

Corporate Governance Rating Report

**ANADOLU  
EFES**

17 May 2024

## CONTENTS

Rating and Executive Summary . . . . .	3
Rating Methodology . . . . .	5
Company Overview . . . . .	6
<b>SECTION 1: SHAREHOLDERS . . . . .</b>	<b>9</b>
Facilitating the Exercise of Shareholders’ Statutory Rights . . . . .	9
Shareholders’ Right to Obtain and Evaluate Information . . . . .	10
General Shareholders’ Meeting . . . . .	10
Voting Rights . . . . .	11
Minority Rights . . . . .	11
Dividend Rights . . . . .	11
Transfer of Shares . . . . .	12
<b>SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY . . . . .</b>	<b>13</b>
Corporate Web Site . . . . .	13
Annual Report. . . . .	14
External Audit. . . . .	15
<b>SECTION 3: STAKEHOLDERS. . . . .</b>	<b>16</b>
Company Policy Regarding Stakeholders . . . . .	16
Stakeholders’ Participation in the Company Management . . . . .	16
Company Policy on Human Resources . . . . .	17
Relations with Customers and Suppliers . . . . .	18
Ethical Rules & Social Responsibility . . . . .	18
Sustainability . . . . .	18
<b>SECTION 4: BOARD OF DIRECTORS. . . . .</b>	<b>20</b>
Functions of the Board of Directors . . . . .	20
Principles of Activity of the Board of Directors . . . . .	20
Structure of the Board of Directors . . . . .	21
Conduct of the Meetings of the Board of Directors . . . . .	21
Committees Established Within the Board of Directors . . . . .	21
Remuneration of the Board of Directors and Managers With Administrative Responsibility . . . . .	23
Rating Definitions . . . . .	24
Disclaimer . . . . .	25

## Rating and Executive Summary

### ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş. (AEFES)



Corporate Governance Rating:

**9.68**



MAIN SECTIONS : **Avg. 96.78**

Shareholders : 95.41



Public Disclosure & Transparency : 98.79



Stakeholders : 99.51



Board of Directors : 95.15



0 10 20 30 40 50 60 70 80 90 100

### EXECUTIVE SUMMARY

The Corporate Governance Rating of 9.67 that has been assigned to Anadolu Efes Biracılık ve Malt Sanayii A.Ş. ("Anadolu Efes" or "the Company") on May 17, 2023 is hereby revised as **9.68**. SAHA's rating methodology is based on the Capital Markets Board's ("CMB") "Corporate Governance Principles" ("the Communiqué") released on January of 2014.

SAHA publishes (annually) the World Corporate Governance Index (WCGI) which ranks countries in terms of their level of compliance with corporate governance principles as well as their germane institutions, rules, codes, and regulations together with international standards and indices which evaluate countries in a vast array of areas such as transparency, corruption, ease of doing business, etc.. Anadolu Efes is analyzed as a Turkish company and Turkey takes place at the top classification of the WCGI which is Group 1. Details of the World Corporate Governance Index (WCGI) published by SAHA on July 12, 2023 can be accessed at <http://www.saharating.com>.

Anadolu Efes is rated with **9.54** under the **Shareholders** heading. Exercise of shareholders' rights complies with the legislation, Articles of Association and other internal rules and regulations, and measures have been taken to ensure the exercise of these rights. Anadolu Efes carries out the investor relations obligations through the Investor Relations Unit. All procedures prior to the general shareholders' meeting as well as the conduct of the meeting comply with the legislation. There is no upper limit or privileges on voting rights at the general shareholders' meeting. A policy on donations and grants is established and submitted to the general shareholders' meeting for approval. There is a publicly disclosed, consistent dividend policy of the Company. There are no restrictions on transfer of publicly traded shares. On the other hand, there is no provision in the Articles of Association on holding general shareholders' meetings open to public, and prescribed rate of minority rights for public joint stock companies (5%) is adopted as it is in the Articles of Association of the Company.

Anadolu Efes attained **9.88** under the **Public Disclosure and Transparency** chapter. There is a comprehensive web site that includes all information listed in the CMB's Corporate Governance Principles pertinent to "Public Disclosure." Public announcements are made via all communications channels and are in accordance with CMB and Borsa Istanbul A.Ş. (BIST) rules and regulations. Company's web site is also prepared in English for the benefit of international investors. The Annual Report covering the 2023 operating period complies with the legislation, comprehensive and informative. However, benefits provided to Board members and senior executives are not listed on individual basis in the Annual Report.

On the topic of **Stakeholders**, Anadolu Efes scored **9.95**. The exercise of stakeholders' rights has been facilitated. A written compensation policy for the employees is established and disclosed to the public on the corporate web site. During the rating period, the Company was not held liable by any public authority for any fines/sanctions. Code of ethics is publicly available through the Company's web site. Company has a documented human resources policy. Sustainability policies and practices are considered at the highest level. Models to support stakeholders' participation in the Company management have been established and are in operation.

From the perspective of the principles regarding the **Board of Directors**, Anadolu Efes's tally is **9.51**. There is a well communicated Company mission and vision. The Board consists of eleven members, of whom four are independent. There are no executive members on the Board of Directors. CMB criteria are complied with in designation of the independent members. A Corporate Governance Committee, an Audit Committee, and a Committee for Early Detection of Risks are established within the Board of Directors and their working principles are disclosed to the public. Conduct of Board meetings is determined with the internal regulations. Principles of remuneration of Board members and senior executives are available on the Company's web site. The Company does not lend any funds or extend credit to the members of the Board of Directors or senior executives. There is a manager liability insurance that covers the rating period and complies with the conditions set out in the Communiqué. The Board of Directors includes three female members and a Gender Equality Policy is in effect.

## Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's "Corporate Governance Principles" released on January 2014.

The CMB based these principles on the leading work of The World Bank, The Organization of Economic Cooperation and Development (OECD), and the Global Corporate Governance Forum (GCGF) which has been established in cooperation with the representatives of the preceding two organizations and private sector. Experts and representatives from the CMB, Borsa Istanbul and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose. Additionally; many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after considering country specific issues. Accordingly, these Principles have been established as a product of contributions from all high-level bodies.

Certain applications of the Principles are based on "comply or explain" approach and others are mandatory. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the Company's governance practices in future should be mentioned in the Annual Report and disclosed to public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders, and the Board of Directors.

Based on these Principles, the SAHA Corporate Governance Rating methodology features around 330 sub-criteria. During the rating process, each criterion is evaluated based on the information provided by the Company officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.

SAHA assigns ratings between 1 (weakest) and 10 (strongest). To obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions, p.23).

To determine the total rating score for each main section parallel to the CMB's Corporate Governance Principles, SAHA allocates the following weights:

Shareholders: **25%**  
Public Disclosure and Transparency: **25%**  
Stakeholders: **15%**  
Board of Directors: **35%**

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria there under. A separate rating is assigned to each one of the main sections as well.

## Company Overview

<b>Anadolu Efes Biracılık ve Malt Sanayii A.Ş.</b>	
<b>ANADOLU EFES</b>	<b>Chairman of the Board of Directors</b> Tuncay ÖZİLHAN <b>Beer Group President &amp; CEO</b> Onur ALTÜRK
Fatih Sultan Mehmet Mah., Balkan Cad., No:58/24 Buyaka, E Blok, Ümraniye, İstanbul <a href="https://www.anadoluefes.com/">https://www.anadoluefes.com/</a>	<b>Chief Financial Officer</b> Gökçe YANAŞMAYAN Tel: 0 216 586 80 00 <a href="mailto:gokce.yanasmayan@anadoluefes.com">gokce.yanasmayan@anadoluefes.com</a>

Anadolu Group operates in 20 countries with nearly 80 companies, 90 production facilities, 6 R&D centers and 95,000 employees in 7 sectors: beer, soft drinks, retail, agriculture, automotive, stationery and energy.

Anadolu Efes was established in 1969 and has since become Turkey's largest brewer, playing a significant role in the sector with its forward-thinking approach and commitment to fostering beer culture. In the 1990s, the Company expanded abroad with the aim of commercial sustainability and established a strategic alliance with SABMiller Plc ("SABMiller") in 2012, expanding its sphere of influence in the global market. In 2016, following the acquisition of SABMiller by Anheuser-Busch InBev ("AB InBev"), the world's largest brewer, AB InBev became the holder of a 24% stake in Anadolu Efes. Anadolu Efes runs its international beer operations through Efes Breweries International B.V. ("EBI"), its 100% subsidiary based in the Netherlands. Anadolu Efes is also the main shareholder of Coca-Cola İçecek A.Ş. ("CCI"), which runs Coca-Cola operations in Türkiye and abroad. Realizing almost two-thirds of its net sales in international markets, Anadolu Efes is Europe's 5<sup>th</sup> and the world's 10<sup>th</sup> largest brewer by production volume. The Company serves a population to more than 770 million with beer and soft drinks brands in its portfolio.

According to the independent audit report, the average number of permanent employees of Anadolu Efes and its subsidiaries within Anadolu Group is 20,653 (December 31, 2022 - 18,495).

The current capital structure of the Company is as follows:

<b>ANADOLU EFES Capital Structure</b>		
<b>Shareholders</b>	<b>Share Value (TL)</b>	<b>Share %</b>
AG Anadolu Grubu Holding A.Ş.	254,891,156.88	43.05
AB InBev Harmony Limited	142,105,263.00	24.00
Other*	195,108,843.12	32.95
<b>Total</b>	<b>592,105,263.00</b>	<b>100.00</b>

\* As of the report date, the Company's share in actual circulation is 32.95%.

Offered to the public in 2000, the Company is traded on the Borsa Istanbul Stars Market under the code "AEFES" and is included in the BIST 100 / BIST STARS / BIST 100-30 / BIST 500 / BIST ALL SHARES / BIST DIVIDEND 25 / BIST DIVIDEND / BIST CORPORATE GOVERNANCE / BIST ISTANBUL / BIST FOOD, BEVERAGE / BIST INDUSTRIAL and BIST SUSTAINABILITY indices.

Structure of the Board of Directors as of the date of our report:

<b>Board of Directors</b>	
<b>Members</b>	<b>Title</b>
Tuncay ÖZİLHAN	Chairman of The Board
Kamilhan Süleyman YAZICI	Vice-chairman
Jason Gerard WARNER	Board Member
Mehmet Hürşit ZORLU	Board Member
Tuğban İzzet AKSOY	Board Member
Rasih Engin AKÇAKOCA	Board Member
Beliz CHAPPUIE	Board Member
Lale DEVELİOĞLU	Independent Board Member
Bekir AĞIRDİR	Independent Board Member
Didem GORDON	Independent Board Member
İlhami KOÇ	Independent Board Member

\* As per the information disclosed to the public through the Public Disclosure Platform, there are no members holding executive duties in the 11-member Board of Directors.

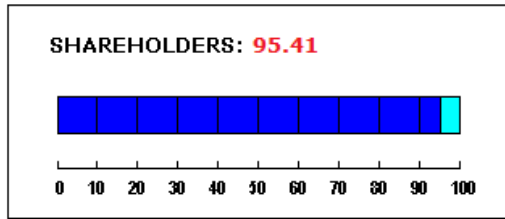
<b>Corporate Governance Committee</b>	
<b>Members</b>	<b>Title</b>
İlhami KOÇ	Chairman
Mehmet Hürşit ZORLU	Member
Tuğban İzzet AKSOY	Member
Jason Gerard WARNER	Member
Rasih Engin AKÇAKOCA	Member
Burak BAŞARIR	Member
Dr. Recep Yılmaz ARGÜDEN	Member
Aslı Kılıç DEMİREL (Director of Investor Relations and Risk Management)	Member

<b>Audit Committee</b>	
<b>Members</b>	<b>Title</b>
Didem GORDON	Chairwoman
İlhami KOÇ	Member

<b>Committee for Early Detection of Risks</b>	
<b>Members</b>	<b>Title</b>
Lale DEVELİOĞLU	Chairwoman
Mehmet Hürşit ZORLU	Member
Rasih Engin AKÇAKOCA	Member
Didem GORDON	Member
Ben GRAHAM	Member



## SECTION 1: SHAREHOLDERS



### SYNOPSIS

+	Active Investor Relations Department.
+	Policy on donations and grants is established and submitted to the general shareholders' meeting for approval.
+	General shareholders' meetings are conducted in compliance with the legislation.
+	No voting privileges at the general shareholders' meeting.
+	Specific and consistent dividend distribution policy.
+	No restrictions on transfer of shares.
=	No provision in the Articles of Association for general shareholders' meetings to be held open to the public.
-	Minority rights are not recognized for shareholders who possess an amount less than one-twentieth of the share capital.

#### 1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

Relations with shareholders in Anadolu Efes are carried out within the Investor Relations Unit. It has been observed that the department officials possess the qualifications specified in the Communiqué.

Along with other units of the Company the "Investor Relations Unit" plays an active role in protecting and facilitating

shareholders' rights and in particular the right to obtain and review information, and its duties are as follows;

- To ensure that the records relating to the written correspondence with the investors and other information are kept in a healthy, safe and updated manner.
- To respond to the queries of the shareholders requesting written information on the Company.
- To ensure the general shareholders' meeting is held in compliance with the applicable legislation, Articles of Association, and other Company by-laws.
- To prepare the documents that might be used by shareholders in the general shareholders' meeting.
- To supervise the fulfillment of the obligations arising from capital markets legislation including all corporate governance and public disclosure matters.

The report prepared by the Investor Relations Unit regarding the activities carried out and submitted to each Corporate Governance Committee meeting is then delivered to the Board of Directors by the Committee.

In 2023, Anadolu Efes held meetings with a total of 216 domestic and foreign institutional investors and analysts regarding the Company's operating results, performance and other developments within the year.

Furthermore, the Company regularly convenes teleconferences open to all stakeholders immediately following the

announcement of financial results for each quarter. These meetings are recorded and made available on the corporate web site.

Anadolu Efes participates in domestic and international conferences as well as various virtual conferences and other meetings organized to inform shareholders and investors. In this context, the Company participated in a total of 8 roadshows/conferences in Türkiye and abroad in 2023.

Up-to-date information and explanations that may affect the exercise of shareholders' rights are available to shareholders on the corporate web site. No fine/warning was received in this regard during the reporting period.

### **1.2. Shareholders' Right to Obtain and Evaluate Information:**

There is no evidence of any hindering process or application regarding the appointment of a special auditor at the request of shareholders.

All kinds of information about the Company are provided in a complete, timely, honest, and diligent manner and there is no fine/warning received in this direction within the rating period.

The Company has established a disclosure policy and disclosed it to the public on the corporate web site.

### **1.3. General Shareholders' Meeting:**

In addition to the methods of invitation in the legislation and to ensure attendance of maximum number of shareholders, the invitation to the general shareholders' meeting held on April 17, 2024 covering 2023 fiscal year is performed through all means of communication available to the Company on March 26, 2024 in

accordance with the Corporate Governance Principles.

All announcements prior to the general shareholders' meeting included information such as the date and time of the meeting; without any ambiguity exact location of the meeting; agenda items of the meeting; the body inviting to the general shareholders' meeting; and the exact location where Annual Report, financial statements and other meeting documents can be examined.

Besides, the Company has prepared a descriptive disclosure document on agenda items.

Commencing from the date of announcement of invitation for the general shareholders' meeting; the Annual Report, financial statements and reports, and all other related documents pertaining to the agenda items are made available to all shareholders for examination purposes in convenient locations including the headquarters of the Company, and the electronic media.

Shareholders are informed of the total number of shares and voting rights reflecting the Company's shareholding structure as of the date of disclosure and whether there are any privileged share groups within the Company capital via the corporate web site.

Agenda items were put under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like "other" and "various" were not used. Information submitted to the shareholders prior to the conduct of the general shareholders' meeting was related to the agenda items.

In this context, items on the agenda were conveyed in detail and in a clear and understandable way by the chairman of the meeting and shareholders were given equal

opportunity to voice their opinions and ask questions.

Agenda of the general shareholders' meeting included the proposal for the permission to be granted to shareholders who have control of the management, members of the Board of Directors, managers with administrative responsibility, their spouses and up to second degree blood relatives to execute transactions and compete with the Company and/or its affiliates, to make a commercial business transaction for himself or on behalf of others or to join to another company dealing with the same type of commercial business as a partner with unlimited responsibility.

The members of the Board of Directors related with the issues of a special nature on the agenda, other related personality, authorized persons who are responsible for preparing the financial statements and auditors were present to give necessary information and to answer questions at the general shareholders' meeting.

Shareholders are informed, with a separate agenda item, on all donations and grants effectuated during the period and the number of benefits and beneficiaries. In addition, a policy on donations and grants is submitted to the general shareholders' meeting for approval.

General shareholders' meeting is attended by the representative of the external auditor.

On the other hand, the absence of a provision in the Articles of Association or in the internal directive of the general shareholders' meeting regarding the participation of the stakeholders and the public, including the media, without the right to vote has been identified as an area open to improvement under this heading.

#### **1.4. Voting Rights:**

It is considered that the Company avoids applications that make it difficult to exercise voting rights and all shareholders, including those who reside abroad, are given the opportunity to exercise their voting rights conveniently and appropriately.

As per the 31<sup>st</sup> article titled "Voting Right" of the Company's Articles of Association; "Shareholders have one voting right for each share. In the General Assembly meetings, the voting right of each shareholder is calculated by dividing the total nominal value of the shares owned by the total nominal value of the Company's capital." There is no upper limit on any privilege or number of votes in the voting rights of the shareholders.

#### **1.5. Minority Rights:**

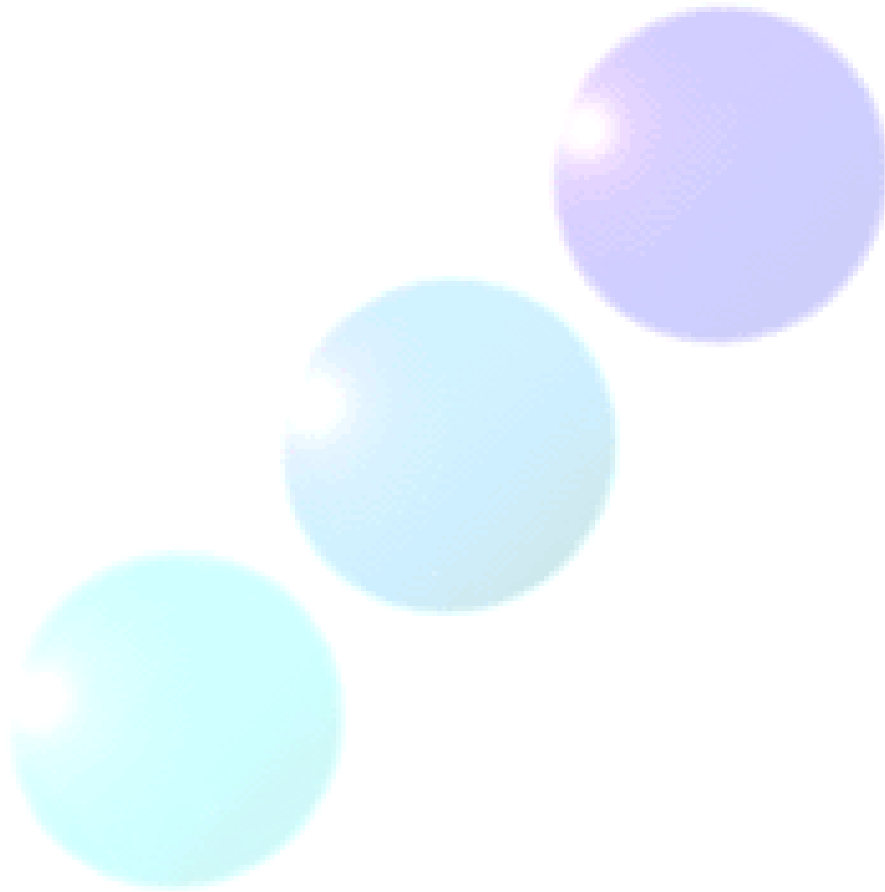
Maximum care is given to the exercise of minority rights. However, minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital and the Company has adopted the rate foreseen in the legislation for listed companies. There is no evidence of any conflict of interest between the majority shareholders and that of the Company.

#### **1.6. Dividend Rights:**

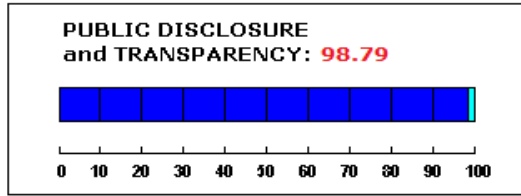
The dividend policy of the Company is clearly defined and disclosed to the public on the corporate web site, and submitted to the shareholders for approval at the general shareholders' meeting. The Company's dividend distribution policy contains minimum information clear enough for investors to predict any future dividend distribution procedures and principles. It has been evaluated that a balanced policy is followed between the interest of the shareholders and that of the Company.

### **1.7. Transfer of Shares:**

Neither the Articles of Association of the Company nor any decisions adopted at the general shareholders' meeting contain any provisions that impede the transfer of shares which are publicly traded.



## SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



### SYNOPSIS

+	Comprehensive web site, actively used for public disclosure.
+	Annual Report complies with the legislation, comprehensive and informative.
+	Important events and developments disclosed in accordance with the legislation.
+	English version of the web site for international investors.
-	Benefits provided to Board members and senior executives are not listed on individual basis.

### 2.1. Corporate Web Site:

Company's web site is actively used for disclosure purposes and the information contained therein is timely updated.

Along with the information required to be disclosed pursuant to the legislation, the Company's web site includes; trade register information, information about latest shareholder and management structure, information on privileged shares (if any), the date and the number of the trade registry gazette on which the changes are published along with the final version of the Company's Articles of Association, publicly disclosed material information, periodical financial statements, Annual Reports, prospectuses and circulars and other public disclosure documents, agendas of the general shareholders' meetings and list of participants and

minutes of the general shareholders' meeting, form for proxy voting at the general shareholders' meeting, disclosure policy, dividend distribution policy, ethical rules of the Company, frequently asked questions including requests for information, questions and notices, and responses thereof.

The information contained on the web site exists also in English (exactly same with the Turkish content) for the benefit of international investors.

The Company's web site also includes; investor presentations, working principles of the Committees, important Board decisions, the vision/mission of the Company established by the Board, information on capital increases and dividend payments, general shareholders' meeting internal guidelines, news, social responsibility/sustainability activities, information on senior management, financial data, main ratio analysis, timetable on events/developments which considers investors, and the human resources policy.

The Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) for the year 2023, prepared in accordance with CMB Resolution No. 2/49 dated January 10, 2019 and approved by the Company's Board of Directors, are included in the Annual Report, and can also be accessed on the Company's Corporate Governance page on the Public Disclosure Platform.

Anadolu Efes disclosed its CGIF and CRF notifications via PDP on March 25, 2024, within the specified notification period.

In addition, the shareholding structure of the Company is disclosed to the public on the corporate web site, indicating the amount and rates of shares along with the privileges they hold.

## 2.2. Annual Report:

It has been concluded that the Annual Report is prepared in detail by the Board of Directors to provide public access to complete and accurate information on the Company.

It covers information such as;

- Period covered by the report, the title of the Company, trade register number, contact information,
- The names and surnames of the chairman, members and executive members involved in the management and supervisory Boards during the covered period, their limits of authority, tenure of office (with start and end dates),
- The sector in which the Company operates and information on its position in the sector,
- Qualifications of the departments within the Company, general explanations regarding the activities during the year and developments witnessed,
- Progress on investments,
- CGIF and CRF templates,
- Information on related party transactions,
- Other issues not included in the financial statements, but are beneficial for users,
- Company's organization, capital and ownership structure and any changes in the related accounting period,
- All benefits provided to staff and workers, information on number of personnel,
- Information on whether there are any privileged shares,
- Board members' transactions with the Company on their behalf or someone else within the framework of permission granted by general shareholders' meeting along with their activities within the scope of restraint of trade,
- Research and development activities,
- The dividend distribution policy,
- Basic ratios on the financial position, profitability, and solvency,
- Company's financing resources and risk management policies,
- Major events occurred between the closing of the accounting period and the date of the general shareholders' meeting where financial statements are evaluated.

In addition to the matters specified in the legislation following issues also took place in the Annual Report;

- Information on external duties of Board members and executives along with the Board members' declaration of independence,
- Members of the Committees within the Board and the frequency of meetings held, assessment of the Board of Directors regarding the

working principles and the effectiveness of the Committees, including the activities carried out,

- Number of Board meetings held during the year and status of participation of the members,
- Information on changes in legislation which could significantly affect the Company's operations,
- Information on major court cases against the Company and possible consequences,
- Information on cross shareholdings in which direct participation rate exceeds 5%,
- Benefits and vocational training of employees, and other Company activities that give rise to social and environmental results,
- Rating results,
- Declaration on Corporate Governance Compliance.

However, benefits provided to Board members and senior executives are mentioned collectively, but best application of Corporate Governance Communiqué dictate that this information is given on an individual basis.

### **2.3. External Audit:**

The external audit of the Company is conducted by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

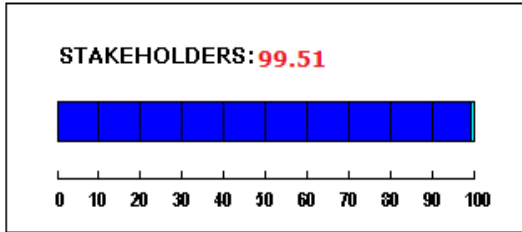
There has not been a situation where the external auditor avoided to express its opinion and not signed the audit report, nor has reported a qualified opinion during the latest reporting

period. It has been declared that there has been no legal conflict between the Company and the external audit firm.

Independent audit firm and their audit staff did not provide consulting services for a price or free of charge during the audit period.

Neither a consulting company in which the external audit firm is in a dominant position either directly or indirectly in management or capital provided any consulting services for the same period.

## SECTION 3: STAKEHOLDERS



### SYNOPSIS

+	Measures to safeguard stakeholders' rights are facilitated.
+	A set of code of ethics is prepared and disclosed to public.
+	A written compensation policy for employees established and disclosed to the public.
+	Company is not held liable by any public authority for any fines/sanctions within the rating period.
+	Sustainability studies considered to be at the highest level.
+	Models are developed to support stakeholders' participation in the Company management.

### 3.1. Company Policy Regarding Stakeholders:

Anadolu Efes recognizes the rights of stakeholders established by law or through any other mutual agreement. In case the rights of the stakeholders are not regulated by the relevant legislation and protected by contracts, the Company protects the interest of stakeholders under good faith principles and within the capabilities of the Company. Effective and expeditious compensation is provided in case of violation of the rights. It is considered that the web site of the Company is

actively used to provide adequate information on policies and procedures towards the protection of stakeholders' rights.

It has been evaluated that the corporate governance structure of the Company ensures that its stakeholders, including its employees and representatives, report their concerns to the management concerning any illegal or unethical transactions. In addition to a web site on ethical values ([www.efesethicsline.com](http://www.efesethicsline.com)) prepared by Anadolu Efes in 5 languages, a phone line and an e-mail address is provided within this scope.

In addition, a written compensation policy is established and disclosed to the public.

### 3.2. Stakeholders' Participation in the Company Management:

Anadolu Efes has developed models for stakeholders, particularly employees to participate in management without impeding the operations of the Company.

Through the Bi-Fikir system, the innovation portal of Anadolu Group, employees can share their suggestions that will add value to the Company with the management.

Demands and improvement requests regarding the services offered to employees by Human Resources are submitted to human resources business partners and are monitored and resolved by the same business partners. Periodically, a study for Measuring Employee Loyalty is conducted and employees can also transmit their requests and suggestions



for improvement regarding the organization they work for. To manage the relationships with employees, as well as to manage the corporate information flow, the Company launched a web-based intranet system in 2009.

As of 2013, a Human Resources Portal has been launched and employees can obtain many human resources services via this portal which is an extensive self-service application. The indicators identified in the strategic planning process are reviewed in meetings as required by the management system.

With the Efes Communication Line, complaints or claims from customers, suppliers or consumers are replied and remedied within prescribed periods by designated officers in charge at relevant units and all incoming requests are recorded electronically and developments in customer satisfaction are reported and monitored.

Performance of suppliers in terms of quality, price and delivery are monitored on the Company computer systems where they are scored and benchmarked on periodic basis.

While the utmost care is taken to comply with quality standards in production processes, the quality of the products is guaranteed by the Company.

New product development activities are guided by the results of regular Customer-Consumer surveys, and improvement and development efforts are carried out in existing products in line with the requests from the market, both through product and packaging and technology investments.

Within the context of trade secret, confidentiality of the information about the customers and the suppliers is taken care of as per Personal Data Protection Law and related legislations.

Stakeholders' opinions are sought in important decisions that have consequences for stakeholders.

### **3.3. Company Policy on Human Resources:**

The Company has a written human resources policy which is available on the corporate web site.

Within this scope, the Company offers equal opportunity to persons with the same qualifications in recruitment and career planning.

In cases which management reshuffle could cause disruptions, succession planning for determination of new manager appointments is in place.

In addition, as per the CRF and CGIF notifications posted in 2024;

- The criteria for recruitment are determined in writing and adhered to,
- Employees are treated equally regarding their rights. Training programs are organized and training policies are developed to enhance the knowledge, skills, and conduct of personnel,
- Meetings are held for employees on matters such as financial status of the Company, wage, career, education, health, and opinions are exchanged,
- Decisions taken or developments concerning employees are notified to employees or their representatives,
- Job descriptions, distribution of duties, performance and rewarding criteria are shared with employees,
- Attention is paid to efficiency in determining the wages and other benefits provided to employees,

- The Company does not discriminate among its employees in terms of their race, religious belief, language or gender, and takes precautions to protect employees against all kinds of physical, emotional or spiritual abuse, and
- Safe working environment and conditions provided for employees.

### **3.4. Relations with Customers and Suppliers:**

As per the content of the Annual Report disclosed to the public as well as the Company's CRF and CGIF notifications, Anadolu Efes takes measures to ensure customer satisfaction in the marketing and sales of its goods and services, quality standards are complied with, and the confidentiality of information about customers and suppliers is cared within the scope of trade secret.

During the rating period, we have witnessed no evidence on non-market pricing of goods and services that the Company offers.

### **3.5. Ethical Rules & Social Responsibility:**

Anadolu Efes Code of Business Conduct and Ethics are announced to the public on the corporate web site, whereas the minimum ethical rules with respect to environment, discrimination, child labor and union rights are also included in the Company's Annual Report and web site.

The "Sustainability Report" prepared by Anadolu Efes, which we consider as one of the highest-level examples in the evaluations made under the heading of social responsibility and ethical rules, is available on the corporate web site of the Company, and details of the activities within this scope can be found in the Report content.

The Company places a high value on ethical conduct, which has been a long-

standing tradition within the corporate culture of Anadolu Group, which holds a management stake in the Company. All Company activities are carried out within this framework.

Necessary mechanisms have been established to monitor compliance with Anadolu Efes Code of Business Conduct. In this context, information on the "Business Ethics Principles Communication Channels" that can be used for those who have any suspicion or information about any violation of the Anadolu Efes Code of Business Conduct is shared on the Company's web site. These communication channels are operated by an independent communication agency, are open 24/7 and it is possible to report violations of Anadolu Efes Code of Business Conduct within the confidentiality principles or anonymously. Detailed explanations regarding the activities carried out by the Company within the framework of social responsibility are included in the 2023 Annual Report.

Within the framework of its social responsibility approach, the Group is engaged in many areas such as agriculture, education, health, sports, culture and arts, and tourism. The Anadolu Foundation, Anadolu Medical Center, and Anadolu Efes Sports Club are social organizations that contribute to society with awareness and sensitivity.

### **3.6 Sustainability:**

We consider that Anadolu Efes's sustainability efforts are at the highest level. It has been observed that the company has policies and internal regulations on environment, nature, energy saving and recycling.

The Sustainability Committee, which reports to the Board of Directors, informs the Board about the developments in the sustainability focus. The Materiality Analysis was

created with the contributions of Board Members and senior management. The sustainability strategy is monitored in line with the materiality analysis. The details of the materiality analysis renewed in 2023 are included in the Integrated Report.

Anadolu Efes is included both in the Corporate Governance (XKURY), and BIST Sustainability (XUSRD) indices.

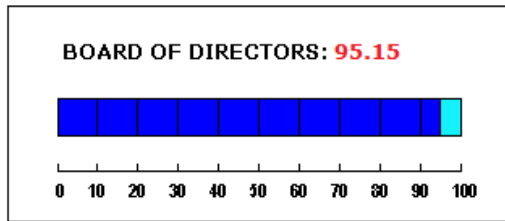
There are no fines imposed or any lawsuits filed against the Company for damages to the environment during the rating period.

It is clear from both the CRF notification and the sustainability reports disclosed to the public that the Company is fighting against all kinds of corruption, including extortion and bribery, and no contrary finding has been encountered.

Anadolu Efes has also detailed its sustainability compliance declaration and its practices under this heading in its Annual Report.

Details of the sustainability activities carried out by the Company can be accessed on the corporate web site.

## SECTION 4: BOARD OF DIRECTORS



### SYNOPSIS

+	Formation of the Board of Directors is in accordance with the Communiqué.
+	4 independent Board members.
+	Audit, Corporate Governance and Early Detection of Risks Committees established.
+	Principles of remuneration of Board members and senior executives are established and disclosed to the public.
+	Conduct of Board meetings is documented.
+	There is a manager liability insurance policy in accordance with the conditions specified in the Communiqué.
-	Remuneration and all other benefits provided to the members of the Board of Directors and executives with administrative responsibilities are disclosed collectively in the Annual Report, and it is essential to make disclosures on an individual basis.

#### 4.1. Functions of the Board of Directors:

Strategic decisions of the Board of Directors aim to manage the Company's risk, growth, and return balance at an appropriate level and conduct a rational and cautious risk management approach with a view to the long-term interests of the Company. The Board administers and

represents the Company within these parameters.

As stated in the CRF notification, Board of Directors has defined the Company's strategic goals and identified the needs in human and financial resources, and controls management's performance.

The Board also oversees that Company activities are managed in compliance with the legislation, Articles of Association, internal procedures, and established policies.

#### 4.2. Principles of Activity of the Board of Directors:

It is considered that the Board of Directors performs its activities in a transparent, accountable, fair, and responsible manner, and no contrary finding has been encountered.

Distribution of tasks between the members of the Board of Directors is explained in the Annual Report. In addition, CRF and CGIF templates are included in the content of the decision to be taken by the Board of Directors regarding the approval of the financial statements and Annual Reports and the declaration to be made in this context.

The Board of Directors established various internal control systems which are inclusive of risk management, information systems, and processes by also taking into consideration the views of the Committees. In this context, the Board reviews the effectiveness of risk management and internal control systems at least once a year. The presence, functioning, and effectiveness of internal controls and internal audit are explained in the Annual Report.

It is evaluated that the Board of Directors plays a leading role in maintaining effective communication between the Company and the shareholders and settling any disputes which may arise and the Board works in close coordination with the Corporate Governance Committee and the Investor Relations Unit in this context.

There is a manager liability insurance covering the rating period related to compensation for damages incurred by the Company and third parties due to the executives not performing their duties duly. Policy coverage exceeds 25% of the Company's share capital as recommended in the Communiqué, and the related PDP disclosure was posted on February 13, 2024.

#### **4.3. Structure of the Board of Directors:**

The Company's Board of Directors consists of eleven members with none holding executive duties. The election of the entire Board of Directors from non-executive members is deemed positive by us. Among the non-executive Board members there are four independent members who execute their duties without being influenced under any circumstances.

CMB criteria are complied with in determining independent candidates. In this concept, the Corporate Governance Committee have prepared a report on the candidates proposed by the Board and shareholders, by taking into consideration whether the candidate meets the independency criteria and submitted this assessment as a report to the Board for approval. The said Committee study has been seen by us.

Independent candidates for the Board of Directors have signed a declaration of independence within the framework of the legislation, Articles of Association, and the CMB criteria.

There are three female members on the Board of Directors. So, the Communiqué's advisory principle of setting a target ratio and target time for the proportion of women on the Board of Directors, which should not be less than 25%, and establishing a policy to achieve these targets, was observed.

#### **4.4. Conduct of the Meetings of the Board of Directors:**

It is considered that the Board meetings take place with sufficient frequency. As per the notification made through CGIF, the Board of Directors held five physical meetings in 2023 with a participation rate of 100%.

As stated in the Articles of Association of the Company, each member has 1 voting right in the Board of Directors meetings, and the conduct of the Board meetings is determined in writing.

The Board of Directors meeting and decision quorum has been arranged in article 13 of the Company's Articles of Association, titled "Board of Directors Meetings".

Although there are no limitations for Board members taking on additional duties outside the Company except for the prohibition of transactions subject to restraint of trade, the statement "The regulations stipulated in the Corporate Governance Principles are complied with in this regard" declared in the CRF notification is considered sufficient by us.

#### **4.5. Committees Established Within the Board of Directors:**

A Corporate Governance Committee, an Audit Committee, and a Committee for Early Detection of Risks are established from within the Board of Directors to fulfill its duties and responsibilities.

Functions of the Committees, their working principles, and its members are

designated by the Board of Directors and disclosed to the public on the corporate web site.

All members of the Audit Committee and the chairmen of the other Committees are elected among the independent Board members. The chief executive officer/general manager is not on the Committees. All members of the Committees are non-executive Board members.

All necessary resource and support needed to fulfill the tasks of the Committees are provided by the Board of Directors. Committees can invite any manager as they deem necessary to their meetings and obtain their views.

The frequency of Committee meetings is found sufficient. Since the last reporting period, the Corporate Governance Committee has met seven times, the Audit Committee five times and the Early Detection of Risk Committee four times. It is considered that the Committee reports submitted to the Board of Directors regarding their activities are at a sufficient level in terms of quantity.

Based on the general opinion we have obtained from the Committee meeting minutes submitted to us, and their working principles disclosed to the public;

The Corporate Governance Committee is established to determine whether the corporate governance principles are being fully implemented by the Company or not, if implementation of some of the principles are not possible, the reason thereof, and assess any conflict of interests arising due to lack of implementation of these principles, and present remedial advices to the Board of Directors. In addition, it oversees the work of the Investor Relations Unit.

In accordance with the Communiqué, Investor Relations Manager Ms. Aslı Kılıç DEMİREL is a member of the Corporate Governance Committee.

The Audit Committee;

- Supervises the operation and efficiency of the Company's accounting system, public disclosure, external audit, and internal audit systems,
- Determines the methods and criteria to be applied on reviewing complaints that are received by the Company regarding Company accounting, internal and external independent audit systems, within the framework of the principle of confidentiality and finalizes them,
- Following taking the opinion of responsible managers of the Company and the external auditor, notifies the Board in writing on whether the annual and interim statements disclosed to the public is in accordance with the Company's accounting principles, true and accurate,
- Immediately notifies the Board in writing on findings related to their duties and responsibilities and the related assessment and recommendations.

It is considered that Audit Committee members possess the qualifications mentioned in the Communiqué.

The Annual Report contains information on working principles of the Audit Committee, number of written notices given to the Board of Directors in the fiscal year and the meeting results. In 2023 the Committee held 5 meetings and submitted 5 reports to the Board of Directors on activities conducted.

The nomination and election process of the external audit firm, assessing its

competence and independence, starts with a proposal from the Audit Committee to the Board and ends with the Board's choice being presented and approved at the general shareholders' meeting. We have seen the assessment submitted by the Audit Committee to the Board of Directors regarding the Company's selection of an independent audit firm in 2023.

The Committee for Early Detection of Risks reviews risk management systems at least once a year. It achieves early identification of risks that may jeopardize the Company's existence and continued development, implements the necessary measures identified with the associated risks and conducts studies to manage such risks.

In accordance with the Communiqué, the Corporate Governance Committee carries out the duties of the Nomination and Remuneration Committees, since they are not established yet within the Board of Directors. Corporate Governance Committee's study on determining independent candidates has been submitted to us.

When the independent members of the Board of Directors are excluded from the evaluation, it is seen that two members of the Board of Directors are members of both the Corporate Governance and Early Detection of Risk Committees.

#### **4.6. Remuneration of the Board of Directors and Managers with Administrative Responsibility:**

The principles of remuneration of Board members and senior executives has been documented in writing and submitted to the shareholders as a separate item in the general shareholders' meeting.

A remuneration policy prepared for this purpose can be found on the corporate

web site. Stock options or performance-based payments are not included in the remuneration package of the independent Board members.

As disclosed through the CRF notification, the Company does not lend any funds or extend any credits to a member of the Board or to senior executives, or grant any personal loans through a third party, or extend any guarantees.

There have been no cases where the executives used confidential and non-public Company information in favor of themselves or others. There are no executives who accepted a gift or favor directly or indirectly related to the Company's affairs, and provided unfair advantage.

Insurance has been taken out for the compensation of damages incurred by the Company and third parties due to the failure of managers with administrative responsibility to perform their duties duly.

Orientation process for newly appointed managers is determined in writing in the Company's internal regulations.

## Rating Definitions

Rating	Definition
<b>9 - 10</b>	The company performs <b>very good</b> in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance risks through comprehensive internal controls and management systems. The company's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated. Deserved to be included in the BIST Corporate Governance Index on the highest level.
<b>7 - 8</b>	The company performs <b>good</b> in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated. Deserved to be included in the BIST Corporate Governance Index.
<b>6</b>	The company performs <b>fair</b> in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them. Deserved to be included in the BIST Corporate Governance Index and management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated.
<b>4 - 5</b>	The company performs <b>weakly</b> as a result of poor corporate governance policies and practices. The company has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated.
<b>&lt;4</b>	The company performs <b>very weakly</b> and its corporate governance policies and practices are overall very poor. The company shows limited awareness of corporate governance risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern.



#### DISCLAIMER

This Corporate Governance Rating Report has been prepared by Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA Corporate Governance and Credit Rating Services, Inc.) based on information made available by Anadolu Efes Biracılık ve Malt Sanayii A.Ş. and according to the Corporate Governance Principles by the Turkish Capital Markets Board as amended on 2014.

This report, conducted by SAHA A.Ş. analysts and based on their best intentions, knowledge base and experience, is the product of an in depth study of the available information which is believed to be correct as of this date. It is a final opinion about the degree of sensitivity of a company to its shareholders' and stakeholders' rights, its commitment to public disclosure and transparency, and conduct and credibility of its Board of Directors.

The contents of this report and the final corporate governance rating should be interpreted neither as an offer, solicitation or advice to buy, sell or hold securities of any companies referred to in this report nor as a judgment about the suitability of that security to the conditions and preferences of investors. SAHA A.Ş. makes no warranty, regarding the accuracy, completeness, or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes.

SAHA A.Ş. has embraced and published on its web site ([www.saharating.com](http://www.saharating.com)) the IOSCO (International Organization of Securities Commissions) Code of Conduct for Credit Rating Agencies and operates on the basis of independence, objectivity, transparency, and analytic accuracy.

© 2024, Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. All rights reserved. This publication or parts thereof may not be republished, broadcast, or redistributed without the prior written consent of Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. and Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

#### Contacts:

Ali Perşembe

[apersembe@saharating.com](mailto:apersembe@saharating.com)

Nareg Toros

[ntoros@saharating.com](mailto:ntoros@saharating.com)



#### **SAHA Corporate Governance and Credit Rating Services, Inc.**

Valikonağı Cad., Hacı Mansur Sok., Konak Apt. 3/1, Nişantaşı, İstanbul

Tel: (0212) 291 97 91, Fax: (0212) 291 97 92

• [info@saharating.com](mailto:info@saharating.com) • [www.saharating.com](http://www.saharating.com)