Bank, we were also the first company in Turkey to receive the Equality for Women at Work Certificate issued by the Sustainability Academy in cooperation with Intertek in the fast moving consumer goods sector.



TALENT MANAGEMENT

Investing in human capital is one of our strategic priorities. With our talent management approach, we focus on creating educated human resources based on teamwork, high motivation, and commitment. Today, as a new generation of talent joins us, and their way of doing business reshapes ours, we aim to create a special career experience for everyone. In this direction, our goal is first to attract the right people for the right jobs to our company, and then to unlock their potential with effective training and development opportunities. We focus on the requirements of the sector and the different needs of our employees. We consider it very important to train them at every stage of their career in order to prepare them for the future. In this way, we train leaders, create a common language of management, and encourage continuous learning, thus deepening our corporate culture.



DIGITAL TRANSFORMATION

With our digital transformation strategy, we aim to make the way we do business more agile, mobile, and flexible. Our Digital Transformation Project that we started in 2020 is part of this strategy, focusing on providing our employees with new competencies suitable for the digital world, and on improving their skills as we prepare for the future.

In order to successfully manage change, we have identified change ambassadors among our employees. This network of change ambassadors regularly monitors our employees' experiences during transformation processes and improves our communication activities and actions.



Inspiring Digital

In 2020, we moved our training program to our e-learning platform, Inspiring Digital, and launched its mobile application for our Turkish operations. In order to develop talents, we prepared development journeys consisting of different learning tools in the areas of monitoring, reading, and applications that support the Anadolu Efes talent pool. As part of our new academy DigiLAB, which supports our digital transformation projects, we have also offered our employees powerful, next-generation content. The number of active Inspiring Digital platform users has increased 150%.

Young SDG Innovators

This year, we again participated in the young SDG Innovators Program, which the UN Global Compact (of which we are a member) conducts simultaneously in 10 countries. The Program aims to explain how young candidate leaders working in product and process development departments can incorporate Sustainable Development Goals (SDGs) into their innovation processes and how the SDGs can actually be business opportunities.



ANADOLU EFES LABS



At Anadolu Efes Labs, 5 different academies offer our employees training and development opportunities designed according to their career

and personal development needs in line with new world standards and 21st century skills. In this way, we create continuous learning opportunities that contribute to their expertise and competence. These training classes include Leadership LAB, Grow LAB (competence-oriented training), Profession LAB (enhancing professional specialties), and Welcome LAB (training provided following recruitment). During the pandemic, we continued our academy training in the virtual environment. Along with ongoing training on online platforms, we also continued developing our internal trainers. In 2020, we provided an average of 13 hours of training support per employee.

Our Efes Labs give different training in order to equip our employees with 21st century skills.



	PERSON-HOURS	NUMBER OF PARTICIPANTS
GROW LAB	3,167	1,140
LEADERSHIP LAB	2,298	283
PROFESSION LAB	16,839	7,899
WELCOME LAB	777	207

AWARDS



We received 3 awards at the 2020 Stevie Awards: “Best Use of Video for Learning”, “Achievements in New Employee Recruitment” and “Best Use of Blended Learning”.



We received the “Best Development in Custom Content (Gold)”, “Best Sales First Participation Program (Silver)”, “Best Sales Training and Performance Program (Bronze)”, “Best Use of Performance Support (Bronze)”, “Best Use of Blended Product Learning (Bronze)” awards from Brandon Hall.

As a responsible employer in Georgia, we received the Corporate Responsibility Award from the Georgia Global Compact Network in the ‘Decent Work and Economic Growth’ category for our employee focused applications and the measures we took to protect employee health.

Performance Management

Anadolu Efes employees play a major role in the company's success. The Performance Management System, which covers all our white collar employees, is one of the most influential tools behind this success. This system aims to create a high performance culture, measuring employee performance using fair, standard methods. We achieve success by setting measurable, achievable goals. In addition, it provides an effective communication tool that contributes to our employees’ development by giving them feedback. Due to the uncertainty caused by the pandemic in 2020, we directed our employees to set short-term goals and revise them if necessary. In 2020, 5,106 employees were involved in performance evaluation and career development evaluation processes, which amounts to about 60% of all our employees.

Internship and Management Trainee (MT) Program for Young Talents

Generations Y and Z will make up the majority of the workforce by 2025. Differentiation and customization of the business experience comes to the fore for this new “digital” generation. Anadolu Efes focuses on a work life that contains technology, entertainment, and learning experiences geared towards young talents. In 2019, we reached thousands of university students with our virtual reality based selection and placement program, which took place for the first time in Turkey. In 2020, with lives affected by the pandemic, we reached a total of 8,000 university students and new graduates, including 2,000 MT and 6,000 trainee candidates, through digital and gamified tests, general aptitude exams, and interviews.

We always strive to be the first and most preferred employer brand. As our employer brand continued to strengthen in 2020, we rose 5 places to 36th on the Universum employer selection ranking.

In 2020, our employee turnover rate was 11%.



EMPLOYEE ENGAGEMENT

We focus on increasing the engagement and satisfaction of our employees, as they are our most important resource for making our achievements sustainable. For this purpose, retaining talents within Anadolu Efes is one of our most important goals. We prioritize making Anadolu Efes working environments more dynamic, agile, and flexible.

Pulse Surveys

Due to the pandemic, we increased the frequency of our Employee Engagement Surveys that we had conducted once every year. During this period of rapid change and uncertainties around the world, we conducted "Pulse Surveys" to better understand our employees' feelings and thoughts, and to implement action without waiting for the end of the year.



In 2021, surveys were conducted in Turkey, Kazakhstan, Moldova, Georgia, and Belarus, the countries where Efes operates, with 91% participation, and employee loyalty was measured at 83%. This score is 6 points above the global fast consumer goods norm and 4 points above the global beverage company norm.

Our employees can communicate any complaints, potential violations, or disputes with human rights and human resources policies to the Human Resources Department, the Local Ethics Manager, or the Group Ethics Manager. Our employees can also report suspected policy violations to Groupethics@anadoluefes.com by e-mail or by calling +90 216 578 80 54. No retaliation or counter action is taken against any employee who files a report. Relevant teams investigate and respond to employees' concerns and take corrective action as needed.

ANADOLU EFES VOLUNTEERS

The annual cost of achieving the Sustainable Development Goals (across all sectors) is approximately US \$3.9 to 6 trillion. There is a funding gap that ranges between \$3 to \$5 trillion annually worldwide, given the current commitments of governments and other global organizations. The Volunteering for an Inclusive Future Report, shared by IMPACT 2030, reveals that employee volunteer work can accelerate the process of achieving the SDGs and close the gap.

Anadolu Efes employee volunteers engaged in many activities that contribute to society and the environment and create awareness.

In 2020, 45 volunteers took part in 8 different projects. Our activities during the pandemic included garbage collection, feeding stray animals, and providing scholarships and donating computers to students.

OCCUPATIONAL HEALTH AND SAFETY



Occupational health and safety is a material issue at Anadolu Efes both for our stakeholders and due to the nature of our business. We consider the provision of

a healthy and safe working environment to our employees as one of our biggest responsibilities. With the goal of zero occupational accidents and occupational diseases, we are developing a strong culture of occupational safety and health. 13 of our factories have earned either the OHSAS 18001 or the ISO45001 Occupational Safety and Health Certificate.

We undertake to identify and effectively manage occupational health and safety risks and to create and review targets and programs related to these risks. In 2020, our employees received a total of 56,037 hours of OHS training, averaging 6.5 hours per employee. We also gave 3,702 hours of OHS training to our suppliers.

In order to improve and increase OHS awareness in our employees, we continued the Anadolu Efes Turkey 'My Friend is Under My Protection' award program in 2020. As part of the Program, we identified 111 cases of near-miss accidents and risks, and made improvements.

THE FUTURE IS + WORTH IT

- 43 Environment
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Targeting Zero for the environment



2030 SUSTAINABILITY GOALS



Goals

1. Become **net zero** in all our operations by 2030.
2. Become a **certified zero-waste beer producer** in all our operations by 2030.
3. Continue to **reduce plastic usage**.



Our Strategic Action Plan

Please click [here](#) for details on the steps we will take.

Net Zero Emissions in Operations

We plan to achieve this goal by investing in energy efficiency practices, renewable energy supplies, evaluating renewable energy installations usable in our operations, and carbon balancing projects.

Energy Efficiency in Production

In order to achieve our net zero emissions target, we will continue to develop the projects that will help us reach our energy efficiency targets the fastest.

Renewable Energy Supply in Production

As part of our efforts to reduce greenhouse gas emissions, we aim to reduce our carbon footprint by meeting 100% of our electricity needs from renewable energy sources.

Balancing our Carbon Footprint

We will evaluate carbon balancing options to minimise our impact on climate.

Zero Waste

We will prevent and reduce waste generation and continue to ensure that all waste is returned to the economy in order to certify that all our operations produce zero waste. For example, all our malt and beer plants in Turkey earned zero waste certificates last year, a first step for the company.

Packaging Management

We will continue to design the packaging volume and weight of our products to produce minimal waste, and support reuse and recycling efforts to reduce the environmental impact caused by our packaging.

Plastics Reduction

We will continue our R&D work with our entrepreneurship ecosystem, suppliers, and universities to reduce plastic use.

Targeting Zero for the environment.

WE LOVE THE EARTH.
WE'RE AIMING ZERO ENVIRONMENTAL IMPACT IN OUR CARBON EMISSIONS AND WASTE.



ENVIRONMENT

As a manufacturer that supplies its raw materials from nature, environmental sustainability plays a key role in the continuity of our activities.



We analyze the opportunities and risks created by environmental trends that Anadolu Efes faces, especially the climate crisis, and implement projects on topics such as energy and water efficiency and the circular economy. Anadolu Efes is “aiming for zero” impact on the environment by 2030. In this context, as in our malt and beer production facilities in Turkey, we are working to produce zero waste across all our operations, to develop innovative solutions against plastic pollution, and to neutralize our carbon emissions.

As part of our Positive Impact Plan strategy, we both improve our performance and transform our broad stakeholder ecosystem. We comply with all local legislation in the regions where we operate regarding environmental management, and take our corporate policy and international standards as references. We comply with the ISO50001 Energy Management System and ISO14001 Environmental Management System to manage our operations. 8 of our 28 plants have ISO14001 and 10 have ISO50001 certificates.

Anadolu Efes invested USD 4.34 million in the environment in 2020. We did not receive any environmental penalties this year. We regularly conduct training to improve our environmental performance and internalize environmental awareness. In 2020, we gave 63,828 person-hours of environmental training to our employees. Environmental training hours per employee averaged approximately 7.5 hours, and we provided 219 person-hours of training to subcontractors.

Associations that Focus on Sustainability that We are Members of

Work Area

Global Compact	Focusing on climate change, water, and plastic pollution
WBCSD - World Business Council for Sustainable Development	Developing and disseminating sustainable agricultural practices
Sustainable Farming and Food Access Work Group	Effective waste management, plastic reduction, and supporting the circular economy
Circular Economy Work Group and SDA	
Circular Economy Platform	
Environmental Protection and Packaging Waste Utilization Foundation (ÇEVKO)	Reducing packaging waste and increasing raw material efficiency



In 2020, Anadolu Efes published a manifesto called “Çevreye Artı Değer”, underlining our passion in this regard. In our manifesto, we commit to working together with our stakeholders for a more sustainable future and promise to act more responsibly regarding all environmental issues.



THE CLIMATE CRISIS

The six years since 2015 have each broken records for being the hottest years. Despite the lockdowns due to COVID-19, the amount of carbon dioxide in the atmosphere continues to increase, affirming the need for more climate action.⁶ The number of extreme weather events and droughts have increased due to the climate crisis, and at the same time, destruction by floods and heat waves have become much more severe. These effects may cause changes in food sourcing and the operations of companies that use agricultural raw materials as inputs. Indeed, these developments may well affect food supplies and safety. Therefore, we are focusing on our entire value chain to effectively combat against the climate crisis, which threatens the continuity of our production and operations. We are working to reduce our environmental impact along the entire life cycle of production from raw materials to waste disposal, as well as to reduce our carbon footprint. Anadolu Efes will struggle against the climate crisis by taking the following actions:

- We will reduce the impact of agricultural production on the climate by encouraging farmers to apply sustainable farming practices. We will accelerate our activities to make the results of our actions more visible and report them, sharing improvements in numbers in the coming years. This way we aim to better understand how we impact the climate beyond our operations.
- In order to determine the main impacts of our production in terms of climate and packaging, we analyzed the life cycle of 3 of our products with the highest production volume “from cradle to grave”. Thanks to our scientific approach in this field, we aim to work more closely with our suppliers to reduce the impact on the climate of the raw materials needed for packaging.
- We are aiming for zero impact from our operations on the climate by 2030. On this journey, we are taking action

⁶ State of the Global Climate 2020 Report, WMO

in many areas including energy efficiency and renewable energy supplies to achieve our goal of becoming a beer producer with net zero emissions across all our global operations by 2030.

- We also plan to expand our climate reports in the future in accordance with the TCFD (Task Force on Climate-Related Financial Disclosures).

Anadolu Efes is the First in our Sector to Receive the WWF-Turkey Green Office Diploma

We added another milestone to the ‘Çevreye Artı Değer’, which we started with the goal of creating a sustainable world for future generations. We became the first company in our sector to receive the Green Office Diploma from the WWF-Turkey (World Wildlife Foundation) Green Office program, which we joined in in order to reduce our Head Office’s ecological footprint.

The Green Office Program is part of WWF-Turkey’s efforts to encourage sustainable development and contribute to a greener future by helping organizations reduce their ecological footprint. The Green Office Diploma is given to companies who participate in this program and meet the criteria set by WWF-Turkey. We successfully completed the program and achieved tangible results: Our employees’ awareness about using natural resources efficiently increased by 83% as a result of the awareness-raising, saving, and improvement activities that are part of the program. We reduced paper use in our Head Office by 10%. By putting our waste in recycling bins, we recycled approximately 3,500 kg of glass, 35 kg of metal, 4,000 kg of paper and 2,000 tons of plastic.



EU GREEN DEAL AND ITS EFFECTS

Committing to be a climate neutral continent by 2050 through its Green Deal, the European Commission’s Farm to Fork⁷ strategy will form the basis of the European Union’s agriculture and food policies for the next 30 years.

The main items of the commission’s Farm to Fork strategy include reducing the environmental impact of food production, transport, distribution, marketing and consumption by protecting the lands, fresh water and sea ecosystems along the value chain. In addition to these goals, the Commission also aims to alleviate climate change and help adapt to its impacts by protecting land, soil, water, vegetation and animal health and welfare, and reducing biodiversity loss. Furthermore, the Commission recommends a “Carbon Border Adjustment Mechanism (CBAM)” to reduce carbon leakage in selected sectors. The EU aims to guide its commercial partners in reducing their emissions with this taxation mechanism.

We closely follow international trends and regulations in the fight against climate change that negatively affect our business continuity, while we also strive to adapt and find opportunities in this field. In line with our goal of achieving net zero emissions by 2030, we are first monitoring the greenhouse gas emissions and energy consumption in all our operations and reporting them transparently. We are primarily focused on efficiency and the use of renewable energy to reduce our emissions and energy consumption. We aim to reduce our carbon footprint by meeting **100%** of our electricity needs from **renewable energy sources** by 2030.

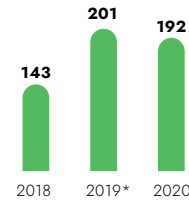
ENERGY EFFICIENCY IN REFRIGERATORS

We are careful to deliver the highest quality, best tasting products to our customers, and ensure their refrigeration

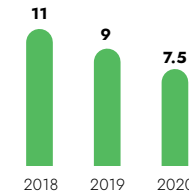
at consumption points. To increase energy efficiency and reduce greenhouse gas emissions resulting from electric power consumption, we are working to adopt new generation production models and rapidly decreasing our carbon footprint. In 2019, we reduced carbon emissions per refrigerator by 66% compared to 2011.



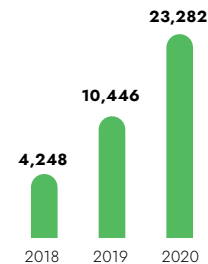
Malt Production Carbon Intensity (kgCO₂/ton)



Beer Production Carbon Intensity (kgCO₂/hl)



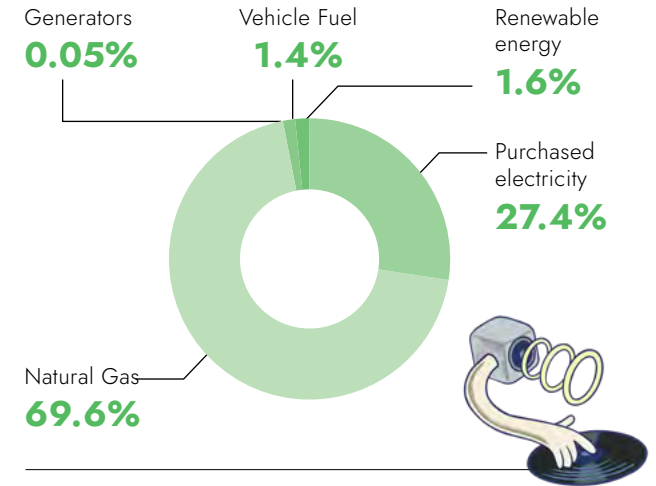
Biogas Renewable Energy Production (MWh)



As part of our goal to meet 100% of our energy consumption needs from renewable energy sources by 2030, **three of our production plants in Russia started to use 100% renewable energy in their operations.**



Total Energy Consumption (%)



WATER RISKS AND MANAGEMENT

Global water consumption has increased 600% in the last hundred years, and increasing population, economic development, and changing consumption patterns continues to increase it by nearly 1% per year. Combined with changing precipitation patterns resulting from the climate crisis, and inefficient irrigation methods and waste treatment systems, water stress is expected even in regions that now have plenty of water resources. In regions where water stress is currently observed, access to fresh water is expected decrease.⁸ To ensure the continuity of agricultural production and access by local communities to fresh water, there is a need to increase efficiency and reduce consumption. For this reason, developing new practices and technologies in all production stages is very important.

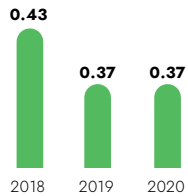
⁷ Farm to Fork Strategy, European Commission

⁸ UN World Water Development Report, 2020

* There was an increase in intensity due to the addition of the Russian Kazan.

Barley and hops farming as well as packaging and production processes stand out as operations where we consume the highest amount of water. Anadolu Efes regards water management as part of our corporate risk management, and works to improve our performance after identifying the processes that consume the highest amount of water. As

Water Intensity Beer Production (m³/hl)



Water Intensity Malt Production (m³/ton)



Regional Water Risks

We conducted a water risks survey in the regions where Anadolu Efes Turkey plants are located. In the 6 regions where our factories are located, we mapped production capacity, the factories' water consumption, permit capacity for use of underground water, and water consumption per production unit. After mapping, we compared the underground water resources level with consumption data and measurements in the operational regions to determine potential water risks in the future that may result from changes in water resources.

the first Turkish company to sign the CEO Water Mandate in 2014, we prioritize water efficiency practices and set goals to track our progress. In addition to efficiency, we develop various projects and applications to reduce water consumption, and support performance improvement by including water consumption reduction in managers' individual performance indicators. By updating current lines and developing applications such as reverse osmosis, we saved 288,000 m³ of water in our Turkey, Russia and Moldova operations, in addition to financial savings of USD 120,600.

CIRCULAR WASTE AND PACKAGING MANAGEMENT

Environmental pollution has been increasing rapidly due to insufficient waste management, and increasing population and consumption all around the world. Despite progress in waste management thanks to the development of cheaper technologies, today, 3 billion people have no access to even the simplest waste services.⁹ Moreover, it seems that we will fail to fulfill the commitments regarding single-use plastics due to the effects of COVID-19. The level of environmental pollution that has stood out, especially during the pandemic, shows that there is an urgent need to take action. In this regard, establishing business partnerships that adopt a holistic approach will play a major

At Anadolu Efes Kazakhstan, we cooperated with a local environmental agency to collect and reuse glass bottles. **This initiative collected 1,105,775 bottles that were reused in 2020.**



All Anadolu Efes malt and beer production plants in Turkey have obtained the **Zero Waste Certificate**.



role in reducing pollution in less time. It is probable that the circular waste management model that will be adopted after the pandemic will both support social development by offering innovative work areas and increase savings by ensuring the reuse of resources. At Anadolu Efes, we aim to minimize the amount of waste resulting from all our activities, and to maximize the recycling rate. Within this scope, we are working to develop models that will contribute to the circular economy and support reduction and reuse in all our operations. Thanks to our waste reduction efforts in 2020, we prevented the formation of approximately 18,000 tons of waste. Furthermore, our reduction efforts paved the way for saving US\$138,000.

Thanks to projects that reduce aluminum thickness in our packaging and reuse glass bottles, we saved approximately US\$37,000.

ZERO WASTE

The Republic of Turkey, Ministry of Environment and Urbanization grants companies that offer good examples of waste management the Zero Waste Certificate. We earned this certificate for all our malt and beer production plants in Turkey. These plants include our beer factories in Adana,

* There was an increase in intensity due to the addition of the Russian Kazan plant.

⁹ Alliance to End Plastic Waste, Progress Report 2020

Ankara, and İzmir as well as our malt production plants in Konya and Afyon. With the Zero Waste Certificate we document responsible sourcing, and management, reduction, segregation, and recycling of waste on the spot. In accordance with our 2030 goals, we aim to be a company that produces zero waste by accelerating our waste efficiency investments and obtaining the Zero Waste Certificate for all our global operations.

REDUCING PLASTICS

We are working to reduce the negative environmental impact of packaging waste from our products. We support the circular economy by increasing the use of reusable or recyclable materials while reducing the amount of packaging with innovative approaches to reduce the post-consumption effects of packaging. By reducing packaging thicknesses and optimizing pallets for transporting products, we reduce raw material use and energy consumption from logistics and save financially. As part of our efforts to reduce the use of plastics, we made one of our brands completely plastic-free. We re-use the brand's plastic crates through upcycling to prevent waste.

As part of these efforts, plastic crates that no longer have a function were turned into everyday life items such as coffee tables, puffs, and key holders via upcycling.



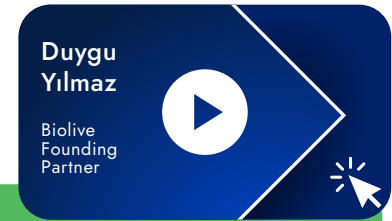
PRODUCT LIFE CYCLE ANALYSIS

At Anadolu Efes, we focus on our entire value chain to effectively struggle against the climate crisis. We are working to reduce our environmental impact on the entire life cycle of production from raw materials to waste disposal as well as to reduce our carbon footprint.

To better understand and manage our environmental impact during the production and consumption of packaging, we performed a Life Cycle Analysis (LCA) on three different packaging products. Performed according to the ISO14040 Life Cycle Analysis standard methodology, the study revealed the environmental impacts of three different products “from cradle to grave”. The analysis included stages of agricultural raw material production, transportation, malting and beer production, packaging, distribution of bottled or packaged products, and end consumption. In addition, the study determined both the average and per unit of production contribution to global warming at Anadolu Efes. The outputs of the study are important for identifying the production stages where there is a need for improvement in terms of environmental impacts.

TARGET 12-4

RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE



INNOVATIVE PLASTIC PACKAGES

As a member of the Business Plastics Initiative (IPG), we are developing environmentally-friendly solutions to replace plastic in our multiple pack products and service materials in cooperation with universities, suppliers, and the entrepreneurship ecosystem. We aim to further reduce the use of plastic in our ecosystem, which is already at a low level.

- One of the products developed as part of our efforts to reduce plastic use is biodegradable festival cups. Unlike plastic cups, biodegradable cups dissolve in nature in less than two years.
- Within our entrepreneurship ecosystem, we are cooperating with Biolive to produce all natural bioplastic granules made of olive waste to make our materials used to serve the beer. In this context, we have started to use materials to serve the beer consisting of 20% olive seeds.

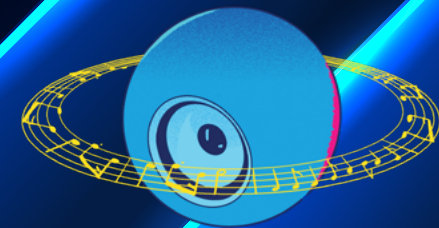
TARGET 12-2

SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES

THE FUTURE IS + WORTH IT

- 50 Benefitting Society and Contributing to Local Economies
- 51 Tourism in the Future
- 52 Agriculture in the Future
- 53 Entrepreneurship in the Future
- 54 Culture-Arts
- 54 Sports

*Increasing
our support for
social impact*



SUSTAINABLE DEVELOPMENT



Goals

1. In cooperation with all our stakeholders, we will continue making our **community investments** according to our long-term perspective to **increase the social impact** we create.
2. By 2030, **all our farmers will be educated** on sustainable agriculture practices.
3. We will continue to partner with **young entrepreneurs** and support their dreams wherever possible.

Increasing our support for social impact.

WE ARE INVESTING IN THE SOCIETY FOR A SUSTAINABLE FUTURE BY FOCUSING ON OUR SOCIAL IMPACT.



Our Strategic Action Plan

Please click [here](#) for details on the steps we will take.

Culture-Arts

- We will continue to invest in culture and art that inspires, empowers, educates, and entertains the community.

Local Development and Empowerment of Women

- We will continue social benefit projects that both support local development and ensure women's empowerment in society.

Sustainable Agriculture and Empowering Farmers

- We will ensure that all our farmers become aware of sustainable agricultural practices by training them.

Empowering Young Entrepreneurs

- By leveraging the power of innovation, we will continue to support the entrepreneurial ecosystem and work closely with young people.

Sports

- We will continue to invest in sports and activities that inspire feelings of endeavor, courage, victory and excitement.



SOCIETY

At Anadolu Efes, we believe investment in society as an investment in the future.



Drinking Water Support in Russia

We support the Safe Drinking Water Program in Russia and Ukraine implemented by the United Nations (UN) in areas affected by natural disasters and human-induced natural harm. We donated 10,400 packages of drinking water to educational institutions through AB InBev in Ukraine to be delivered to local communities in need.

Moldova Bicycle Award

Every year since the event began in 2019, the bicycle award is given to small entrepreneurial manufacturers active in the field of Corporate Social Responsibility in cooperation with Moldova and the National SME organization. Awards are given to various companies operating in different fields, and Anadolu Efes Moldova gives its support by providing the grand prize. This year's bicycle award was given to a small honey producer.

At Anadolu Efes, we see investment in society as an investment in the future. We prioritize investments that deliver social benefits to all the stakeholders in our value chain, from young entrepreneurs to farmers. We are committed to increasing our social impact in line with our sustainability goals by 2030.

SOCIAL BENEFITS AND CONTRIBUTION TO LOCAL ECONOMIES

At Anadolu Efes, we believe it is important to grow together with our ecosystem by creating social benefits and contributing to the local economy. Since our foundation, we have worked in various fields to create positive impacts for our stakeholders. We are expanding our sphere of influence with multi-stakeholder initiatives involving public, private, and non-governmental organizations in projects that will create value for society.

In this context, we support the spread of sustainable tourism in our country, the empowerment of women, and local development. By bringing the opportunities offered by R&D and technology together with farmers, we encourage agricultural practices that are more efficient and that significantly reduce environmental impacts. We know that new ideas are very important to the development of our ecosystem, and we are pioneering the transformation of young entrepreneurs' ideas into economic value. We have supported culture, the arts, and sports, which play an important role in social development, non-stop for many years.

Anadolu Efes Companies during the Pandemic

What did Anadolu Efes do during the pandemic to reduce its effects on our stakeholders and create social benefits in the regions where we operate? Please see the details in our [What Did We Do During the Pandemic](#) section.

Activities to Raise Awareness on Sustainability in Russia and Ukraine

To raise awareness of current environmental problems in Russia, we implemented activities such as cleaning and waste collection, which employees participated in with their friends and relatives in April-May.

Our Moscow office also organized 2 online interviews and an eco-challenge event called 'Teper Tak', a social project aimed at educating businesses and consumers about sustainability and responsible consumption. The goal of these activities is to help our employees learn more about environmental protection and raise awareness of the company's sustainability goals.



One of Turkey's first sustainable tourism projects



TOURISM IN THE FUTURE

Since 2007, we have been working together with the Republic of Turkey, Ministry of Culture and Tourism and the United Nations Development Program (UNDP) on the "Tourism in the Future" project to ensure that sustainable tourism becomes an alternative development tool in Turkey. In this context, we encourage entrepreneurship to create local models, support women's economic empowerment, and local development.

Every year since 2013, we have funded three projects, provided consulting, mentoring, and communications support, and ensured that the projects are viable and continuous.

As part of the 'Tourism in the Future' project, we have:

- Supported 19 projects.
- Reached about 200,000 people through the projects.
- Created jobs directly and indirectly for about 500 women.
- Cooperated with 600 non-governmental organizations and 23 universities.

The Kars Cheese Route, Aromatic Plants House Köyceğiz and Linen's Journey in Ayancik projects were forced to discontinue during the pandemic, so we provided online COVID-19 and hygiene training by expert consultants to help support them.

Asuman Yılmaz

Master Teacher
of Public
Education
Center and
Intangible Cultural
Heritage Bearer



Zühal Aksakallı Bayraktar

Ataturk University
Research Assistant

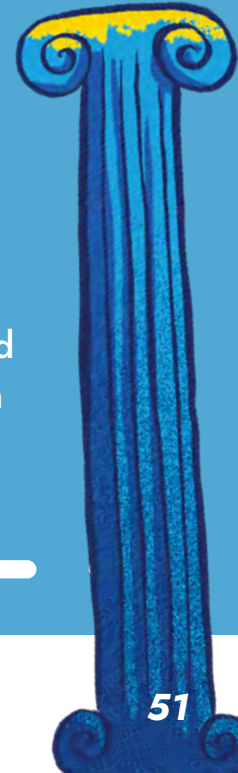


Nur Çelik İlal

Muğla Sıtkı Kocaman
University Dr.
Faculty Member



According to Capital Magazine and GFK Turkey's Corporate Social Responsibility Research, our "Tourism in the Future" project ranked among the top five on the "People's Favorite KSS Projects" list.



As part of the Agriculture in the Future Project, our R&D Department has been working on barley and hops seeds with the Agricultural Product Development Department since 1982, and providing educational support to farmers to help spread production of these seeds.



AGRICULTURE IN THE FUTURE

The agricultural sector is transforming due to global trends, especially the climate crisis and its associated changing rainfall patterns, but also increased pressure on natural resources, urbanization, and rapid population growth. The Farm to Fork Strategy in the EU Green Deal Call includes measures for the future of agriculture to increase access to healthy, low-cost, and sustainable food by setting goals in categories such as adopting responsible production around the world, combating the climate crisis, protecting the environment and biodiversity, ensuring economic stability in the supply chain, and increasing organic farming practices.⁵

At Anadolu Efes, we respond to global trends and work to manage risks and evaluate opportunities. As part of the Agriculture in the Future Project, our R&D Department has been working on barley and hops seeds with the Agricultural Product Development Department since 1982, and providing educational support to farmers to help spread production of these seeds. The aim of this project is to increase productivity in agriculture, supply agricultural raw materials from local producers, and promote accurate and sensitive agricultural practices by developing drought-resistant species that require less water and energy through R&D.

Smart Farming Project

We combine the power of technology with our experience in responding to changes related to the agricultural sector. Since 2018, we have been conducting our Smart Farming Project in cooperation with WWF Turkey, which aims to strengthen our farmers and reduce the environmental impact of farming. By introducing intelligent agricultural technologies and sustainable farming practices to barley and hops farmers, the program facilitates their lives and reduces the impact on the ecological balance. Thanks to technology, farmers use their agricultural inputs effectively, and increase their capacity and productivity.



Smart agricultural applications offer farmers the ability to control their fields using applications on their mobile phones without going to the field during the pandemic period. Three different smart agriculture applications are used in the Program:

- Smart sensors placed in the fields monitor the heat and humidity of the soil and air, informing the farmer about disease, spraying, and irrigation needs in the fields via the phone app.
- Farmers can constantly monitor their fields via satellite images to accurately locate possible problems and make physical control easier and faster.
- Farmers can perform digital soil analysis without leaving their fields and see their results within 15 minutes.

Thanks to the smart agricultural applications used in the program, farmers perform no unnecessary irrigation, spraying, or fertilizing, and can use their resources effectively at the right time. In addition, with smart applications, water resources are consumed more responsibly and the impact on nature is reduced by preventing unnecessary fertilizing and spraying.

⁵ From Farm to Fork, European Commission, 2020



İTÜ Çekirdek

İTÜ Çekirdek is one of the five largest incubation centers in the world, and we have been one of its main stakeholders since 2018. Through the İTÜ Çekirdek-Big Bang Start Up Challenge Platform, we provided funding support to two initiatives with the Anadolu Efes Special Award in 2020. We supported **Hummingdrone**, which aims to increase productivity in agriculture using Drone technology, and **Menlo Music**, which aims to integrate music and entertainment technology with next-generation entertainment platforms. To date, we have provided TRY 400,000 in funding to a total of eight entrepreneurs through the İTÜ Çekirdek Big Bang Start Up.

Corporate Intrapreneurship Program

In order to spread the culture of entrepreneurialism within the company, and to help our employees implement their original ideas, we established the Anadolu Efes Intrapreneurship Program.

In the year it was founded, our employees came up with a total of 111 ideas, 10 of which qualified to participate in the Acceleration Program. In the program, project owners selected their teams and met with experts and mentors in their field, developing their initiatives for eight weeks. Three projects successfully completed the program and went on to participate in the next stage, the Incubation Program, where they began to prepare for the field, carrying out pilots of their projects for 16 weeks.

The Malty Team produces healthy malt-based snacks and was selected from among these 3 projects to start work to take its place on the shelves. Malty aims to contribute to the circular economy while offering a value-added product with high protein and fiber ratios.

By leveraging the power of innovation, we will continue to support the entrepreneurial ecosystem and work closely with young people.

ENTREPRENEURSHIP IN THE FUTURE

Supporting entrepreneurship plays an important role in the development of our ecosystem. At Anadolu Efes, we encourage young entrepreneurs to support the innovative ideas of different stakeholder groups and to enable these ideas to turn into initiatives. The successful transformation of initiatives into economic value contributes to employment and local development. In 2020, we continued our support for entrepreneurs through various platforms.

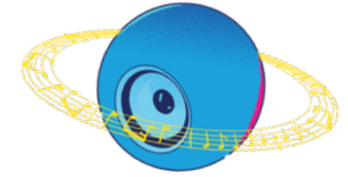
As part of the Social Impact Awards, we supported eight start-up.

Social Impact Award

In order to support entrepreneurs under 30 who wish to benefit the world through social entrepreneurship, we created the Social Impact Awards (SIA) in cooperation with Impact Hub Istanbul. We have provided online workshops, mentoring, and networking support to eight initiatives through SIA, which has been attended by more than 100 social entrepreneur candidates. All finalists met with global teams at SIA Summit 2020. The selected initiatives received funding support of TRY 30,000.

Jury Award Winners of the SIA program included: Arkerobox, who developed games aimed at passing our cultural heritage on to future generations, Composit, who helps produce soil and food from domestic waste, and Plastic Move, who works to produce bioplastics from stale bread.





One of our priorities is ensuring that art reaches a wide audience and becomes sustainable. We continued to support the arts through different platforms during the pandemic.



CULTURE-ARTS

33 Years of Cooperation with IKSV: Our cooperation with the Istanbul Culture and Arts Foundation (IKSV), one of Turkey's leading institutions, started in 1987. Every year we present the Anadolu Efes Special Award in Turkish Cinema, National Competition & National Short Film categories at the Bridge Meetings. We also support the Istanbul Jazz Festival, Istanbul Biennial, and the Istanbul Design Biennial organized by IKSV.

At the same time, we supported the Youth Platform, one of the events at the 24th IKSV Theater Festival in 2020, which gave the City Theatre, established in the Tuşba district of Van, the opportunity to perform.

28 Years of Support for Theater: Our theater journey began with the musical Evita in 1992, and since then, we have supported the staging of over 1,000 plays.

We bring Alternative theaters together with university students at the Blue Stage.

In 2018, we established the Anadolu Efes Blue Stage to support theater communities with young theater players who have trouble finding stages and to enable all art lovers, especially university students, to watch quality productions with affordable tickets. In cooperation with DasDas, the Blue

Stage has hosted 4,000 college students and thousands of theater lovers over its first two seasons.

Anadolu Efes and DasDas cooperate to transfer important plays to digital media.

One of our priorities is ensuring that art reaches a wide audience and becomes sustainable. As part of this, we supported the digitalization process of DasDas, which was forced to close its stage due to the pandemic. We are thrilled to be able to present the plays Westend, Joseph K. and Yalnızlar İçin Çok Özel Bir Hizmet via digital media to audiences again.

SPORTS

The Anadolu Efes Sports Club came in second as EuroLeague runners-up in the 2018-2019 season. They were Turkish Basketball League champions for the 14th time and won the Presidential Cup. Anadolu Efes was the first Turkish team in the history of Turkish team sports to win a European Cup, winning the Koraç Cup in 1996, and the first team to play 500 European matches. With 14 Turkish Basketball League Championship titles, 11 Turkish Cups and 12 Presidential Cups, the team has won the most trophies in all three competitions.

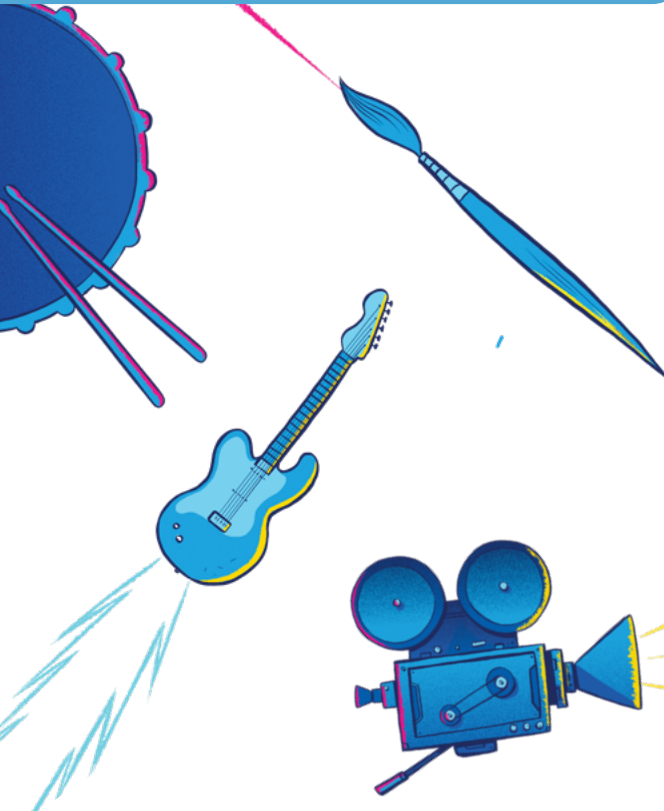
Mert Fırat

Actor



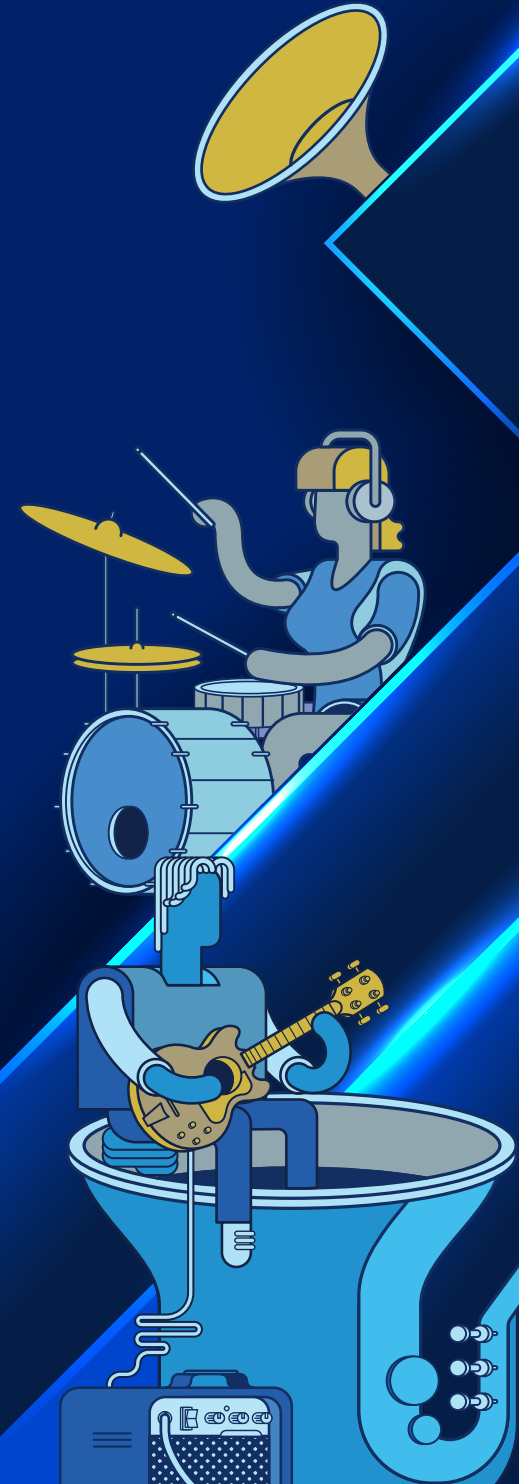
Yeşim Gürer
Oymak

Deputy
General
Director of IKSV



THE FUTURE IS + WORTH IT

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Annex 1: Communication with Stakeholders

Stakeholder Group	Communication Method	Frequency of Communication
Employees	Online live broadcasts, video messages, employee volunteer activities, site visits, surveys, quarterly newsletters, intranet portal, Anadolu Efes quality circles, events, OHS committee meetings, annual and sustainability reports, websites and regular information about activities through mailing	Daily or weekly as needed
Public Institutions	Meetings and conferences, annual and sustainability reports, website, one-to-one interviews, KEP-registered e-mail system, NGO work groups	Weekly
Distributors and Dealers	Online live broadcasts, video messages, one-to-one interviews, annual and sustainability reports, website, dealer portal, joint projects and communication line	Daily or weekly as needed
Suppliers and Farmers	One-to-one interviews, audits and training, annual and sustainability reports, website	Daily or weekly as needed
Associations and NGOs	Business associations, participation in meetings and work groups, seminars and conferences, annual and sustainability reports, website, one-to-one interviews	Monthly
Shareholders, Investors and Analysts	General Assembly Meetings, disclosures, press releases, one to one correspondence and meetings, conferences, broker/bank reports, periodic announcements, annual and sustainability reports, website, stakeholder analysis	Daily or weekly as needed
Universities	Internship programs, career days, conferences, website, annual and sustainability reports	Weekly or monthly as needed

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Annex 2: Association and Initiative Memberships and Participations

Alcoholic Beverages Platform

Association of Beer and Malt Producers (BMÜD)

Environmental Protection Foundation (ÇEVKO)

Foreign Economic Relations Board (DEİK)

Association of Food Retailers (GPD)

Food Supplement and Nutrition Association (GTBD)

Global Compact

Association for Public Communication and Corporate Relations Management (KİYED)

Association of Corporate Communicators (KİD)

Business World and Sustainable Development Association (SKD)

Sales Network Platform

Turkish Researchers Association (TÜAD)

Turkish Ethics and Reputation Association (TEİD)

Turkish Federation of Food and Beverage Industry Associations (TGDF)

Turkish Quality Association (KALDER)

Corporate Governance Association of Turkey (TKYD)

Union of Chambers and Commodity Exchanges of Turkey (TOBB)

Association of Turkish Industrialists and Businessmen (TÜSİAD)

Turkish Seed Industry Association (TÜRKTED)

Annex 3: Awards

- Monde Selection, the world's most prestigious international quality institute, awarded 12 medals to 12 of our products.
- Three awards at the Stevie Awards: "Best Use of Video to Learn", "Achievements in Recruiting New Employees", "Best Use of Blended Learning"
- The "Best Development in Custom Content (Gold)", "Best Sales First Participation Program (Silver)", "Best Sales Training and Performance Program (Bronze)", "Best Use of Performance Support (Bronze)", "Best Use of Blended Product Learning (Bronze)" awards from Brandon Hall.
- Green Point Incentives Award in the "Waste Management System & Practices" category of the series of Green Point Industrial Awards.
- Most Successful CEO award in the "DX CEO" category in digital transformation at the IDC Turkey Digital Transformation Awards to Anadolu Efes Turkey Beer Group President and CEO Can Çaka, Second prize to Murat Özkan, Director of Information and Digital Solutions, in the Digital Transformation Leader (DX Leader) category, Second prize to Human Resources Director Banu Artuz in the Talent Accelerator category
- Corporate Responsibility Award for Georgia in the "Decent Work and Economic Growth" category by the Georgia Global Compact Network

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Annex 4: UNGC & UN WEPs Progress Tables

UN Global Compact (UNGC)

Area	Principles	Relevant Chapter
Human Rights	Principle 1: Business should support and respect declared human rights	Employees — p. 36
	Principle 2: Business should not be complicit in human rights violations.	Employees — p. 36
Working Standards	Principle 3: The business world should support the freedom of employees to unionize and negotiate collectively.	Employees — p. 36
	Principle 4: The practice of forced and coerced labor should be stopped.	Employees — p. 36
	Principle 5: All forms of child labor should be stopped.	Employees — p. 36
	Principle 6: Discrimination in recruitment and placement should end.	Employees — p.36-37
Environment	Principle 7: The business world should support precautionary approaches to environmental problems.	Environment p. 43-47
	Principle 8: It should support all kinds of activities and formations that will increase environmental responsibility.	Environment p. 43-47 Society — p. 52-53
	Principle 9: It should support the development and dissemination of environmentally friendly technologies.	Environment p. 43-47 Society — p. 52-53
Anti-Corruption	Principle 10: The business world must fight all forms of corruption, including bribery and racketeering.	Ethics and Transparent Management — p. 26

UN Women’s Empowerment Principles (UN WEPs)

Principles	Relevant Chapter
Principle 1: Providing senior corporate leadership for gender equality	Employees — p. 36-37
Principle 2: Fair treatment of all men and women in business life, respect for human rights and the principle of non-discrimination; support these principles	Employees — p. 36-37
Principle 3: Ensuring the health, safety and well-being of all male and female employees	Employees — p. 36-37, 40
Principle 4: Supporting women’s educational, course and professional development opportunities	Employees — p. 37-40
Principle 5: Entrepreneurial development, supply chain and marketing methods for women’s empowerment	Employees — p. 36-37 Society — p. 51-53
Principle 6: Promoting equality through social initiatives and advocacy efforts	Employees — p. 36-37 Society — p. 51-53
Principle 7: Assessment and public reporting of achievements in relation to gender equality	Employees — p. 36-37

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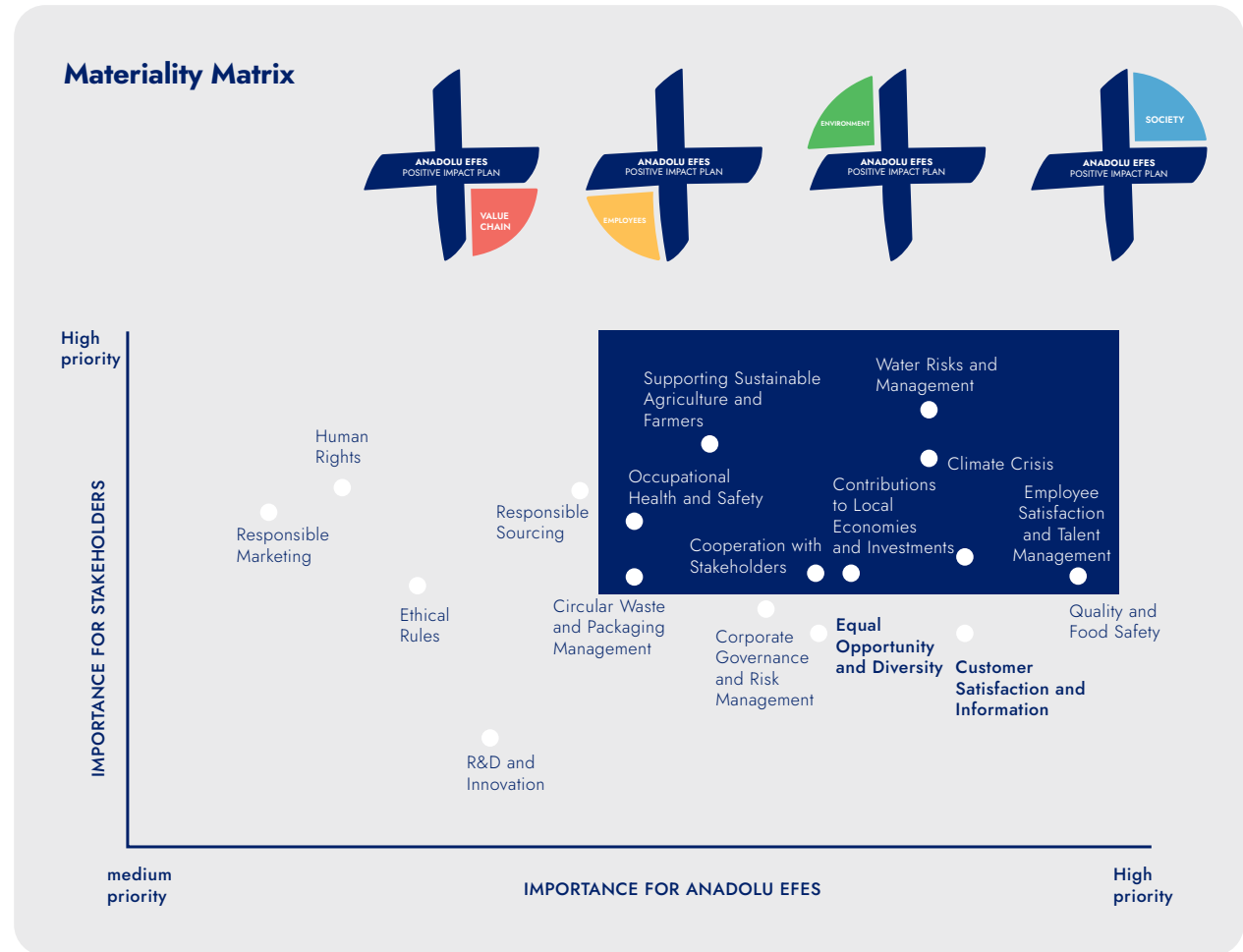


Annex 5: Materiality Analysis

When performing our materiality analysis, we consider our business strategy, the financial, social, environmental risks we face and may face, and legal regulations. In 2017, we asked our main stakeholders about Anadolu Efes' priorities with a comprehensive stakeholder analysis.

This analysis covered stakeholders' views as well as global and industry trends, and it was conducted by an independent consulting company. The United Nations 2030 Sustainable Development Goals, the World Economic Forum Global Risk Report, SASB Sector Priorities, the 11th Development Plan, and the priorities of companies in the sector were among the resources we included in the analysis. With the views we received from our senior managers, we finalized and mapped our material issues on the matrix.

The issues in the dark blue area on the table are the basis of our Positive Impact Plan.



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Annex 6: PWC Independent Assurance Report

LIMITED ASSURANCE REPORT

To the Board of Directors of Anadolu Efes Biracılık ve Malt Sanayi A.Ş.

We have been engaged by the Board of Directors of Anadolu Efes Biracılık ve Malt Sanayi A.Ş. ("Anadolu Efes" or the "Company") to perform an independent limited assurance engagement in respect of the Selected Sustainability Information ("Selected Information") stated in the Company's Sustainability Report ("the 2020 sustainability report") for the year ended 31 December 2020 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2020, which is subject to our independent limited assurance work, set out in page 64 and identified with a ("**") is summarised below.

- Greenhouse Gas Emissions (ton CO₂e) - Scope - 1 in Turkey
- Greenhouse Gas Emissions (ton CO₂e) - Scope - 2 in Turkey
- Water withdrawals (m³) in Turkey

Our assurance was only for the Company's activities in Turkey with respect to the year ended 31 December 2020 information and we have not performed any procedures with respect to earlier periods or any other elements

included in the 2020 sustainability report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Selected Information is set out in the section Anadolu Efes 2020 Sustainability Report Reporting Principles and Tables ("Reporting Principles and Tables") which can be found in pages 62-63.

The Company's Responsibility

The Company is responsible for the content of the 2020 Sustainability Report and the preparation of the Selected Information in accordance with the Reporting Principles and Tables. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures

and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles and Tables.

In particular, the conversion of different energy measures to megawatt-hour (MWh) and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles and Tables. Our assurance work has not included examination of the derivation of those factors and other third-party information.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Annex 6: PWC Independent Assurance Report

Our Responsibility

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Principles and Tables. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information', and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Company.; and
- undertook analytical procedures over the reported data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Selected Information for the year ended 31 December 2020, is not properly prepared, in all material respects, in accordance with the Reporting Principles and Tables.

This report, including the conclusion, has been prepared for the Board of Directors of the Company as a body, to assist them in reporting the Company's performance and

activities related to the Selected Information. We permit the disclosure of this report within the 2020 Sustainability Report for the year ended 31 December 2020, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of the Company. as a body and the Company. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Mehmet Cenk Uslu, SMMM Partner

Istanbul, 30 July 2021

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Annex 6: PWC Independent Assurance Report

ANADOLU EFES 2020 SUSTAINABILITY REPORT - REPORTING PRINCIPLES AND TABLES

Reporting principles provides information on the data collection and calculation principles regarding the greenhouse gas (GHG) emissions (Scope 1 and Scope 2) and water consumption data included in 2020 Sustainability Report. All data up to and including FY21 (financial year between the dates of 1 January - 31 December 2020) only comprises the relevant operations of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (the Company) in Adana, Ankara, İzmir (beer) factories, Afyon, Konya (malt) factories and Bilecik Şerbetçiotu factories.

General Reporting Principles

In preparing this guidance document, consideration has been given to following principles:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

Scope of Reporting

For FY21 period presented Scope 1 and Scope 2 carbon emissions data of the Company is related to:

- Production facilities in Adana, Ankara, İzmir beer factories; Afyon ve Konya Malt factories and Bilecik hop factories,

- Own transportation of materials and products within the industrial factories,
- Company owned cars,
- Refrigerant gas,
- Carbon dioxide (CO₂)

Energy and water consumption outside of the factory gate originating from supplier or customer and their associated greenhouse gas emissions (Scope 1 and Scope 2) is omitted from the scope of reporting.

Data Preparation

Water Consumption

Groundwater consumption is reported within the scope of water consumption data. Water consumption data are obtained from water meters and recorded in the SAP system.

Greenhouse Gas (GHG) Emissions

The year 2014 was determined as the reference year for greenhouse gases, that has complete and reliable data reflecting current activities. As a greenhouse gas calculation methodology, a calculation method based on “greenhouse gas activity data multiplied by greenhouse gas emissions or removal factors” is applied.

GHG emissions were calculated in accordance with EIE regulations, IPCC and World Business Council on Sustainable Development (WBCSD) GHG Protocol. “GHG activity data multiplied by emission or removal factors”

based calculation methodology has been applied for calculating GHG. Boundaries of the organization were addressed with a control approach, and the sources causing greenhouse gas emissions related production facilities in Turkey under the control of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. are as follows:

- Scope 1 – Direct GHG Emissions: Fuels used in factories and buildings such as natural gas, fuel oil, biogas, LPG, CNG emergency generators using diesel fuel; refrigerant gases and fuels used in company owned vehicles.
- Scope 2 – Energy Related Indirect GHG Emissions: Electricity consumption
- Groundwater consumption is included within the scope of water consumption.

The density and NCV used in calculating the emission factors of company vehicles, off-road vehicles, diesel, natural gas, fuel oil, LPG consumed for the generator are in line with the National Greenhouse Gas reports 2017 (NIR 2017). Details regarding the resources used for the emission factors of these consumptions are given below:

- For consumption of diesel and gasoline consumption for company vehicles IPCC 5th Assessment Report - Table 3.13 CO₂ Emission Factors Used, Table 3.2.1 Road Transport Lower, Upper CO₂ Emission Factors and Table 3.2.2 Road Transport Default N₂O and CH₄ and GWP values,
- For the consumption of diesel and gasoline

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Annex 6: PWC Independent Assurance Report

consumption for company off-road vehicles IPCC 5th Assessment Report - Table 3.13 CO₂ Emission Factors Used, Table 3.2.1 Road Transport Lower, Upper CO₂ Emission Factors and Table 3.3.1 Off-road Mobile Sources and Machinery' default N₂O and CH₄ and GWP values in

- For natural gas, fuel oil, LPG consumption IPCC 5th Assessment Report - Table 3.2.1 CO₂ Emission Factors Used and Table 2.3 Constant Combustion values for Manufacturing Industries and Construction,
- For Generator - Diesel Consumption IPCC 5th Assessment Report - Table 2.4 Default Emission Factors for Stationary Combustion in Commercial / Institutional Category (default) CO₂ emission factor and (default) N₂O and CH₄ values are used.

Emission factors and Global Warming Potential (GWP) coefficients were taken from Intergovernmental Panel on Climate Change (IPCC) 5th Assessment Report (2006). There are currently no electricity emission factors in Turkey officially described and data in international sources such as DEFRA and IEA are also out of date. For this reason, grid emission factor has been calculated by using the relevant annual data provided by Turkish Electricity Transmission Company 2016 (TEİAŞ). CO₂ equivalent factors for emissions CO₂, CH₄, N₂O, and HFCs (refrigerant gas) were used in calculations. The emission factors used for the consumption causing greenhouse gas emissions are detailed in the table below:

Emission Factors

	CO ₂	CH ₄	N ₂ O
Natural Gas	2.1239	0.0010	0.0010
LPG	2.8763	0.0013	0.0012
Fuel-oil	2.9093	0.0032	0.0060
Biogas	1.1422	0.0006	0.0006
CNG	1.9365	0.0599	0.0018
Diesel - Company owned vehicles /Off-road vehicles	2.6247	0.0040	0.0375
Gasoline - Company owned vehicles /Off-road vehicles	2.2164	0.0034	0.0483
Diesel - Generator	2.6247	0.0031	0.0058
Refrigerant gases - R404A	3942.8		
Fire extinguishers - HFC 227ea	3350.0		
CO ₂	1.000		
Electricity	0.475	0.0001	0.0015

Corrections and Restatements

The measuring and reporting of carbon emissions data inevitably involves a degree of estimation. In some exceptional cases, data reported in previous years may need to be corrected. Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.

PERFORMANCE INDICATORS

Environmental Performance Indicators

Energy Consumption (MWh)	2018	2019	2020
Buildings - fuel & electricity	1,304,949	1,304,518	1,403,188
Purchased electricity	355,417	329,099	356,348
Natural gas	948,656	974,710	1,046,140
Generators (diesel)	877	710	700
Vehicle fuel	43,230	22,842	20,015
Diesel	14,310	13,764	11,702
Gasoline	8,314	7,465	7,583
LNG	0	0	730
Renewable Energy (Biogas)	4,248	10,446	23,282
Renewable Energy (Electricity)	0	8,288	38,345
Total Energy Consumption	1,348,180	1,346,096	1,484,831
Greenhouse Gas Emissions (CO₂e tons)	2018	2019	2020
Scope 1	211,242	214,014	204,753
Scope 2	149,413	139,008	126,086
Total	360,656	353,022	330,839
Scope 3¹⁾	713	776	1,221
Malt Production	2018	2019	2020
Energy Density (kWh/ton)	552	834*	808
Carbon Density (kgCO₂e/ ton)	143	201	192
Beer Production	2018	2019	2020
Energy Intensity (kWh/hl)	41	35	34
Greenhouse Gas Intensity (kgCO₂e/hl)	11	9	7,5

¹⁾ Only employee services and business travel are included in Turkey operations.

* There was an increase in density due to the addition of the Russian Kazan plant to malteries.

** Turkey's Scope 1 emissions are 43,533 tons of CO₂, Scope 2 emissions are 30,292 tons of CO₂ and water withdrawals are 2,689,206 m³.

Water Withdrawal (m ³)	2018	2019	2020
Municipal water	6,932,048	5,941,134	7,682,576
Groundwater	6,948,530	7,039,996	7,126,190
Total Water Withdrawal (m³)	13,880,578	12,981,130	14,808,766
Beer Production - Water Intensity (m³/hl)	0,43	0,37	0,37
Malt Production - Water Intensity (m³/tons)	5,40	6,12	5,50
Amount of reused wastewater (m³)	2018	2019	2020
Amount of water recovered	147,445	202,606	187,768
Amount of waste water	8,955,497	6,353,833	7,892,634
Amount of hazardous waste (tons)	2018	2019	2020
Total hazardous waste	7,909	1,064	10,235
Amount of material regularly going to landfills/ solid landfills	126	10	10
Electronic waste	85	133	137
Recovered for energy purposes	27	0,5	0
Reused	536	4	0
Other	7,203	717	10,087
Amount of non-hazardous waste (tons)	2018	2019	2020
Total non-hazardous waste	470,267	225,308	809,698
Amount of material regularly going to landfills/ solid landfills	6,664	6,970	7,419
Recycled	391,561	154,596	727,588
Recovered for energy purposes	1,415	882	6,34
Reused	7,845	0,5	9,826
Other	62,482	51,684	50,108



PERFORMANCE INDICATORS

Social Performance Indicators

Employees by Gender	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Number of Employees	1,777	5,082	2,530	6,165	2,559	5,988
Total	6,859		8,695		8,547	

Employees by Category	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Blue Collar	305	2,521	422	3,103	550	3,096
White Collar	1,472	2,561	2,108	3,062	2,009	2,892
Total	6,859		8,695		8,547	

Collective Bargaining Agreement (CBA)	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Employees covered by the CBA	517	2,177	1,188	2,926	1,202	2,898

Managers by Gender and Age	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
50 and Above	16	25	52	79	55	78
Between 30 and 50 years of age	237	405	687	1,379	651	1,143
30 and Below	27	30	191	226	177	175
Total	740		2,614		2,279	

New Employees by Gender and Age	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
50 and Above	2	12	7	19	1	21
Between 30 and 50 years of age	85	263	147	417	28	246
30 and Below	95	290	205	429	130	258
Total	747		1.224		684	

Employees who Left Work by Gender and Age	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
50 and Above	35	101	18	52	28	77
Between 30 and 50 years of age	328	604	157	432	139	412
30 and Below	141	219	59	186	90	176
Total	1.428		904		922	

Maternity Leave	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Employees On Maternity Leave	377	77	429	68	97	63
Employees Returning from Maternity Leave	250	69	317	61	119	60

Training	2018	2019	2020
Training Hours per Employee	10.3	20	13.06

Occupational Health and Safety	2018	2019	2020
Accident Frequency Rate*	0.96	0.71	0.49
Occupational Disease Rate**	0	0	0
Number of Fatal Accidents	0	0	0
Absentee Rate***	-	-	1.11

* Accident Frequency = Total accidents involving injury X 200,000 / total hours worked

** Occupational Disease Rate = Total number of occupational disease cases x 200,000 / total hours worked

*** Absence Rate = Number of days of absence due to accident x 200,000 / total working hours

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GRI Standard	Disclosure	References
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GRI 101: Foundation 2016

General Disclosures

GRI Standard	Disclosure	References
GRI 102: General Disclosures 2016	Organizational Profile	
	102-1	4
	102-2	7
	102-3	https://www.anadoluefes.com/en/contact/form
	102-4	10
	102-5	9
	102-6	7, 9
	102-7	7, 9
	102-8	65
	102-9	32
	102-10	No changes
	102-11	28
	102-12	4, 57
	102-13	57

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GRI Standard	Disclosure	References
GRI 101: Foundation 2016		
	Strategy	
	102-14	5-6
	102-15	21
	Ethics and Integrity	
	102-16	8, 26
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	Governance	
GRI 102: General Disclosures 2016	102-18	29
	102-19	29-30
	102-20	29-30
	Stakeholder Engagement	
	102-40	56
	102-41	65
	102-42	59
	102-43	59
	102-44	59

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GRI Standard	Disclosure	References
GRI 101: Foundation 2016		
	Reporting Practices	
	102-45	9
	102-46	59
	102-47	59
	102-48	With the addition of 2019 Russia renewable energy data, 2019 greenhouse gas and energy data have been updated.
	102-49	No changes.
GRI 102: General Disclosures 2016	102-50	4
	102-51	4
	102-52	4
	102-53	74
	102-54	4
	102-55	66-73
	102-56	60-61

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GRI Standard	Disclosure	References
GRI 300: Environmental Standard Series		
Energy		
GRI 103: Management Approach 2016	103-1	43-45
	103-2	43-45
	103-3	43-45
	302-1	64
	302-4	45
	302-5	45
Water and Effluents		
GRI 303: Water and Effluents 2018	303-1	45-46
	303-2	45-46
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	303-4	64
Emissions		
GRI 103: Management Approach 2016	103-1	43-45
	103-2	43-45
	103-3	43-45

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GRI Standard	Disclosure	References
GRI 300: Environmental Standard Series		
Emissions		
GRI 305: Emissions 2016	305-1	64
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	305-3	64
	305-4	45
	305-5	45
Waste		
GRI 306: Waste 2020	306-1	46-47
	306-2	46-47
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Environmental Compliance		
GRI 103: Management Approach 2016	103-1	43
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GRI 307: Environmental Compliance 2016	307-1	43

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GRI Standard	Disclosure	References
GRI 300: Environmental Standard Series		
Supplier Environmental Assessment		
GRI 103: Management Approach 2016	103-1	32
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GRI 308: Supplier Environmental Assessment 2016	307-1	32
GRI 400: Social Standard Series		
Employment		
GRI 103: Management Approach 2016	103-1	36
	103-2	36
	103-3	36
GRI 401: Employment 2016	401-1	65
	401-3	65
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1	40
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GRI Standard	Disclosure	References
GRI 400: Social Standard Series		
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2018	403-1	40
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	403-4	40
	403-5	40
	403-6	40
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	403-8	40
	403-9	65
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	Training and Education	
GRI 103: Management Approach 2016	103-1	38-39
	103-2	38-39
	103-3	38-39
GRI 404: Training and Education 2016	404-1	39, 65
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GRI Standard	Disclosure	References
GRI 400: Social Standard Series		
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1	36-37
	103-2	36-37
	103-3	36-37
GRI 405: Diversity and Equal Opportunity 2016	405-1	37
Supplier Social Assessment		
GRI 103: Management Approach 2016	103-1	32
	103-2	32
	103-3	32
GRI 414: Supplier Social Assessment 2016	404-1	32

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