



ANADOLU EFES

2021
ANNUAL REPORT



CONTENTS

ABOUT ANADOLU EFES

- 2 ANADOLU EFES IN BRIEF
- 3 CAPITAL AND SHAREHOLDER STRUCTURE
- 4 ANADOLU EFES' SUBSIDIARIES
- 6 MILESTONES
- 8 VISION, MISSION, VALUES
- 9 BUSINESS PRIORITIES
- 10 OUR REGIONAL FOOTPRINT
- 14 MAIN FINANCIAL AND OPERATIONAL INDICATORS
- 16 BEER GROUP
- 17 INTERNATIONAL BEER OPERATIONS
- 23 TURKEY BEER OPERATIONS
- 24 SOFT DRINKS GROUP

MANAGEMENT AND MESSAGES

- 28 CHAIRMAN'S MESSAGE
- 32 BOARD OF DIRECTORS
- 38 STATEMENT OF INDEPENDENT STATUS
- 42 ORGANIZATION CHART
- 44 SENIOR MANAGEMENT - BEER GROUP
- 50 SENIOR MANAGEMENT - SOFT DRINKS

FINANCIAL REVIEW AND EXPECTATIONS

- 56 FINANCIAL REVIEW AND EXPECTATIONS

SUSTAINABILITY

- 72 BEER GROUP
- 90 SOFT DRINK GROUP

CORPORATE GOVERNANCE

- 106 CODE OF BUSINESS AND ETHICS
- 108 INVESTOR AND SHAREHOLDER RELATIONS
- 109 CREDIT RATINGS AND EUROBOND ISSUANCE
- 110 CORPORATE GOVERNANCE COMPLIANCE DISCLOSURE 2021
- 111 CORPORATE GOVERNANCE COMPLIANCE REPORT
- 117 CORPORATE GOVERNANCE INFORMATION FORM
- 125 STATEMENT OF COMPLIANCE WITH THE SUSTAINABILITY PRINCIPLES OF THE CMB
- 125 SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK
- 136 ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

FINANCIAL STATEMENTS

- 149 OTHER INFORMATION RELATED TO OPERATIONS
- 154 2021 DIVIDEND DISTRIBUTION TABLE
- 155 STATEMENT OF RESPONSIBILITY
- 156 INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT
- 158 CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

APPENDIX

- 249 LIMITED ASSURANCE REPORT
- 254 ABBREVIATIONS
- 254 TERMS

DIRECTORY

ANADOLU EFES

With more than 50 years of experience in the industry, dynamic company culture and production competencies, Anadolu Efes is Europe's 5th* and the world's 9th* largest brewer by production volume.

Anadolu Efes has an enriched product portfolio of beer and soft drinks brands and operates in a wide geographic region together with its export markets serving to **hundreds of millions worldwide**. With its innovative approach reinforced by R&D, the Company **pursues different tastes** reflecting changing consumer preferences.

Running its operations by building a system of values around passion, collaboration, fairness, accountability, and agility, Anadolu Efes maintains its strong corporate position with its **focus on financial discipline**, as well as its management skills.

Considering sustainability as one of the fundamental elements of the Company's business strategy, Anadolu Efes continues its operations in line with the goal of **preparing a reliable** future.

Anadolu Efes will continue to brew joy and **maximize its quality** with the vision of being the largest brewer from Adriatic to China by developing and owning social life and beer culture.

* The Barth Report 2020/2021

ANADOLU EFES IN BRIEF

Generating free cash flow by focusing on its brands, consumers, stakeholders, digitalization, sustainability, and financial discipline are among the priorities of Anadolu Efes.

Anadolu Group operates with the vision of being “The star that links Anatolia to the world and the world to Anatolia” and maintains its activities in 8 sectors (beer, soft drink, retail, agriculture, automotive, stationery, quick service restaurant, and energy) and in 19 countries with approximately 80 companies, 86 production facilities, 6 R&D centers, and around 80,000 employees. The Group, which was founded by Yazıcı and Özilhan families in 1950, is a driving force of the Turkish economy with its financial assets, its strong production capacity, and the projects it is involved with. It acts in accordance with its mission of being a multinational and entrepreneurial group through its partnerships with leading brands and companies of the world such as AB InBev, The Coca-Cola Company, Faber-Castell, Isuzu, Kia, McDonald’s, Honda, Honda Marine, Kohler, Johns Hopkins Medicine. With assets worth TRL 111.8 billion in value in 2021, the Group recorded total revenues of TRL 82.7 billion on its operations.

Within the context of its social responsibility, the Group is involved in several areas like agriculture, education, health, sports, culture, arts, and tourism and also contributes to the society through its social organizations; Anadolu Foundation, Anadolu Medical Center, and Anadolu Efes Sports Club. Under its brand “From Anadolu to the Future”, launched in 2019, the Group executes projects and practices that reveal its sustainability-oriented future vision.

Anadolu Group strives to produce value in a sustainable manner and consistently achieves rapid and healthy growth through its commitment to a culture of partnership with global brands and international companies, its expertise in branded consumer products, its experience and strength as a regional player in broad geography and its understanding of strong corporate governance.

Anadolu Efes started its journey in 1969 with two breweries established in İstanbul and İzmir. Becoming the market leader shortly, Anadolu Efes contributed to the development of the market by cultivating the beer culture in Turkey. With its strong vision, Anadolu Efes introduced many “firsts” to the consumers and became the largest brewer in Turkey shortly. The company took an important step by expanding abroad in the 1990s. Regarding the international operations, Anadolu Efes took another important step aimed at commercial sustainability in the global market in 2012 and formed a strategic alliance with SABMiller Plc (“SABMiller”). 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 Turkey and abroad.

Making more than two-thirds of its net sales in international markets, Anadolu Efes is Europe’s 5th and the world’s 9th largest brewer* by production volume. The company serves a population of close to 750 million with beer and soft drinks brands in its portfolio. With 21 breweries, 5 malteries, 1 hops processing facility and 1 preform plant in 6 countries, and 29 bottling plants in 11 countries, including Turkey among others, Anadolu Efes is operating as one of the key players in its region and among the top 10 largest Coca-Cola bottlers by sales volume. The company ships its products to more than 70 countries.

Generating free cash flow by focusing on its brands, consumers, stakeholders, digitalization, sustainability, and financial discipline are among the priorities of Anadolu Efes.

* The Barth Report 2020/2021

CAPITAL AND SHAREHOLDER STRUCTURE

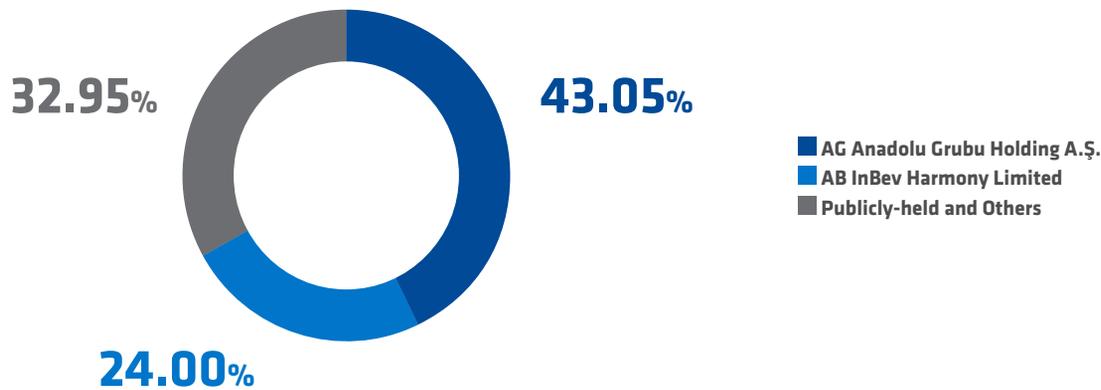
As one of the largest listed companies by market capitalization on Borsa İstanbul ("BIST"), Anadolu Efes' shares received above-average interest from the international institutional investors since the shares began trading in 2000. At the same time, in terms of foreign ownership in free float, Anadolu Efes has one of the highest shares.

The Company's share capital is comprised of 592,105,263 shares, each with a nominal value of TRL 1. 142,105,263 of the shares are registered to and owned by AB InBev Harmony Limited, while 450,000,000 of the shares are bearer shares.

Within the framework of the Level 1 American Depository Receipts ("ADR") program (AEBZY/ Cusip No: 032523201), Anadolu Efes shares can be traded by foreign individual investors as well as by institutional investors in over-the-counter markets.

As of the end of 2021, Anadolu Efes had a market capitalization of TRL 17.5 billion. In 2021, Anadolu Efes had an average foreign ownership ratio of 69% level in free float.

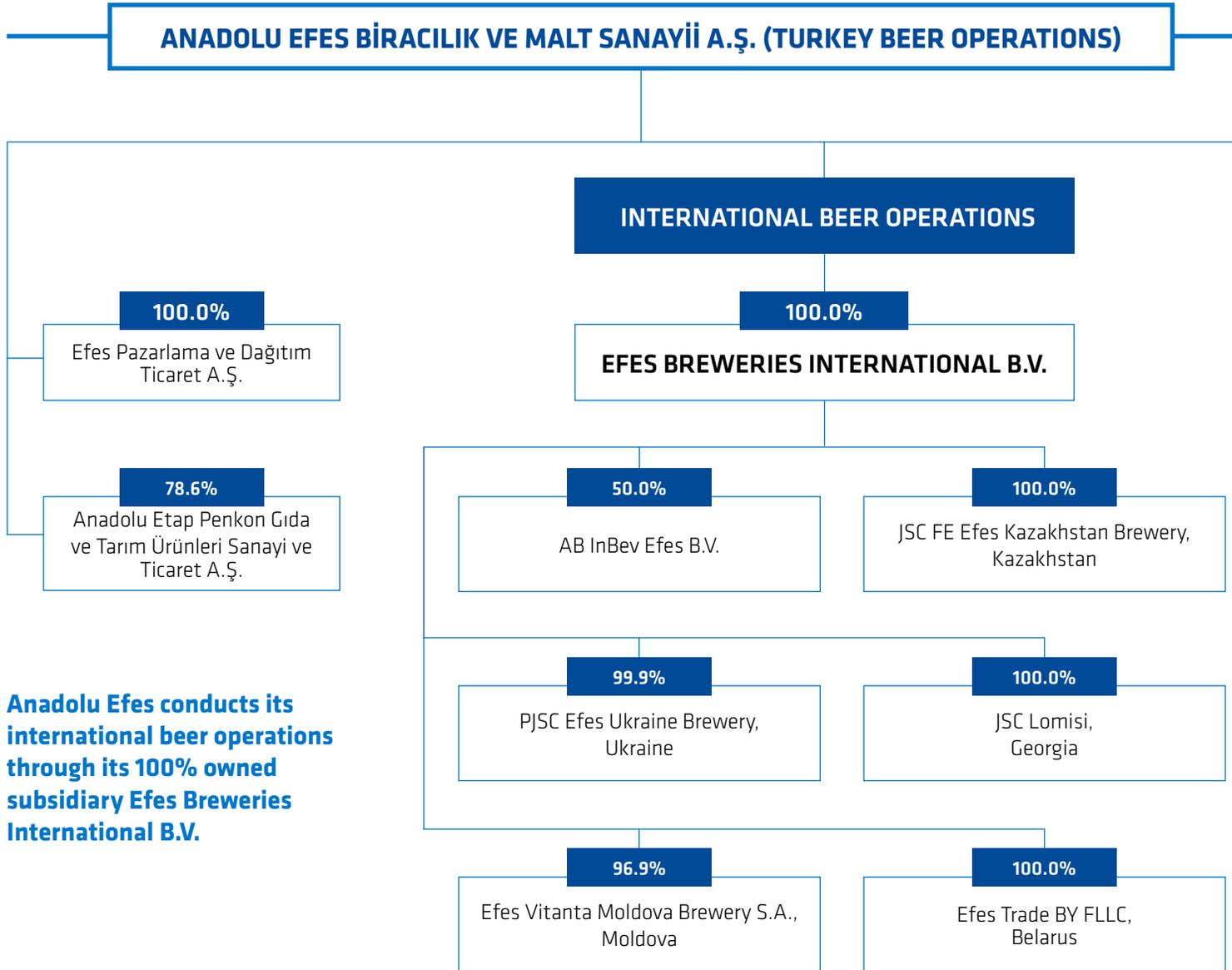
Anadolu Efes had an average foreign ownership ratio of 69% level in free float.



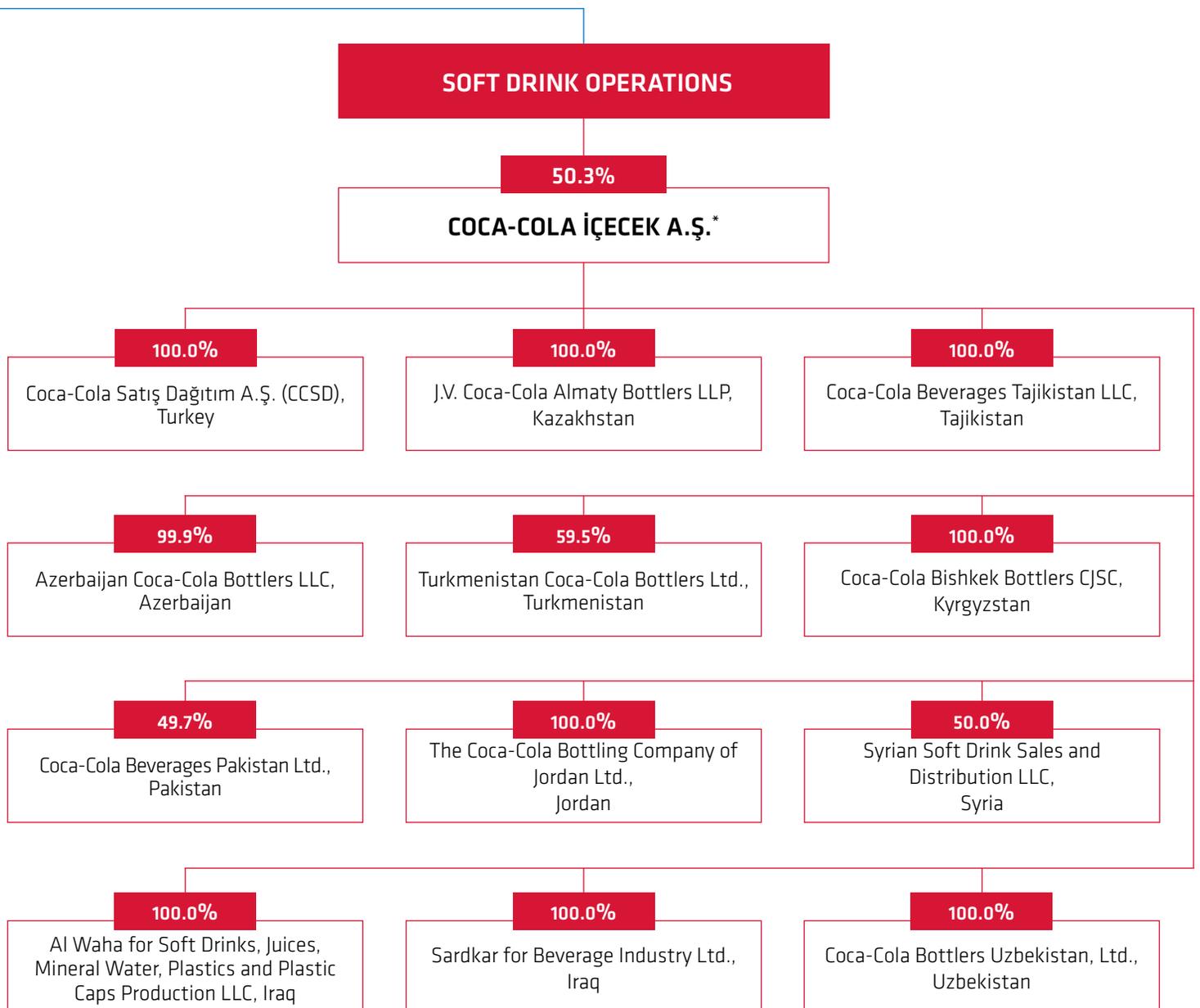
31 DECEMBER 2021	SHARE AMOUNT (TRL)	SHARE RATIO (%)
AG Anadolu Grubu Holding A.Ş.	254,891,157	43.05
AB InBev Harmony Limited	142,105,263	24.00
Publicly-held and Others	195,108,843	32.95
Total Issued Capital	592,105,263	100.00

1 JANUARY - 31 DECEMBER 2021	LOWEST	HIGHEST	AVERAGE	31 DECEMBER 2020	31 DECEMBER 2021	CHANGE (%)
Closing Price (TRL)	19.43	35.12	23.11	21.36	29.62	39%
Market Capitalization (TRL Million)	11,502	20,795	13,684	12,648	17,538	39%
BIST-100	1,330	2,279	1,517	1,477	1,858	26%

ANADOLU EFES' SUBSIDIARIES



Anadolu Efes is the main shareholder of Coca-Cola İçecek A.Ş. with a 50.3% stake.



*Direct and indirect shareholding as of 31 December 2021.

MILESTONES BEER GROUP

Anadolu Efes established a global innovation center called Anadolu Efes Yenilik Atölyesi in order to develop the beer culture with innovative studies and to have a greater say in the world beer market.

1969

The first beer production started with two facilities under the brand name of "Efes Pilsen".

1970, 1980, 1990

One hops processing facility, two malteries, and two new breweries were established.

1986

Efes Pazarlama was established to conduct sales, distribution, and marketing operations in Turkey.

The first canned beer of Turkey was produced.

1996

Started operations in the Kazakhstan beer market after the acquisition of Karagandi Brewery through privatization.

1998

Efes Breweries International N.V. was founded.

Acquired the assets and the "Marmara" brand of Toros Biracılık.

1999

Started production in Russia at the first modern brewery established in Moscow and launched the "Stary Melnik" brand.

2000

The group's four publicly traded beer and malt companies merged under "Anadolu Efes".

Started brewing "Miller Genuine Draft (MGD)", under licence in Istanbul. Thus, the premium segment in the Turkish beer market was created.

2002

Signed a license agreement with Interbrew for the production, marketing, and distribution of "Beck's" brand in Turkey.

Level-1 American Depositary Receipts ("ADRS") of Anadolu Efes started trading.

2003

Started operating in Moldovan beer market after the acquisition of Vitanta Intravest S.A. Brewery.

Started production in 2 new breweries in Russia and 1 new brewery in Kazakhstan.

2005

Introduced the first draft beer in a keg-shaped bottle in the world.

2006

Acquired Krasny Vostok Brewing Group, seventh largest brewer, in Russia.

2008

Started operations in the Georgian beer market after acquiring 100% of Lomisi Ltd., the leading brewer in Georgia

2010

Started licensed production of "Efes Pilsener" brand in Germany to be sold by Efes Deutschland GMBH, 100% subsidiary of Anadolu Efes.

2011

SABMiller and Anadolu Efes signed a strategic alliance agreement.

2012

Anadolu Efes acquired SABMiller's beer operations in Russia and Ukraine.

2016

AB InBev became the new shareholder of Anadolu Efes after acquiring SABMiller.

2017

Anadolu Efes and AB InBev signed a non-binding agreement for combining their Russian and Ukrainian beer operations.

2018

After the merger, AB InBev Efes B.V. started operating in Russia and Ukraine with a stronger presence.

2020

As a result of long-term practices in the R&D center in Izmir, Anadolu Efes brewmasters developed the "+1 Resting" technique.

2021

Anadolu Efes established a global innovation center called Anadolu Efes Yenilik Atölyesi in order to develop the beer culture with innovative studies and to have a greater say in the world beer market.

SOFT DRINK GROUP

1986

First ever production of sparkling beverages in pet bottles in Turkey.

1987

First ever production of sparkling beverages in aluminum cans in Turkey.

1993

Efes Sinai Yatırım Holding was founded to make bottling investments in the CIS region.

1995

Coca-Cola bottling operations commenced in Kazakhstan.

1996, 1998

Bottling plants were established in Kyrgyzstan, Azerbaijan, and Turkmenistan.

Anadolu Group invested in 80% of Coca-Cola operations in Turkey following the acquisition of 33% of Coca-Cola Bottling and Marketing Companies' shares from The Coca-Cola Company.

2002

Coca-Cola Turkey bottling operation was restructured to become a production company, which is the owner of its sales and marketing company. The new company's name was changed to Coca-Cola İçecek A.Ş. (CCI).

2005

Anadolu Efes reorganized all the soft drink operations under the roof of CCI.

Coca-Cola operations in Jordan were acquired.

2006

Started water production after the acquisition of Mahmudiye LTD., a producer of natural spring water.

CCI shares began trading on BIST.

2008

Started operations in Pakistan.

2012

Started operations in Southern Iraq market after an acquisition.

2015

Dushanbe (Tajikistan), Astana (Kazakhstan) and Multan (Pakistan) facilities started production.

2017

10th plant in Turkey started production in Isparta.

2018

Faisalabad plant in Pakistan started production.

2021

CCI acquired the Uzbekistan operations and became the 100% owner of the company.

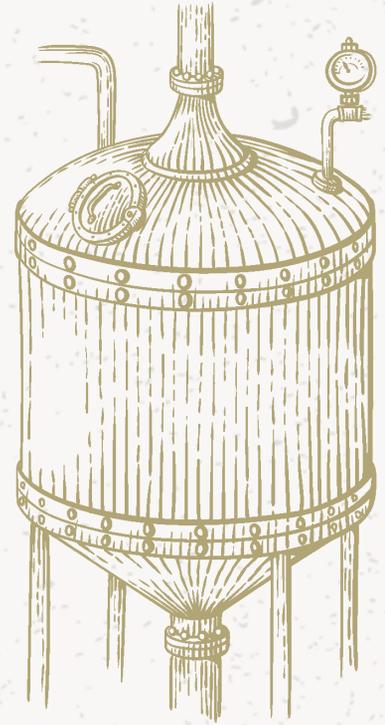
CCI became the sole owner of CCI Al Waha by exercising the put option under the shareholders' agreement in its Iraq operations.

CCI acquired the Uzbekistan operations and became the 100% owner of the company.

VISION, MISSION, VALUES

VISION

Be the largest brewer from Adriatic to China by developing and owning social life and beer culture.



MISSION

We brew joy passionately and responsibly.

VALUES



PASSIONATE



AGILE



COLLABORATIVE



ACCOUNTABLE



FAIR

BUSINESS PRIORITIES

PEOPLE

Nurturing our talents by establishing required tools & systems and providing a great place to work.

BRANDS

Providing choice, great taste, quality and innovation.

OPERATIONAL EXCELLENCE

Building competitive advantage through lean and efficient process, organization.

FINANCIAL DISCIPLINE & VALUE CREATION

Achieving profitable growth and maximizing free cash flow to generate above-average return on our investments.

CUSTOMERS AND CONSUMERS

Enhancing Customer Dealer engagement through better collaboration and innovative solutions.

EXPANSION AND GROWTH

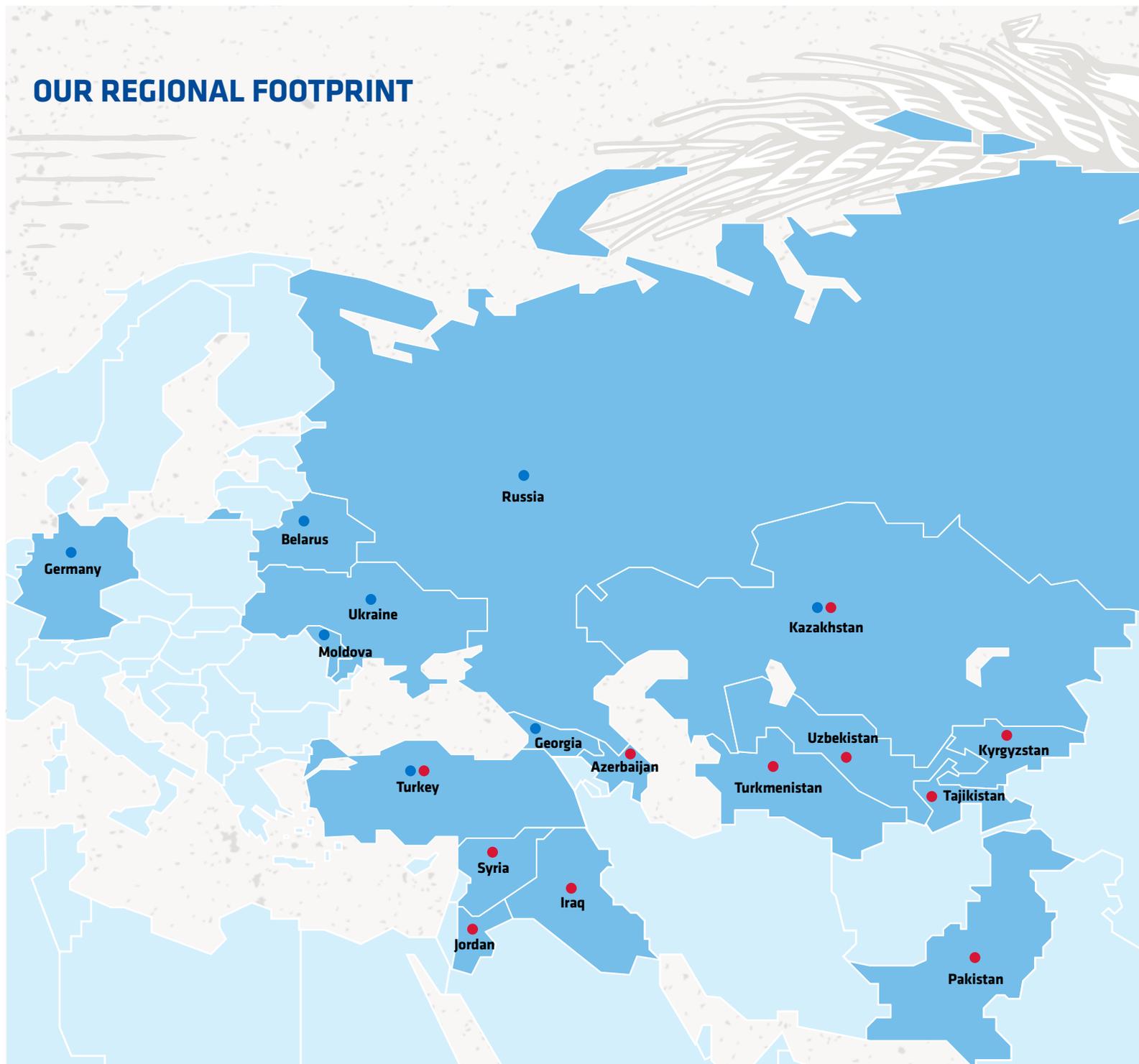
Expanding our business through enhancing brand portfolio, utilizing new channels and geographical expansion.

STAKEHOLDERS

Building relationships and credibility with stakeholders.



OUR REGIONAL FOOTPRINT



21 Breweries

in 6 Countries

29 Soft Drink Facilities

in 11 Countries

Population of more than

750 Million

Anadolu Efes operates with a total of 21 breweries, 5 malteries, 1 hops processing facility, 1 preform production facility in 6 countries, and 29 bottling plants in 11 countries where it runs its Coca-Cola operations.

● Soft Drink Operations

● Beer Operations

Russia

Population: 146 Million¹
 11 Breweries
 33.5 mhl Brewing Capacity
 3 Malteries
 284 Thousand Tons Malt Production Capacity
 1 Preform Production Facility
 Per Capita Beer Consumption: 54 Liters²
 30% Market Share³
 Market Leader³

**Turkey**

Population: 85 Million¹
 3 Breweries
 6.9 mhl Brewing Capacity
 2 Malteries
 115 Thousand Ton Malt Production Capacity
 1 Hops Processing Facility
 Per Capita Beer Consumption: 11 Liters²
 52% Market Share⁴
 Market Leader⁴
 10 Soft Drink Plants
 66% Market Share⁴
 Market Leader⁴

**Ukraine**

Population: 43 Million¹
 3 Breweries
 7.7 mhl Production Capacity
 Per Capita Beer Consumption: 43 Liters²
 28% Market Share³
 Market Position: Second³

**Kazakhstan**

Population: 19 Million¹
 2 Breweries
 2.6 mhl Brewing Capacity
 Per Capita Beer Consumption: 33 Liters⁵
 47% Market Share⁴
 Market Leader⁴
 2 Soft Drink Plants
 51% Market Share⁴
 Market Leader⁴

**Georgia**

Population: 4 Million¹
 1 Brewery
 1.2 mhl Beer and Soft Drink Production Capacity
 Per Capita Beer Consumption: 33 Liters⁵
 42% Market Share⁶
 Market Leader⁶

**Moldova**

Population: 4 Million¹
 1 Brewery
 1.6 mhl Beer and Soft Drink Production Capacity
 Per Capita Beer Consumption: 30 Liters⁵
 63% Market Share²
 Market Leader²

**Belarus⁷**

Population: 9 Million¹
 Per Capita Beer Consumption: 47 Liters⁵

**Germany⁸**

Population: 84 Million¹

**Pakistan**

Population: 225 Million¹
 6 Soft Drink Plants
 50% Market Share⁹
 Market Leader⁹

**Azerbaijan**

Population: 10 Million¹
 1 Soft Drink Plant
 74% Market Share⁹
 Market Leader⁹

**Iraq**

Population: 41 Million¹
 3 Soft Drink Plants
 39% Market Share⁹
 Market Position: Second⁹

**Jordan**

Population: 10 Million¹
 1 Soft Drink Plant
 19% Market Share⁹
 Market Position: Second⁹

**Tajikistan**

Population: 10 Million¹
 1 Soft Drink Plant
 54% Market Share⁹
 Market Leader⁹

**Syria**

Population: 18 Million¹

**Kyrgyzstan**

Population: 7 Million¹
 1 Soft Drink Plant
 65% Market Share⁹
 Market Leader⁹

**Turkmenistan**

Population: 6 Million¹
 1 Soft Drink Plant
 49% Market Share⁹
 Market Leader⁹

**Uzbekistan**

Population: 34 Million¹
 3 Soft Drink Plant
 52% Market Share⁹
 Market Leader⁹



¹ United Nations ² AEFES estimate ³ Euromonitor ⁴ Nielsen ⁵ GlobalData ⁶ Retail Audit ⁷ 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. ⁸ "Efes Pilsener" brand is being sold by Efes Deutschland GmbH, a 100% subsidiary of Anadolu Efes established in Germany. ⁹ GlobalData, CCI estimate

WE TAKE OUR QUALITY TO THE TOP

**AS ONE OF THE WORLD'S LARGEST BEER PRODUCERS;
WE RAISE OUR QUALITY BY COMBINING OUR EXPERIENCE
AND EFFECTIVE PROCESSES WITH OUR PRODUCTION
COMPETENCIES AND INNOVATION SUPERIORITY.**





Y



MAIN FINANCIAL AND OPERATIONAL INDICATORS⁽¹⁾

+4.7%

Beer sales volume

+16.2%

Soft drink sales volume

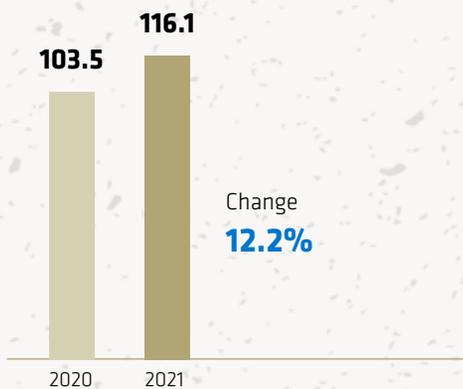
+46.9%

Net sales recorded an increase of 46.9%.

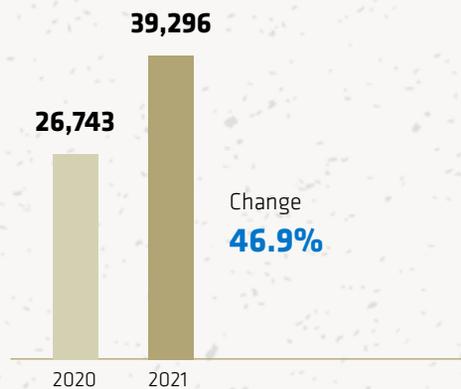
+37.8%

EBITDA BNRI showed a growth of 37.8%.

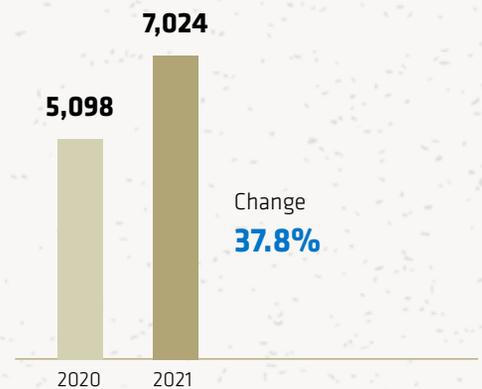
Total Sales Volume (mhl)



Net Sales (TRL million)



EBITDA (TRL million)



INCOME STATEMENT ITEMS ⁽¹⁾	2020	2021	% CHANGE
Beer Sales Volume (m hectoliters) ⁽²⁾	36.2	37.9	4.7%
Soft Drink Sales Volume (m unit case) ⁽³⁾	1,184	1,376	16.2%
Net Sales (TRL thousand)	26,742,693	39,296,008	46.9%
Net Sales Per per Liter (TRL)	2.58	3.39	31.0%
Operating Profit (TRL thousand)	2,717,199	4,385,568	61.4%
Operating Profit Margin (%)	10.2%	11.2%	
Depreciation and Amortization Expenses (TRL thousand)	2,073,049	2,399,006	15.7%
Net Income ⁽⁴⁾ (TRL thousand)	814,759	1,068,303	31.1%
Net Income ⁽⁴⁾ Margin (%)	3.0%	2.7%	
EBITDA BNRI ⁽⁵⁾ (TRL thousand)	5,098,383	7,023,900	37.8%
EBITDA BNRI ⁽⁵⁾ per Liter (TRL)	0.49	0.61	22.8%
EBITDA BNRI ⁽⁵⁾ Margin (%)	19.1%	17.9%	
Free Cash Flow (TRL thousand)	3,012,203	4,262,892	41.5%



+100 bps

Operating profit margin rose by 100 bps.

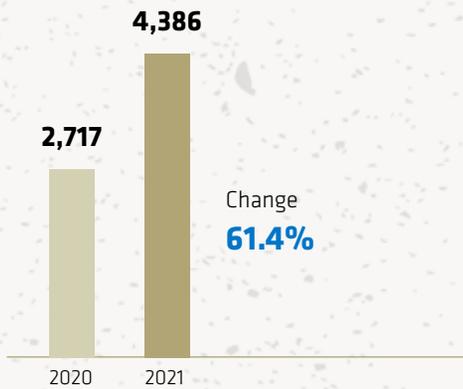
+41.5%

Free cash flow increased by 41.5%.

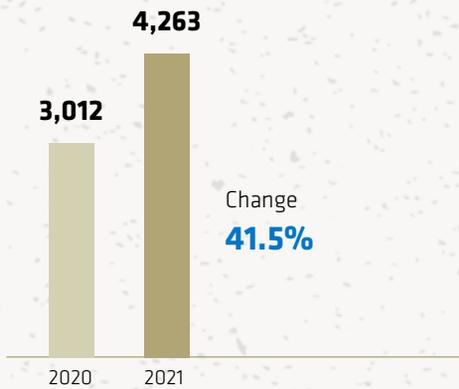
+68.2%

Total assets grew by 68.2%.

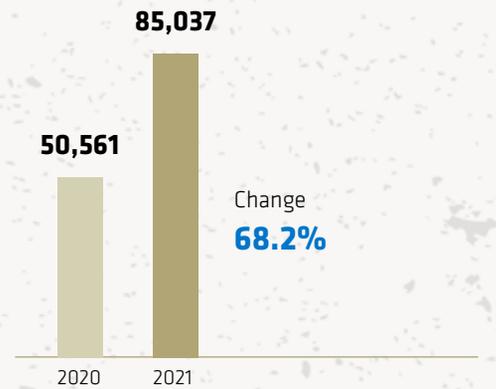
Profit from Operations (TRL million)



Free Cash Flow (TRL million)



Total Assets (TRL million)



BALANCE SHEET ITEMS	2020	2021	% CHANGE
Cash, Cash Equivalents and Marketable Securities (000 TRL)	8,524,950	10,260,355	20.4%
Total Assets (000 TRL)	50,561,368	85,037,222	68.2%
Equity Attributable Equity Holders of the Parent (000 TRL)	12,805,764	18,715,082	46.1%
Total Financial Debt (including lease obligations) (000 TRL)	12,164,614	21,246,330	74.7%
Net Financial Debt/Equity	0.3	0.6	
Net Financial Debt/EBITDA	0.7	1.6	
Capital Expenditure (Gross) ⁽⁶⁾ (000 TRL)	1,745,846	3,115,798	78.5%
Number of Shares	592,105,263	592,105,263	
Earnings per Share ⁽⁷⁾ (TRL)	1.3760	1.8042	31.1%
Average Number of Employees	16,820	16,701	-0.7%

Note 1: According to the agreement signed about the management of Coca-Cola İçecek A.Ş. ("CCI") as of 1 January 2013 Anadolu Efes started to fully consolidate CCI whose financial results had been proportionally consolidated until 31 December 2012. 2020 figures have been restated.

Note 2: 1 hectoliter = 100 liters.

Note 3: 1 unit case = 5.678 liters.

Note 4: Parent company shares.

Note 5: EBITDA BNRI is calculated excluding profit from discontinued operations and the following effects from profit from continuing operations attributable to our equity holders: (i) non-controlling interest, (ii) tax (expense)/income, (iii) share of gain/(loss) of investments accounted using equity method, (iv) financial income/(expense), (v) investment activity income/(expense) (vi) foreign exchange gains/(losses) arising from operating activities (vii) depreciation, amortization and other noncash items and (viii) non-recurring items above EBIT.

Note 6: Acquisitions excluded

Note 7: Earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

BEER GROUP

Anadolu Efes, being a pioneer in execution in the sector, has a strong sales network across both Turkey and international operations with its efficient marketing strategies.

53.5 mhl

Anadolu Efes had an annual beer production capacity of 53.5 million hectoliters as of 2021 year-end.

399 thousand tons

The company had malt production capacity of 399 thousand tons.

Anadolu Efes started its beer operations back in 1969 with the production of its first brand, "Efes Pilsen" in two breweries and a production capacity of 300 thousand hectoliters. In just a short time, Efes Pilsen became the first brand that comes to mind and is still one of the highly preferred brands by consumers with high quality and constant taste.

Leading the industry for almost half a century; years of experience, dynamic corporate culture with an agile decision-making mechanism that enables taking appropriate measures in changing market conditions as well as keeping a close eye on consumers lies behind the success of Anadolu Efes.

The company expands its product range by understanding its customers and closely monitoring their demand and preferences. A pioneer in execution in the sector, Anadolu Efes has a strong sales network across both Turkey and international operations with its efficient marketing strategies. Anadolu Efes continuously makes investments in order to increase its brand value.

Anadolu Efes continues its operations with a strategy to become a regional power while operating in the Turkish market. Started its international beer operations with exports, Anadolu Efes commenced its first operations abroad in the late 1990s by prioritizing culturally and geographically close markets in Russia and Kazakhstan. Followed by beer operations in Moldova, Georgia, and Ukraine, the number of countries in which the company runs beer operations went up to six.

Grew by using investment opportunities available in the markets it enters, Anadolu Efes continues its efforts to minimize the impact of the challenges by leveraging on its competitive advantage and years of experience in these regions which possess the potential to grow.

Behind the success of Anadolu Efes underlies its studies towards quickly offering products that fit customer demands, an effective and extensive distribution network, a pricing policy supporting operational profitability, an effective customer communication targeting to raise brand awareness, and an effort to seek a more flexible and efficient organizational structure.

Anadolu Efes had an annual beer production capacity of 53.5 million hectoliters and a malt production capacity of 399 thousand tons as of 2021 year-end.

In 2021, beer operations performed strongly and exceeded our expectations despite the impacts of pandemic restrictions in the operating countries. Anadolu Efes' beer group volumes grew by 4.7% year on year and reached 37.9 mhl as a result of successful execution, the strategy we followed in line with our rapid adaptation skills and a continuously developing excellent portfolio.

Running its operations by building a system of values around passion, collaboration, fairness, accountability, and agility, Anadolu Efes continued its operations by maintaining its strong position with a deep focus on its commitment to value growth and profitability as well as sustainable leadership.

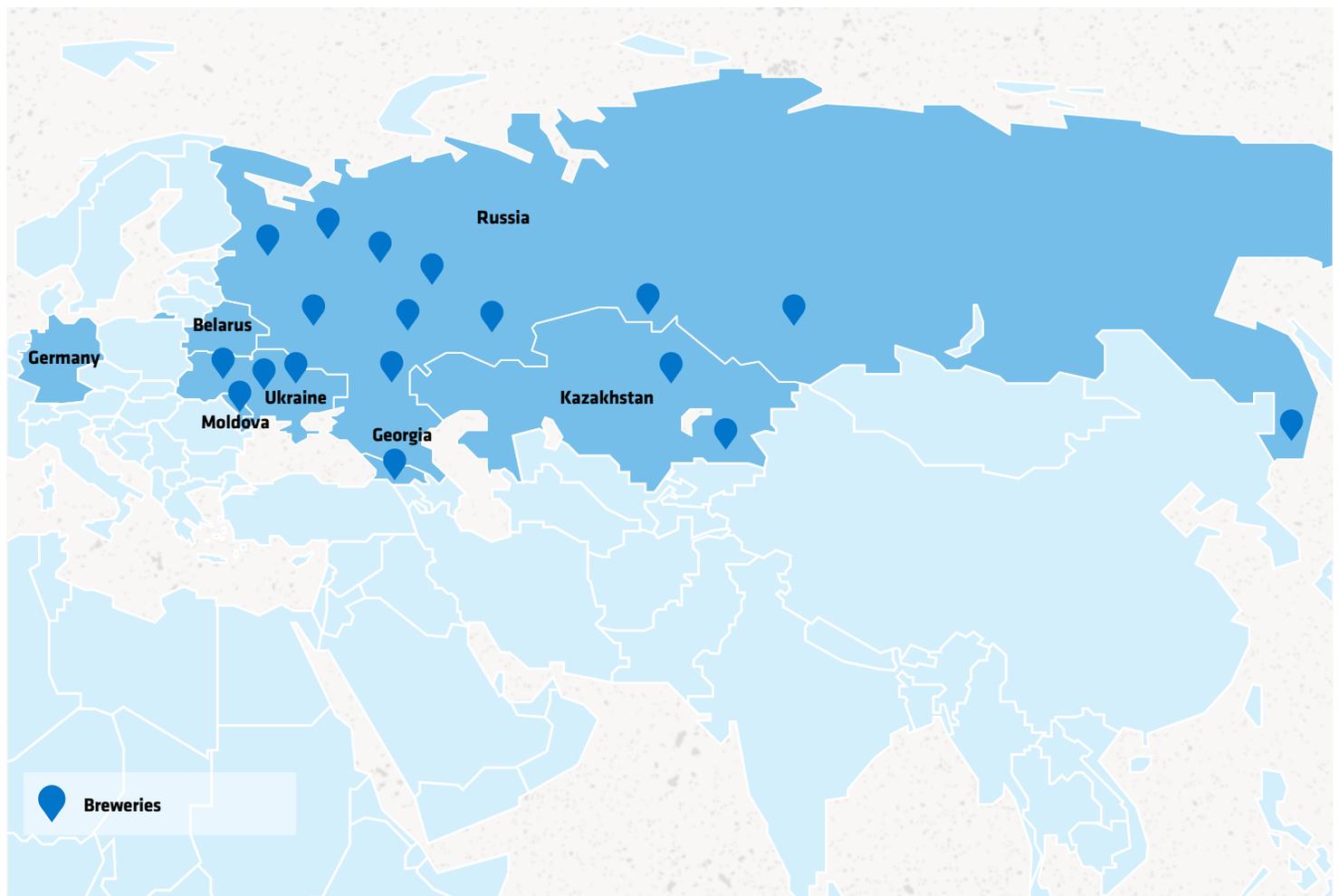
INTERNATIONAL BEER OPERATIONS

Anadolu Efes conducts its international beer operations through Efes Breweries International, a wholly-owned subsidiary that was established in the Netherlands back in 1998. Maintaining its successful position in Russia, Ukraine, Kazakhstan, Moldova, and Georgia, the company has 18 breweries with an annual total capacity of 46.6 mhl and 3 malteries with an annual total capacity of 284 thousand tons.

Making more than two-thirds of its net sales in international markets, Anadolu Efes is Europe's 5th and the world's 9th largest brewer*.

46.6 mhl
International beer operations had an annual total production capacity of 46.6 mhl.

* The Barth Report 2020/2021



INTERNATIONAL BEER OPERATIONS



AB InBev Efes Russia's sales volume showed the fourth year of growth in a row, thanks to the focus on the premium segment as well as the successful growth achieved in the flavored and non-alcoholic categories.

~30%*

AB InBev Efes Russia maintained its leading position in the Russian beer market in both volume and value terms with a ~30%* market share.

* Company estimate, on volume basis

RUSSIA

Super Premium Brands

- Spaten • Corona • Leffe • Redds
- Franziskaner • Becks • Boddingtons
- Kraft Izdat • Hoegaarden • Modelo • Tinkoff
- Belle-Vue • Goose Island • La Virgen

Premium Brands

- Essa • Hoegaarden • Stella Artois
- Amsterdam • Bavaria (Malt)
- Lowenweisse • Jupiler • Amberweiss

Low Premium Brands

- Bud • Velkopopovicky Kozel • Grolsch
- Sibirskaya Corona • Bavaria (Pilsner)
- Brahma • Tyordiy Znak

Core Brands

- Smib • Lowenbrau • Efes • Zolotaya Bochka
- 387 • Stariy Melnik Main • Chernigivske
- Bud Light • Zhigulevskoe Originalnoe
- Zhigulevskoe Primorskoe • Primorskiy Kraft
- Sudoku • John Copper • Simbirskoe
- Sibirskiy Kraft

Value Brands

- Gold Mine Beer • Bely Medved' • Klinskoe
- Zhigulyovskoe Bochkovoe • Tolstyak • T
- Zhigulyovskoe • Bavarskiy Zakon
- Khmel&Solod • Rytsar Primoriya
- Green Beer • Moya Kaluga • Tri Shurupa
- Studenoe' • Malz Weizen • Rizhskoe
- Khmelnaya Stolitsa • Volzhanin • Sherlok
- Volzhakaya Volnitsa • Bremen • Pikur
- Bagbier • 54 • Dushistiy Khmel
- Zolotaya Angara • Bochkovoe • Tirolskiy Volk

Anadolu Efes started its Russian operations, the largest operation within the beer segment in terms of sales volume, with the start of production in Moscow-Efes Brewery ("MEB") in 1999. The position in the Russian market was further solidified through the acquisition of Krasny Vostok Brewing Group, the 7th largest player in the market back in 2006, which was followed by the acquisition of SABMiller's assets in Russia in 2012. After AB InBev became our new shareholder post its acquisition of SAB Miller in 2016, we sought to form a partnership with AB InBev in Russia and Ukraine in an effort to draw maximum benefit out of this partnership which was completed by signing off the binding

agreements by the end of 1Q2018. Thus, operations in these countries were combined under one management.

Anadolu Efes continues its operations in Russia, where it has an annual production capacity of 33.5 mhl of beer and 284 thousand tons of malt with its 11 breweries and 3 malt production facilities.

AB InBev Efes has maintained leadership with its ~30%* market share in the Russian beer market, 6th largest beer market in the world according to Euromonitor,

According to Euromonitor 2021 data, the Russian beer market is estimated to be 79 mhl with a per capita beer consumption of around 54 liters.

The Russian beer market is estimated to grow by low-single digits in 2021, according to production data. The growth is driven by the development of the premium segment, as well as the non-alcoholic and flavored categories, which grew by double digits last year.

In 2021, the Russian operation's sales volume grew by mid-single digits, and despite the intense competitive environment, yielding market share gains in both volume and value terms. With the growth achieved in 2021, it has been the fourth year of growth in a row for AB InBev Efes Russia operations, thanks to the focus on the premium segment as well as the successful performance achieved in the flavored and non-alcoholic categories.

Our premiumization strategy enabled us to achieve double-digit growth rates in super-premium and low premium segments. Among key premium brands, Bud, Essa, Spaten, Stella Artois, and Corona contributed to the growth by showing the highest growth rates.

Our main brand 'SMIB Myagkoe' awarded with bronze at the International Beer Challenge 2021, whereas 'Bely Medved Svetloe' and 'Bely Medved Krepkoe' won silver at 2021 Monde Selection, the longest-running and most recognized international institute that assesses the quality of consumer goods.

In addition, we became the second-largest player in non-alcoholic beverages, significantly outpaced the market. New launches including Essa Lime and Mint 0% helped to strengthen our position in these categories.

UKRAINE

Super Premium Brands

- Corona • Stella Artois • Hoegaarden
- Leffe • Lowenbrau • Franziskaner Weissbier
- Lowen Weisse • Spaten • Goose Island
- St.Pauli Girl • Belle-Vue • Pauwel Kwak
- Boddingtons • Bud Zero • Miller • Efes
- Tripel Karmeliet • La Virgen

Premium Brands

- Stary Melnik • Velkopopovicky Kozel
- Chernigivske Na • Khmelevus
- Chernigivske Maksimum

Low Premium Brands

- Chernigivske Bile • Staropramen • Bud
- Rogan Na • Rogan Veselyi Monah
- Bely Medved Krepkoe

Core Brands

- Rogan Tradytysiye • Chernigivske Mitsne,
- Chernigivske Titan • Bely Medved Polyarnoe

Value Brands

- Chernigivske Svitle • Bely Medved Svetloe
- Zhygulevskoe Venskoe • Yantar
- Rogan Monastyrskoe

Anadolu Efes has become one of the largest players in the Ukraine beer market after the merger with AB InBev in 2018.

AB InBev Efes Ukraine continues its operations in Ukraine, where the annual beer production capacity was 7.7 mhl within its three breweries.

According to Euromonitor 2021 data, the Ukrainian beer market is estimated to be 18 mhl with a per capita consumption of close to 43 liters.

The Ukrainian beer market contracted by low single-digits compared to the previous year, affected by price increases and COVID-19 related restrictions.

AB InBev Efes Ukraine had a market share of 28%* in Ukraine in 2021, which declined compared to the previous year due to the increased promotions by the competition. AB InBev Efes Ukraine continued to focus on the premium segment, which supported its value share, with global brands contributed the most to sales volumes, particularly Stella Artois, Velkopopovicky Kozel and Corona.

In 2021, AB InBev Efes Ukraine increased its share in dark beer and became the market leader in this segment.

Both cider and kvass markets in Ukraine grew significantly compared to the previous year. "De Sad" brand became the second biggest brand in cider, and the kvass brand "Selo i Ludy" maintained its strong position in the kvass category.

AB InBev Efes Ukraine received 14 awards in the category of product quality at the XXIV International Competition for the Quality of Beer, Soft Drinks, Low Alcoholic Beverages, Mineral, and Drinking Waters, and Brewer's Malt as part of the All-Ukrainian Beer Festival organized by the Industry Association "Ukrpivo".



While our strategy to focus on the premium segment continued, strong performance was achieved in adjacent categories, particularly cider and kvass.

~28%*

AB InBev Efes Ukraine had a market share of 28%* in Ukraine in 2021.

* Company estimate, on volume basis

INTERNATIONAL BEER OPERATIONS



KAZAKHSTAN

Super Premium Brands

- Miller Genuine Draft

Premium Brands

- Efes Pilsener • Velkopopovicky Kozel
- Bavaria • Sary Melnik
- Amsterdam Navigator • Essa

Mainstream Brands

- Kruzha Svezhego • Bely Medved • Bremen
- Karagandinskoe • Zhigulevskoe
- Severnoe Siyanie

Economy Brands

- 13 Region • Khmelnoy Los • Legenda 777
- Bolshaya Slavna Praga

Anadolu Efes entered the Kazakhstan market through the acquisition of a brewery in Karaganda in 1996 from privatization and continued its operations by opening a new brewery in Almaty in 2003.

According to GlobalData Kazakh beer market in 2021 is estimated to be 6.3 mhl in 2021 with a per capita consumption of 33 liters.

Anadolu Efes maintained its leading position in the market with a market share of 47%* in 2021 according to Nielsen data, where the Kazakhstan beer market is estimated to increase by low-single digits supported by the economic growth in the country. While at-home consumption increased, the beer market benefitted from eased restrictions related to COVID-19.

In Kazakhstan beer operations, Efes Pilsener and Miller recorded high volume growth in the premium and super-premium segments during the period. New products were launched in non-alcoholic and flavored beer segments in line with the trend observed in the consumers driven by a healthy lifestyle. On the other hand, growth was recorded in the economy segment as a result of changes in consumer preferences after COVID-19. In 2021, new offers in the flavored segment such as Kruzha Svezhego Pineapple Banana and three new flavors of the ESSA brand were launched in the market. In addition, Anadolu Efes strengthened its ties with consumers through digital activities and effective sales point strategy and continued its investments into social life and culture.

In 2021, Anadolu Efes strengthened its ties with consumers through digital activities and effective sales point strategy and maintained its leading position in the Kazakh beer market with new product and package launches.

~47%*

Anadolu Efes had a market share of 47%* in Kazakhstan.

*January - August 2021, Nielsen

MOLDOVA

Super Premium Brands

- Corona • Franziskaner • Bavaria
- Hoegaarden • Grolsch • Leffe

Premium Brands

- Radler • Kozel • Efes
- Staryi Melnik

Upper Mainstream Brands

- Timisoreana • Jigulevscoe Bocikovoe
- Oettinger • Hopfenbrau

Mainstream Brands

- Chisinau • Belyi Medved

Economy Brands

- Camarad

Other

- Festival • Goldleaf • Kvassica

Anadolu Efes has been operating in the Moldovan beer market since the acquisition of Vitanta Intravest S.A. brewery in Chisinau in 2003.

According to GlobalData, the Moldovan beer market is estimated to be 1.1 mhl with a per capita consumption of 30 liters in 2021.

Moldovan economy entered into an ascendant trend in 2021, after a contraction in 2020, thanks to eased pandemic restrictions, a relaunch of investments, and an increase in domestic consumption. The economy is expected to recover driven by the elimination of uncertainties related to the pandemic and supported by the growth in exports and investments in private and public sectors.

In 2021, Efes Moldova delivered strong growth with the contribution of a strong year-on-year increase in on-trade sales. There has been a sustained growth of our core Chisinau brand and continued growth of our premium and super-premium brands, especially supported by Corona and Efes brands. Accordingly, Anadolu Efes maintained its leading position in the market with a 63%* market share in 2021 as well.

The craft and variety segment represents an important category for the company complimenting the growing trend of consumers who are seeking more variety. In this regard, we continued to innovate in the craft segment alongside other innovations in Radler and specialties.



~63%*
Anadolu Efes maintained its leading position in the market with a 63%* market share in 2021, thanks to the continued growth of our premium and super-premium brands and innovations in the craft and variety segment.

*Company estimate

INTERNATIONAL BEER OPERATIONS



GEORGIA

Premium Brands

- Efes • Corona Extra • Leffe
- Stella Artois • Hoegaarden • Franziskaner

Upper Mainstream Brands

- Lowenbrau • Staropramen

Mainstream Brands

- Natakhtari • Karva • Kasris

Economy Brands

- 3D • Kaiser

With the relaunch of the Natakhtari brand, Anadolu Efes strengthened its portfolio while offering consumers a new smooth taste.

42%*

Anadolu Efes maintained its leadership position with a market share of 42%* in the Georgian beer market.

Anadolu Efes commenced operations in Georgia by acquiring the leading brewer Lomisi in 2008. According to GlobalData Georgian beer market is estimated to be 1.2 million hectoliters with a per capita consumption of 33 liters in 2021.

In 2021, the Georgian beer market was estimated to grow high single-digit compared to the previous year, along with the economic recovery thanks to increased exports and tourism rebounding with the easing restrictions.

Anadolu Efes continued its market investments and new launches in Georgian beer operations and maintained its leading position with an increased market share of 42%*.

In 2021, both beer and soft drink sales achieved double digits growth versus last year while premium brands showed strong performance, particularly with Lowenbrau, Efes, and Staropramen. The relaunch of Natakhtari, Karva, Staropramen, Efes, and Natakhtari Lemonade also contributed to the volumes.

*Retail Audit

TURKEY BEER OPERATIONS



Premium Brands

- Erdinger • Miller • Duvel • Grolsch
- Amsterdam Navigator • Bud
- Corona • Leffe • Hoegaarden

Mainstream Brands

- Efes Pilsen • Efes Malt • Efes Özel Seri
- Efes Xtra • Efes Xtra Shot
- EFES Yüksek Alkollü Fıçı • Efes Glutensiz
- EFES Winter Blue • EFES Summer Blue
- Bomonti • Bomonti Filtresiz
- Bomonti Filtresiz IPA • Beck's

Lower Mainstream Brands

- Varım

Economy Brands

- Marmara Gold

Operating with 3 breweries, 2 malteries and 1 hops processing facility in Turkey, Anadolu Efes is the largest brewer of Turkey.

The company had an annual total production capacity of 6.9 mhl of beer and 115 thousand tons of malt in Turkey. In 2021, the sales volume of the Turkish beer market is estimated to be around 9.4 mhl, per capita consumption was around 11 liters.

Besides the pandemic-related measures taken, the Turkish beer market was adversely affected by macroeconomic performance marked by a high inflation environment and a declining purchasing power parity. The effects of restrictions on the events and on-trade sales points, curfews at weekends, and closures on

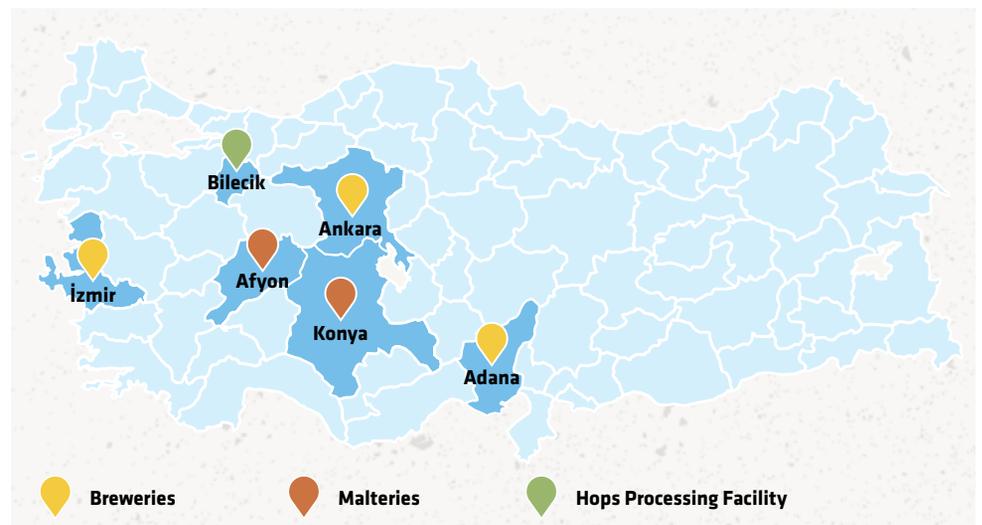
the off-trade sales points in the first half of the year were partially offset by the normalization in the second half and volumes recovered due to an increase in mobility and the low base impact of the last year. As a result, in 2021, the Turkish beer market is estimated to increase by 7.9% on an annual basis.

Turkey beer sales volume, which has the highest share of on-trade among all operations, was under pressure in the first two months of the year impacted by tightening measures, followed by the temporary opening of on-trade sales points in March which contributed to sales volumes. Despite the sales ban and the effect of Ramadan in the second quarter, our sales showed a strong performance thanks to the change in consumer behavior and the increase in export volumes. In the third quarter, the forest fires that lasted for about two weeks in the southern provinces of Turkey, negatively affected hotel reservations during the peak season, and on-trade sales volume. The volume growth achieved in the last quarter helped year-on-year volume growth where last year's volumes were affected by sales limitations and lockdowns. Consequently, Turkey's beer total sales volume reached 4.9 mhl in FY2021, up 5.2% year-on-year, also supported by strong growth in export volumes to China and MENA countries.

Anadolu Efes continued its brand and market investments to strengthen its ties with consumers in 2021. "Efes Glutensiz", the first gluten-free beer developed and produced in Turkey at Anadolu Efes Innovation Center, was launched. In line with our value-focused approach, the growth in our mainstream brands led by BUD, Efes Özel Seri, Bomonti Filtresiz, and newly launched Efes Glutensiz also supported our volumes.

Anadolu Efes always focuses on adding value to the society it lives in. Regarding this, it carries out studies that will contribute to social and cultural development in many areas like tourism, agriculture, environment, sports, culture and arts and entrepreneurship. Prioritizing the sustainability of its ecosystem, even within this challenging period where uncertainties related to the pandemic continued, Anadolu Efes reflected its solidarity culture by being involved in many social benefit projects. Anadolu Efes was also listed among Capital Turkey's 'Most Admired Companies in 2021' within its sector and ranked among "Woman Friendly 100 Companies" list.

Detailed information is available at www.anadoluefes.com.tr.



SOFT DRINKS GROUP



COCA-COLA İÇECEK

Sparkling Beverage Flavors and Types

- Coca-Cola • Coca-Cola Zero Sugar
- Coca-Cola Light • Fanta • Sprite
- Sprite Zero • Sprite Light • Schweppes
- Crystal Cola

Still Beverage Flavors and Types

- Cappy • Piko • Minute Maid
- Damla Su • Damla Mineral
- BonAqua • Dasani • Al Waha • Arwa • Kinley
- Fuse Tea • Gladiator • Monster • Powerade
- Burn • Roar

Efes Sınai Yatırım Holding A.Ş. ("Efes Sınai") was set up in 1993 to undertake Coca-Cola bottling investments in international markets and operations initially started in Kazakhstan, Kyrgyzstan, and Azerbaijan. Later in 2005, international soft drinks operations merged with Turkish bottling business Coca-Cola İçecek

A.Ş. ("CCI"), of which initially 33% was acquired in 1996 in Turkey and joined by different bottling and marketing companies in subsequent years. The operations were reorganized to become the CCI today.

Anadolu Efes runs its soft drink operations in Turkey and abroad through CCI, a 50.3% subsidiary. Producing, marketing and selling the sparkling and still beverages within the brand portfolio of The Coca-Cola Company ("TCCC"), CCI is among the key bottlers in the Coca-Cola system in terms of sales volume.

CCI carries out its operations through 29 facilities and close to 10,000 employees in Turkey, Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Jordan, Iraq, Syria, Tajikistan, Turkmenistan, and Uzbekistan. The rich product portfolio of CCI, consisting of sparkling beverages and still beverages such as fruit juice, water, energy and sport drinks, and iced tea, reaches out to more than 430 million consumers.

CCI is the market leader in Turkey, as well as in Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.



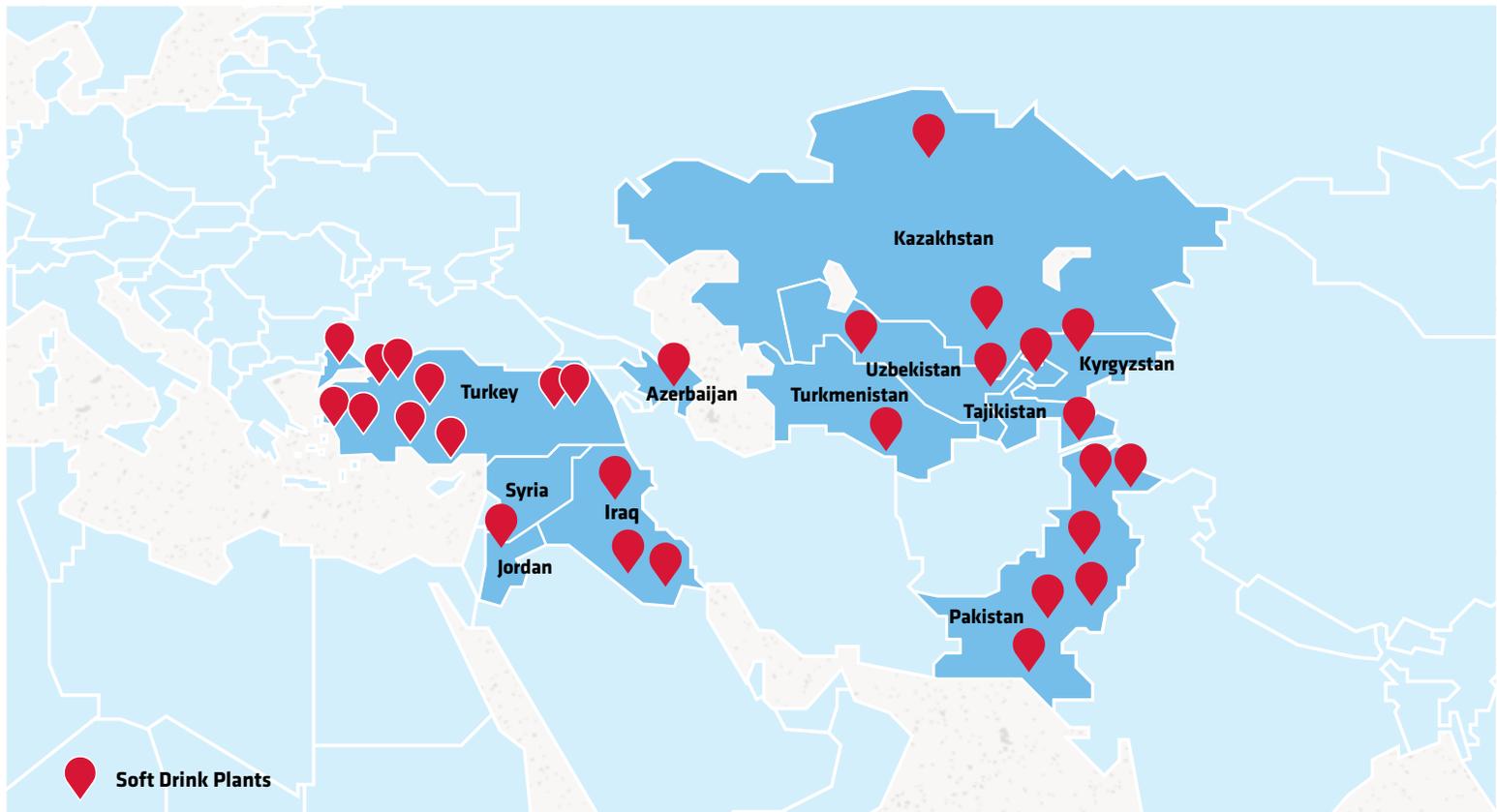
CCI maintained its strong performance during 2021, despite the Covid-19 pandemic, thanks to its agility, fast adaptability and wide product portfolio. In 2021, CCI's consolidated sales volume grew by 16.2% and reached 1,376 million unit cases, with growth in all our countries without exception. The Coca-Cola brand, which has a significant importance in operations, recorded a significant increase of 17.3% year-on-year.

The sales volume in Turkey, which was down 7.5% year-on-year in 2020 impacted by the pandemic, strongly recovered and grew by 13.5% in 2021. In Turkey, the recovery in the on-premise channel, improved tourism activity, favorable

weather conditions during summer months, continued focus on at-home occasions, and higher product availability in the e-commerce channel, supported the volume growth.

International operations' sales volume increased its momentum and grew by 18.3% year-on-year. Excluding the inorganic impact of Uzbekistan, international operations' organic growth was 14.7%. All countries, especially Pakistan and Kazakhstan operations, made a positive contribution to the sales volume. Despite the price increases, Pakistan operation's sales volume increased by 17.2% and Kazakhstan operation's sales volume grew by 14.6% year-on-year.

CCI is among the key bottlers in the Coca-Cola system.



WE CHASE DIFFERENT TASTES



WE CLOSELY MONITOR CONSUMER CHOICES AND REFLECT CHANGING CONSUMER PREFERENCES ON OUR PRODUCTS. WE ADD DIFFERENT TASTES TO OUR RICH PRODUCT RANGE WITH OUR INNOVATIVE APPROACH WHICH IS STRENGTHENED BY R&D ACTIVITIES





CHAIRMAN'S MESSAGE



Having successfully completed its 52nd year in business, Anadolu Efes has continued to strengthen its position as one of the leading players operating in a vast geography with a diverse product range of well-known beer and soft drink brands.

Esteemed Stakeholders,

Having successfully completed its 52nd year in business, Anadolu Efes has continued to strengthen its position as one of the leading players operating in a vast geography with a diverse product range of well-known beer and soft drink brands. Anadolu Efes is Europe's 5th largest and the world's 9th largest brewer by production volume, and the company carries its operations into the future as a global company together with its export markets that reach out to hundreds of millions of consumers from different cultural backgrounds and profiles all around the world. This year, our beer operations once again preserved their strong positions in Turkey, in our key and world's 6th largest beer market in Russia, and in Kazakhstan, Moldova, and Georgia, which continuously develop in parallel with their strong growth potentials. Moreover, Coca-Cola İçecek, in which we control a majority stake and which is one of the key bottlers in the Coca-Cola system, remains the first or second-biggest player in every market where it conducts soft drink operations with its production and bottling facilities. As a company operating in a number of countries and exporting to over 70 countries, Anadolu Efes generates more than two-thirds of its sales revenue from international operations.

As the second full year of the pandemic, 2021 was a period during which our lives began to return to normal. We observed a relative recovery as vaccination rates increased rapidly, but the global economic problems manifested themselves differently in this period due to the demand and supply gap. The global economy started to recover from the first shockwaves of the pandemic, but the lagged demand that had been suppressed by lockdowns and closures resulted in supply problems. Owing to supply-side supply shortages, the global raw material, commodity, and energy prices reached record-breaking levels, and the national economies were beset under inflation pressures.

Despite the pandemic restrictions implemented in the first half of the year and shutdown of on-trade sales points, the Beer Group managed to maintain its increasing volume trend in 2021 thanks to its strong performance achieved in international beer operations, particularly in Russia and CIS countries. In our Turkish beer operations, we had some challenges this year due to the restrictions, but a modest recovery in touristic activities supported the volumes. In our beer operations, monthly volume figures reached a record high, particularly in Russia, and we achieved the fourth year of growth in a row. Offering the best choices to the consumers with our strong portfolio is one of the key underlying factors of this growth. Together with that, positive market dynamics supported the growth. Furthermore, we followed the global trends for providing innovative products to our consumers while having a strong momentum in the non-alcoholic segment. In Ukraine, we had a difficult year owing to fierce price competition. Our operations in Kazakhstan, Georgia, and Moldova contributed to the overall growth in volumes through their portfolios enriched with new products and packaging launches as well as the favorable impact of growth in the beer markets supported with economic recovery and easing of pandemic related restrictions. Double-digit increases were achieved in exports to China, Belarus, as well as the Middle East and North African countries in line with our strategy of expanding our geographical footprint helping our volume performance.

Strong performances of the soft drink operations in Turkey, Pakistan, and Kazakhstan brought us double-digit growth rates. We have completed yet another key milestone; the acquisition of Uzbekistan soft drink operations, and accelerated the integration process. The Uzbekistan operation has promising growth potential, and we are going to see its contribution to our consolidated results in the period ahead.

export markets

Anadolu Efes carries its operations into the future as a global company together with its export markets that reach out to hundreds of millions of consumers from different cultural backgrounds and profiles all around the world.

CHAIRMAN'S MESSAGE

sustainability

Acknowledging sustainability as a core element of our business strategy, we strive to have it internalized, first, by all our employees and, then, by all our stakeholders.

Our sales revenue increased as the prices per hectoliters increased significantly compared to a year ago. This solid revenue growth was supported with our focus on the premium segment in the beer group, proactive value growth actions, and effective discount management. Increasing raw material and commodity prices, volatility in exchange rates, and high inflation rates started to pressurize our profitability since the third quarter of the year. We are continuing to take actions by adjusting prices and using hedging instruments in order to limit the impact on the margins. Our leverage ratio remains at a healthy level thanks to our strong Free Cash Flow achieved through our strict financial policy and effective balance sheet management strategy. Our strong position in the operating markets, extensive portfolio of premium brands, substantial pricing power, and tight expense management capabilities are the fundamental elements of our operational and financial success.

Anadolu Efes' robust financial structure and governance approaches, as well as its growth potential as a regional power figure, size of its operations, and sustainability of cash flow created, have positive effects on the decisions made by the credit rating institutions and investors. According to the Credit Rating companies Standard & Poors and Fitch Ratings, Anadolu Efes is an "Investment Grade Issuer", and JCR Eurasia Rating has assigned the highest rating level: "AAA (Trk)" as long-term national rating. Relying on the trust of these strengths, we issued Eurobonds -once again- with the lowest interest rate in Turkish history after 9 years. The company's USD 500 million Eurobond was oversubscribed by more than 6 times from institutional investors in Europe and the US which should be seen as a testimony of Anadolu Efes' strong international position and reputation.

Launching investments and innovations demonstrating our R&D capabilities and innovative mindset is one of our greatest sources

of motivation. Last year, we launched the "+1 Dinlendirme" (+1 Resting) process in Turkey, and we will continue our related investments in light of its success and positive feedback received from our stakeholders. As a part of our goal to lead innovation and change, we opened our innovation center (Anadolu Efes Yenilik Atölyesi) in Izmir, and "Efes Glutensiz," the first gluten-free beer developed in this center and produced in Turkey, is now available on the market. The product is produced with buckwheat malt according to the standards of the Association of European Coeliac Societies, and it has the internationally recognized Crossed Grain logo. While improving our production competencies, all our factories received FSSC 22000 Certificate, which is recognized by the Global Food Safety Initiative and which guarantees access to safe food for all consumers all around the world, and this Certificate is a testimony of our sensitivity about food safety.

Acknowledging sustainability as a core element of our business strategy, we strive to have it internalized, first, by all our employees and, then, by all our stakeholders. As a part of our Positive Impact Plan, we are committed to increasing and improving practices focused on the environment, society and governance. Accordingly, we have set our 2030 Sustainability Goals for embodying our initiatives towards the UN Sustainable Development Goals. We are going to enhance our current efforts related to these goals. We will reach net-zero carbon emission in all our operations by the year 2030 and become a certified zero-waste organization. All our breweries and malteries located in Turkey now have Zero-Waste Certificate, and this is a key step in the process of achieving our Zero-Waste goal. We are going to focus on such initiatives to integrate these practices into all our operations. We are going to continue working on the use of renewable energy in production and energy efficiency and taking effective actions for protecting resources and minimizing our environmental impact. Our fight against the

use of packaging and plastic will be supported with recycling and innovations such as bio-degradable and bio-plastic products. We believe that improving the entrepreneurship ecosystem is the key to realizing the transformation required for a better world. Therefore, we will share the dreams of young entrepreneurs and support them on all possible platforms.

We will increase our social impact by participating in social projects with all our stakeholders, and we will continue to invest in our communities for a sustainable future. We will focus on our initiatives to support culture, art, and sports' power to empower and improve society. Anadolu Efes Sports Club, the first team to win a European cup in the history of Turkish sports, won the Korac Cup and once again made our country proud by winning the Euroleague Cup in 2021. On the other hand, our "Future is in Tourism" (Gelecek Turizmde) program has won 17 international awards so far and created a social impact beyond our country, and we are committed to supporting tourism through this project.

Agriculture has become an even more vital aspect of our lives as climate change is becoming an immediate threat; we have been supporting and cooperating with our farmers for more than 40 years, and we collaborate on each and every step of production for sustainable and good agricultural practices. As the first company producing malting barley in our country, our "Future is in Agriculture" (Gelecek Tarımda) project continuously expands its range of R&D and innovation activities from development of barley and common hop seeds to supply of resources for spreading seed production, from raising awareness of our farmers on sustainable agriculture practices through training to smart agricultural practices. Sustainable agriculture is crucial for our future and for creating value for our stakeholders, and we will enhance our practices on this front.

We are a company that seeks to foster awareness about female labor force participation and social gender equality, and we are fully aware of the direct link between sustainable development and women's empowerment in business life. As a company with Equal Opportunity Model Certificate program led by KAGİDER (Women Entrepreneurs Association of Turkey), a signatory of the UN Women's Empowerment Principles, and developed with the technical support from the World Bank and as the first FMGG Industry Company awarded with "Women's Equality at Work" Certificate by the Sustainability Academy and Intertek, our goal is to increase female labor force rate in our organization from 30% up to 51% by the year 2030. Equal opportunity, diversity and inclusion are the fundamental principles of our work environment and human resource processes; we are committed to offering a fair, safe work environment that respects human rights.

Our strong brand portfolio, identity as a responsible producer, and pioneering role strengthen our competitive edges as a global player. I would like to sincerely thank all of our esteemed Board Members, shareholders and investors, dealers, distributors, suppliers, business partners, customers, consumers who share and support our hopes and initiatives for a better future, and each and every one of our employees for being the ultimate architects of Anadolu Efes' success.

Sincerely,



Tuncay Özilhan
Chairman of the Board of Directors

strong brands
Our strong brand portfolio, identity as a responsible producer, and pioneering role strengthen our competitive edges as a global player.

BOARD OF DIRECTORS



TUNCAY ÖZİLHAN
Chairman



KAMİLHAN SÜLEYMAN YAZICI
Vice Chairman



JASON WARNER
Board Member



TALİP ALTUĞ AKSOY
Board Member



RASİH ENGİN AKÇAKOCA
Board Member



AHMET BOYACIOĞLU
Board Member



PROF. BARIŞ TAN
Independent Board Member



LALE DEVELİOĞLU
Independent Board Member



AGAH UĞUR
Board Member



ŞEVKİ ACUNER
Independent Board Member



UĞUR BAYAR
Independent Board Member



DR. YILMAZ ARGÜDEN
Strategist

BOARD OF DIRECTORS

TUNCAY ÖZİLHAN

Chairman

Tuncay Özilhan was born in Kayseri. He studied in Saint-Joseph High School, then graduated from the Faculty of Economics of İstanbul University. He received his MBA degree from Long Island University in the United States. He started his career in 1977 as General Director of Erciyas Brewery and has undertaken responsibilities such as Coordinator of the Beer Group and General Coordinator of Anadolu Group. Mr. Özilhan acted as the CEO of Anadolu Group from 1984 to February 2017. He is the Chairman of Anadolu Group since May 2007. He has also been serving as Chairman of Anadolu Foundation as well as various Group companies.

Mr. Özilhan served as the President of TÜSİAD (Turkish Industry and Business Association) from 2001 to 2003 and he is currently Chairman of its High Advisory Council. His other responsibilities include; Member of The Board at the Foreign Economic Relations Board (DEİK), Honorary Consul for the Republic of Estonia and President of Anadolu Efes Sports Club. He also served as Chairman of the Turkish - Russian Business Council at DEİK. Mr. Özilhan holds Ministerial Medal by the Ministry Foreign Affairs of the Republic of Estonia and "The Order of the Rising Sun, Gold and Silver Star", constituting one of the most important orders awarded by Japanese government.

KAMİLHAN SÜLEYMAN YAZICI

Vice Chairman

Kamil Yazıcı graduated from New York Military Academy as lieutenant captain (96'), holds a BA degree from Emory University's Goizueta Business School (00'), an MBA degree from American Institute of Business and Economics (05') and has completed the GMP program at the Harvard Business School (17'). Starting his career in Anadolu Group in year 2000, Mr. Yazıcı completed the orientation program at the holding later continuing his career in Anadolu Efes' Russian beer operations where he assumed the roles of Supply Chain Director and Business Development Director during 2008-2011. In 2011 Mr. Yazıcı was appointed as General Manager of Efes Vitanta in Moldova and resumed this role until 2014. In 2014 he was appointed as Market Development Director, a position held until 2017. Since 2017 Mr. Yazıcı has been serving as Board Member and Vice-Chairman on Anadolu Group Holding and subsidiary boards. In addition, Mr. Yazıcı serves as Board Member for TAİK (Turkey-U.S. Business Council), TOGG (Turkish National Auto Initiative), HBS Alumnus (Harvard Business School's Alumni Board) and is Chairman of KYVDAS (the Kamil Yazici Family Trust).

JASON WARNER

Board Member

Jason Warner is AB InBev's Zone President Europe since 1 January 2019. Born in 1973, he is a dual British and U.S. citizen and received a BSc Eng Hons Industrial Business Studies degree from DeMontfort University in the United Kingdom. Prior to his current role, he was Business Unit President for North Europe between 2015 and 2018. He joined AB InBev in July 2009 as Global VP Budweiser, based in New York, before moving into a dual role of Global VP Budweiser and Marketing VP. He has also held Global VP roles for Corona as well as Innovation and Renovation. Prior to joining AB InBev, he held various positions at The Coca-Cola Company and Nestlé.

TALİP ALTUĞ AKSOY

Board Member

Talip Altuğ Aksoy received his bachelor's degree in economics from Oglethorpe University in USA. He began his career as Finance Assistant Specialist at Anadolu Group in 1995 and was appointed as a Finance Specialist in 1996. Mr. Aksoy worked as Human Resources and Treasury Specialist from 1998 to 2000. He served as Director of Sales and Marketing at Efes Invest from 2000 to 2003 and was appointed as the Director of Trade and Export at Efes Beer Group in January 2003. Continuing his career at Anadolu Group as the Director of Purchasing and Logistics between 2006-2008, Mr. Aksoy was appointed as Director of Supply Chain of Efes Beer Group in June 2008. In November 2011, he was appointed as Efes Turkey Managing Director and served in this position until January 2017. Mr. Aksoy still continues to serve as a Board Member in various Anadolu Group companies.

RASİH ENGİN AKÇAKOCA

Board Member

R. Engin Akçakoca received his undergraduate degree from Middle East Technical University in Management and started his career in banking in 1974. He assumed Deputy General Manager position in Koç-Amerikan Bank during 1986 and 1991 and General Manager position in Koçbank A.Ş. during 1991 and 2000. He was appointed as the Chairman of the Banking Regulation and Supervision Agency and the Savings Deposit Insurance Fund in 2001 responsible for a large-scale banking sector restructuring program held in Turkey. Mr. Akçakoca has been working as a consultant since 2004; he holds board member positions in various Anadolu Group companies.

AHMET BOYACIOĞLU

Board Member

Ahmet Boyacıoğlu graduated from Middle East Technical University in Business Administration. Mr. Boyacıoğlu began his professional career with the Efes Beverage Group (Anadolu Efes) in 1973. He served in various positions between 1973 and 2005 including Bursa Region Sales Manager, Ege Biracılık ve Malt San. A.Ş. Sales Manager, Güney Biracılık ve Malt San. A.Ş. General Manager, Ege Biracılık ve Malt San. A.Ş. General Manager, Eastern Europe President, International Beer Operations Group President, and Strategy and Business Development Director. Mr. Boyacıoğlu was appointed as the President of the Efes Beer Group in May 2005 and retired in February 2007. Currently, he sits on the Boards of Directors of some Anadolu Group companies.

BOARD OF DIRECTORS

AGAH UĞUR

Board Member

Born in 1957 in İstanbul, Agah Uğur studied Industrial Engineering at the University of Birmingham, UK then qualified as a chartered accountant in England in 1985. He worked in Birmingham, London and Jersey offices of Touche Ross & Co (currently Deloitte), İstanbul office of Arthur Andersen and Türkiye Emlak Bankası before joining Borusan Group in 1989 as CFO. He served as Group CEO between 2001 and 2018 until he retired. He is currently vice chairman in Dogan Holding and a board member in Pegasus Havayolları, Anadolu Efes, Coca-Cola İçecek, Alcatel Lucent Teletaş Telekomünikasyon, Gözde Girişim as well as an advisory board member in some reputable Turkish corporations. Agah Uğur is a partner and chairman in venture capital firm, Boğaziçi Ventures and he also manages his own portfolio of technology startups. Mr. Uğur held more than 15 board and advisory board positions in various NGOs during his professional career. Currently he is a member of the High Advisory Council of TUSİAD, a member of the Board of Trustees of Sabancı University, member of the Advisory Board of Columbia University İstanbul Global Center. He is also a founding member and vice chairman of the Saha Foundation, supporting Turkish contemporary art. He is an art collector with a special focus on new media and video art.

PROF. BARIŞ TAN

Independent Board Member

Prof. Barış Tan is a Professor of Operations Management and Industrial Engineering at Koç University, İstanbul, Turkey. He is the author of many publications in the areas of design and control of production systems, supply chain management, analytical modelling, and business model innovation, and the recipient of Turkish Academy of Sciences Distinguished Young Scholar Award, TÜBİTAK fellowship, NATO Science Fellowship, the Rockefeller Foundation Residency Award at Bellagio Center, and best paper awards for his publications. Prof. Tan received a BS degree in Electrical and Electronics Engineering from Boğaziçi University, and ME in Industrial and Systems Engineering, MSE in Manufacturing Systems, and PhD in Operations Research from the University of Florida. He has been working at Koç University since 1994 and previously served as the Vice President for Academic Affairs, Dean of College of Administrative Sciences and Economics and the Director of the Graduate School of Business. He held visiting positions at Harvard University Division of Engineering and Applied Sciences, MIT Operations Research Center, MIT Laboratory for Manufacturing and Productivity, Cambridge Judge Business School, and University College London School of Management. Prof. Tan is a member of the advisory boards of Kyoto University Graduate School of Management, EM Lyon and Nottingham Business School, and the chairman of the ISM University of Management and Economics Senate. He served on the boards of the European Foundation for Management Development (EFMD), EFMD EQUIS Awarding Body, CEMS Global Alliance in Management Education, Turkish Quality Association, and Turkish Operations Research Society.

Prof. Tan fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

LALE SARAL DEVELİOĞLU

Independent Board Member

Born in İstanbul in 1968, Lale Develioğlu graduated from the Industrial Engineering Department at Boğaziçi University and pursued her postgraduate studies at Rensselaer Polytechnic University. She started her Professional career in 1992 at Unilever and acted as Marketing Director between 1998-2003. In the end of 2003, Mrs. Develioğlu started working in Turkcell and acted as Marketing Vice President in 2006-2011 and International Division Vice President in 2011 - 2014 at the same institution. Mrs. Develioğlu has started working in Yıldız Holding as Turkey Marketing President in 2015, right after she has acted as Global Marketing President in Pladis, Yıldız Holding's London based global snack company until 2018. Mrs. Develioğlu acted as independent board member for several companies in telecommunication, technology, FMCG, consumer durables and retail industries across Turkey, Middle East, CIS countries and Europe. She still serves as board member at Aksa Akrilik and Nobel İlaç. She is also one of the founders and board member of Women on Board Association Turkey. She is currently acting as mentor in INSEAD, Women on Board Association program and Endeavor. Mrs. Develioğlu has 30 years of experience in marketing, business development and she is a strategy leader. She was selected as "Best Marketing200 Person" of Turkey in 2009; won the "Women to Watch" award for Marketing in 2014 and was listed among "Top 25 CMOs" in Global Creativepool Annual in 2018. She has served as Executive Board Member of Advertisers' Association of Turkey (RVD) and Advertising Self-regulatory Body in Turkey (RÖK) for 6 years. She is the author of the business and memory book titled 'Karar Verdim'.

Mrs. Develioğlu fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

ŞEVKİ ACUNER

Independent Board Member

Following his graduation from Boğaziçi University in 1976, Mr. Acuner continued his studies at Stockholms Universitet for a Graduate Diploma and at Montreal's Concordia University, where he earned his MBA. Mr. Acuner started his banking career at Turkey's Central Bank and switched to commercial Banking after moving to Canada where he worked first for Bank of Montreal and subsequently at Royal Bank of Canada in various roles and countries such as Holland, Italy and United Kingdom. Mr. Acuner moved to European Bank for Reconstruction and Development (EBRD) in 1996 working in various positions until 2018. Mr. Acuner played a leading role in opening the EBRD in Turkey in 2009, and worked as its Deputy Director for Turkey until 2013. Between 2013 and 2018 Mr. Acuner was EBRD's Director for Ukraine, based in Kiev. In 2019, he was appointed as the Independent Member of the Tekfen Holding Board of Directors. Mr. Acuner has represented EBRD in various Board positions in its equity investments across a number of countries. While based in London Acuner acted for many years as the President of the UK Turkish Bankers Association. In his role in Istanbul, Mr. Acuner led EBRD's growth in Turkey. In Ukraine, Mr. Acuner is one of the drivers of the country's economic transformation and is a leading figure in its world of finance and business. Among his other responsibilities, Mr. Acuner acted as the Chairman of Ukraine's corruption fighting Business Ombudsman Institution, as a Chairman of the State Nomination Committee which is responsible for the appointment of CEO's and Board Directors for the country's State Owned Enterprises, and as Vice Chairman of the American Chamber of Commerce. Between 2018-2021, he has also served as Chairman of the Supervisory Board of Directors of Ukraine's Railways as well as of the Electricity Transmission company.

Mr. Acuner fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

UĞUR BAYAR

Independent Board Member

Mr. Bayar graduated from New York State University, Department of Mathematics & Statistics with a BSc. degree. Mr. Bayar started his career at Citibank Turkey in 1987 and served in various roles in the treasury department until he started public service in 1992. Mr. Bayar served as the Vice President in Public Partnership Administration between 1992-1997 and President at Prime Ministry Privatization Administration of Turkey between 1997-2002. During this time, he also assumed the Chairmanships of the Board at Erdemir and Petrol Ofisi, and the Board Memberships at Turkish Airlines and Turk Telekom. Mr. Bayar joined Credit Suisse Turkey in 2004 and served as the country CEO and Head of Investment Banking until 2017. Mr. Bayar is currently serving as the Chairman of the Board of WWF Turkey (World Wildlife Foundation) and a Board Member at AG Anadolu Grubu Holding, Coca-Cola İçecek and Tekfen Teknoloji Yatırım ve Tic. A.Ş.

Mr. Bayar fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

Dr. YILMAZ ARGÜDEN

Strategist

Dr. Argüden's career spans the private sector, public sector, multinational institutions, NGOs, and academia. He is the Founder and Chairman of ARGE Consulting, a globally recognized Turkish management consulting firm known for value creating strategies, governance, and sustainability.

ARGE Consulting has served as the B20 Knowledge Partner for Governance & Sustainability, as EFQM Certified Advisory Organization, IIRC Licensed Training Partner and has been recognized at the European Parliament as one of the best three companies "Shaping the Future" with its commitment to corporate social responsibility. He is also the Chairman of Rothschild&Co investment bank in Turkey and has served on the boards of more than 70 national and international corporations.

Dr. Argüden is a renowned governance expert and served as a member of IFC's Corporate Governance Advisory Board; as the Vice-Chairman of the Governance Committee of the Business at OECD, and as the Chairman of Trustees of the Argüden Governance Academy. As the elected Global Chair of the National Networks, he has served on the Board of the UN Global Compact, the world's largest sustainability platform. He is an adjunct Professor of Business Strategy, an author of numerous books and a columnist focusing on governance, strategy, and sustainability.

As a social entrepreneur he has founded and led numerous NGOs and initiated the National Quality Movement. He has also served as the Vice-Chairman of the Turkish Basketball Federation. Dr. Argüden is an Eisenhower Fellow, a recipient of numerous leadership, distinguished citizenship, and career awards, and was selected by the World Economic Forum as a "Global Leader for Tomorrow" for his commitment to improving the state of the world.

STATEMENT OF INDEPENDENT STATUS

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,

I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

I am assumed not to be a resident in Turkey in accordance with the Income Tax Law dated 31.12.1960, numbered 193,

I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries,

I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,

I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



ŞEVKİ ACUNER

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,

I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

I am assumed to be a resident in Turkey in accordance with the Income Tax Law dated 31.12.1960, numbered 193,

I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries,

I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,

I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



LALE DEVELİOĞLU

STATEMENT OF INDEPENDENT STATUS

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,

I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

I am assumed to be a resident in Turkey in accordance with the Income Tax Law dated 31.12.1960, numbered 193,

I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries,

I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,

I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



PROF. BARIŞ TAN

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,

I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

I am assumed to be a resident in Turkey in accordance with the Income Tax Law dated 31.12.1960, numbered 193,

I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries,

I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

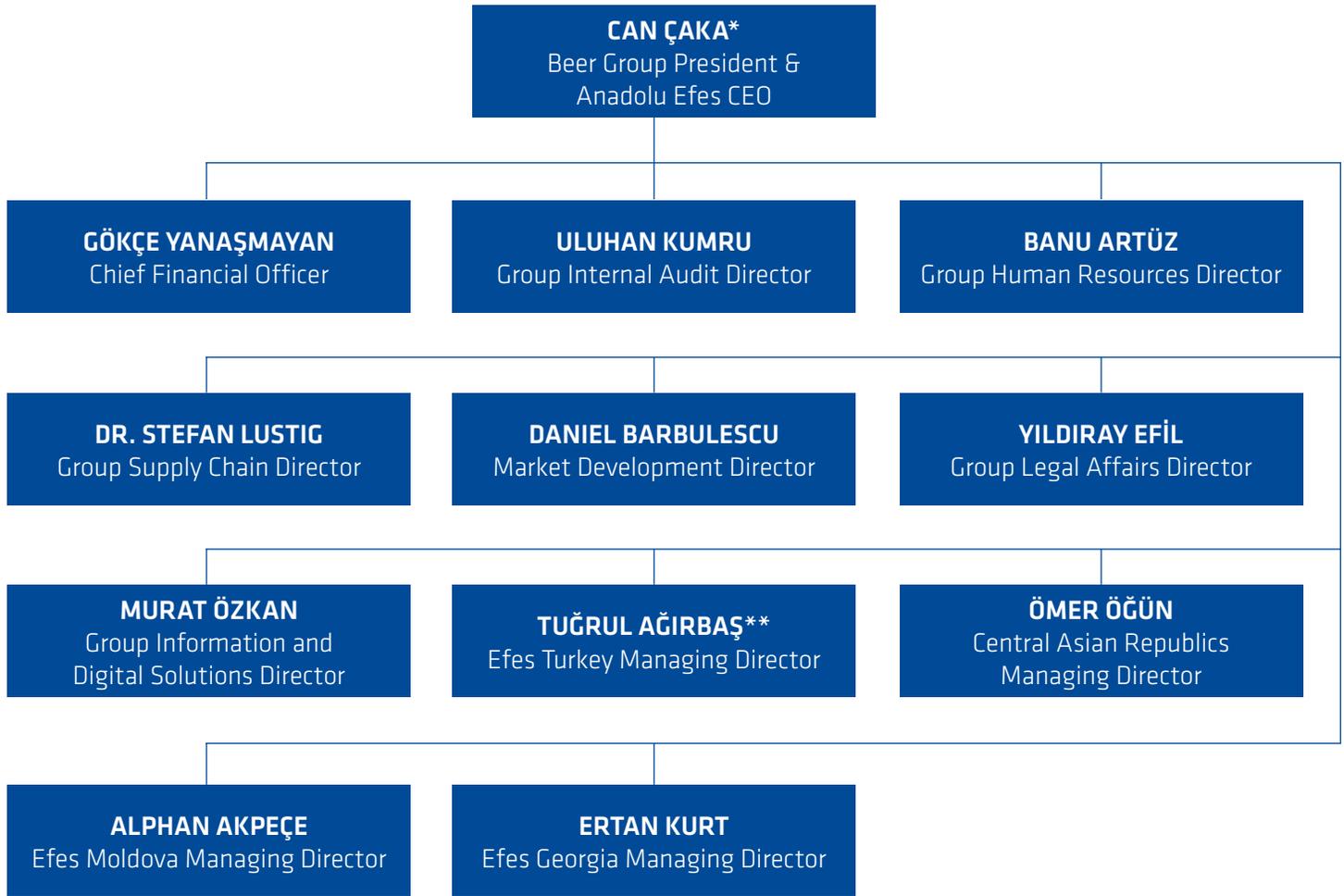
and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



UĞUR BAYAR

ORGANIZATION CHART

ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş.



* Ms. Selda Susal Saatçi who has been working as Anadolu Efes Turkey Corporate Communications and Relations Director, has been appointed as the Chief Corporate Communications and Affairs Officer as of 1 January 2022, to the newly established Group Corporate Communications & Affairs Directorate in the Group Office. She will report directly to Mr. Can Çaka.

Ms. Serim Yıldırım, who has been working as Turkey Marketing Director, has been appointed as the Chief Strategy, Insight and Innovation Officer as of 1 January 2022 to the newly established Group Strategy, Insight and Innovation Directorate in the Group Office. She will report directly to Mr. Can Çaka.

** Mr. Tuğrul Ağırbaş has decided to leave his position as of 31 December 2021. Mr. Onur Altürk has been appointed as Anadolu Efes Turkey Managing Director as of 1 January 2022.

COCA-COLA İÇECEK A.Ş.



* Ms. Leyla Delic resigned from her position as of 31.01.2022 and Ms. Aslı Kamiloğlu was appointed as the Chief Information and Digital Officer of Coca-Cola İçecek (CIDO).

SENIOR MANAGEMENT - BEER GROUP



CAN ÇAKA
Beer Group President & Anadolu Efes CEO



GÖKÇE YANAŞMAYAN
Chief Financial Officer



ULUHAN KUMRU
Group Internal Audit Director



BANU ARTÜZ
Group Human Resources Director



DR. STEFAN LUSTIG
Group Supply Chain Director



DANIEL BARBULESCU
Market Development Director



YILDIRAY EFİL
Group Legal Affairs Director



MURAT ÖZKAN
Group Information and Digital Solutions
Director



DMITRY SHPAKOV
AB InBev Efes CEO



TUĞRUL AÇIRBAŞ
Efes Turkey Managing Director



ÖMER ÖĞÜN
CAR Managing Director



ALPHAN AKPEÇE
Efes Moldova Managing Director



ERTAN KURT
Efes Georgia Managing Director

SENIOR MANAGEMENT - BEER GROUP

CAN ÇAKA*

Beer Group President & Anadolu Efes CEO

Can Çaka received bachelor of science degree from the Electrical and Electronic Engineering Department of Middle East Technical University and MBA degree from the Administrative Sciences Department of the same university. He started his career as a business analyst and systems engineer in 1994 and has worked at various companies and was involved in various projects. He joined Anadolu Efes in 1997 and worked as an Associate at International Beer Division until 2000, Finance and Administrative Affairs Manager at Efes Ukraine between 2000-2001, Efes Beer Group Strategy and Business Development Manager between 2001 and 2005, Efes Beer Group Strategy and Business Development Director between 2005 and 2008 and Chief Financial Officer of Anadolu Efes between 2008 -2012. Mr. Çaka worked as the Chief Financial Officer of Anadolu Group between 2013 and 2018. He was appointed as Beer Group President and Anadolu Efes CEO as of 1 January 2019.

Mr. Çaka, a volunteer member of the UN Global Compact Turkey and Sustainable Development Association's Board, is working with infrangible energy to support the efforts for development that promotes economic opportunity and efforts to combat climate crisis in line with UN's sustainable development goals.

*Selda Susal Saatçı, who has been working as Anadolu Efes Turkey Corporate Communications and Relations Director, has been appointed as the Chief Corporate Communications and Affairs Officer as of 1 January 2022, to the newly established Group Corporate Communications and Affairs Directorate in the Group Office. She will report directly to Mr. Çaka.

Serim Yıldırım, who has been working as Turkey Marketing Director, has been appointed as the Chief Strategy, Insight and Innovation Officer as of 1 January 2022 to the newly established Group Strategy, Insight and Innovation Directorate in the Group Office. She will report directly to Mr. Çaka.

GÖKÇE YANAŞMAYAN

Chief Financial Officer

Gökçe Yanaşmayan graduated from Dokuz Eylül University in Economics in 2000. He worked as an Auditor at Arthur Andersen between 2000 and 2002 and as Senior Auditor at Ernst & Young between 2002 – 2004. After starting his career at Anadolu Efes in 2004 as Efes Kazakhstan Reporting and Budgeting Manager, he worked as Finance and Administration Manager at Efes Breweries International between 2006 – 2010 and as Finance Director at Efes Kazakhstan between 2010 and 2012. He worked as Finance Director at Efes Ukraine between 2012 – 2014. Mr. Yanaşmayan served as Efes Moldova Managing Director between December 2014 – June 2021. Mr. Yanaşmayan has been appointed as the Anadolu Efes Group CFO effective from 1 July 2021.

ULUHAN KUMRU

Group Internal Audit Director

Uluhan Kumru earned a bachelor's degree from Hacettepe University in Business Administration (English) and an MBA degree from Middle East Technical University. He started his career as Management Trainee at Ziraat Bank and served as Project Finance Senior Associate until 2003. Between 2003 and 2013, he served, respectively, as Senior Auditor at Akbank, Head of Internal Control at Aklease, Senior Internal Audit Manager at Starbucks Turkey, Internal Audit Manager at Sabiha Gökçen International Airport Investment Development & Operation Inc. and Group Companies. He joined our Group as Audit Manager at Anadolu Group Audit Presidency in 2013, served as Group Internal Audit Manager at Anadolu Efes between 2015 and 2016 and as Anadolu Group Audit Manager in charge of Beverage Group Companies between 2016 and 2017. Mr. Kumru was appointed as Group Internal Audit Director at Anadolu Efes in January 2018. He is Certified Internal Auditor and Certified Public Accountant in Turkey and has been serving as Board Member at Institute of Internal Auditors of Turkey since 2014 and member of the Exam Development Committee at The Institute of Internal Auditors - Global since 2020.

BANU ARTÜZ

Group Human Resources Director

Banu Artüz graduated from Istanbul University in American Culture and Literature. She started her career at Procter & Gamble in Sales department. During her 16 years of Procter & Gamble career, she spent 8 years in Sales and Marketing Department with various assignments in Modern Trade, Distributor operations and Sales Marketing. During her Sales Marketing positions, she worked in Feminine care and Oral care categories. After 8 years in Sales & Marketing positions, she decided to move to Human Resources. She built her HR career in different countries including Turkey, Kazakhstan and Eastern Europe (Russia, Ukraine etc.) markets and had different assignments as HR Business Partner, Compensation & Benefits, Employee Relations, Sales Capability Management. She relocated to Almaty, Kazakhstan and led Talent Management for Central Asian Republics between 2007 and 2009; and she moved to Moscow, Russia as Eastern Europe Talent Manager with the responsibility of Russia, Ukraine, Belarus and Central Asia Republics between 2010 and 2013. Ms. Artüz; who worked as Deputy Talent Manager Coordinator at Anadolu Group Holding between 2014 and 2018; is continuing her position as Anadolu Efes Group Human Resources Director since April 2018.

DR. STEFAN LUSTIG

Group Supply Chain Director

Dr. Stefan Lustig graduated as a master in Brewing and Beverage Technology from Technical University of Munich Weihenstephan in 1988 earned his PhD in Brewing and Beverage Technology at the same institution in 1994. He started his career as Project Manager in Beck's Brewery in 1989. Between 1992 and 1995 he acted as Head of Gas Chromatography in the Chair of Brewing and Beverage Technology in Technical University of Munich. He returned to Beck's Brewery as Development & Technology Manager between 1995 and 1999 and was nominated as Head of Quality (1999-2002). In 2002, he continued in InBev Deutschland Holding as Brewing and Packaging Manager (2002-2006) and Plant Manager (2006-2008) in Bremen brewery. Between 2008 and 2010, he had served as Brewery Operations Director in InBev Deutschland Holding and served as a Member of Board. In 2010, Dr. Lustig joined Brau Holding International/Paulaner Brewery Group as Chief Operating Officer and Managing Director for Supply Chain. Dr. Lustig has been serving as Anadolu Efes Group Supply Chain Director since July 2019.

DANIEL BARBULESCU

Market Development Director

Daniel Barbulescu graduated from Babeş-Bolyai University in Food Products Economics in 2000 and earned his Master of Science degree from same university in Agri-Business. Having started his professional career in 2004 as a Brand Manager at Unilever South Central Europe (USCE), Mr. Barbulescu worked at Unilever Poland as Central Eastern Europe Brand Development Manager and as European Brand Development Manager between 2005 and 2008. Having served as Category Manager and Marketing Manager at USCE since 2007, Mr. Barbulescu joined our group as Marketing Director at Efes Moldova in May 2013. After serving as International Marketing and Sales Director at Anadolu Efes Market Development Directorate between January 2016 and April 2017. Mr. Barbulescu was appointed as Acting Market Development Director at Anadolu Efes Market Development Directorate in May 2017 and Market Development Director in October 2017.

SENIOR MANAGEMENT - BEER GROUP

YILDIRAY EFİL

Group Legal Affairs Director

Having graduated from Istanbul University Faculty of Law, Yıldırım Efil worked as Lawyer at Türkiye İş Bankası A.Ş. Headquarters Legal Consultancy Department between 2001 and 2005. Mr. Efil completed Kadir Has University Sports Law Program in 2006 and earned his master's degree (LL.M.) in Sports Law from the same university in 2011. Mr. Efil joined Anadolu Endüstri Holding A.Ş. in 2005 as Legal Advisor-Lawyer and until 2013 he served as Legal Affairs Manager and Assistant Legal Affairs Coordinator respectively. Mr. Efil has been serving as Anadolu Efes Group Legal Affairs Director since April 2013. Besides, Mr. Efil has been assigned as Anadolu Efes Group Ethics Officer as of May 2015. Mr. Efil is a Member of Istanbul Bar Association.

MURAT ÖZKAN

Group Information and Digital Solutions Director

Murat Özkan earned his bachelor's degree from Bilkent University in Computer Science and Information Engineering in 1993. He started his career as Systems Analyst at Arçelik between 1993 and 1996. Between 1997 and 2014, he worked in various positions in Philips Morris Sabancı in that order, SAP Analyst, SAP Technical Development Team Leader, Financial Systems Team Leader, Operations Systems Team Leader, Technical Infrastructure Manager, SAP Program Manager, Philip Morris Turkey Program One (SAP Roll-out) Program Manager, Information Services Manager (Marketing & Sales Systems), Information Services Manager, IS Manager Regional Infrastructure Delivery in various subsidiaries. After serving as CIO at Ülker and Vice President at Pladis between 2014 and 2019, Mr. Özkan joined Efes Beverage Group in April 2019 and serves as Group Information and Digital Solutions Director.

DMITRY SHPAKOV

AB InBev Efes CEO

Dmitry Shpakov graduated from National Technical University in Ukraine in 1996 after which he earned his MBA degree from INSEAD Business School in International Management. Also he graduated from InterRegional Academy of Personnel Management with a degree in Economics in 2007 and International Management Institute (Kiev, Ukraine) in 2008. Started his career at AB InBev as Sales Representative in Kiev in 1998, he was appointed as Key Account Manager in 2001 and afterwards as Distribution Manager in 2002, and became the Regional Sales Manager in 2002. In 2007, Mr. Shpakov was appointed as the National Sales Director in AB InBev Ukraine where AB InBev became #1 due to his work. After having served as the CEO of AB InBev Ukraine in 2014 and the CEO of BU East (Russia and Ukraine) in 2015, Mr. Shpakov was appointed as the CEO of AB InBev Efes in March 2018.

TUĞRUL AĞIRBAŞ*

Efes Turkey Managing Director

Tuğrul Ağırbaş graduated from Istanbul University in Business Administration and joined Efes Beverage Group in 1990. Between 1990 and 2001, Mr. Ağırbaş worked as Project Development Specialist, Marketing Specialist, Istanbul Region Sales Supervisor, New Product Development Supervisor, Group Product Manager, Sales Manager of Marmara Region and Marketing Manager of Miller. Mr. Ağırbaş was appointed as the Marketing Director of Efes Russia in 2001 and Managing Director of Efes Russia in June 2005. He assumed the post of Efes Turkey Managing Director on 1 January 2010. Mr. Ağırbaş was reappointed as Managing Director of Efes Russia in November 2011. Between 2014 and 2017, Mr. Ağırbaş served as Anadolu Efes Eastern Europe and the CIS Group Managing Director, Head of Corporate Functions and Sales Organization Transformation Lead, respectively. Mr. Ağırbaş was appointed as Anadolu Efes Turkey Managing Director in August 2017.

*Tuğrul Ağırbaş has decided to leave his position as of 31 December 2021. Onur Altürk, who has been working as Sales Director of Turkey Operations since 2018, has been appointed as Efes Turkey Managing Director as of 1 January 2022.

ÖMER ÖĞÜN

CAR Managing Director

Ömer Öğün graduated from Yıldız Technical University in Geophysical Engineering. Mr. Öğün started his professional career at Anadolu Group as Service Representative at Çelik Motor in 1992, where he later worked as a Sales Service Supervisor. He served as Planning and Logistics Manager at Coca-Cola Russia (Rostov) Operations from 1998 to 1999 and Operations Manager at Efes Russia Rostov Brewery from 2000 to 2006. Mr. Öğün was appointed as Operations Director of Efes Russia in 2006. In November 2007, Mr. Öğün has been appointed to the role of Task Force Director for Uzbekistan country market at Anadolu Efes Beer Group. Later he served as Efes Kazakhstan General Manager between May 2008 and March 2012, until he was appointed as Efes Ukraine Managing Director in March 2012. Mr. Öğün was appointed as Efes Kazakhstan Managing Director in June 2015, together with Efes Ukraine Managing Director role. Mr. Öğün was appointed as Central Asian Republics (CAR) Managing Director in August 2018.

ALPHAN AKPEÇE

Efes Moldova Managing Director

Alphan Akpeçe graduated from Marmara University Faculty of Communication, Public Relations and Advertising in 2003. He started his career in 2005 in Anadolu Efes Turkey Marketing Directorate. Between 2005 - 2014, after serving as Marketing Representative, Product Supervisor (Efes Dark & Efes Xtra), Product Supervisor (Efes Pilsen), Communications Supervisor, he was appointed as Efes Pilsen Marketing Manager. After working as Channel Development Manager in Anadolu Efes Turkey Marketing Directorate between 2014 - 2015, he moved to Anadolu Efes Turkey Sales Directorate. Between 2015-2018 he served as In-store Marketing and Key Customer Development Manager and Trade Marketing Manager, then he served as Efes Georgia Commercial Director between May 2018 - June 2021. Mr. Akpeçe has been appointed as Efes Moldova Managing Director effective from 1 July 2021.

ERTAN KURT

Efes Georgia Managing Director

Ertan Kurt graduated from Istanbul University in Economics in 1994 and completed his MBA courses in Istanbul University in 1997. He started his professional career in 1994 at Procter & Gamble Turkey in Sales Department; where he served in various positions until 2000. Between 2001 and 2005; he worked at Reckitt Benckiser Turkey as Trade Marketing Manager, Central Region Manager, Senior Trade and Shopper Marketing Manager, respectively. Between 2005 and 2009 he worked as Country Manager at Reckitt Benckiser Slovenia and then served as Global Trade and Shopper Marketing Director at Reckitt Benckiser Global HQ UK until 2012. Having worked as Sales Director in Nestlé Waters Turkey between 2012 and 2016, he worked as International Markets Director at Brisa Bridgestone Sabancı between 2016 and 2017. He worked as Vice President of Sales and Marketing at Şişecam between 2018 and 2020. Mr. Kurt joined our Group in February 2020 and serves as Efes Georgia Managing Director.

SENIOR MANAGEMENT - SOFT DRINKS



BURAK BAŞARIR
Coca-Cola İçecek CEO



ANDRIY AVRAMENKO
Chief Financial Officer



EBRU ÖZGEN
Group Human Resources Director



KEREM KERİMOĞLU
Group Supply Chain Director



AV. R. ERTUĞRUL ONUR
General Counsel



SERVET YILDIRIM
Corporate Affairs Director



LEYLA DELİÇ
Chief Information and Digital Officer (CIDO)



AHMET ÖZTÜRK
Internal Audit Director



TUGAY KESKİN
Chief Operating Officer

SENIOR MANAGEMENT - SOFT DRINKS

BURAK BAŞARIR

Coca-Cola İçecek CEO

Burak Başarır, holds a BA in business administration and a minor in computer sciences from American River College. He studied management at California State University of Sacramento and received a BSc degree in business administration from Middle East Technical University in 1995. Mr. Başarır, joined Coca-Cola İçecek (CCI) in 1998 and assumed increasing managerial responsibilities in finance and commercial functions. He was assigned as CFO in 2005 and has played an integral role during CCI's IPO process and effectively managed the financial integration of Efes Invest with CCI. Mr. Başarır led the largest operation of CCI in terms of volume and sales as the Turkey Region President between 2010 and 2013. Mr. Başarır was appointed as CEO in January 2014. Mr. Başarır is a member of the Turkish Industry and Business Association (TÜSİAD) and Turkey-US Business Council (TAİK).

ANDRIY AVRAMENKO

Chief Financial Officer

Andriy Avramenko was appointed as CFO for Coca-Cola İçecek A.Ş. as of 1 January 2019. Mr. Avramenko has 26 years of experience, including 21 years of Coca-Cola tenure, after starting his career in Arthur Andersen's Kiev office in 1994. In 1999, he joined TCCC as an Internal Auditor and moved to the Mergers & Acquisitions team in 2003. Mr. Avramenko served as Supply Chain Development Director of the Global Juice business between 2008 and 2011. He then served in the India & South West Asia Business Unit as Vice President and General Manager of the Juice Business until 2013, and Vice President of Strategy and General Manager of the Still Beverages Business until 2015. Between March 2015 and May 2018, he served as Group Director responsible for Mergers & Acquisitions for the Eurasia & Africa region. Before joining CCI, Mr. Avramenko was serving as Group Director of Corporate Development for the Europe, Middle East and Africa Group and was a Board Member of Coca-Cola Beverages Africa.

EBRU ÖZGEN

Group Human Resources Director

Ebru Özgen was appointed as the Group Human Resources Director for Coca-Cola İçecek A.Ş. as of 1 January 2017. She joined CCI as Budget and Planning Supervisor in 1997, worked as Finance Manager between 1998-2000 and East Region Finance Manager between 2000-2005. Ms. Özgen was appointed as Turkey Budget Planning and Commercial Finance Manager in 2010 with increased management responsibilities. In 2013, she was promoted to become Turkey Finance Director, and as a member of CCI Turkey Leadership Team she was responsible for the coordination of finance operations that support strategic business targets. Ms. Özgen started her career in 1992 in Arthur Andersen. She has a bachelor's degree in Business Administration from the Middle East Technical University and an MBA in International Banking and Finance from the University of Birmingham. In 2009, she earned a master's degree on Law and Economics from Bilkent University. Ms. Özgen is a certified CPA and also has independent auditor and CIM certificates.

KEREM KERİMOĞLU

Group Supply Chain Director

Kerem Kerimoglu, a graduate of Middle East Technical University with a major in Mechanical Engineering, worked for Denizli Cam as R&D engineer before joining CCI. Since joining CCI in 1993, Mr. Kerimoğlu held various positions, including Maintenance Supervisor, Production Manager and Operation Manager roles in Ankara Plant, and served as the Operation Manager both for Ankara and Bursa plants between 2003 and 2006. After serving as Turkey Supply Chain Director between 2006 and 2015, Mr. Kerimoğlu worked as CCI Turkmenistan General Manager between 2015-2017 and CCI Iraq General Manager between 2017 and 2019. Mr. Kerimoğlu assumed the role of CCI Supply Chain Development Director in 2020 and has been working as Group Supply Chain Director since 1 September 2020.

ATTY. R. ERTUĞRUL ONUR

General Counsel

Atty. R. Ertuğrul Onur has been serving as the General Counsel of CCI since 2007 and he established the CCI Compliance & Ethics Program in 2013. Beside serving as General Counsel in CCI, he also served as CCI Ethics and Compliance Officer between 2013 and 2016. Currently, in addition to his General Counsel role he also acts as the Head of CCI Ethics and Compliance Committee. Before CCI, Mr. Onur established and managed Pfizer Turkey legal department. Working as Assistant General Manager and Legal Director at Pfizer Turkey, Mr. Onur also carried out compliance programs. Having 32 years of experience, Mr. Onur served as Legal Counsel for Mobil Oil Türk A.Ş. and BP Petrolleri A.Ş. between 1995 and 2000. He also worked as BP Turkey Employee Representative, BP Europe Employee Council Member and BP Europe Employee Council Link Committee Member. Mr. Onur graduated from Istanbul University Law Faculty in 1988. Following the completion of his internship at the Konya Bar Association, he worked as a research assistant in the same university. Mr. Onur is a member of the Istanbul Bar Association. He also served as a Member of the Board of Directors, Vice-President and Chairman at the Ethics and Reputation Association.

SERVET YILDIRIM

Corporate Affairs Director

Servet Yıldırım has joined CCI as Group Corporate Affairs Director as of September 2018. He started his career as an economist at İşbank and worked in the Economic Research Department and Treasury departments. In December 1989, Mr. Yıldırım joined Reuters News Agency as a correspondent. During his tenure, he also assumed managerial roles and managed the Turkish News Service. Moving to Turkey's most influential finance/business channel CNBC-e in 2004, Mr. Yıldırım assumed News Director and Editor-in-Chief roles at the channel. In 2011, Mr. Yıldırım was also appointed as Economics Group President of Doğu Media Group. At the same time, he continued to anchor various financial shows aired on CNBC-e. Mr. Yıldırım has also been a columnist for newspaper like Yeni Binyıl, Sabah, Referans, Radikal, Milliyet and Dünya since 1998. Before joining CCI, Mr. Yıldırım was a commentator on Turkey's leading news channel NTV. He has a bachelor's degree in management from the Middle East Technical University.

LEYLA DELİÇ*

Chief Information and Digital Officer (CIDO)

Leyla Deliç was appointed as Coca-Cola İçecek Chief Information & Digital Officer on 2 July 2018. Ms. Deliç is responsible for defining and executing digital strategy to improve current business operations, implement digital products, services and new business models. In her previous role, she was Global CIO, responsible for defining and driving digital strategy for Enabling Functions in GE Healthcare. Ms. Deliç was the CIO and Lean Leader for Eastern and African Growth Markets (EAGM), GE Healthcare, a large and diverse set of growth markets, comprising over 80 countries. Ms. Deliç joined GE in 1998 in Tradanet jv GE Information Services. She then worked for Tradelink Technologies Inc. and continued her career as CIO in Aras Holding until she joined GE Healthcare in 2010. Ms. Deliç is an active board member in YenidenBiz, actively engages and leads initiatives which support growth of women. She holds a B.S. degree in Electrical Engineering and a M.S. degree in Computer Engineering from the University of Louisiana at Lafayette, USA.

* Leyla Deliç resigned from her position as of 31 January 2022 and Asli Kamiloğlu was appointed as the Chief Information and Digital Officer of Coca-Cola İçecek.

AHMET ÖZTÜRK

Internal Audit Director

Ahmet Öztürk was appointed as Coca-Cola İçecek Internal Audit Director as of 1 January 2018. He joined Anadolu Group in August 1995, having graduated from Bilkent University, with a major in Economics. He started his career as an Assistant Financial Control Specialist and continued to work in different roles and responsibilities in group companies, serving as CFO of Coca-Cola Turkmenistan, Coca-Cola Azerbaijan, Efes Ukraine and Efes Serbia between 1999 and 2007 respectively. Mr. Öztürk was appointed as the Internal Auditor of Efes Beer Group International operations in July 2007 and promoted to become the Internal Audit Director of Anadolu Efes in January 2011.

TUGAY KESKIN

Chief Operating Officer

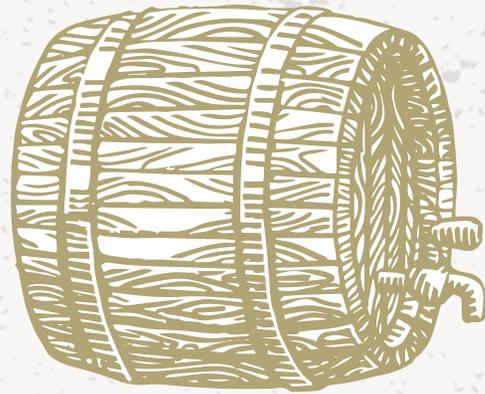
Tugay Keskin was appointed as CCI Chief Operating Officer as of 1 April 2020. Mr. Keskin joined CCI in 1993 and served in different positions in Turkey sales function until his appointment as Turkey Sales Director in 2007. He assumed Turkey Sales Director role between 2007-2011, Turkey Commercial Director role between 2011-2014 and CCI Commercial Excellence Director role between 2014 and 2016. Before becoming CCI Turkey and Middle East General Manager in 2019, he worked as CCI Turkey General Manager between 2017 and 2018. Mr. Keskin is a graduate of Ankara University Faculty of Political Science.

WE REACH GLOBAL CONSUMERS



GLOBAL

WE CARRY OUR GLOBAL COMPANY IDENTITY TO THE FUTURE WITH OUR BRANDS WHICH ARE SERVED TO HUNDRED MILLIONS OF CONSUMERS AROUND THE WORLD WITH DIFFERENT CULTURE AND PROFILE.



FINANCIAL REVIEW AND EXPECTATIONS

BASIS OF THE PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The company's consolidated financial statements have been drawn up in accordance with the provisions of the Capital Markets Board of Turkey (Sermaye Piyasası Kurulu - "SPK") Communiqué Serial: II-14.1 on Principles of Financial Reporting in the Capital Market published in the Official Gazette issue 28676 dated 13 June 2013, and has been based on the Turkish Accounting Standards ("TMS") enforced by the Public Oversight, Accounting and Auditing Standards Authority (Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu - "KGK") in accordance with Article 5 of the Communiqué. TMSs consist of Turkish Accounting Standards, Turkish Financial Reporting Standards (TFRS) and supplements and comments in relation thereto. In addition to Anadolu Efes' independently-audited and TFRS compliant financial statements for 2021 and 2020 that have been prepared in accordance with the SPK legislation, we are also presenting the summaries of the results of our Turkish beer operations, our international beer operations, and our consolidated Coca-Cola operations, which together make up our consolidated financials, as additional information for the benefit of domestic and international individual and institutional investors.

The consolidated financial statements comprise the financial statements of the company (Anadolu Efes) and of its subsidiaries and joint ventures drawn up as at the same date. The purchase method of accounting is used for acquired businesses. Subsidiaries, joint ventures, and investments in associates acquired or disposed of during the year are included in the

consolidated financial statements as of the date of acquisition or until the date of disposal, as appropriate.

A "subsidiary" is a company that is subject to Anadolu Efes' control. "Control" in this context means that Anadolu Efes is exposed to various consequences arising in such companies, that it is entitled to receive some of their earnings, and that it has the power to influence their management. Among Anadolu Efes' subsidiaries are EFPA (sales and distribution of beer products in Turkey), Efes Breweries International (EBI - International Beer Operations), CCI (domestic and international Coca-Cola operations), Cypex and Efes Deutschland.

A "joint venture" is a company in which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Anadolu Efes and one or more enterprising partners. Under the change introduced by TFRS 11, joint ventures were accounted for using the equity method starting from 1 January 2013.

STATEMENT OF GENERAL INFORMATION CONCERNING THE CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDING 31 DECEMBER 2021

In addition to our consolidated financial statements dated 31 December 2021 that have been drawn up in accordance with the accounting principles published by the Capital Markets Board ("SPK") and for the purpose of informing domestic and foreign investors, individuals, and organizations, we are providing the summarized consolidated operational results of the beer operations, and the soft drinks operations which constitute

our consolidated financial statements. Figures showing Anadolu Efes', and beer operations' consolidated operating profit before non-recurring items ("BNRI") are also separately reported.

4Q2021 HIGHLIGHTS¹

- **Consolidated sales volume** increased by 13.2% to 23.9 mhl; 6.6% growth on organic basis
- **Consolidated net sales revenue** up 70.8% to TRL 10,962.4 million; 63.3% growth on organic basis
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 55.1% to TRL 1,883.2 million

FY2021 HIGHLIGHTS¹

- **Consolidated sales volume** increased by 12.2% to 116.1 mhl; 10.9% growth on organic basis
- **Consolidated net sales revenue** up 46.9% to TRL 39,296.0 million; 45.2% growth on organic basis
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 37.8% to TRL 7,023.9 million
- **Consolidated Free Cash Flow** was TRL 4,262.9 million in FY2021 vs. TRL 3,012.2 million in FY2020

¹Throughout the release organic refers to figures excluding the impact of Uzbekistan in 4Q2021 and FY2021

MR. CAN ÇAKA, BEER GROUP PRESIDENT & ANADOLU EFES CEO COMMENTS

As we navigated a year of headwinds, I am pleased to report very strong results once again where we have been able to surpass our targets in almost all metrics. We started the year with strict mobility restrictions followed by curfews, lock-downs and on-trade sales bans for a few consecutive months. In the second half, while COVID-19 related restrictions eased, the commodity and raw material prices escalated sharply. Together with macro-economic developments, rising inflation and currency fluctuations necessitated revisiting our plans for the rest of the year. Yet, we managed to deliver robust topline growth, healthy margins and highest-ever free cash flow in such a challenging year. I am also very happy to share that our Board of Directors proposed TRL 1.1 billion dividends for 2021.

In beer group, we had a consistent solid volume performance in international operations throughout the year. In soft drinks, both the domestic and international operations were resilient and recorded double-digit volume growths.

In Russia, despite the challenges during the year, the beer market grew low-single digit in FY2021; where our growth was at mid-to-high single digits. I am very happy to deliver the fourth consecutive year of growth in Russia, among other drivers; was driven by successful performances achieved in premium segment as well as in non-alcohol and flavored categories. These categories both demonstrated double-digit growth rates where the growth was assisted by new product launches as well. It was a quite tough year for Ukraine beer market. Our volumes were positively impacted by growth in Beyond Beer categories, namely kvass & cider. Both of them have showed significant industry growth of high-single digit to low-double digit, where we have been able to gain significant share within the cider category. CIS operations had great performance during the year, printing double-digit topline growth, benefitting from strong volume generation and strong pricing. We also managed to deliver our target of doubling our export business within three years and we are now more excited about setting new targets.

In Turkey, where we have been impacted by the restrictions the most, volumes grew by more than 5% in 2021. We maintained our marketing efforts related to Efes +1 relaunch during the year but also focused on the development of our portfolio. While Bud has almost doubled its market share versus last year, our upper mainstream portfolio has reached highest volume. Considering the good performances achieved by our newly launched brand Efes Glutensiz, we will continue our innovations in 2022 as well in line with our dedication to have the innovative leadership in the market.

We are aware that the operating environment will be no easy in 2022. We have made a good start to the year however the price increases taken across the board will undoubtedly affect our operating markets' volumes in the rest of the year. Besides, the inflationary environment may also impact consumer's purchasing power. Yet, we have identified our priorities and set our clear strategies and roadmaps to overcome these challenges. I am confident to deliver our targets this year as well with strong per liter performance, tight expense management and effective utilization of risk-mitigating tools.

FINANCIAL REVIEW AND EXPECTATIONS

OPERATIONAL PERFORMANCE – ANADOLU EFES CONSOLIDATED

AEFES Consolidated (TRL mn)	4Q2020 Restated**	4Q2021	% change	2020	2021	% change
Volume (mhl)	21.1	23.9	13.2%	103.5	116.1	12.2%
Volume (mhl) (organic)***	21.1	22.5	6.6%	103.5	114.7	10.9%
Net Sales	6,419.0	10,962.4	70.8%	26,742.7	39,296.0	46.9%
Net Sales (organic)***	6,419.0	10,484.6	63.3%	26,742.7	38,818.2	45.2%
Gross Profit	2,418.1	3,914.5	61.9%	9,943.4	14,153.9	42.3%
EBIT (BNRI)	602.7	1,017.2	68.8%	2,721.9	4,392.9	61.4%
EBITDA (BNRI)	1,213.9	1,883.2	55.1%	5,098.4	7,023.9	37.8%
Net Income/(Loss)*	125.9	-198.4	n.m.	814.8	1,068.3	31.1%
FCF	116.6	14.7	-87.4%	3,012.2	4,262.9	41.5%
			Change (bps)			Change (bps)
Gross Profit Margin	37.7%	35.7%	-196	37.2%	36.0%	-116
EBIT (BNRI) Margin	9.4%	9.3%	-11	10.2%	11.2%	100
EBITDA (BNRI) Margin	18.9%	17.2%	-173	19.1%	17.9%	-119
Net Income Margin*	2.0%	-1.8%	-377	3.0%	2.7%	-33

* Net income attributable to shareholders

** Soft drinks operations' 4Q2020 financials have been restated to reflect the impact of spare parts accounting change.

*** Organic refers to excluding the impact of Uzbekistan in 4Q2021

Anadolu Efes' consolidated sales volumes showed a solid growth and increased by 13.2% year-on-year on a reported basis; reaching 23.9 mhl in 4Q2021; while both business lines contributed positively to this growth. Excluding the impact of Uzbekistan from our soft drinks operation's volumes in 4Q2021, the year-on-year growth was 6.6%. As a result, Anadolu Efes consolidated volume reached 116.1 mhl in FY2021; growing by 12.2% on a reported basis. Excluding the impact of Uzbekistan from our soft drinks operation's volumes in FY2021, the year-on-year growth was 10.9%.

Consolidated net sales revenue was up by 70.8% year-on-year reaching TRL 10,962.4 million in 4Q2021. The increase in FX-neutral basis was 34.5%; significantly ahead of volume growth as a result of price increases taken in the period as well as the favorable product and channel mix. In FY2021, net sales revenue reached TRL 39,296.0 million 46.9% higher year-on-year. Excluding the impact of FX translation, the growth was 28.3%; which is above our revenue guidance.

Consolidated EBITDA (BNRI) grew by 55.1% year-on-year to TRL 1,883.2 million in 4Q2021; with 173 bps dilution in margin. The year-on-year increase in OpEx was relatively limited in 4Q2021 mainly due to savings in marketing expenses, in order to limit the pressure coming from gross profitability. There were also some changes in CCI regarding the accounting of operational expenses. In FY2021, EBITDA (BNRI) reached TRL 7,023.9 million with a margin of 17.9%; slightly below last year.

Anadolu Efes' consolidated net loss was TRL 198.4 million in 4Q2021 compared to net income of TRL 125.9 million in 4Q2020. Losses from Anadolu Etap together with increased tax expenses led to a negative bottomline in 4Q2021; although there was a positive swing in net financial income, which was supported by the net FX gain in CCI. However, **consolidated net profit** significantly increased by 31.1% to TRL 1,068.3 million in FY2021.

The strong cash generation throughout the year continued in this quarter as well; yielding another record year in terms of **Free Cash Flow** generation. Higher operational profitability, sustained tight working capital management together with limited increase in capex margin led to a very strong free cash flow of TRL 4,262.9 million in FY2021; cycling an already very high level a year ago. As a result, **Consolidated Net Debt to EBITDA (BNRI)** was 1.5x in FY2021 yet higher compared to previous quarter mainly due to acquisition of Uzbekistan's remaining shares as well as the sharp devaluation of TRL; which coincided at the year-end. Excluding the impact of FX translation; Net Debt (USD) / EBITDA (USD) was 1.0x.

OPERATIONAL PERFORMANCE - BEER GROUP

Beer Group (TRL mn)	4Q2020	4Q2021	% change	FY2020	FY2021	% change
Volume (mhl)	8.2	8.7	6.0%	36.2	37.9	4.7%
Net Sales	3,235.0	5,398.2	66.9%	12,352.0	17,367.7	40.6%
Gross Profit	1,291.8	1,979.7	53.2%	4,877.6	6,435.0	31.9%
EBIT (BNRI)	355.8	500.5	40.7%	589.8	971.1	64.6%
EBITDA (BNRI)	697.1	974.9	39.8%	1,961.3	2,356.8	20.2%
Net Income/(Loss)*	169.3	-322.8	n.m.	319.7	279.7	-12.5%
FCF	106.4	239.7	125.3%	793.4	1,758.8	121.7%
			Change (bps)			Change (bps)
Gross Profit Margin	39.9%	36.7%	-326	39.5%	37.1%	-244
EBIT Margin	11.0%	9.3%	-173	4.8%	5.6%	82
EBITDA Margin	21.5%	18.1%	-349	15.9%	13.6%	-231
Net Income Margin*	5.2%	-6.0%	-1,121	2.6%	1.6%	-98

*Net income attributable to shareholders

Beer Group sales volume grew by 6.0% in 4Q2021 taking up FY2021 volumes to 37.9 mhl with year-on-year increase of 4.7%.

International Beer Operation's consolidated sales volume had another successful performance in 4Q and reached 7.5 mhl with 5.4% year-on-year growth contributed by all operations with the exception of Ukraine. In FY2021, international beer volumes were up by 4.6% to 33.0 mhl. **Russian** beer volumes were up by high-single digits in 4Q2021 despite relatively higher pricing, bringing up FY volume growth to mid-to-high single digits, which yielded the fourth year of growth in a row since the establishment of JV. The robust growth in the portfolio was nourished by the strong performance in global brands, which was mainly led by BUD brand. On top of that, we have become the second largest player in non-alco segment as a result significant outperformance of the non-alco market where the market growth was around 10% in FY2021. The momentum achieved in premium segment as well as slightly more aggressive rate approach

than peers' yielded higher value share gain than that of volume share on a year-on-year basis. **Ukraine** volumes were down this quarter as well; bringing the FY decline to around low-teens digits on a year-on-year basis. The volumes in the quarter were mainly affected by increased promotions by the competition. Global brand performance was the major contributor to the volumes in Ukraine which was also supported by the good momentum achieved in cider segment which addresses our strategy to develop adjacent categories. In CIS countries, the volumes were up by mid-teens on average in the last quarter as well as in FY. In **Kazakhstan**, the market growth was assisted by the growth in GDP in 2021 where the market also benefitted from eased restrictions. In **Moldova**, our volume growth was attributable to the performance achieved in all sales channels where there was an extraordinary year-on-year increase in on-trade. In **Georgia**, the market volumes as well as our volumes have seen strong growth rates fueled by the economic rebound as a result of increased exports and favorable tourism in the country. **Turkey** beer total sales volume was recorded

as 1.2 mhl in 4Q2021, with a very solid year-on-year growth of 10.1%. Pandemic continue to pose significant challenges to our business, but relatively less restrictive environment during 4Q helped year-on-year volume growth where last year's volumes were affected by sales limitations and lockdowns. With the volume growth achieved in the last quarter, Turkey beer total sales volume reached to 4.9 mhl in FY2021, up 5.2% year-on-year, supported by double-digit growth in export volumes to China and MENA countries.

Beer Group sales revenue grew by 66.9% year-on-year to TRL 5,398.2 million in 4Q2021. The FX-neutral increase was also high and realized at 22.4%; the highest quarterly growth achieved during the year. **International beer operation's revenue** reached TRL 4,464.8 million in 4Q2021 with year-on-year increase of 72.0% where the FX-neutral growth was 16.6%. Revenue/hl in local currency basis was higher year-on-year in each international operations in 4Q2021, mainly driven by higher pricing and premiumization. **Turkey beer sales revenue** posted a strong

FINANCIAL REVIEW AND EXPECTATIONS

growth and grew by 46.0% year-on-year to TRL 915.1 million in 4Q2021. Higher prices, better discount management and favorable SKU supported the revenue/hl growth of 32.5%. In line with value generation based focus; there has been significant growth in premium and upper-mainstream segment. Accordingly, beer group sales revenue in FY2021 was recorded as TRL 17,367.7 million with a year-on-year increase of 40.6%; excluding the impact of FX, the increase was 18.4%; outperforming our guidance of low-teens growth.

Beer group gross profit expanded by 53.2% and reached TRL 1,979.7 million in 4Q2021; yielding a margin of 36.7%. In international beer operations, the increases in input costs since the beginning of 2H continued to weigh on the gross profitability however the decline in margin in 4Q2021 was less compared to the 3Q2021; thanks to price increases implemented during the quarter. The raw material and commodity price increases continued to affect Turkey beer's gross margin this quarter as well but with a lesser extent, thanks to solid topline growth delivered in the quarter. Therefore, beer group gross profit in FY2021 was TRL 6,435.0 million; with a margin of 37.1% versus 39.5% in FY2020.

There has been significant savings in OpEX compared to last year; especially in selling and marketing expenses across all beer operations in the last quarter in order to mitigate the pressure on gross profitability. Therefore, the dilution in EBIT (BNRI) margin was less compared to gross margin. **Beer Group EBITDA (BNRI)** was TRL 974.9 million in 4Q2021; up 39.8% year on-year yielding a margin of 18.1%; 349 bps below last year. The difference in EBIT (BNRI) and EBITDA (BNRI) performance was again related to the limited increase in depreciation expenses in Russia versus a year ago. Thus, in FY2021 beer group EBITDA (BNRI) increased by 20.2% to TRL 2,356.8 with a margin of 13.6% compared to 15.9% a year ago.

Beer Group net profitability declined from a net income of TRL 169.3 million in 4Q2020 to a net loss of TRL 322.8 million in 4Q2021. Despite significantly higher operational profitability in the period, the negative swing on the bottomline was mainly coming from higher non-cash FX losses recorded in Anadolu Etap as a result of significant depreciation of TRL against hard currencies at the end of the year. The financial expenses were also higher year-on-year due to higher interest expenses. As a result, net income was TRL 279.7 million in FY2021.

Beer Group Free Cash Flow was reported as TRL 239.7 million in 4Q2021 versus TRL 106.4 million in 4Q2020. Despite year-on-year higher capex spending which was already expected to be realized in the last quarter, Free Cash Flow in 4Q2021 was above its level a year ago supported by better payables performance both in domestic and international operations. Therefore, in FY2021, higher operational profitability together with another year of superior working capital management yielded a free cash flow of TRL 1,758.8 million more than doubling its level a year ago. **Beer Group Net Debt/EBITDA** was 2.5x as of 31 December 2021; due to TRL conversion mismatch between balance sheet and P&L. Excluding the currency conversion impact; Net Debt (USD) /EBITDA (USD) was 1.6x.

OPERATIONAL PERFORMANCE - SOFT DRINK GROUP

BURAK BAŞARIR, CEO OF COCA-COLA İÇECEK COMMENTS

"We are happy to report strong financial results across all key metrics despite elevated volatility, continued impacts from Covid-19, global supply chain constraints, and rising cost inflation.

Once again, we delivered in line with our quality growth algorithm in the last quarter of the year. The solid growth momentum was broad-based among all our markets.

The first half of 2021 was marked with pandemic-related restrictions. The second half can be described as gradual normalization with the accelerated pace of vaccinations, increased mobility, and partial recovery in tourism.

In Turkey, the recovery at the on-premise channel and the successful execution at the at-home channel contributed to 13% volume growth in FY2021. CCI reached the highest ever sales volume in the summer season. Momentum in international operations continued to be strong, with volume growing by 18% yearly on a

reported basis. Our Pakistan operation solidified its leadership in the sparkling category as a growth driver. Value generation focus in Pakistan continued in 2021.

Supply-side bottlenecks and inflationary pressures were visible throughout the year and started making a material impact since the 3rd quarter. Nevertheless, in the fourth quarter, we delivered 18% volume, 75% revenue growth, and 9 bps EBITDA margin expansion. This solid 4th quarter enabled us to achieve a robust ending to another successful year. Our full-year volume growth was 16%, and FX neutral revenue growth was 37%, both beating our guidance, while EBITDA margin slightly decreased. Our net income nearly doubled by growing 84% and reaching TRL 9 per share. Strong profitability combined with tight balance sheet management led to over TRL 2 billion of free cash flow. This performance demonstrates the strength of our diversified geographic and product portfolio, our committed and talented people, effective execution capabilities, supply chain excellence, and agile culture.

2021 has been a good year with new milestones for CCI from a strategic perspective. First,

we acquired Coca-Cola Bottlers Uzbekistan's majority stake through privatization and later on the minority stake from The Coca-Cola Company, reaching 100% ownership. We started integration immediately and achieved significant progress to date. We continue to be awed by the opportunity the Uzbek market possesses. We believe this acquisition further strengthened our alignment with The Coca-Cola Company. Going forward, we will continue to rely on the strong system collaboration as a key bottler and partner in the Coke system.

We expect near-term volatility to remain. But we will continue to deliver solid top-line growth in 2022, leveraging on our excellent product portfolio and strong execution capabilities. In an environment where the challenges related to supply-side bottlenecks along with the raw material price increases persist, we keep our cautiously optimistic stance for the new year. As a result of our uncompromised financial discipline through frugal OPEX and prudent CAPEX spending, we forecast a flattish or limited dilution of up to 100 bps on our EBITDA margin and absolute growth in free cash flow generation."

Coca-Cola İçecek (TRL mn)	4Q2020 Restated**	4Q2021	% change	FY2020	FY2021	% change
Volume (mn u/c)	227	267	17.7%	1,184	1,376	16.2%
Volume (mn u/c) (organic)***	227	242	6.8%	1,184	1,352	14.2%
Net Sales	3,184	5,564	74.8%	14,391	21,930	52.4%
Net Sales (organic)***	3,184	5,087	59.7%	14,391	21,452	49.1%
Gross Profit	1,136	1,933	70.1%	5,072	7,717	52.1%
EBIT	250	520	108.2%	2,143	3,434	60.2%
EBITDA	517	908	75.7%	3,137	4,666	48.8%
Net Income/(Loss)*	-84	231	n.m.	1,233	2,271	84.3%
FCF	49	-345	n.m.	1,967	2,154	9.5%
			Change (bps)			Change (bps)
Gross Profit Margin	35.7%	34.7%	-94	35.2%	35.2%	-5
EBIT Margin	7.8%	9.3%	155	14.9%	15.7%	77
EBITDA Margin	16.2%	16.3%	9	21.8%	21.3%	-52
Net Income Margin*	-2.6%	4.2%	680	8.6%	10.4%	179

* Net income attributable to shareholders

** Soft drinks operations' 4Q2020 financials have been restated to reflect the impact of spare parts accounting change.

*** Organic refers to excluding the impact of Uzbekistan in 4Q2021

For the full text of Coca-Cola İçecek's FY2021 Earnings Release, please click.

FINANCIAL REVIEW AND EXPECTATIONS

FY2022 OUTLOOK

Having completed two consecutive challenging years with very solid results, we are heading to another one. The strong results delivered in 2021 gives us the confidence for the year ahead, yet 2022 will be at least as tough as last year. There are still too many uncertainties related to the course of the pandemic. Also geopolitical risks, high inflationary environment in our operating regions and the increases in raw material purchase prices lead to higher per hl prices which may weigh on consumption across the board. Macro-economic developments and currency volatilities are also going to be crucial for meeting our targets and may lead us to revisit our expectations throughout the year.

Consolidated sales volume is expected to grow by mid-single digit; low-single digit on a proforma basis (100% consolidation of CCBU for FY2021 and FY2022).

Total Beer volume is to decline by mid-single digit. Significant price increases are expected to pressure beer markets especially in Turkey, Russia and Ukraine businesses. CIS operations' volumes are expected to be flattish to slightly higher versus 2021.

Consolidated Soft Drinks sales volume to grow high-single digit to low-teens; mid-single digit on a proforma basis.

Turkey soft drinks: Flattish

International soft drinks: High-teens growth; high-single digit growth on a proforma basis.

Consolidated Net Sales Revenue is expected to grow by low-thirties on FX-Neutral basis; contributed by the price increases in both business lines.

Total Beer revenue is to grow by mid-teens on FX-Neutral basis with high-single digit growth in international beer revenues on FX-Neutral basis and low-fifties percentages growth in Turkey beer revenues.

Total Soft Drinks revenue is expected to grow by low to mid 40s percentage on FX Neutral basis.

Consolidated EBITDA Margin is expected to decline around 100 bps.

Total Beer EBITDA margin is expected to be impacted from high inflationary environment and increased cost pressures, therefore the year-on-year dilution is estimated to be around 100 bps.

Total Soft Drinks EBITDA margin: Flat to 100 bps contraction versus 2021; including Uzbekistan's dilution impact and commodity price pressures.

Capex: As a percentage of sales high single digits on a consolidated basis.

Free Cash Flow generation will continue to be strong yet will be slightly lower than its 2021 level; due to higher capex spending in absolute terms as a result of year-on-year higher FX rates.

REGARDING ANADOLU ETAP

Anadolu Etap is currently Turkey's largest fruit growing and fruit juice processing company. The Company currently generates more than 60% of its revenues through exports to a wide geography ranging from Europe to Middle East & Africa, CIS countries to South East Asia. The Company has been investing in its operations in Turkey where it currently runs 8 farms with a total area of 30,000 decares where 5 million trees are planted.

Anadolu Etap has two lines of business, one is production of fruit concentrate and second is the fresh fruit plantation and sales. The fresh fruit plantation line of the Company required continuous investment in the initial years of operation and the return is generated after trees come to a certain maturity. Anadolu Etap is estimated to have passed the initial investment period and the trees have already reached 90% of maturity.

The company has TRL 1.1 billion revenues as of 31.12.2021 where fruit concentrate business currently makes up close to 90% of EBITDA. Fruit sales have a relatively lower margin which is expected to increase going forward. The company has completed the phase of investment and capex requirement is expected to be limited with maintenance expenses within 1-2 years.

*2022 outlook reflects management expectations and is based upon currently available data. Actual results are subject to future events and uncertainties including but not limited to macro-economic, financial, geopolitical and political risks, which could materially impact the Company's actual performance.

CONSOLIDATED FINANCIAL PERFORMANCE

EBITDA (TRL mn)	FY2020	FY2021
Profit/loss from Operations	2,717.2	4,385.6
Depreciation and amortization	2,073.1	2,399.0
Provision for retirement pay liability	49.0	68.4
Provision for vacation pay liability	9.7	27.9
Foreign exchange gain/loss from operating activities	236.4	125.3
Rediscount interest income/expense from operating activities	0.0	1.2
Other	8.4	9.1
EBITDA	5,093.7	7,016.6

EBITDA (BNRI*)	5,098.4	7,023.9
-----------------------	----------------	----------------

* Non-recurring items amounted to TRL 4.7 million in FY2020 and TRL 7.3 million in FY2021

Financial Income / (Expense) Breakdown (TRL mn)	2020	2021
Interest income	276.9	237.8
Interest expense	-658.4	-1,091.8
Foreign exchange gain /(loss)	-41.8	743.9
Other financial expenses (net)	-64.4	-125.7
Gain/(loss) on derivative transactions	-229.6	-272.0
Net Financial Income /(Expense)	-717.3	-507.7

Free Cash Flow (TRL mn)	FY2020	FY2021
EBITDA	5,093.7	7,016.6
Change in Working Capital	514.9	1,417.5
Income Taxes & Employee Benefits Paid	-559.8	-1,112.5
Payments of Lease Liabilities	-191.5	-196.1
CAPEX, net	-1,388.6	-2,724.8
Net Financial Income /(Expense)	-456.4	-137.8
FCF	3,012.2	4,262.9
Other investing activities (Acquisitions, Disposals, Minority Buy-Out and Share Capital Increases)	-126.4	-3,065.0
FCF (after investing activities)	2,885.8	1,197.9

	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TRL mn)	21,246.3	10,334.0	-10,912.3
Beer Group (TRL mn)	11,884.9	6,118.7	-5,766.1
Turkey Beer (TRL mn)	10,368.1	2,328.6	-8,039.5
EBI (TRL mn)	1,516.5	3,760.3	2,243.8
CCI (TRL mn)	9,391.0	4,216.0	-5,175.0

Net Debt / EBITDA (BNRI)	FY2020	FY2021
Anadolu Efes Consolidated	0.7	1.5
Beer Group	1.1	2.5

FINANCIAL REVIEW AND EXPECTATIONS

ANADOLU EFES

Consolidated Income Statements for the Twelve-Months Period Ended 31.12.2020 and 31.12.2021
Prepared in accordance with TAS/IFRS as per CMB Regulations
(TRL mn)

	2020/12	2021/12
SALES VOLUME (mhl)	103.5	116.1
SALES REVENUE	26,742.7	39,296.0
Cost of Sales (-)	-16,799.3	-25,142.1
GROSS PROFIT FROM OPERATIONS	9,943.4	14,153.9
Selling, Distribution and Marketing Expenses (-)	-5,210.1	-7,284.8
General and Administrative Expenses (-)	-2,057.2	-2,820.9
Other Operating Income /Expense (net)	41.1	337.3
EBIT (BNRI)	2,721.9	4,392.9
Income /Expense from Investing Activities (net)	316.1	467.5
Income / (Loss) from Associates	-249.0	-542.4
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	2,784.3	4,310.6
Financial Income / Expense (net)	-717.3	-507.7
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	2,066.9	3,802.9
Continuing Operations Tax Income/(Expense)		
- Current Period Tax Expense (-) / Income	-610.3	-1,010.6
- Deferred Tax Expense (-) / Income	0.2	-425.0
Income/(loss) after tax for the year from disc. operations	-4.0	0.0
INCOME/(LOSS) FOR THE PERIOD	1,452.9	2,367.3
Attributable to:		
Non-Controlling Interest	638.2	1,299.0
EQUITY HOLDERS OF THE PARENT	814.8	1,068.3
EBITDA (BNRI)*	5,098.4	7,023.9

*Non-recurring items amounted to TRL 4.7 million in FY2020 and TRL 7.3 million in FY2021.

Note: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit from Operations.

ANADOLU EFES

Consolidated Balance Sheets as of 31.12.2020 and 31.12.2021
Prepared in accordance with TAS/IFRS as per CMB Regulations
(TRL mn)

	2020/12	2021/12
Cash & Cash Equivalents	8,525.0	10,260.4
Financial Investments	23.2	73.6
Derivative Instruments	135.1	100.6
Trade Receivables from Third Parties	2,422.2	4,644.7
from Related Parties	322.8	472.4
Other Receivables	162.5	158.3
Inventories	2,708.7	5,903.3
Other Current Assets	1,423.0	3,050.6
TOTAL CURRENT ASSETS	15,722.6	24,663.9
Trade Receivables	1.8	0.0
Financial Investments	0.8	0.8
Property, Plant and Equipment (incl. inv properties)	12,592.1	21,297.1
Right of Use Assets	327.3	431.2
Other Intangible Assets	17,167.7	26,991.1
Goodwill	3,299.3	9,202.0
Deferred Tax Assets	942.3	2,031.7
Derivative Instruments	8.3	0.0
Other Non-Current Assets	499.3	419.5
TOTAL NON-CURRENT ASSETS	34,838.8	60,373.4
TOTAL ASSETS	50,561.4	85,037.2
	2020/12	2021/12
Short-term Borrowings	2,327.7	2,679.0
Short term lease obligations (IFRS 16)	0.2	0.2
Current portion of long term borrowings	544.4	3,701.5
Current portion of term lease obligations (IFRS 16)	112.4	94.2
Derivative Instruments	78.3	444.1
Current Trade Payables to Third Parties	5,627.3	11,911.8
to Related Parties	569.0	790.1
Other Current Payables	2,305.5	3,542.2
Provision for Corporate Tax	128.0	178.8
Provisions	174.5	675.3
Other Liabilities	674.8	504.1
TOTAL CURRENT LIABILITIES	12,542.1	24,521.4
Long-term Borrowings	8,922.2	14,362.1
Long term lease obligations (IFRS 16)	257.9	409.5
Non Current Trade Payables	49.5	2.1
Deferred Tax Liability	3,257.5	4,816.2
Derivative Instruments	213.4	708.7
Other Non Current Liabilities	304.0	884.8
TOTAL NON-CURRENT LIABILITIES	13,004.5	21,183.3
TOTAL EQUITY	25,014.7	39,332.5
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	50,561.4	85,037.2

Note 1: "Financial Investments" in Current Assets includes the time deposits with a original maturity more than three months.

FINANCIAL REVIEW AND EXPECTATIONS

BEER GROUP

Consolidated Income Statements for the Twelve-Months Period Ended 31.12.2020 and 31.12.2021
Prepared in accordance with TAS/TFRS as per CMB Regulations
(TRL mn)

	2020/12	2021/12
Sales Volume (mhl)	36.2	37.9
Sales Revenue	12,352.0	17,367.7
Cost of Sales (-)	-7,474.4	-10,932.7
Gross Profit from Operations	4,877.6	6,435.0
EBIT (BNRI)	589.8	971.1
Operating Profit Before Finance Income/(Expense)	860.0	1,324.1
Profit Before Tax from Continuing Operations	431.7	591.6
Income/(Loss) for the Period	267.4	304.6
Equity Holders of the Parent	319.7	279.7
EBITDA (BNRI)*	1,961.3	2,356.8

*Non-recurring items amounted to TRL 4.7 million in FY2020 and TRL 7.3 million in FY2021.

Note: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations

BEER GROUP

Consolidated Balance Sheets as of 31.12.2020 and 31.12.2021
Prepared in accordance with TAS/IFRS as per CMB Regulations
(TRL mn)

	2020/12	2021/12
Cash & Cash Equivalents	3,864.4	6,118.7
Derivative Instruments	98.9	59.5
Trade Receivables	1,652.9	3,260.4
Other Receivables	129.0	135.4
Inventories	1,667.8	3,402.6
Other Current Assets	593.4	987.8
TOTAL CURRENT ASSETS	8,006.3	13,964.4
Trade Receivables	1.8	0.0
Financial Investments	0.8	0.8
Investments in Associates	597.5	597.5
Property, Plant and Equipment (incl. inv properties)	5,017.2	9,022.4
Right of Use Assets	133.4	178.6
Other Intangible Assets	6,521.8	11,817.2
Goodwill	2,297.1	4,110.5
Deferred Tax Assets	748.9	1,696.1
Other Non-Current Assets	245.2	256.4
TOTAL NON-CURRENT ASSETS	15,563.8	27,679.5
TOTAL ASSETS	23,570.1	41,643.9
Current portion of long term borrowings	285.9	3,220.0
Short-term Borrowings	1,343.2	1,848.8
Current portion of term lease obligations (IFRS 16)	66.2	48.7
Current Trade Payables	4,282.4	8,747.0
Other Current Payables	1,787.3	2,182.2
Provision for Corporate Tax	65.5	62.9
Provisions	95.8	359.1
Other Liabilities	304.1	594.4
TOTAL CURRENT LIABILITIES	8,230.6	17,063.1
Long-term Borrowings	4,240.3	6,602.5
Long term lease obligations (IFRS 16)	97.9	164.8
Deferred Tax Liability	1,257.9	2,269.1
Other Non Current Liabilities	153.4	648.9
TOTAL NON-CURRENT LIABILITIES	5,749.6	9,685.3
TOTAL EQUITY	9,589.9	14,895.5
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	23,570.1	41,643.9

FINANCIAL REVIEW AND EXPECTATIONS

SOFT DRINK OPERATIONS (CCI)

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2020 and 31.12.2021
Prepared in accordance with TAS/IFRS as per CMB Regulations
(TRL mn)

	2020/12	2021/12
SALES VOLUME (UC millions)	1,184	1,376
SALES REVENUE	14,391	21,930
Cost of Sales (-)	-9,319	-14,213
GROSS PROFIT FROM OPERATIONS	5,072	7,717
Selling, Distribution and Marketing Expenses (-)	-2,213	-3,292
General and Administrative Expenses (-)	-663	-933
Other Operating Income /Expense (net)	-52	-58
EBIT	2,143	3,434
Income / Expense from Investing Activities (net)	-85	-83
Income / (Loss) from Associates	-3	-4
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	2,055	3,347
Financial Income / Expenses (net)	-289	225
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	1,766	3,572
-Deferred Tax Income/(Expense)	-50	-384
-Current Period Tax Expense	-398	-768
INCOME/(LOSS) FOR THE PERIOD	1,318	2,421
Income/(loss) after tax for the year from disc. operations	-4	0
Profit/(Loss) Attributable to:		
Non-Controlling Interest	-82	-149
Equity Holders of the Parent	1,233	2,271
EBITDA	3,137	4,666

SOFT DRINK OPERATIONS (CCI)

Consolidated Balance Sheets as of 31.12.2020 and 31.12.2021
Prepared in accordance with TAS/TFRS as per CMB Regulations
(TRL mn)

	2020/12	2021/12
Cash and Cash Equivalents	4,661	4,142
Investments in Securities	23	74
Derivative Financial Instruments	36	41
Trade Receivables	1,092	1,870
Other Receivables	34	23
Inventories	1,041	2,501
Prepaid Expenses	299	1,221
Tax Related Current Assets	249	337
Other Current Assets	282	506
TOTAL CURRENT ASSETS	7,717	10,713
Derivative Financial Instruments	7	0
Other Receivables	47	94
Right of Use Asset	194	253
Property, Plant and Equipment	7,344	12,003
Intangible Assets	2,464	4,256
Goodwill	983	5,073
Prepaid Expenses	208	69
Deferred Tax Asset	183	326
TOTAL NON-CURRENT ASSETS	11,430	22,073
TOTAL ASSETS	19,147	32,786
	2020/12	2021/12
Short-term Borrowings	985	830
Current Portion of Long-term Borrowings	259	481
Financial lease payables	56	56
Trade Payables	1,837	3,957
Payables Related to Employee Benefits	50	77
Other Payables	518	1,333
Derivative Financial Instruments	58	152
Provision for Corporate Tax	62	116
Provision for Employee Benefits	79	172
Other Current Liabilities	418	308
TOTAL CURRENT LIABILITIES	4,323	7,483
Financial lease payables	179	263
Long-term Borrowings	4,682	7,760
Trade and Other Payables	49	2
Provision for Employee Benefits	147	236
Deferred Tax Liability	814	1,364
Derivative Financial Instruments	213	708
Other Non-Current Liabilities	4	-
Equity of the Parent	7,662	13,055
Minority Interest	1,074	1,915
TOTAL NON-CURRENT LIABILITIES	6,088	10,334
TOTAL EQUITY	8,736	14,970
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	19,147	32,786

* Details about the restatement were explained in the footnote 2 of the financial statements.

WE MAINTAIN FINANCIAL



IN OUR DISCIPLINE

WE KEEP OUR FOCUS ON FINANCIAL DISCIPLINE, UTILIZE OUR FAST DECISION MAKING COMPETENCIES AND MANAGE OUR CAPITAL EXPENDITURES AND WORKING CAPITAL PROPERLY. WE ARE ABLE TO CREATE A HIGH LEVEL OF FREE CASH FLOW, AND HAVE A HEALTHY LIQUIDITY POSITION.



SUSTAINABILITY BEER GROUP

The world is facing different trends and challenges such as urbanization, demographic changes, climate crisis and diminishing resources, digitalization etc. COVID-19 accelerated some trends like digitalization and revealed the necessity for us to ensure social equality and change such production and consumption methods that create pressure on the environment more rapidly.

The increase of the number of countries that set a goal for net zero emission following the Green Deal containing the goal and roadmap of the European Union to become climate neutral in 2050 shows that we are entering a new era the fight against climate crisis. In addition to combating the climate crisis, it is necessary to ensure that the growing population has access to food through sustainable agriculture methods which protect ecosystems.

Particularly women and disadvantaged groups are among those most affected by the pandemic. This also highlights the importance of contributing to equal opportunities and socio-economic development and to support local communities.

In today's world shaped by different trends, we believe that the business world must act as the transformative force for a better future. From this viewpoint, we adopt the approach of creating a positive impact with a value-added business model based on global trends and our sustainability priorities. We focus on increasing our positive impact on our environment, employees, society and value chain which are our main impact areas.

We work for producing environmental and social benefits with an impact oriented leadership understanding in the light of the Sustainable Development Goals of the United Nations. We have already left substantial milestones behind in this journey.

By becoming the signatory of the UN Global Compact in 2011, The CEO Water Mandate in 2014 and Women's Empowerment Principles (WEPIs) in 2015, we escalated both our environmental and social commitments into an international platform. We gained the right to represent Turkey in +20 Conference on Sustainable Development in Rio in 2012. We have been in the Sustainability Index of BIST since 2015 and the FTSE4Good Developing Markets Index since 2017, one of the leading sustainability indexes of the world. We have been disclosing our climate performance within the scope of our operations in Turkey through the Climate Program of the Carbon Disclosure Project (CDP) since 2018.

We have been publishing our sustainability approach and performance through the sustainability reports complying with the GRI Standards on a yearly basis since 2010. We are now incorporating a new initiative into the sustainability initiatives that we complied with in our sustainability report for 2021. We aim at drawing up a report in which we respond to the WEF Stakeholder Capitalism Metrics pioneered by the International Business Council in the World Economic Forum of 2020.

The information provided in the Sustainability Section covers the period of 1 January - 31 December 2021, 2021 as well as all (100%) our beer operations in Turkey, AB Inbev Efes (Russia & Ukraine), Kazakhstan, Georgia and Moldova.

SUSTAINABILITY APPROACH OF ANADOLU EFES

As an outcome of our activities in 2021 with a focus on sustainability strategy and management, we are updating our sustainability approach, which we call the Positive Impact Plan. We are shifting to a new approach where our "Value Chain", one of our focuses, is placed in such a manner that it will intersect with other 3 areas that are designated to be "Environment", "Society" and "Employees". Within this scope, we underline the fact that we will extend our goals for 2030 throughout our value chain. We continue to work on a strategy that is integrated with our sustainability governance structure and the fields of activity of the working groups.

Another decision taken by us in 2021 was to renew our materiality analysis, which we last updated in 2017 so that it would cover all our operations. We will publish this analysis contributed by our key external stakeholders, internal stakeholders and top management as well as our updated sustainability strategy in the Sustainability Report for 2021.

OUR 2030 GOALS

GOAL TITLE	<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>
GOALS	<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>
POSITIVE IMPACT AREAS	<p>ENVIRONMENT VALUE CHAIN</p>	<p>SOCIETY VALUE CHAIN</p>	<p>EMPLOYEES VALUE CHAIN SOCIETY</p>
WORKING GROUPS - FIELDS OF ACTIVITIES	<p>Climate Crisis, Water Management, Circular Economy,</p> <p>Sustainable Agriculture Responsible Sourcing, Quality and Food Safety</p>	<p>Social Investments, Responsible Consumption</p>	<p>Talent Management and Development, Engagement, Diversity and Inclusion, Occupational Health and Safety</p>

CONTRIBUTED TO SDGS



SUSTAINABILITY BEER GROUP

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%.

SUSTAINABILITY BEER GROUP



We are working with the aim of extending sustainability to all countries of operation and all our employees.

Value Chain

We are taking actions within the scope of our initiatives in the Global Sustainability Committee with such a perspective that we pay regard to our value chain.

SUSTAINABILITY MANAGEMENT

We are working with the aim of extending sustainability to all countries of operation and all our employees. We updated our governance structure in 2021 with the aim of maximizing the integration of sustainability into our corporate strategy. Accordingly, the Global Sustainability Committee led by our CEO consists of our Country Managers for Turkey, Moldova, Georgia and Kazakhstan, Group Financial Affairs and Investor Relations Director, Group Supply Chain Director, Group Human Resources Director, Group Corporate Communication and Relations Director and AB InBev Efes External Communication Leader.

There are environment, employees, social investments and integrated risk management committees which carry out activities under the supervision of the Global Sustainability Committee. We are taking actions in all our committees with such a perspective that we pay regard to our value chain. These committees conduct their activities through the country leaders and sub-working groups from each country under the leadership of our Group Supply Chain Director, Group Human Resources Director, Group Corporate Communication and Relations Director and Group Risk Management Director who are senior executives in terms of environment, society, community and risk management.

The duties of the Global Sustainability Committee include establishing a strategy, setting goals and policies, monitoring and auditing the performance. The working groups, on the other hand, play a role in transforming our goals into action plans specific to countries within the frame of our sustainability strategy

and activities shaped around our materiality topics. Besides, they take responsibility for the implementation and reporting of these plans, identifying and evaluating the risks and opportunities faced by our company in environmental, social, economic and corporate issues and determining the necessary actions.

The activities and progression of the working groups are monitored through the meetings held on a regular basis by the function leaders of the respective working group and country leaders who are members of the Global Sustainability Committee. All developments are reported to our country General Managers and our CEO through group function leaders in the Global Sustainability Committee, which meets twice a year. We communicate our activities to the Board Members through the Corporate Governance Committee.

Besides, we are working for the inclusion of environment and social governance oriented performance criteria in the performance goals of our top management in a more comprehensive manner. In this way, we intend not only to embrace the sustainability issues more across the company but also make the concepts of success and performance a part of the sustainability strategy.

COMMUNICATION WITH STAKEHOLDERS

We have a two-way, open and transparent communication with our stakeholders who play a part in our success. We map and group our stakeholders in order to effectively manage our relationships with them. We also identify the best method and frequency of communication with each stakeholder group. We believe that sustainability can be achieved with the help of a multi-stakeholder structure; for this reason, we carry out our business activities in consideration of the needs and priorities of our stakeholders and we pay attention to their feedbacks.

In this context, we become a part of different associations and initiatives and we lead by taking an active role in working groups. Besides our memberships and collaborations, Mr. Can Çaka, the CEO of our company, is among the Board Members of the Global Compact and the Sustainable Development Foundation (SKD) and Mr. Çaka also assumes the Presidency of the Circular Economy Working Group of the SKD.

You can read more about the methods of communication with the stakeholders and the associations and institutions in which we are a member in 56th and 57th pages of the 2020 Sustainability Report.

ETHICAL PRINCIPLES

Anadolu Efes' Code of Business Conduct and Ethics forms the basis of our business structure. We expect all our stakeholders particularly the employees, distributors, suppliers and other business partners to comply with the principles in question.

Our employees can report all kinds of ethical violations to the Local Ethics Manager or Group Ethics Manager via telephone or e-mail. You can access detailed information about the structures of the committee here. Alternatively, anonymous notifications are made through the communication channels operated by an independent third party via telephone, e-mail or internet. Violations can be reported by means of calling the telephone line defined for each country of operation, completing the notification form available at www.efesethicsline.com or otherwise sending an e-mail to efes@efesethicsline.com. Any necessary measures are taken by the Company for the prevention of any probable retaliation against the persons who report a violation incident and the investigations are conducted in strict confidence. The Ethics Committee of the Anadolu Group also assumes the responsibility for handling violations and discipline procedures. Any notifications that are made through the ethics lines of AB InBev Efes are also assessed. In 2021, we received totally 77 notifications 58 of which were received in AB InBev Efes. We resolved 62 notifications. Our assessments about pending notifications are still ongoing.

All employees who start working in Anadolu Efes receive the Code of Business Conduct and Ethics training as part of the orientation. Furthermore, we provide the Codes of Business Ethics training to our employees at periodical intervals. These trainings contain anti-ribery and anti-corruption issues as well.

We provided totally 1270 persons*hour Codes of Business Ethics, anti-bribery and anti-corruption training in our Turkey, Kazakhstan, Georgia and Moldova operations in 2021.



Please scan the QR code below to access to Anadolu Efes' Code of Business Conduct and Ethics.



https://www.anadoluefes.com/Upload/Docs/AEFES_CodeOfBizConductEthicsAnnex-1.pdf

Please scan the QR code below to access to Anadolu Efes' Human Resources Policy.



<https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20HumanResourcesPolicy.pdf>

Please scan the QR code below to access to Anadolu Efes' Human Rights Policy.



<https://www.anadoluefes.com/en/sayfa/1/740/human-rights-policy>

*You can access to Anadolu Efes' Code of Business Conduct and Ethics which contain human rights, insider trading, conflicts of interest, anti-bribery and anti-corruption, competition and compliance through this link.

SUSTAINABILITY BEER GROUP



To date, we have developed and registered 17 barley seeds and 7 hops varieties in Turkey.

92%

As a company, we prioritize encouraging local suppliers. The rate of local suppliers in our operations was 92% in 2021.

VALUE CHAIN

As Anadolu Efes with production activities in six countries and a volume of export to over 70 countries, we are working to strengthen all stakeholders in our value chain.

We make efforts to protect the soil and improve the capabilities of our farmers thanks to sustainable agriculture. We are always in collaboration with our suppliers who play an important role in our ecosystem. Besides contributing to their empowerment through the projects we launch together with them, we aim at extending our impact ecosystem. With this approach, we uninterruptedly offer safe and high quality products to our customers and consumers.

- As a company that values local supply, the rate of local suppliers in our operations was 92% in 2021. The rate of payments made to the local suppliers in our total payments, on the other hand, reached 89%.

Sustainable Agriculture and Empowering Farmers

As a company with 2 major raw materials out of 4 are based on agricultural production, we are working with an effort to extend sustainable agriculture practices. Within this scope, we implement practices which not only protect the soil but also secure our raw material supply process. This approach also contributes to minimization of the environmental impact of agriculture.

Thanks to the contracted purchase model, our farmers plan their production activities in accordance with the quantity that we guarantee to purchase. In this way, we ensure the continuity of the supply chain without any interruption. We also secure the incomes of our farmers through the production and purchase guarantee.

- We have been carrying out agricultural R&D and innovation activities since 1982.
- To date, we have developed and registered 17 barley seeds and 7 hops varieties in Turkey. In 2021, about 1,750 producers benefited from the seeds we developed.
- We carried on the SmartBarley project in our AB InBev Efes operation. Within this framework, we allowed our producers to benefit from this program at more than 150 farms located in 13 different regions of Russia.

Responsible Supply

In our value chain, we influence a wide stakeholder ecosystem consisting of over 7,500 suppliers, nearly 340 dealers and distributors. In order to extend the positive impact we create, it is key that our stakeholders, with whom we work, understand and internalize our business principles. We draw a framework for all our suppliers on working conditions with Anadolu Efes through the Supplier Code of Conduct. We expect all our suppliers to comply with these principles.

The satisfaction rate of our dealers and distributors in Turkey reached the highest level of the last five years and was 87.4%.

Product Quality and Safety

Offering the products in the same standard without compromising on quality and food safety is one of our top priorities. In this sense, we ensure quality compliance with our Anadolu Efes Management model, a set of standards above national and international quality requirements. While exporting to more than 70 countries, we implement ISO9001 Quality Management System, ISO22000 Food Safety Management System and HACCP Standards in all our operations around the world.

In line with our continuous improvement vision, we maintained our activities to ensure the highest level of quality in 2021 as well. Our HQ operation and 3 beer factories became entitled to obtain the FSSC 22000 5.1 Food Safety System certificate, one of the internationally accepted certification programs recognized by the Global Food Safety Initiative, in 2021. We are proud to be on the list of FSSC certified organizations as part of our industry-leading approach to food safety.

Responsible Marketing

We market our products which are delivered to millions of consumers across the world with a responsible approach. Besides the communication practices directing consumers to conscious alcohol consumption, we comply with the sales and marketing limitations stipulated by the legal regulations. We expect all our employees and our dealers and distributors, who are our onsite representatives, to follow the Marketing Communications Policy adopted by Anadolu Efes.

OUR EMPLOYEES

Employees are our most important capital helping us achieve our future goals. We currently invest in different skills in all our operations in different countries particularly Turkey and focus on becoming the most preferred company to work in. We manage our operations which have extended to a wide geography with such an approach that respects human rights, pays regard to equal opportunities, esteems differences, is inclusive and focuses on development. Our Human Resources Policy and Human Rights Policy that have been established on the basis of this approach and predicates upon justice, equality and integrity guides us.

We focus on five material topics regarding our employees:

- Acquiring, developing and retaining the talents,
- Strengthening the competencies
- Encouraging the transparent communication culture
- Creating an enjoyable and flexible working environment
- Shaping the whole human resources processes with inclusion that respects and incorporates diversity

Equal Opportunities and Diversity

Today, for a total of 8,513 employees in six different countries, we rely on equality of opportunity, diversity and inclusiveness in the business environment and human resources processes. In the light of our Equality, Diversity and Inclusion Policy, we level the field for all our employees in all human resources practices starting from their recruitment to training, wage, career and financial benefits offered. As a signatory of the United Nations Global Compact and Women's Empowerment Principles (WEPs), we guarantee to provide a working environment that is fair, equitable and respects human rights. Besides having the Equal Opportunities Model Certificate developed with the technical support of the World Bank under the leadership of KACİDER, we became the first company entitled to get the Equality for Women at Work Certificate in Turkey in the fast moving consumer goods industry which is awarded by the Sustainability Academy in collaboration with Intertek. We continue our efforts to validate that we offer equal opportunities to our employees in all countries where we operate within the scope of our 2030 Goals.



We were the first company to obtain the Equality for Women at Work Certificate in the FMCG industry in Turkey.

8,513 Employees in 6 different countries

We support equal opportunity for everyone through our inclusive corporate culture.

SUSTAINABILITY BEER GROUP



With our talent management approach, we focus on creating a highly motivated and committed, educated human resource that works as a team.

23,148 hours of OHS training

In 2021, our employees received 23,148 hours of OHS training with 2.71 hours per employee.

Talent Management

With our talent management approach, we focus on creating a highly motivated and committed, educated human resource that works as a team. In today's world where new generation talents join us and the business manners reshape, we aim at achieving a special career experience for everyone. In this sense, we intend to attract the right people for the right jobs in the first place and reveal their potential through effective training and development opportunities. We focus on the demands of the industry and different needs of our employees. We pay great attention to training at every grade and level for the purpose of preparing them for the future. In this regard, we deepen our culture to raise leaders, establish a common management language and encourage continuous learning.

Employee Engagement

We focus on increasing the loyalty and satisfaction of our employees, who are our most important source of sustaining our success. For this purpose, retaining talents within the structure of Anadolu Efes is one of our most crucial objectives. We prioritize making work environments more dynamic, agile and flexible in all Anadolu Efes operations.

- Our employee engagement was 88% in 2021 with an increase in comparison with the previous year in the surveys conducted in Turkey, Kazakhstan, Moldova, Georgia and AB InBev Efes, where we carry out business activities, with 89% participation.

Occupational Health and Safety

We consider providing a healthy and safe working environment to our employees among our greatest responsibilities. With an aim of zero occupational accident and occupational disease, we develop a strong occupational health and safety culture. OHSAS18001 or ISO45001 Occupational Health and Safety Certificate is available in our 13 factories in total. Within this scope, we commit to identify and effectively manage any occupational health and safety risks and to establish and review the targets and programs for these risks.

- In 2021, our employees received 23,148 hours of OHS training with 2.71 hours per employee.
- We launched a new culture transformation program in Anadolu Efes Turkey for the purpose of developing and raising the awareness of our employees about OHS. Within this scope, we assessed the current situation of our facilities located in Turkey through surveys and focus group discussions. Afterwards, in line with the roadmap we designed, we put workshops, coaching sessions and OHS leader development programs into practice for all our managers.

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 caused by environmental trends particularly the climate crisis for Anadolu Efes and implement practices on issues such as energy and water efficiency, circular economy etc. As Anadolu Efes, we are working with an aim to zero our impact on the environment by 2030. Within this scope, we strive to become a registered zero waste organization in all our operations just like in our malt and beer production facilities in Turkey, generate innovative solutions for plastic pollution and zero the carbon emissions resulting from our operations.
- We benefit from ISO50001 Energy Management System and ISO14001 Environmental Management System certificates for the management of our operations. Our 8 plants out of 28 have the ISO14001 certificate whereas 10 of them have the ISO50001 certificate.
- In 2021, we provided 10,635 employees/hour of environmental training to our employees in Turkey.
- We fully comply with environmental laws and regulations.*

* It has been determined that there are deviations in the odor limit values of our boiling chimneys in the measurements made within the scope of the inspections carried out by the Provincial Directorate of Environment and Urbanization in our Brewery located in Izmir, Turkey in 2020. After the identification of the deviation, necessary maintenance and system improvements were carried out. It has been recorded with the new measurements that the limit exceedances have been eliminated. Based on the non-compliance detected in the first measurement, an administrative fine of TRL 7,360 was notified to our facility in January 2021.

Climate Crisis

We focus on our entire value chain to effectively combat the climate crisis, which poses a risk for the continuity of our production and operations. We strive to minimize our environmental impact on the lifecycle of our products from raw material production to waste disposal as well as our carbon footprint.

- We are planning to become a brewer with net zero emission in all our global operations in 2030 by leveraging many tools such as energy efficiency, renewable electricity supply
- We aim at performing well-planned minimization activities by accurately measuring our greenhouse gas emissions within the scope of combatting the climate crisis. We know that with a calculation based on the right foundations, we can take a more efficient way towards achieving our goals. In this sense, we started our carbon footprint calculation and mapping study in 2021, which involves all of our Scope 1, Scope 2 and Scope 3 emissions in all our operations. Within this framework, with our expanded scope and updated methodology, we recalculated our Scope 1 and Scope 2 emissions for 2020, which was defined as the base year within the scope of our 2030 goal, and also calculated our Scope 1 and Scope 2 emissions for 2021. The next phase of the study, will be the calculation and mapping of Scope 3 emissions. We are planning to make the detailed outcomes of all our studies available in the 2021 Sustainability Report. We believe that this study will guide us in the upcoming period for the achievement of our zero carbon emission goal for our operations in 2030 which was set in 2020. We will be measuring our progress over the years on the basis of this study.
- We implemented 52 projects in 2021 within the scope of our minimization, transition and facilitation investments in the field of struggle with the climate crisis. We achieved 15,202 MWh electricity saving corresponding to annual electricity consumption of about 4 thousand and 17 Million TRL cost saving, resulting from our efficiency and improvement initiatives*.
- As part of our goal to achieve net zero emission in our operations, we continue our efforts to transition to sustainable energy sources. We shifted to the use of renewable energy in our three factories located in Saransk, Volzhsky and Ivanovo in 2021 within the scope of our AB InBev Efes operations. In this way, the share of green energy in total energy consumption in Russia reached 40%. Besides the supply of renewable energy, we are also evaluating the opportunities for renewable energy installation in our operation sites.
- We aim to minimize the impact of agricultural activities on the climate by means of encouraging farmers to prefer sustainable agriculture practices in agricultural raw material production.
- We performed “cradle to grave” lifecycle analyses of our three products with the highest production volume in order to identify the impact of main requirements in our products like packaging on the climate.
- By accelerating our initiatives within the scope of climate risks, we map our existing risks and try to identify transitional or physical climate risks in the medium- and long term. We endeavor to reveal the risks associated with our company and industry under 2 main topics which are namely transitional and physical risks. Updating our risk inventory with the perspective of climate risk and expanding our climate reporting in accordance with the TCFD framework are also among our plans for the upcoming period.



10,635 per employee*hour of Environment Training

We provided 10,635 employees*hour of environment training to our employees in 2021.

*It was calculated in accordance with the data on Environmental Indicators - Energy Consumption per Capita of the Ministry of Environment, Urban Planning and Climate Change of the Republic of Turkey.

SUSTAINABILITY BEER GROUP

To contribute the circular economy, we support reduction, reuse and recycle in all our operations.

Water saving
We achieved 488,909 m³ water saving in the reporting period.

Water Risks and Management

Production processes, especially barley and hop farming, and packaging stand out as the processes in which we use water the most. As Anadolu Efes, we integrate water management into our corporate risk management and after identifying our processes with high water use, we work to improve our performance. As the first Turkish company to sign the CEO Water Mandate in 2014, we prioritize water efficiency practices and make progress by setting goals.

- We launched 17 projects in total for the sake of maximizing our water efficiency. Upon the development of such practices as reverse osmosis and optimization of the existing lines, we achieved 488,909 m³ water saving and 12.9 million TRL financing saving.

Circular Waste and Package Management

As Anadolu Efes, we aim for zero waste resulting from all our activities and to maximize recycling rate. Within this scope, we strive to develop such practices that will contribute to circular economy and support minimization and reuse in all our operations.

Zero Waste

We received the Zero Waste Certificate given to companies that set good examples in waste management by the Ministry of Environment and Urban Planning of the Republic of Turkey for all our facilities in Turkey.

Reduction of Plastic Use

Besides reducing plastic quantity through innovative approaches for the purpose of minimizing the post-consumption impact of packaging, we support the circular economy by maximizing the use of reusable or recyclable materials. Thanks to such practices as reducing package thicknesses and optimizing the pallets for the transportation of the products, we minimize raw material use and energy consumption originating from logistics and achieve financial savings.

- As a member of the Business Plastics Initiative, we develop more environmentally-friendly solutions instead of using plastic in our multi-packaging and service presentation materials, together with universities, suppliers and the entrepreneurial ecosystem. We aim at further reducing the use of plastics in our ecosystem which is already at a low level.
- One of the products we developed within the scope of our initiatives for reducing the consumption of plastics is biodegradable festival cups. Unlike plastic cups, biodegradable cups dissolve completely naturally in less than two years and leave no waste behind.
- For our service and presentation materials, we collaborate with one of the members of our entrepreneurial ecosystem, Biolive, which produces completely natural bioplastic granules made from olive waste. Within the scope of these practices, we have started to use the service and presentation materials, 20% of which consist of olive seeds.
- We have made one of our brands completely plastic-free as part of our efforts to reduce the use of plastic. The plastic crates belonging to the brand are evaluated through upcycling and wastes are prevented from mixing with nature. With the scope of this study, the plastic crates that do not have a function any longer are brought in the daily life and converted into a coffee table, pouf, key chains etc. through upcycling.

SOCIETY

Social Benefit and Contribution to Local Economy

We expand our impact area with multi-stakeholder initiatives involving public and private sector as well as non-governmental organizations in projects that we create value for the society. Within this scope, we support the expansion of sustainable tourism, empowerment of women and local development in our country. By bringing the opportunities provided by R&D and technology together with the farmers, we encourage more efficient agricultural practices where environmental impacts are substantially eliminated. We know that new ideas are crucial for the development of our ecosystem and we lead the transformation of the young entrepreneurs' ideas into an economic value. For years, we have continued our support for culture, art and sports, which have an important role in social development.

As Anadolu Efes, in 2021, we continued to add value to all the communities we interact with with social investments of 17 million TRY.

Future is in Tourism

We, as the partnership of Turkish Ministry of Culture and Tourism, United Nations Development Programme (UNDP) and Anadolu Efes, initiated the "Future is in Tourism" in order to position tourism as an alternative sustainable development means, pave the groundwork for creating local role models through encouraging entrepreneurship, and rally the public sector, private sector, academe and civil society to support tourism.

We provide advice, mentoring and communication support as well as funding to 3 projects every year to make projects feasible and sustainable.

- Within the scope of the "Future is in Tourism" project, we have achieved the following so far:
 - We supported 19 sustainable tourism projects.
 - We reached about 200 thousand people through the projects.
 - We provided employment with about 500 women both directly and indirectly.
 - We collaborated with 600 non-governmental organizations and 23 universities.

Future is in Agriculture

As part of the Future is in Agriculture project, we have been developing barley and hop seeds with R&D studies in the Agricultural Product Development Department since 1982, and we provide training support to farmers to expand the production of these seeds. With the Future is in Agriculture project, we aim at supplying agricultural raw materials from local producers, encouraging precise and sensitive agriculture practices by means of developing such varieties that are resistant to drought and require less water and energy use through R&D and also maximizing efficiency in agriculture.

We implemented the Smart Agriculture project as a pilot scheme in collaboration with WWF-Turkey between the years of 2018-2021. We keep implementing our project in which we target not only to raise the awareness of and train our farmers in terms of sustainable agriculture but also minimize the environmental impact arising from agricultural production. Introducing smart agriculture technologies and sustainable agriculture practices to our farmers in the production of our raw materials, the program makes life easier for farmers and contributes to the minimization of any impacts on the ecological balance. Besides effectively using their agricultural inputs, the farmers enhance their business capacities and efficiencies thanks to technology.



We support sustainable agriculture thanks to the Agricultural Product Development Department, which we founded in 1982.

Future is in Tourism

Through the "Future is in Tourism" project, we aim to ensure that sustainable tourism becomes an alternative development tool in Turkey.

SUSTAINABILITY BEER GROUP



We empower young entrepreneurs.

Big Bang Start Up

To date, we have provided 565 thousand TRL of funding support to 11 entrepreneurs through ITU Çekirdek Big Bang Start Up.

Future is in Entrepreneurship

As Anadolu Efes, we encourage young entrepreneurs in order to support innovative ideas of different stakeholder groups and convert these ideas into an initiative. Conversion of successful initiatives into an economic value contributes to employment and local development. We maintained our support to entrepreneurs through various platforms also in 2021.

- Since 2018, we have been one of the main stakeholders of ITU Çekirdek which is among five largest incubators of the world. To date, we have provided 565 thousand TRL of funding support to 11 entrepreneurs through ITU Çekirdek Big Bang Start Up.
- We launched Social Impact Awards (SIA) in collaboration with Impact Hub Istanbul to support the entrepreneurs below the age of 30 who seek to contribute to our world through social entrepreneurship. We provided online workshops, mentorship and network establishment support to eight initiatives within the scope of the SIA participated by over 100 prospective social entrepreneurs. All finalists met with the global teams in SIA Summit 2020. The selected initiatives received a total of TRL 30,000 of funding support.
- We founded Anadolu Efes Entrepreneurship Workshop for the purpose of extending the entrepreneurship culture across the company and guiding our employees in accomplishing their authentic e ideas. The startups selected in the program, where there are 100s of applications every year, participate in the program that lasts for weeks in order to stay in the top 3 and be commercialized. So far, one of our startups has been commercialized and continues on its way.

Culture-Arts

Cooperation with IKSVM for 34 years: Our cooperation with the Istanbul Foundation for Culture and Arts (IKSV), one of the leading organizations of Turkey, started in 1987. We grant the special Anadolu Efes award in the Turkish Cinema, National Competition & National Short Film categories and the annually held Meetings on the Bridge event. Furthermore, we support the Istanbul Jazz Festival, Istanbul Biennial and Istanbul Design Biennial organized by the IKSVM.

Support Theatre for 29 Years: We supported the staging of more than 1,000 theatre plays in our journey starting with the Evita Musical in 1992. We also supported the digitalization process of DasDas which had to shut down its stage due to the pandemic. The plays of Westend, Joseph K. and The Perfect Treatment to Cure Your Loneliness were carried to the digital environment and met with the audience.

Mavi Sahne Yaz Buluşmaları: We created Mavi Sahne platform in 2018 to support alternative theatres and provide affordable ticket prices to university students. Mavi Sahne hosted thousands of theatre lovers in DasDas during its first 2 seasons, 4,000 of whom were university students. Following the digital projections during the pandemic, the performances also continued outdoors in summer months. We hosted 15 different private theatres in Caddebostan for 2 weeks by standing shoulder to shoulder with the Theatre Cooperative in order for private theatres to get over this challenging period.

We support Istanbul Film Festival, Istanbul Jazz Festival, Istanbul Biennial and Istanbul Design Biennial organized by IKSVM (Istanbul Foundation for Culture and Arts).

Sports

Completing the season of 2020 – 2021 as the champion both in Turkish Airlines EuroLeague and Turkish Basketball League, Anadolu Efes Sports Club maintains its position as the team with the highest number of cups in Turkish basketball. There are 1 EuroLeague Championship, 1 Koraç Cup, 15 Turkish Basketball League Championships, 11 Turkish Cups and 12 President Cups in the museum of Anadolu Efes Sports Club as of 2021-2022 season. Moreover, the team of Anadolu Efes has the highest number of cups in each of the Turkish Basketball League, Turkish Cup and President Cup.



Launching projects also for the sustainable future of our plant, Anadolu Efes Sports Club embraces the Sustainable Development Goals of the United Nations Development Program (UNDP) as well. Anadolu Efes Sports Club drew attention of the whole world of sport to the Sustainable Development Goals accepted by the General Assembly of the United Nations and consisting of 17 articles as a universal call for action to eliminate poverty, protect our planet and ensure that all people live in peace and wealth through its #17 #TakeAction uniform worn during the Panathinaikos OPAP game in 2021.

Being the first Turkish team passing 750 and 500 games barrage respectively in the European cups and Turkish Airlines Euroleague, Anadolu Efes Sports Club brought the first European cup to Turkey by team thanks to the Koraç Cup won in 1996.

Bringing thousands of young people in the Turkish sports through its infrastructure ecosystem since its foundation year of 1976, Anadolu Efes Sports Club attaches importance for the basketball players in the Youth Setup not only to become successful players but also become a role model and carefully monitors their academic lives. As the first team which sent a Turkish player to the NBA, the American Basketball League, Anadolu Efes is the team with the highest number of cups in Youth Setup organizations. By now, Anadolu Efes Sports Club won 1 Basketball Youth League championship, 4 U-21 Team Turkey championships, 20 Youth Team Turkey championships, 17 All-Star Team Turkey championships and 15 Children Team Turkish championships.

Playing the majority of its games in Turkish Airlines EuroLeague in sell-out and making efforts to extend the basketball culture to more people, particularly children, Anadolu Efes Sports Club was selected as “The Best Marketing Team of the Europe” four times (in 2010, 2013, 2017 and 2020) thanks to its marketing and communication projects and became the first and only Turkish Team which received an award in the EuroLeague Devotion Marketing Awards.

Anadolu Efes pays regard to corporate social responsibility projects at least as much as sportive achievements and it was selected as “The Team with the Best Social Responsibility Project of the Europe” two times (in 2019 and 2020) thanks to its project within the scope of One Team, the corporate social responsibility program of the EuroLeague. Anadolu Efes is the first and only Turkish team winning the gold award in One Team Awards of the EuroLeague.

Anadolu Efes Sports Club

drew attention to United Nations' Sustainable Development Goals with its uniform.

#17

#Take Action

SUSTAINABILITY

BEER GROUP

Social Performance Indicators

Employees by Gender	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Number of employees	2,530	6,165	2,559	5,988	2,488	6,025
Total	8,695		8,547		8,513	

Employees by Category	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Blue collar	422	3,103	520	3,126	558	3,075
White collar	2,108	3,062	1,997	2,904	1,930	2,950
Total	8,695		8,547		8,513	

Collective Bargaining Agreement (CBA)	2019	2020	2021
Employees under CBA	4,114	4,100	3,381

New Recruits Based on Gender and Age	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Age 50 and over	2	12	1	21	8	12
Age 30-50	85	263	28	246	138	353
Age 30 and below	95	290	130	258	206	356
Total	1,224		684		1,073	

Quits Based on Gender and Age	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Age 50 and above	18	52	28	77	54	104
Age 30-50	157	432	139	412	235	524
Age 30 and below	59	186	90	176	142	220
Total	904		922		1,279	

Parental Leave	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Employees on parental leave	429	68	97	63	39	54
Employees back from parental leave	317	61	119	60	16	47

Trainings*	2019	2020	2021
Average hours of training per employee	20	13.06	27.78

*OHS trainings are included.

Occupational Health and Safety	2019	2020	2021
Accident frequency rate**	0.71	0.49	0.61
Occupational disease rate***	0	0	0
Number of fatal accidents	0	0	0

** Accident Frequency Rate = Total Number of Injuries x 200,000 / Total Working Hours

*** Occupational Disease Rate = Total Number of Occupational Diseases x 200,000 / Total Working Hours

SUSTAINABILITY

BEER GROUP

Environmental Performance Indicators

Energy Consumption (MWh)	2019	2020	2021
Buildings fuel & electricity	1,312,806	1,398,871	1,267,246
Electricity purchased	337,387	394,693	398,160
Natural gas	974,710	1,003,477	845,899
Generator (diesel)	710	700	23,187
Vehicle fuels*	22,842	20,015	25,721
Diesel	13,764	11,702	10,719
Gasoline	7,465	7,583	15,001
LNG	1,614	730	0
Renewable energy (Biogas)	10,446	23,282	17,354
Total Energy Consumption**	1,346,096	1,442,168	1,310,320

* The energy consumption for vehicle fuels is provided for the operations except for AB InBev Efes.

** Total energy consumption does not include the energy consumption of the vehicle fuels in AB InBev Efes operations.

Greenhouse Gas Emissions (ton CO ₂ e)	2019	2020	2021
Total amount of Scope 1	214,014	266,800 **	262,033
Total amount of Scope 2	142,093	171,356 **	182,079
Total***	356,107	438,156 **	444,112

*The emission in Scope 1 is 87,243 tons CO₂, the emission in scope 2 is 27,742 tons CO₂ and water consumption is 2,772,863 m³ in Turkey.

**The differences in our Scope 1 and Scope 2 emissions in 2020 which were recalculated on the basis of our extended scope and updated methodology arise from the reasons set forth below.

-Differences in emission coefficients: The calculation was made with more specific coefficients obtained from IEA (International Energy Agency) apart from the values used in general reporting. These coefficients depend on calorific values rather than average fuel ignition data.

-A wider source of greenhouse gas: The CO₂ value which emerged during fermentation and all sales offices were included in the calculation.

***The "operational control" carbon emission accounting method was used in the reporting of greenhouse gas emissions under the guidance of GHG Protocol and DEFRA. Within this scope, 100% of carbon emissions were reported within the structure of Anadolu Efes on the grounds that Anadolu Efes held operational control in all our activities (including the operations of AB InBev Efes).

Water Consumptions (m³)	2019	2020	2021
Municipal water	5,941,134	7,682,576	7,272,965
Underground water	7,039,996	7,126,190	6,907,528
Total water consumption	12,981,130	14,808,766	14,539,473*

* 358,980 m³ water consumption is associated with surface water.

Waste Quantity (ton)	2019	2020	2021
Total hazardous wastes	1,064	10,235	146
Total non-hazardous wastes	225,308	809,698	525,676
Regular storage/delivery to landfill	7,103	7,556	6,193

SUSTAINABILITY SOFT DRINK GROUP

STRATEGY



At CCI, we embed sustainability into our business strategy. CCI carries out all its activities in accordance with the sustainability principles.

Creating Value For Our Customers and Consumers



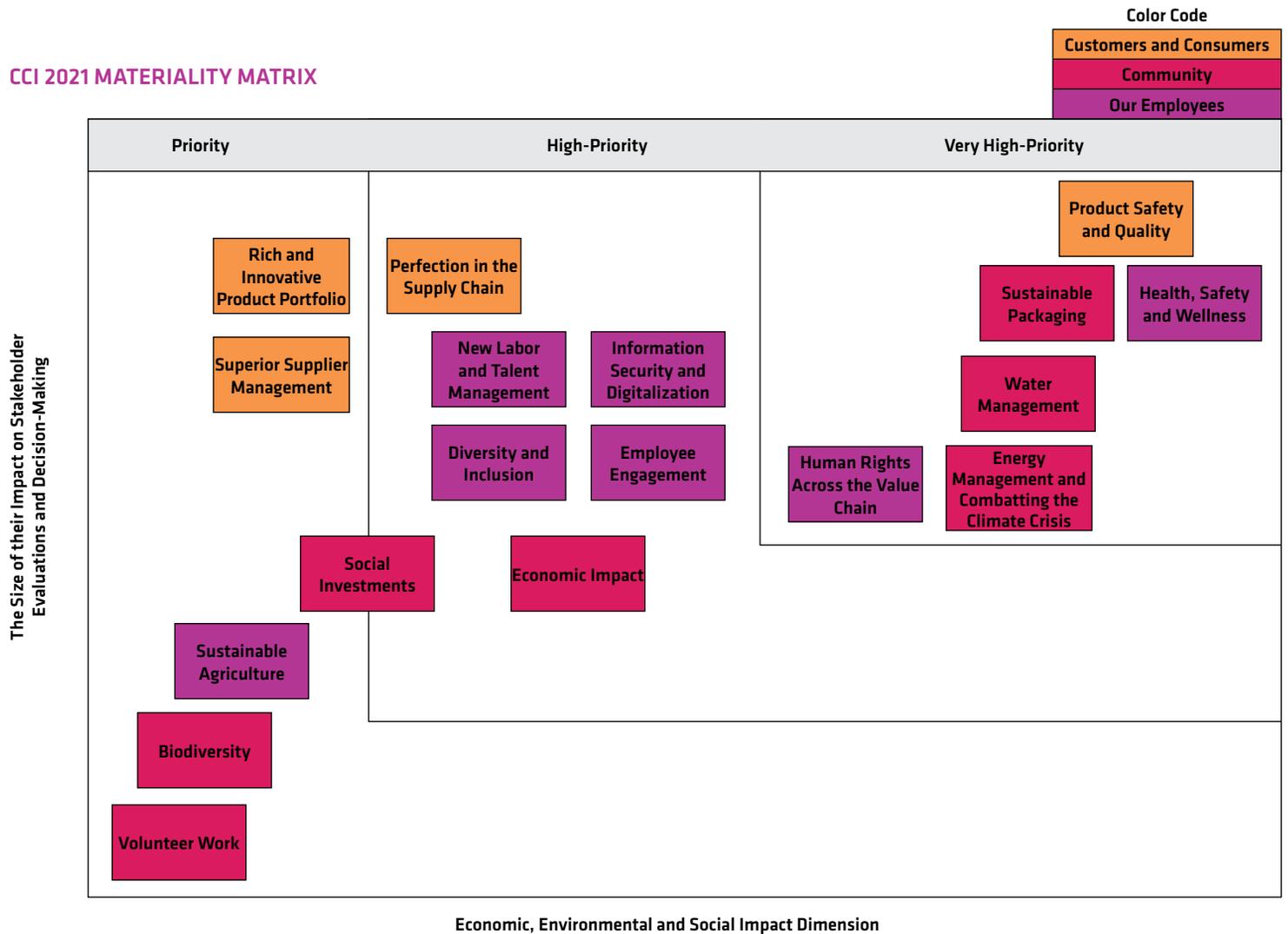
Creating Value for Our People



Creating Value For The Community



CCI 2021 MATERIALITY MATRIX



INTEGRATED MANAGEMENT

CCI’s strong corporate management structure plays a vital role in attaining our strategic targets. The Corporate Management Committee has ultimate responsibility in identifying and implementing business strategy keeping priorities of sustainability in mind. This responsibility is assumed by the CCI Executive Committee, which is composed of senior management representatives and chaired by the CEO.

General sustainability issues, sponsored by the CEO, are led by the CCI Group Sustainability Office. The sponsors of environmental

sustainability are the Group Corporate Affairs Director, Group Supply Chain Director, the COO and country general managers. There are separate task forces which work in line with integrated thinking for our 3 core focus areas: Climate Change, Water Stewardship, and Sustainable Packaging and Waste Management. The transformation programs we plan to implement in our office buildings and the “Hand in Hand Environment” Program implemented in our production facilities are complementary to these focus areas. Task forces meet 2-4 times a month with the participation of relevant functions. They report to the Steering Committee every 3 months.

ETHICS MANAGEMENT

At CCI, our fundamental values are accountability and integrity. We are obligated to protect the Coca-Cola brand, which is our most valuable asset, and CCI, to the best of our ability. CCI Ethics Rules guide our employees in observing our values and “doing what is right”. These rules apply in all the countries in which we operate. Also, CCI has developed mechanisms to help our stakeholders report any practices carried out within the body of the company that may be unethical or contrary to legal regulations to the CCI Ethics and Compliance Officer, or through an independently operated ethics hotline.

SUSTAINABILITY

SOFT DRINK GROUP

CREATING VALUE FOR OUR CUSTOMERS AND CONSUMERS

CONSUMER WELL-BEING

Product Safety and Quality

At CCI, we carry out bottling operations in 11 countries in 29 plants. The sustainability of our business depends to a great extent on the excellence of our operations. While offering consumers a broad range of products suitable for all lifestyles and occasions, we do not compromise on product safety or quality.

Product safety and hygiene became far more important following the emergence of the

Covid-19 pandemic. During the pandemic, we have further strengthened our hygienic practices at our plants and distribution centers to ensure the well-being of our consumers. Although our employees have no physical contact with our products, we have increased the frequency of cleaning and disinfection for our plants, forklifts, employee shuttles, distribution fleet, and company vehicles.

The Coca-Cola System Operating Requirements (KORE) represent our main reference for food safety and quality management, our environmental impact, and health and safety performance at our plants. Annual KORE audits and assessments are carried out at each plant by

TCCC's internal auditors to ensure our compliance with all requirements, the attainment of relevant certifications, and engagement with approved excellence programs. Furthermore, all of our plants in Turkey have been awarded the TSE Covid-19 Safe Production Certificate. Due to the Covid-19 pandemic, all TCCC and business unit inspections were conducted virtually. Virtual inspections focused on measures taken against Covid-19 and Food Safety. Inspections were completed successfully.

External audits carried out at our plants to verify our compliance with the required standards continued in 2021 as well.

An up-to-date list of the standards we observe and the completed verifications is provided below.

Certificates	
ISO 9001 Quality	All Plants
ISO 14001 Environment	All Plants
ISO 45001 Health and Safety	All Plants
FSSC 22000 Food Quality	All Plants
ISO 50001 Energy Management	Turkey: All Plants Kyrgyzstan: Bishkek Plant Pakistan: All Plants
ISO 14064 Greenhouse Gas Standards	Turkey: All Plants, sales operations facilities and offices
LEED Gold Certificate	Turkey: HQ Building
ISO/TS 22002-4 Food Packaging	All plants that produce preforms
ISO 27001	Turkey: All Plants
TSE Covid-19 Safe Production*	Turkey: All Plants

*Until July 2021

Total Beverage Portfolio

Changing conditions caused significant changes in consumer behavior. In order to meet our consumers' ever-changing preferences and offer them better service, we continue to offer consumer-oriented portfolio options with diversified brands, and to work towards maximizing consumer satisfaction. Our goal is to offer affordable, accessible, and innovative products for all lifestyles and needs. We achieve our goals through a strategy based on lean

production and transformation into digital enterprises. The key driver of this new strategy is our agile operations, including processes, tools, and training that allows us to quickly respond to customer needs and market changes. Our current RGB (returnable glass bottle) series include RGB 200 and RGB 300 SKUs in sparkling beverage brands (Coca-Cola, Coca-Cola Light, Coca-Cola Zero Sugar, Fanta, and Sprite).

Product Labeling and Responsible Marketing

We attach importance to transparency in our communication with consumers, and transparently present our products' nutritional values on our labels so that our consumers are able to make choices that fit their lifestyles and choices. We present information on nutrition contents such as the amount of energy (kilocalories, calorie, kilojoule), protein, carbohydrates, fats, total sugar content, and sodium on our labels.

Responsible advertising and marketing are other important means of how we engage with our consumers. Respecting the right of parents and caregivers to decide on what is best for their children, we do not carry out advertisements and marketing campaigns targeting children under 13. Also, in line with TCCC's Global School Drink Regulations, we do not sell sparkling beverages at primary schools.

Communication with Our Consumers

The "Customer and Consumer Communication Management" process, and the organization that manages this process, were designed in order to ensure sustainable and effective communication with our customers and consumers, which is continuously reviewed and improved through feedback from relevant shareholders.

We manage our communication with our consumers within the scope of the procedure we have designed together with TCCC. With regards to consumer complaints communicated to TCCC and CCI, consumers are visited in order to obtain information regarding to the product in question and the necessary information, and the product that received feedback is replaced and provided with a new one for the concerned consumer. Products subject to feedback are analyzed at CCI plants, and the necessary actions are taken with the concerned units. If requested, consumers are provided with feedback on the matter.

We have the-Coca-Cola Information Center (free of charge), the Consumer Complaint Line, and the website communication platforms for communication with consumers, along with performing periodical surveys and organizing plant visits. Parallel with our interaction with consumers in a transparent approach, we have created the Coca-Cola 'Open to Curiosity' platform in Turkey in order to answer consumers' questions regarding our products, corporate identity, and marketing operations. Through this platform, we provide consumers with clear, comprehensible, reliable and transparent information about our corporate identity and products. We use this platform as a channel for communicating with our consumers. In 2021, the platform was visited 255,933 times by 236,336 users, and 419,074 pages were viewed.

CUSTOMER VALUE

Superior Execution

Winning with our customers is the key driver for our customer-focused business and superior execution. We carry out operations to reach approximately 430 million consumers through 870,000 sales points, including retail sales points, restaurants, grocery stores, supermarkets and hotels within our geographical reach. We deliver products from a total of 29 plants, offering our customers top-quality products. In order to provide our consumers with easy access to chilled beverages, we strengthen our technological infrastructure and continue investing in chillers each year, increasingly shifting to more environment-friendly chillers.

Customer Satisfaction

Understanding the underlying dynamics of customer satisfaction and taking the necessary steps to ensure a stronger and more sustainable communication is vital for CCI. We perform our Customer Satisfaction Surveys in Turkey since 2005, and since 2012 in other CCI countries. 2021 marked a paradigm shift in the way we conduct Customer Loyalty Surveys. By following a standard methodology and approach, we conducted Customer Loyalty Surveys in 8 countries. We had one-on-one meetings with more than 11,000 customers in Turkey, Pakistan, Kazakhstan, Iraq, Azerbaijan, Kyrgyzstan, Jordan and Tajikistan with 3 channels. In 2021, the Customer Loyalty Survey score was 71% in Turkey, 48% in Pakistan, 83% in Kazakhstan, 76% in Iraq, 66% in Azerbaijan, 75% in Kyrgyzstan, 56% in Jordan and 69% in Tajikistan.



At CCI, we carry out bottling operations in 11 countries in 29 plants. The sustainability of our business depends to a great extent on the excellence of our operations.

430 million consumers

We carry out operations to reach approximately 430 million consumers through more than 870,000 sales points.

SUSTAINABILITY SOFT DRINK GROUP



Value chain

Our extensive activities in the region emphasize once again the importance of managing a large value chain with significant social, environmental and economic impacts.

Distributor Satisfaction

We expand and develop joint business plans with our distributors. We provide training to help them understand the TCCS and CCI business processes. Distributor Satisfaction Surveys are conducted each year through a third-party service provider to evaluate the satisfaction levels of our distributors. In 2021, CCI Turkey's Distributor Satisfaction Survey score was 86.

Distributor and Pre-Seller Training

We help our dealers develop their sales skills to contribute to their sustainable development. We provide CCI distributors and presellers with in-class and online training to help them improve their sales skills.

An online training system was launched in 2018 for our sales representatives to enable newcomers to better understand TCCS and CCI business processes, along with their respective responsibilities. Online training includes modules such as 'The Basics of The Coca-Cola System', 'A Day in the Life of a Pre-seller', 'Merchandising and RED', 'Trade Math' and 'Dealing with Complaints'.

Right Execution Daily (RED)

We use the 'Right Execution Daily (RED)' system to offer our products to customers and consumers in the most effective manner possible. After successfully implementing this technology in Turkey in 2016, we began using it in Iraq in 2017; in Azerbaijan, Kazakhstan and Kyrgyzstan in 2018; and in Jordan and Pakistan in September of 2019, starting from 2021 in Tajikistan. This way, we succeeded in deploying image-recognition technology at sales points in almost every region within CCI's area of operations with a view to boosting sales through perfect applications.

RED became one of the finalists of "How to Build a Sustainable Growth Momentum with RED" At Global Customer and Commercial Leadership Awards (GCCL).

Excellence in the Supply Chain

Our presence in the region shows once again that we must manage a large value chain with significant social, environmental and economic implications. We thoroughly trace all the links in our value chain, closely monitor our targets, and conduct operations in a conscientious manner in keeping with our sustainability policy and responsible practices.

In 2021, we focused our work on spreading the Operational Excellence projects to other CCI countries. In this context, we are carrying out our OE studies, which are still ongoing (anticipated to be completed in the first quarter of 2022) in CCI Pakistan, CCI Kazakhstan, and CCI Iraq with our Supply Chain teams.

CREATING VALUE FOR OUR PEOPLE

Human Rights

Human Rights Across the Value Chain

At CCI, one of our fundamental values is to respect human rights. We believe that our success, which has been built on our company values, our standards of operational excellence, and our commitment to compliance with the law, regulations and human rights, stems from the contributions made by each of our employees. We believe that our success comes from relationships with our employees, suppliers, business partners and the communities in which we operate.

We are determined to provide a place of work in which universal human rights are respected, and which is open, diverse and participatory. We value each of our employees and strive to create a work environment that is equal in all respects. We aim to inspire our employees so that they can realize their professional goals and achieve their full potential.

As CCI, we have established our systems on the understanding of providing equal opportunities and inclusivity to all. We have clearly defined this framework with our principles, which started with the CCI Workplace Rights Policy in 2013 and evolved into the Human Rights Policy in 2019. In the manifesto we published in 2021, our commitment as CCI is to be an inclusive company with diversity, with an open, embracing and trust-based corporate culture in which we create value as ourselves together with our employees. We are committed to providing a working environment that allows our employees to create value as they are.

CCI'M Human

In 2020, we designed and launched the Human Rights Policy e-learning module and organized pilot sessions with five Distributor owners. We have also continuously improved and developed the online training module.

During 2019-2020 period, 7,793 hours of Human Rights Policy training was provided to 8,933 CCI employees in 9 countries of operation. Supplier Guideline Training was also held for 119 individuals by Human Resources and Supply Chain country managers in order to raise awareness regarding Human Rights Policy principles. In 2021 we continued to our training and provided training to 990 CCI employees a total of 1,209 hours in 9 countries of operation. In addition, references were made to the Human Rights Policy in the communication meetings organized by the senior management as well as in the One Team organizations that are held in all our countries.

In 2021, through the Ethics Hotline we received 56 notifications, all of which were recorded on the system to be investigated by Human Rights Policy specialists to be decided on by the Ethics and Compliance Committee. We frequently repeated the Human Rights Policy training in order to prevent any non-compliance. Furthermore, we held "Human Rights" Training for 245 subcontractors in Pakistan.

Supplier Guiding Principles (SGP)

In order to determine the degree to which our operations comply with CCI's Human Rights Policy and TCCC's Supplier Guiding Principles (SGPs), audits were conducted by an independent auditing firm in 2021. Multan, Gujranwala, Lahore, Rahim Yar Khan, and Karachi plants from CCI Pakistan, Mersin Plant from CCI Turkey, Madaba Plant from CCI Jordan, Bishkek Plant from CCI Kyrgyzstan got "Green" results from the audits and passed these audits successfully. 2021 SGP audit result for CCI factories is 98%.

Principles for Sustainable Agriculture (PSA)

The sourcing of CCI's raw materials accounts for a large portion of our economic, social, and environmental footprint. For CCI, sustainable sourcing is possible by the purchase of ingredients from farms and suppliers that meet TCCC-approved standards. Sustainable agriculture is critical for us in order to meet the expectations of our consumers, customers, and other stakeholders, and to allow the continued growth of our business.

The Coca-Cola Company is addressing the challenges of agricultural availability, quality and safety in addition to the improvement of farming communities' wellbeing TCCC's approach to sustainable agriculture is founded on these principles, which aim to ensure responsible management in farming, protection of the environment, and the upholding of human and workplace rights, thereby helping to build more sustainable communities. Compliance with SAGPs is verified according to international third-party standards, such as Bonsucro, the Rainforest Alliance, the Sustainable Agriculture Initiative Platform (SAI), and Fairtrade International, or its equivalent.



We are determined to provide a place of work in which universal human rights are respected, and which is open, diverse and participatory.

agriculture

Sustainable agriculture is critical for us in order to meet the expectations of our consumers, customers, and other stakeholders, and to allow the continued growth of our business.

SUSTAINABILITY SOFT DRINK GROUP



We focus on 3 areas for employee well-being: raising awareness, interaction activities and measurement.

“Stay Strong and Stay Healthy”

While the world continues to face the Covid-19 pandemic, CCI identified ‘Health and Safety of Our People’ as our priority under the motto ‘Stay Strong and Stay Healthy’ from the first day of the pandemic

In 2020, we became a member of the ‘Buyers Supporting VIVE’ program, which was founded for the purpose of encouraging sustainable agriculture with the support of sugar buyers. In 2021, we continued to work together with the sector in order to understand the best practices for sustainable beet sugar sourcing.

Health & Safety

Health and safety issues managed in line with the Coca-Cola Operating Requirements (KORE) are also addressed within the context of collective bargaining agreements signed with labor unions.

All of our operating plants received OHSAS 18001 Management System Certification up to 2019. The plan to transition all of our plants to the new ISO 45001 standard was 95% completed due to delays caused by Covid-19 (Turkmenistan, being the only remaining country). This transition is expected to be completed in Q1-2021.

In 2021, while combating Covid-19, our focus was on fostering a culture of safety. The Behavior Based Safety (BBS) application was initiated. Life Saving Rules (LSR) have been executed in all countries.

While Employee Wellbeing has become one of the main goals in shaping the companies’ culture, especially with the Covid-19 epidemic, the Wellbeing Framework was created in addition to the ongoing work on employee wellbeing at CCI. In this context, we focus on the physical, emotional, social and financial well-being of our employee and work on 3 areas: awareness raising, interaction activities and measurement.

While the world continues to face the Covid-19 pandemic, CCI identified ‘Health and Safety of Our People’ as our priority under the motto ‘Stay Strong and Stay Healthy’ from the first day of the pandemic, making public health the focal point of all of our planning and work. Closely following the global condition of the pandemic, we actively followed, and continue to follow all information and measures published by both national and international authorities.

We continued to regularly provide our employees with updates relating to the pandemic, as well as the measures taken by various countries. The IMT (Crisis Management Team) continued to follow regulations published by local authorities and monitor the numbers of Covid-19 cases on a country-by-country basis and working on possible crisis scenarios.

We activated the H&S protocol at CCI locations in order to minimize and prevent the spread of Covid-19. Hygiene and cleaning applications were begun by Administrative Affairs. We began carrying out daily office, canteen and vehicle disinfection. We shared our Occupational Health and Safety Guide and our accumulated knowledge on preventive measures against Covid-19 with CCI’s business partners. We increased the frequency of PAA and ozone air disinfection practices in all production, storage and common areas at the plants. We implemented practices such as social distancing in common areas, ground and seat markings, disposable servings at the canteen, temperature-taking at entrances, and automatic touch-free sliding door systems.

Diversity and Inclusion

In 2021,

- In line with our goal of creating a Diversity and Inclusion Communication Series, an online meeting was held where CCI CHRO addressed all CCI employees to explain the Manifesto. The manifesto has been translated and published in all local languages. Gender-Sensitive Language and Communication Guide, and virtual training for the guide in English and Turkish were released. The guide was introduced on digital platforms and shared to raise awareness. A workshop was coordinated with the CCI country officials on how to prepare the Guide. A workshop was held with CCI country officials on how to prepare such a guide.
- Working groups were established in all countries and the plans were consolidated and followed up by the headquarters.

- Human Rights Policy continued to be a reinforcement for the training and orientation process.
- In Turkey, Women Support Application (KADES) was introduced by the Ministry of Internal Affairs' Security General Directorate official authorities at a meeting for CCI Turkey employees. KADES application continues to be promoted and reminded on our information boards.
- CCI Senior Management and more than 90 management positions attended the "From Bias to Inclusion" training consisting of three modules.
- Specific recruitment targets were set for Supply Chain and Sales within the framework of segmented recruitment programs (women in sales at entry-middle management level and in engineering-related roles).
- An evaluation was conducted within the scope of the United Nations Global Compact Turkey's Target Gender Equality Program.
- A gap analysis was conducted for the leadership program based on the analysis of the competencies of CCI women employees.
- In April 2021, CCI CEO Burak Başarır attended the CEO Roundtable organized by LEAD Network.

HUMAN CAPITAL

Talent Management

We create a talented workforce in order to ensure a high-performance "one team" culture. In achieving our goal of creating value and ensuring sustainable business results in line with the 3C Leadership Competence Framework, we continue implementing a series of consistent standards, systems and processes to attract, develop, include and keep talents who practice CCI values demonstrate IMPACT leadership behavior within the geographies in which we operate. All employees are determined to develop the components of the CCI culture, are willing to assume various functional roles and/or responsibilities in the different geographies in which we operate, and to continue developing their present and future talents necessary for maintaining business results and future growth.

I - Impact & Influence

M - Motivate & Inspire

P - Partner with Customer

A - Appreciate Others

C - Continuously Raise the Bar

T - Think About Tomorrow

In 2021, we aimed to measure the potential of CCI Future Leaders with a global, reliable scientific tool and completed the potential assessment study for all Future Leaders. The tool enabled us to reach more scientific results by evaluating their "talents", personal characteristics, interests and motivations, to understand the Future Leaders correctly, to identify the factors that trigger development and to increase awareness of our potential definition and capabilities.



We published a manifesto within the Diversity and Inclusion communication series.

One Team

We create a talented workforce in order to ensure a high-performance "one team" culture.

SUSTAINABILITY SOFT DRINK GROUP



In 2021, we created about 420 success profiles by making job family groupings for about 1,050 roles across CCI.

win together

In line with Employee Strategic Priorities, our focus in the field of education and development has been to win together with our employees under all circumstances in 2021.

We continued the Talent Development Forum (TDF) meetings, which is the most important step of our Talent Management System and one of our most powerful and internalized processes at CCI. We continued to use the Talent Readiness Index (TRI), one of our main success criteria for top positions across CCI, which allows us to see the depth, adequacy and readiness of the in-house talent pool, in line with our improvement targets in 2021 as well.

In 2021, we created about 420 success profiles by making job family groupings for about 1,050 roles across CCI.

We also continued to monitor Individual Development Plans (IDPs) in line with the short and long term career goals, future talent development needs and competency development needs of all our critical position holders, successors and future leaders. Different to the previous year, we integrated Individual Development Plans into the 3C Leadership Model in 2021. We continued to measure the development processes by using the 360 Degree Feedback Evaluation Survey that is restructured in line with IMPACT Leadership Behaviors, and the Executive Feedback Survey. The aim is to encourage a “feedback” culture by providing direct feedback to the managers of the employees. Both surveys were used with the start of the Performance Management System cycle in 2021. In order to provide more frequent, instant and flexible feedback and to spread the feedback culture, we have implemented the Continuous Feedback module on the One People Platform. In 2022, it is aimed to increase the effective use of this module and surveys and to measure the development continuously.

Learning and Development

In line with Employee Strategic Priorities, our focus in the field of education and development has been to win together with our employees under all circumstances in 2021. Even though the aim was to strengthen the leadership abilities of our employees to provide continuity of the business and ensure growth in the future, it was important to create the platforms where our employees would continue to acquire the skills they need on their own initiative, and by which they can stay ahead of the curve.

- We collaborated with LinkedIn in 2021 and created opportunities for our employees to try out new digital learning platforms. We have offered LinkedIn Learning licenses to more than 1000 CCI employees. Our employees learned 3,386 hours through this platform in 2021.
- CCI e-library is a platform created with the idea that learning tools can be different and unique for each individual, in order to make learning more accessible, develop, and restructure CCI's manpower. The platform has been visited by 2,521 people since its establishment.
- In 2021, we continued our collaboration with Harvard Business School for our top executives and future leaders. Out of over 100 selected candidates, 60 volunteered to learn more and started actively using the Harvard Manage Mentor & HMM Spark online tools.
- Within the scope of Creating a Coaching Culture Project, we expanded the use of coaching skills with Internal Coaching, Executive Coaching and Digital Coaching sub-projects. In total, 40 in-house coaches and 80 U30+ Leaders of Tomorrow Program participants were coached. In addition, we continued to provide Executive Coaching support to our 15 selected senior leaders. Finally, in collaboration with CoachHub, a Berlin-based technology and coaching service

platform, we launched Digital coaching for our 35 employees in critical roles, succession lines and future leaders.

- We continued the development of the participants of the “U30+ Building Tomorrow’s Leaders Program”, a group of young talents that we define as the “leaders of the future”, which we selected through a special selection process from all CCI countries, with different tools and resources. After 1 month of preparation including sponsorship, coaching, and mentoring, 9 team projects were presented. The “Empowering Women in Tajikistan” Project was selected as the winner and the KPIs of the Country General Managers were implemented
- We provided free online training support to our 75 employees to help them improve their Business English competencies, take action in English-speaking communities, and offer online training suggestions.
- In 2021, we launched “Workshops from Bias to Inclusion” in 3 languages (Turkish, English, and Russian) for more than 100 CCI leaders in all CCI countries to create Inclusive Leaders. The program, which continued with a workshop with ExCom members, also included action plans on learning and awareness created through the program at the end.
- During this period, we continued to organize online events for our employees as part of our Digital Learning Catalogue, which includes virtual classrooms, CCI UNI LMS contents, IMPACT Leadership Behavior accelerated courses, competitions, speakers, and webinars from renowned educators.
- We held our first Learn Fest initiated by CCI Pakistan in 2021. Over 3,200 employees from CCI countries became part of this Digital Learning Festival. Employees experienced a range of learning and engagement interventions as part of the 6-day comprehensive agenda spanning 6 weeks.

- To accelerate learning community interactions, we have launched a Learning Marketplace forum on our Workplace social platform. We are announcing the latest developments in the Learning and Development agenda as well as encouraging employees to share their learning or existing small-scale learning.
- We were selected as Turkey’s “Best Employer Brand” by LinkedIn in 2021.

Employee Engagement

Our people, always at the core, are one of our main assets that enable us to realize our vision. Since our people represent the fundamental basis of our vision, employee loyalty is a basic area of focus for effectively managing our human capital and creating value. We continuously implement systems and programs that support our employees, develop their skills, knowledge, and competencies, and raise their working and living standards. At CCI, we resolutely advance towards our target of making CCI an ‘Excellent Place to Work’.

In 2021, our CEO came together with our employees in all CCI countries in live broadcasts, shared the developments in our company, and answered the questions of the employees. Our country General Managers also organized live broadcasts in all countries. CCI leadership team continued to inform our employees through video messages and live broadcasts and to meet with them in different environments.



We were selected as Turkey’s “Best Employer Brand” by LinkedIn in 2021.

human capital

Since our people represent the fundamental basis of our vision, employee loyalty is a basic area of focus for effectively managing our human capital and creating value.

SUSTAINABILITY SOFT DRINK GROUP

Our operations enable TRL 4.1 billion of added value in retail business and generate income for 160,000 farmers.

CREATING VALUE FOR OUR COMMUNITY

COMMUNITY DEVELOPMENT

Economic Impact

Operating in 11 countries with 870,000 sales points and serving 430,000 million consumers, CCI has a significant impact on communities.

CCI operations create about 30,000 direct and indirect employment opportunities throughout its geographies. Our operations enable TRL 4.1 billion of added value in retail business and generate income for 160,000 farmers.

CCI's Economic Impact*	Economic Impact Factor	Employment Factor	Direct and Indirect Employment
Pakistan	1:2.74 PKR (Rupees)	1: 3.87	60,000
Turkey	1:9.7 TRL (Liras)	30,000 indirect employment	30,000
Kazakhstan	1:1.6 KZT (Tenge)	1:9.2	9,250
Kyrgyzstan	1:7.57 SOM		3,500

Value creation

At CCI, we strive to create value in different ways for every society and shareholders with whom we interact.

Community Investments

Creating value while doing business in the fields in which we operate is our most important target. At CCI, we strive to create value in different ways for every society and shareholders with whom we interact. Collaborating with local and international NGOs, we assign our employees voluntary roles. As responsible corporate citizens, we are continuing to create value and actualize our projects with the goal of being recognized as a good corporate citizen and investing in the community. Our projects focus mainly on the empowerment of young people and women, along with water and waste management.

- The "Agriculture of the Future" project in Konya and the "Harran Night Irrigation" project in Harran are continuing to being carried out. Within the scope of the projects, 1.8 billion liters of water in Konya and 2.1 billion liters of water in Harran got saved in 2021.
- The Wada Tajdid Project, an augmentation system that serves 75,000 people and saves 750 million liters of water per year, has been implemented in Iraq.

- In 2015, CCI Pakistan launched the Paani Safe Water Initiative in collaboration with WWF Pakistan. We have provided clean water to 1,100,000 people across Pakistan to date along with the 30 filtration plants.
- Within the scope of the supplier network, CCI became involved in the global '10x20x30' initiative targeting the prevention of food waste, in line with its strategy of sustainable growth. Each member of the initiative, which was led by 12 prominent multinational food retail and supply companies, invited 20 of its suppliers to develop effective solutions along the value chain.
- In 2021, the "Waste Holder System" was put into practice in the scope of the Kollekt application. The Waste Holder System is designed for the Karabucak River, which reaches the Mediterranean through the Kemer district of Antalya. The system directs a part of the water stream to the filtering elements by means of barriers which capture the solid waste and prevent it from polluting the river. It also serves to make the amount of waste visible and raise public awareness.

- TCCC and CCI Azerbaijan worked together on a pilot project to separate and collect packaging wastes and send them for recycling, as well as to encourage segregation in the society and raise awareness on this issue. The pilot project also aims to establish an effective waste management system. The project is carried out in the format of public-private partnership, that is, within the framework of cooperation between public, private and non-governmental organizations.
- 3rd Saturday of September is celebrated as the “International Coastal Cleanup Day” every year, which CCI Azerbaijan has been a very active contributor of it in Azerbaijan for the last 10 years, helping turn the event into a large-scale campaign that encourages volunteers and partners to participate. With a large-scale environmental campaign organized together with the Ministry of Ecology and Natural Resources and ASAN Volunteers on the coasts of Baku with the motto of “Save the Caspian Sea!”, a total of 6.5 tons of waste was collected from an area of 25 hectares with the participation of more than 1,000 volunteers.
- We completed tree planting projects in different countries. The first saplings to form Coca-Cola Turkey Memorial Forests in Turkey in Bursa with the participation of Coca-Cola Volunteers of Turkey and Aegean Forest Foundation officials. In addition to Bursa, the saplings to be planted in Adana and Elazig regions grow to be 50 thousand trees. With this forest of 50 thousand saplings, we will be preventing the 20,570 tons of CO₂ emission. In addition, we planted 50 thousand trees in 8 different regions in Pakistan with the cooperation of the Ministry of Environment.
- 3.2.1 Start! was successfully implemented in 2021, while continuing in Kazakhstan and in Kyrgyzstan.
- The ‘Tag For Good’ Project, which we carried out with Dem Association, was commissioned on the CAT platform and created a new generation working model for hearing impaired and deaf individuals. Annual hearing aid maintenance expenses of 4 hearing impaired and deaf university students were covered within the scope of the project.

- The Belesteri Women’s Empowerment program, supported by the Coca-Cola Foundation, completed its 9th year in Kazakhstan. In 2021, more than 15,000 women were given online training on the Fundamentals of Entrepreneurship. 309 women applied for grants, of which 16 finalists were awarded between \$2,000 and \$4,000 to start or develop their own businesses. Within the scope of the project, 97 successful businesses and more than 300 employment were created.

Volunteerism

Encouraging and supporting the volunteerism of employees is a cornerstone of the CCI organizational culture. CCI Volunteers Initiative was launched in 2013 to promote employee volunteering throughout our activities.

With the cooperation of the CCI Volunteer Program with AbilityPool, a digital platform that enables organizations to manage volunteering more effectively, our volunteers meet in a single digital platform with access to more than 100 Non-Governmental Organizations and their own projects.

In the 2020-2021 period, with the partnership between CCI and the social innovation platform ImeceLab, we developed a project focused on the cyclical economy process, which aims to minimize waste generation, return materials and resources to the product cycle at the end of their use, and preserve their values for as long as possible, together with the young people involved in the process. We sought sustainable, innovative, and applicable solutions to the question of “How can we increase the recycling rates of the packaging waste from a circular economy perspective?”

- We have planted a total of 100 thousand saplings in Turkey and Pakistan.
- CCI invests in community projects on waste pollution prevention and recovery. CCI is among the founders of the The Collect and Recycle (CORE) Alliance which was established in Pakistan.



100+ projects
 Our volunteers meet in a single digital platform with access to more than 100 Non-Governmental Organizations and their own projects.

SUSTAINABILITY SOFT DRINK GROUP

ENVIRONMENTAL FOOTPRINT

At CCI, the management of our environmental impact plays an important role in the continuity of our operations. We are aware of our responsibility to help overcome concerns arising from a growing population and scarce natural resources. Accordingly, we aim at minimizing our use of natural resources and waste generation and continue our operations in an effective and efficient manner. We realize our environmental policies that focus on priority topics, such as 'energy management and the climate crisis', 'water' and 'sustainable packaging'.

Highlights of our Environmental Management Performance

Our primary goal is to grow by using less resources. Reducing our environmental footprint while growing economically (reducing the consumption of raw materials and energy, and the generation of waste) is referred to as 'decoupling'. CCI successfully decouples economic growth from the consumption of natural resources. The drop in waste generation and energy consumption at CCI, which has grown in terms of its operations through the years, is proof that decoupling has been successful.

In 2020, we achieved energy savings of 330 million MJ, generated 45,000 tons of CO₂e emissions, and saved 104,000 m³ of water. We supplied the energy needs for illumination and post mix line at our Izmir Plant from 100% clean energy resources.

COUNTRY	YEARS	Key Performance Indicators			
		Energy Usage Ratio (MJ/L)	GHG Emissions Ratio (gCO ₂ e/L)	Water Usage Ratio (L/L)	Total Waste Recycling Ratio (%)
Turkey	2020	0.29	23.96	1.45	98.14
Jordan	2020	0.28	33.13	1.46	95.76
Kazakhstan	2020	0.66	42.54	1.51	87.90
Azerbaijan	2020	0.73	39.01	1.64	99.21
Pakistan	2020	0.33	27.98	2.09	97.29
Kyrgyzstan	2020	0.66	12.62	1.68	98.25
Tajikistan	2020	0.69	14.218	2.26	89.42
Turkmenistan	2020	1.16	115.39	2.62	37.33
Iraq	2020	0.63	58.91	1.92	94.44
CCI	2020	0.34	31.22	1.69	-

Energy Management and Combating the Climate Crisis

Sustainable or Responsible Procurement

At CCI, we prefer environment-friendly alternatives in our procurements to the greatest possible extent and choose all of the equipment we use from among devices that consume less energy.

In order to minimize our carbon dioxide emissions, in 2020, we replaced our LPG-operated forklifts with electric forklifts, as a result of which we avoided 640 tons of carbon dioxide emissions by reducing our carbon dioxide emission by 68%. We replaced our company vehicles with hybrid vehicles that consume 38% less fuel.

Server Systems

We purchase green electricity for all of our cloud servers

With the aim of consuming less energy and, accordingly, minimizing our carbon dioxide emissions, we virtualized 331 servers in the CCI system rooms. Accordingly, we prevented an annual electricity consumption of 98 million kWh, and therefore 46,000 tons of carbon dioxide emissions.

Biometric Signature Application

Through the joint efforts of the Digital Technologies and Legal departments, we became the first fast-moving consumer goods company to shift to the biometric signature application. Over 100 documents and 500 biometric signatures have been received via this application.

Transport and Distribution Practices

We transport millions of products from our suppliers to our plants, and from our plants to our customers and distributors. Our business success is dependent on an efficient logistics network that optimizes the number of vehicles in transit and the mileage covered and aims to reduce emissions. The optimization of distribution is crucial to our business performance. We choose vehicles that consume less fuel and emit less carbon. Through our 'Route Optimization Project' since 2013 and the 'Road Net' platform since 2016, we reduce 1,400 tons of GHG emissions and achieve fuel savings.

Cooling Practices

Our cooling practices resulting from our innovative solutions greatly improve our consumers' enjoyment of our products. We are aware that while launching new practices to satisfy our customers, we must do so with an awareness of our responsibility to reduce our environmental footprint. Accordingly, we continuously upgrade existing equipment with energy efficiency technology, while continuing to work with our suppliers to innovate and develop climate-friendly cooling technologies.

Exceeding our target of preventing the emission of 1.75 million tons of CO₂ by procuring EMD equipped and HFC-Free Cold drink equipment between 2010-2020, we succeeded in preventing the emission of 2 million tons of CO₂.

Emissions by Scope and Region

At CCI, together with the total emissions for each country of operation, we also monitor our GHG emissions ratio, which represents grams of CO₂ per liter of product produced. Our absolute CO₂ emissions in seven countries of operation increased from 1,010 kilotonnes to 1,038 kilotonnes. Our absolute CO₂ emissions in the seven countries in which we operate increased from 1,010 kilotonnes in 2019 to 1,038 kilotonnes in 2020. This increase is due to the inclusion of Tajikistan in the reporting scope, and minor increases in Kazakhstan, Kyrgyzstan and Azerbaijan.

Sustainable Packaging

Packaging is an essential aspect of the quality of our products. Thanks to our sustainable packaging efforts we carry out in order to conserve resources and consume less energy, we are able to ensure the safe delivery of our products to our customers and consumers while contributing to a circular economy and reducing our carbon footprint. We saved 411.4 tons of resin and 534 tons of glass material in six countries thanks to our sustainable packaging program in 2020.

In 2020, we used an r-PET content of 20% in 32% of our total volume using the chemical recycling method. We increased the recycled material content of our plastic cases to 25% in 2020. In upcoming years, we plan to continue our extensive efforts to further increase r-PET content.

In line with the Zero Waste Regulation, all of our plants in CCI Turkey currently operate as 'Zero Waste' facilities.

Water Management

One of our most critical natural resources, water is the fundamental content of our products, and an indispensable element of our production. Aware of the impact of the sustainable use of water on the sustainability of our business, we fully support TCCC's ultimate goal of 'replenishing every drop of water we use' with the aim of minimizing our negative impact on water, which is a high-priority topic for us, and sustaining water-efficient operations. Through water replenishment projects, 12 billion liters of water has been replenished to date in our countries of operation as of end of 2020. At all of our plants, we consider the impact of the climate crisis on water sources in the basins where our plants are located. On this basis, every year we develop water saving programs in line with the Operational Excellence Culture, make investments, and implement them. In 2020, we saved approximately 104,000 m³ of water in the countries in which we operate.



We focus on minimizing our use of natural resources and waste generation, “energy management”, “water” and “sustainable packaging” and continue our operations in an effective and efficient manner.

zero waste

All of our plants in CCI Turkey currently operate as ‘Zero Waste’ facilities.

WE ARE PRE A RELIABLE

WE CONSIDER SUSTAINABILITY AS ONE OF THE FUNDAMENTAL ELEMENTS OF OUR BUSINESS STRATEGY, WITHIN THE FRAMEWORK OF OUR POSITIVE IMPACT PLAN WE STRIVE TO INCREASE OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES WHILE IMPROVE THE FUTURE FOR OUR STAKEHOLDERS.



PARING FUTURE



CODE OF BUSINESS AND ETHICS

Anadolu Efes complies with all applicable laws and legal regulations in the countries where it operates. In addition, company policies, strategies, and business processes are devised carefully in accordance with internationally accepted norms and the company ensures that its employees comply with the same.

Having embraced the corporate governance notion and core values of the Anadolu Group, of which it is a member, Anadolu Efes has developed structures and principles that will optimally serve the interests of its shareholders and all of its stakeholders and has produced a detailed "Code of Business Conduct and Ethics" ("the Code").

The set of rules captured in this document, which is also made public on the corporate website, is based on the Corporate Governance Principles introduced for publicly-held joint-stock companies by the Capital Markets Board of Turkey (CMB), other applicable CMB legislation, and the ethical values and corporate culture of Anadolu Efes.

This Code of Business Conduct and Ethics (the "Code") is applicable for all Company operations and binding for all Anadolu Efes employees including Board members. In addition, distributors, suppliers, and other business partners are all expected to comply with the Code.

ANADOLU EFES CODE OF BUSINESS CONDUCT AND ETHICS

HUMAN RIGHTS, DISCRIMINATION, AND HARASSMENT

In its operations, Anadolu Efes respects internationally recognized human rights, related International Labour Organization (ILO) articles, UN Universal Declaration of Human Rights.

ENVIRONMENTAL RESPONSIBILITY

Placing environmental sustainability at the core of its business, Anadolu Efes continues to be committed to reducing its impact on the environment. As a signatory to UN Global Compact and CEO Water Mandate, Anadolu Efes has undertaken to abide by the core elements of the Mandate.

RESPONSIBLE MARKETING

Producing and selling its products in geography where they are enjoyed by millions of consumers, Anadolu Efes complies not just with laws and regulations but also adheres to the general principles of fair competition and good business practice.

OCCUPATIONAL HEALTH AND SAFETY

Anadolu Efes implements an effective health and safety management system to provide a safe, healthy, and incident-free workplace for all employees, contractors, and visitors.

RESPONSIBLE DRINKING

Anadolu Efes supports the moderate and responsible consumption of alcoholic beverages with due observance of the applicable legislation.

BUSINESS AND FINANCIAL RECORDS

All business and financial records, accounts, and financial statements of Anadolu Efes are kept accurately and in reasonable detail. These records duly represent the company's operations and ensure that the company timely meets its legal and regulatory obligations.

COMPANY ASSETS

Company assets and resources are used in an efficient, careful, and professional manner and for their intended business purpose only.

SOCIAL MEDIA

In line with the corporate culture of Anadolu Efes; employees must not share on their personal accounts on social media/networks any confidential or strategic information including but not limited to trade secrets of the company or any negative content that might damage the company's reputation.

CONFIDENTIAL INFORMATION

Unauthorized disclosure of confidential information or information, which is not generally available to the public, is strictly prohibited.

PERSONAL DATA AND PRIVACY

Anadolu Efes respects the privacy of all its employees, business partners, and consumers and the confidentiality of any personal data Anadolu Efes holds about them.

Employees who handle the personal data of others must (i) act in accordance with applicable law and Company policies regarding the protection of personal data; (ii) collect, use and process such information only for legitimate business purposes; (iii) obtain from the individual the level of consent required by applicable law; (iv) limit access to the information to those who have a legitimate business purpose for seeing the information; and (v) keep personal data confidential and secure.

INSIDER TRADING

Anadolu Efes is a publicly listed company in Borsa Istanbul Stock Exchange and all investors, including minority shareholders and foreign shareholders, should be treated equally in accordance with the legislation. This also means that all investors should have access to the same information at the same time.

All employees are required to refrain from using or disclosing confidential information of the Company to engage in insider trading or to gain any financial or commercial interest.

CONFLICT OF INTEREST

Anadolu Efes has taken all necessary measures to prevent personal interests and relationships within the company from creating an obstacle against the ability to take the decisions that will produce the optimum results to the company's benefit and to preclude conflicts of interest.

ANTI-BRIBERY AND ANTI-CORRUPTION

Anadolu Efes has a zero-tolerance policy towards bribery and corruption. This attitude extends to all businesses and transactions in all countries in which it operates

GIFTS, ENTERTAINMENT AND HOSPITALITY

Anadolu Efes considers offering or receiving gifts, entertainment, or hospitality as customary courtesies designed to build goodwill among business partners. However, the company urges avoidance of such behaviors if they tend to give rise to the perception that the same is unfairly influencing a business relationship.

POLITICAL CONTRIBUTIONS

Anadolu Efes does not make any donations to politicians or political parties, nor does it allow company assets to be used for political activities.

RELATIONS WITH BUSINESS PARTNERS

Anadolu Efes expects that its suppliers and business partners will take no action contrary to the business principles it has established and that they will comply with the company guidelines with respect to society, environment and ethics.

COMPETITION COMPLIANCE

Having adopted and internalized fair competition, Anadolu Efes abides by all applicable competition laws in the countries of operation.

For further details, please visit:

www.anadoluefes.com

INVESTOR AND SHAREHOLDER RELATIONS

DISCLOSURE POLICY

Anadolu Efes maintains to act, in the course of disclosure to all our shareholders and other stakeholders, within the principles of equality, accuracy, impartiality, consistency, and timing. It is essential to provide such announcements and clarifications in a timely, correct, complete, understandable, analyzable, and cost-effective manner in strict observance of the rights and interests of our Company as well. The Disclosure Policy is announced to the public on the Company's corporate website.

The information and meeting requests from shareholders and other stakeholders are processed as per our Company's Disclosure Policy and any sharing of information is affected with already publicly available content.

Shareholders' and/or investors' requests for information that has not been made public are processed within the same manner. All shareholders and investors are simultaneously informed regarding material disclosures and/or press releases.

INVESTOR RELATIONS

Anadolu Efes maintains active and transparent communication with all stakeholders—including, but not limited to, local and international shareholders, stakeholders, investors, and capital market institutions. The company's investor relations are conducted by the Investor Relations Unit, which operates under the Group Finance Directorate. The Investor Relations Unit takes on an active role in the protection of shareholder rights and in the facilitation of their exercise.

During the year 2021, meetings were conducted with a total of 221 local and international institutional investors addressing the company's business results, performance, and other developments in the reporting period.

The company also regularly organizes conference calls available to all stakeholders, following the release of its quarterly financial results, and shares the meeting records on the website.

Anadolu Efes participates in conferences in Turkey and abroad as well as virtual conferences and other meetings organized to provide shareholders and investors information about the company. In this context, company representatives took part in 14 roadshows/conferences in Turkey and abroad during 2021.

Anadolu Efes' operating results, performance, and other developments during the reporting period, along with all sorts of information and announcements that are of a nature to affect the exercise of shareholding rights are made available to shareholders in an up-to-date manner on the corporate website.

This corporate website www.anadoluefes.com serves as a bilingual communication channel provided in Turkish and English languages as required by the CMB's Corporate Governance Principles. Public disclosures made by the company and a copy of each of the presentations used in meetings that are held domestically and abroad are available on the corporate website.

In addition, quarterly financial results and earnings releases, as well as the quarterly operational reports, are also available on the website in both Turkish and English.

Various communication tools are also used for public disclosure purposes in addition to conventional information distribution channels. Accordingly, public disclosures made by the company are sent by electronic mail directly to those stakeholders who make a specific request and convey their contact information via the website or other means. In addition, inquiries by individual and institutional investors are responded via e-mail or phone.

CREDIT RATINGS AND EUROBOND ISSUANCE

Anadolu Efes maintained its “Investment Grade Issuer” position in 2021 as well.

International credit rating agencies closely watch Anadolu Efes’ financial and operational performance.

Investment-grade rating assigned by Standard & Poor’s (“S&P”) in 2012 was also maintained in 2021 at BBB-. S&P revised Company’s outlook to Negative from Stable triggered by the decision to change the outlook on Turkey’s ‘B+’ long-term foreign currency sovereign ratings to Negative from Stable. In S&P’s assessment on 17 December 2021, Anadolu Efes’ business risk was rated as satisfactory, financial risk as intermediate, and liquidity as adequate. In its report, S&P also mentioned the Company’s ability to generate cash outside of Turkey as a result of broad geographic diversification outside the country of domicile. It was underlined that, Anadolu Efes has had access to hard currencies, thanks to revenues made outside of Turkey. While the Company has a strong standing in credit markets, access to hard currencies together with the prudent hedging policy was considered as mitigants to have no risk of currency mismatch on its debt service.

The BBB- Investment Grade rating assigned by Fitch Ratings’ (“Fitch”) to Anadolu Efes’ in 2019 has also been maintained in 2021. According to Fitch’s report on 28 May 2021,

the rating affirmation is supported by Anadolu Efes’ leading positions in its core markets. In its report, Fitch continues to expect growth in profits as a result of good cost inflation pass-through, product portfolio premiumization, and stronger capability to retain market share in the important Russian market and maintain a strong position in the home market of Turkey. The rating affirmation also reflects Fitch’s expectations that Anadolu Efes has the ability and the willingness through the rating horizon to maintain FFO Net Leverage at conservative levels. COVID-19 having only a mild impact on Company’s operational performance with an expected recovery in 2021 together with the pricing ability and cost hedges in place as well as large hard currency cash balances which help to mitigate currency mismatch were mentioned among the key rating drivers.

Following Fitch Rating’s and S&P’s affirmation of the ratings, Anadolu Efes maintained to be an Investment Grade Issuer. Along with its subsidiary Coca-Cola İçecek, it has been one of the two companies in Turkey with an investment-grade credit rating.

In addition, JCR Eurasia Rating assigned “AAA (Trk)” long term national rating for Anadolu Efes which is the highest notation, and “A-1+ (Trk)” short term national rating with a “Stable” outlook. JCR Eurasia Rating assigned “BBB-” long term foreign and local currency rating for Anadolu Efes and “A-3” short term foreign and local currency rating with “Stable” outlook.

Anadolu Efes issued Eurobonds -once again- with the lowest interest rate in Turkish history after 9 years.

Anadolu Efes’ USD 500 million Eurobond offering in June was oversubscribed by more than 6 times from institutional investors in Europe and the US. Anadolu Efes issued Eurobonds -once again- with the lowest interest rate in Turkish history after 9 years. This success should be seen as a testimony of Anadolu Efes’ strong international position and reputation.

CREDIT RATING AGENCY	LATEST REVIEW	RATING TYPE	CREDIT RATING	OUTLOOK
Standard & Poors	17.12.2021 (affirmation)	Long-term Corporate Credit Rating	BBB- (Investment grade)	Negative
Fitch	28.05.2021 (affirmation)	Long-term Corporate Credit Rating	BBB- (Investment grade)	Stable
JCR Eurasia	31.08.2021	Long-term National Credit Rating	AAA (Trk) (Investment grade)	Stable

CORPORATE GOVERNANCE COMPLIANCE DISCLOSURE 2021

Adopting the corporate governance understanding as an indispensable component in its activities, Anadolu Efes works within the framework of all existing regulations and the "Corporate Governance Principles", which are prepared by CMB, and adopts these principles as an important part of its management understanding. Furthermore, our Company aims to develop structures and principles that are appropriate for the conduct of our business which will serve best for the benefit of our shareholders and other stakeholders.

As a result of the studies conducted by SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA - Corporate Governance and Credit Rating Services Inc.), Anadolu Efes received a Corporate Governance Rating of 81.0 and qualified for listing in the BIST Corporate Governance Index in 2008. In the subsequent years, SAHA's studies indicated a steady increase in the Corporate Governance Rating of Anadolu Efes and the Corporate Governance Rating of our company was finally increased to 96.3 as of 17.05.2021.

The rating mentioned above was determined by attaching specific weights to the rating under four sub-categories. In this context, below is the distribution of the Corporate Governance Rating according to main categories.

Main sections	Weight	Note
Shareholders	25%	95.4
Public Disclosure & Transparency	25%	98.8
Stakeholders	15%	99.5
Board of Directors	35%	93.9
Total	100%	96.3

The Corporate Governance Rating Reports, which have been published by SAHA, are available on the Company's website, www.anadoluefes.com.

The Corporate Governance Compliance Report (URF) and the Corporate Governance Information Form (KYBF) prepared in accordance with the ruling of the Capital Markets Board dated 10.01.2019 and numbered 2/49 can be accessed in the Corporate Governance section of the Company's summary page. <https://www.kap.org.tr/en/sirket-bilgileri/ozet/858-anadolu-efes-biracilik-ve-malt-sanayii-a-s>

Anadolu Efes conducts all of its operations within the framework of all existing regulations and the "Corporate Governance Principles", which are prepared by CMB. The Corporate Governance Compliance Report includes information regarding the application of each item of the Corporate Governance Principles by our company, as well as if there are principles which were not applied, the reasons for not applying these principles, the conflicts of interest arising from not applying these principles and whether there is a plan to change the company's management applications in the framework of the principles.

Our Company has complied with the Corporate Governance Principles issued by CMB except for the below-mentioned provisions that were voluntary, in the period of 01.01.2021-31.12.2021. There are no conflicts of interest arising from the below-mentioned provisions that are not implemented.

• In accordance with the Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. The remuneration of the independent Board members is included and it is also stated that the other members of the Board are not getting paid. As in previous years, the total amount of salaries paid to executives with administrative responsibility has been included and no breakdown has been given on a person basis.

- As of 31 December 2021 there is one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard.



Uğur Bayar

Corporate Governance
Committee Chairman



Rasih Engin Akçakoca

Corporate Governance
Committee Member



Jason Warner

Corporate Governance
Committee Member



Lale Develioğlu

Corporate Governance
Committee Member



Hurşit Zorlu

Corporate Governance
Committee Member



Dr. Yılmaz Argüden

Corporate Governance
Committee Member



R. Aslı Kılıç Demirel

Corporate Governance
Committee Member

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.		X				While utmost care is given to the use of minority rights, our Articles of Association regulates the usage of all minority rights in accordance with regulations. While, Corporate Governance Principles enable the provision of minority rights to shareholders with less than 1/20 share in capital in the articles of association; articles of association of our company does not include any article broadening the extent of minority rights compared to Law.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Currently, there is one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attended the majority of the board meetings in person.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				The responsibilities of the Board Members outside of our Company are listed in our Annual Report. There are no rules established by our Company on this issue, however, the requirements of the Corporate Governance Principles are applied.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.	X					Except for independent members, Board Members serve only in one committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X					Corporate Governance rating services are received. This institution is authorized by Capital Markets Board and its title is mentioned in the related section of our annual report.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				In accordance with the Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. The remuneration of the independent Board members is included and it is also stated that the other members of the Board are not getting paid. As in previous years, the total amount of salaries paid to executives with administrative responsibility has been included and no breakdown has been given on a person basis.

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS

1.1. Facilitating the Exercise of Shareholders Rights

The number of investor meetings (conference, seminar/etc.) organised by the company during the year	During 2021, meetings were conducted with a total of 221 investors including local and international institutional investors concerning issues related to the company's business results, performance, and other developments during the reporting period. Anadolu Efes also participates in conferences in Turkey and abroad as well as virtual conferences and other meetings organized to provide shareholders and investors information about the company. In this context, in 2021, company representatives took part in 14 roadshows/conferences in Turkey and abroad.
---	--

1.2. Right to Obtain and Examine Information

The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0

1.3. General Assembly

Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/932734
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There were no transactions which could be considered in the scope of the significant transactions as described in Article 1.3.9 of Corporate Governance Principles.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	not applicable
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	not applicable
The name of the section on the corporate website that demonstrates the donation policy of the company	Available on company website's Investor Relations Corporate Governance section under Donations and Grant Policy https://www.anadoluefes.com/en/sayfa/1/636/donation-and-grant-policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	Available on the 45 th of Articles of Association which is available on https://www.anadoluefes.com/en/sayfa/1/643/articles-of-association
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 32 of Articles of Association. https://www.anadoluefes.com/en/sayfa/1/643/articles-of-association
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	In the Ordinary General Assembly Meeting held on 25.05.2021, there were no attendances by any stakeholders or the media apart from Company representatives that are mentioned in the previous provision. The Partner of Independent Audit Company, Board Members of our Company, Shareholders and company employees attended the General Assembly.

CORPORATE GOVERNANCE INFORMATION FORM

1.4. Voting Rights

Whether the shares of the company have differential voting rights

No

In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.

-

The percentage of ownership of the largest shareholder

43.05%

1.5. Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association

No

If yes, specify the relevant provision of the articles of association.

-

1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy

Available on company website's Corporate Governance section of Investor Relations section under Dividend Policy <https://www.anadoluefes.com/en/sayfa/1/634/dividend-policy>

Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.

There were no such proposals.

PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends

There were no such proposals.

GENERAL ASSEMBLY MEETINGS

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
25.05.2021	0	85.74%	0.0000003%	85.74%	Investor Relations / General Assembly	Investor Relations / General Assembly/ Minutes	Not applicable	0	https://www.kap.org.tr/en/Bildirim/937711

2. DISCLOSURE AND TRANSPARENCY

2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1. Capital Structure and Investor Relations / Corporate Governance Section

If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares. About Us / Capital Structure

List of languages for which the website is available Turkish / English

2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.

- | | |
|--|---|
| a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members | Responsibilities undertaken by Board Members outside the Company are given in section of the Board of Directors of our Annual Report. Statements of Board Members' independent status are provided under the Statement of Independent Status section. |
| b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure | Given in section 3 of the section of Board of Directors, Structure and Independence of the Committees established under the Board in the Corporate Governance Compliance Report in our Annual Report. |
| c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings | Available in section of Working Principles of the Board of Directors in the Corporate Governance Compliance Report |
| ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation | Not Applicable |
| d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof | Available in section 13. Other Issues under "Other information related to operations" section of the Annual Report |
| e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest | Available in section 13. Other Issues under "Other information related to operations" section of the Annual Report |
| f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5% | No cross ownership |
| g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results | Available under Sustainability section of the Annual Report and our website |

CORPORATE GOVERNANCE INFORMATION FORM

3. STAKEHOLDERS

3.1. Corporation's Policy on Stakeholders

The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Indemnity Policy is available under Investor Relations / Corporate Governance section of the corporate website
The number of definitive convictions the company was subject to in relation to breach of employee rights	32
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics Responsible
The contact detail of the company alert mechanism	Ethics website: www.efesethicsline.com (in 5 languages) Ethics phone line: + 90 212 276 33 37 Ethics e-mail: efes@efesethicsline.com

3.2. Supporting the Participation of the Stakeholders in the Corporation's Management

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Models supportive of participation in company management by stakeholders including first and foremost the company employees are developed without disrupting the operations of the company. Employees are capable of transmitting their value adding suggestions to the management via our Bi-Fikir system, which is the Anadolu Group Innovation Portal. In addition, Human Resources Request & Suggestion Line that facilitates submission of requisitions and improvement requirements regarding the services provided by our Human Resources function is used effectively by our employees.
Corporate bodies where employees are actually represented	Not available

3.3. Human Resources Policy

The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Succession plans are evaluated on a regular basis across Anadolu Efes and other Anadolu Group companies through Organizational Development Meetings involving all employees. Key Management positions are reviewed in this process. Changes in relevant positions are subject to Board approval.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Human Resources Policy is available in our corporate website under Investor Relation Corporate Governance Section. One of our Groups commitments towards its employees in the course of every relationship, which is part of our working principles and followed strictly without any concession, is not to make any discrimination in terms of race, skin color, age, nationality, gender and religious beliefs. We take pride in different aspects and cultural diversification of our employees and consider such diversification a valuable tool for advancement towards a common objective.
Whether the company provides an employee stock ownership programme	There isn't an employee stock ownership programme.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Available in Anadolu Efes Code of Business Conduct and Ethics which is in Code of Business Conduct and Ethics under Corporate Governance. Our Human Rights Policy has also been prepared and shared with our employees.
The number of definitive convictions the company is subject to in relation to health and safety measures	None

3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	Available in Code of Business Conduct and Ethics under Corporate Governance
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	The report is available under Sustainability section.
Any measures combating any kind of corruption including embezzlement and bribery	Available in Anadolu Efes Code of Business Conduct and Ethics which is in Code of Business Conduct and Ethics under Corporate Governance

4. BOARD OF DIRECTORS-I

4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	November 2021
Whether the board evaluation was externally facilitated	Yes
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No duties/authorities delegated
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	13
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Available in Risk Management and Internal Control Mechanism section of the Corporate Governance Compliance Report
Name of the Chairman	Tuncay Özilhan
Name of the CEO	Can Çaka
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	Not the same person
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	https://www.kap.org.tr/en/Bildirim/994161
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Equity, Diversity and Inclusion Policy is available in our corporate website under Investor Relation Corporate Governance Section. In Board member nominations, diversity criteria are taken into consideration in terms of gender, nationality, ethnicity, country of origin, cultural background the board membership includes a diverse mixture of age, language, race, socio-economic background, professional and industry backgrounds, geographical experience and expertise, gender, tenure, ethnicity and diversity of thought supported with sufficient global vision, knowledge and experience. We believe that ensuring a diverse representation in the Board of Directors results in optimal decision-making and assists in the development and execution of a strategy which promotes the success.
The number and ratio of female directors within the Board of Directors	The number female directors within the Board of Directors 1 (one); the ratio of female directors is 9%.

CORPORATE GOVERNANCE INFORMATION FORM

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/ He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Tuncay Özilhan	Non-executive	Not independent director	26.06.2000		Not applicable	Not applicable	Yes
Kamilhan Süleyman Yazıcı	Non-executive	Not independent director	27.04.2017		Not applicable	Not applicable	Yes
Jason Gerard Warner	Non-executive	Not independent director	30.04.2019		Not applicable	Not applicable	Yes
Talip Altuğ Aksoy	Non-executive	Not independent director	25.05.2021		Not applicable	Not applicable	Yes
Rasih Engin Akçakoca	Non-executive	Not independent director	28.04.2020		Not applicable	Not applicable	Yes
Agah Uğur	Non-executive	Not independent director	25.05.2021		Not applicable	Not applicable	Yes
Ahmet Boyacıoğlu	Non-executive	Not independent director	14.04.2016		Not applicable	Not applicable	Yes
Barış Tan	Non-executive	Independent director	16.04.2018	Available in the Annual Report	Considered	No	Yes
Uğur Bayar	Non-executive	Independent director	16.04.2018	Available in the Annual Report	Considered	No	Yes
Şevki Acuner	Non-executive	Independent director	16.04.2018	Available in the Annual Report	Considered	No	Yes
Lale Develioğlu	Non-executive	Independent director	20.11.2020	Available in the Annual Report	Considered	No	No

4. BOARD OF DIRECTORS-II

4.4. Meeting Procedures of the Board of Directors

Number of physical board meetings in the reporting period (meetings in person)	5
Director average attendance rate at board meetings	100%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Relevant information, documents and presentations are submitted to the Board for information and review 3 to 5 days before the Board meetings
The name of the section on the corporate website that demonstrates information about the board charter	Available under Article 14 of the Articles of Association which is available at https://www.anadoluefes.com/en/sayfa/1/643/articles-of-association
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	Not available
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Available under the section 3 of the section of Board of Directors, Structure and Independence of the Committees established under the Board of the Corporate Governance Compliance Report in the Annual Report
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/343206

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Audit Committee		Şevki Acuner	Yes	Board member
Audit Committee		Uğur Bayar	No	Board member
Corporate Governance Committee		Uğur Bayar	Yes	Board member
Corporate Governance Committee		Rasih Engin Akçakoca	No	Board member
Corporate Governance Committee		Jason Warner	No	Board member
Corporate Governance Committee		Lale Develioğlu	No	Board member
Corporate Governance Committee		Hurşit Zorlu	No	Not board member
Corporate Governance Committee		Yılmaz Argüden	No	Not board member
Corporate Governance Committee		Aslı Demirel	No	Not board member
Committee of Early Detection of Risk		Barış Tan	Yes	Board member
Committee of Early Detection of Risk		Talip Altuğ Aksoy	No	Board member
Committee of Early Detection of Risk		Agah Uğur	No	Board member
Committee of Early Detection of Risk		Ben Graham	No	Not board member

CORPORATE GOVERNANCE INFORMATION FORM

4. BOARD OF DIRECTORS-III

4.5. Board Committees-II

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Responsibilities of the Nomination Committee are fulfilled by the Corporate Governance Committee. Presented under "Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board" as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Presented under "Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board" as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	As per the Article 3 of the Board of Directors of the Corporate Governance Compliance Report which is available in our Annual report responsibilities of the Remuneration Committee are fulfilled by the Corporate Governance Committee. Presented under Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board as attachment to Corporate Governance Compliance Report available in our Annual Report.

4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Available in our Annual Report under "Performance and Guidance" section.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Corporate Governance and Compensation Policy / https://www.anadoluefes.com/en/sayfa/1/635/compensation-policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	In accordance with the Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. The remuneration of the independent Board members is included and it is also stated that the other members of the Board are not getting paid. As in previous years, the total amount of salaries paid to executives with administrative responsibility has been included and no breakdown has been given on a person basis.

Composition of Board Committees-II

Names of the Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee		100%	100%	4	4
Corporate Governance Committee		86%	29%	4	4
Committee of Early Detection of Risk		100%	25%	4	4

STATEMENT OF COMPLIANCE WITH THE SUSTAINABILITY PRINCIPLES OF THE CMB

Placing sustainability at the center of its business model since its foundation, Anadolu Efes has been disclosing its performance transparently in accordance with the GRI standards since 2010. Our company works with the goal of constantly improving its performance within the framework of the Positive Impact Plan strategy and 2030 sustainability goals.

Listed in the Sustainability Index of BIST since 2015, the company aims to fully comply with the “Framework for Compliance with the

Sustainability Principles” in accordance with the revision made by the Capital Market Board (CMB) on the Communique of Corporate Governance on 02.10.2020. Within this scope, the summary and performance of the initiatives taken in the areas of environment, society and governance in 2021 are provided in the Sustainability section of the Annual Report for 2021 in compliance with these principles. More detailed information and performance details about the sustainability initiatives will be provided in the Sustainability Report for 2021.

While the company ensures full compliance with the majority of the principles, it carries on its activities for the improvement of the principles with which it partially complies. As a matter of principle, even if there is a progress / partial compliance, it is not considered that the company fully complies, since full compliance is targeted. There is no principle with which the company fails to comply. The Table of Compliance with the Sustainability Principles is provided below with detailed explanations about compliance with the principles.

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
A. GENERAL PRINCIPLES					
A1. Strategies, Policies and Objectives					
The Board of Directors identifies the material ESG issues, risks and opportunities and establishes ESG policies accordingly. For effective implementation of such policies, directives, business procedures etc. may be established within the structure of the partnership. The Board of Directors passes a resolution for these policies and discloses it to the public.			x	Our materiality analysis which was updated to cover all operations will be provided in our Sustainability Report for 2021. Management of the sustainability issues is monitored by the Sustainability Committee chaired by our CEO. All initiatives taken for sustainability are reported to the Board Members through the Corporate Governance Committee. The details are available in the Sustainability Summary section of the Annual Report.	Annual Report - Sustainability Governance section
Identifies the Partnership Strategy in accordance with the ESG policies, risks and opportunities. It sets and discloses to the public short and long term objectives complying with the partnership strategy and ESG policies.			x	The 2030 Sustainable Goals of the company were published in the Sustainability Report for 2020. The action plans have started to be detailed within the framework of the goals. The details thereof will be provided in our Sustainability Report for 2021.	

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
A2. Implementation/Monitoring					
Determines the committees / business units responsible for the implementation of ESG policies and discloses to the public. The responsible committee / business unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year and in any case within the maximum periods determined for the public disclosure of the annual reports pursuant to the relevant regulations of the Board.	x			The sustainability governance structure was updated in 2021 for the purpose of maximizing the integration of the sustainability approach into the corporate strategy. Within this scope, the committees and working groups in charge of handling the ESG issues were established. An approach was also adopted for the reporting of performance to the Board of Directors. The details are provided in the Sustainability Summary of the Annual Report.	Annual Report - Sustainability Governance section
Creates implementation and action plans in line with the short and long term goals determined and discloses to the public.			x	Our 2030 Goals are set forth in the Sustainability Report for 2020. The action plans, on the other hand, are designed under the leadership of the working groups in the light of these goals. Detailed information in this respect will be provided in our Sustainability Report for 2021.	
Determines ESG Key Performance Indicators (KPI) and discloses to the public on a yearly basis including a comparison of previous years. In the presence of verifiable data, it will present the KPIs with a comparison of local and international sector peers.	x			The key performance indicators are provided in the Sustainability Summary of our Annual Report covering the last three years. Detailed information in this respect will be accessible in our Sustainability Report for 2021. On the grounds that any verifiable data which can be subjected to local and international sector comparison with respect to all these indicators are not available, it is not possible to share them.	Annual report - Performance Indicators section
Discloses the innovation activities that improve the sustainability performance for business processes or products and services.	x			The activities performed are provided in the Sustainability Summary section of our Annual Report. Detailed information in this respect will be accessible in our Sustainability Report for 2021.	Annual Report - Sustainability section
A3. Reporting					
Reports its sustainability performance, goals and actions at least once a year and discloses to the public. Discloses the information on sustainability activities within the scope of the annual report.	x			The sustainability performance, goals and actions are provided briefly in Annual Reports. Detailed information, on the other hand, is provided in Sustainability Reports. Previous Sustainability Reports are available on the website of the company. The report for 2021 is planned to be published in June 2022.	Annual Report - Sustainability section https://www.anadoluefes.com/tablo/338/surdurulebilirlik/raporlar

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
It is essential to share information that is important for stakeholders to understand the position, performance and development of the company in a direct and concise manner. The Company can also disclose detailed information and data on the corporate website, and prepare separate reports that directly meet the needs of different stakeholders.	x			Since 2010, Anadolu Efes has been sharing its performance on corporate governance, environment, and social responsibility with its shareholders annually. In line with that, detailed versions of its sustainability performance and information related to the operations are included on the website.	https://www.anadoluefes.com/sayfa/1/232/surdurulebilirlik https://www.anadoluefes.com/tablo/338/surdurulebilirlik/raporlar
Takes maximum care in terms of transparency and reliability. Discloses objectively all kinds of developments on material issues in its disclosures and reporting within the scope of a balanced approach.	x				
Gives information about its activities of which the United Nations (UN) 2030 Sustainable Development Goals are related to.	x			The Sustainability section of the Annual Report and the sustainability tab in our website contains the Sustainable Development Goals (SDG) we contribute. Detailed information about the contributions we made within the scope of the activities performed in 2021 will be provided in our Sustainability Report for 2021.	Annual Report - Our 2030 Goals section https://www.anadoluefes.com/sayfa/1/756/2030-surdurulebilirlik-hedefleri
Discloses the lawsuits filed and / or concluded against environmental, social and corporate governance issues.	x			The information about the lawsuits in the reporting period concerning the environmental policies is provided in the sustainability section of the Annual Report.	Annual Report - Environment section
A4. Verification					
If verified by independent third parties (independent sustainability assurance providers), it discloses its sustainability performance measurements to the public and endeavors to increase such verification processes.			x	Scope 1 and Scope 2 and water consumption data of Turkey operations are verified. The verification scope is planned to be expanded on a yearly basis.	Annual Report - Independent Assurance Opinion section
B. Environmental Principles					
Discloses policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	x			All activities performed within this scope are transparently disclosed in the sustainability section of our Annual Report and in the sustainability reports. Additionally, the company responds to the Carbon Disclosure Project (CDP) regarding the performance of Turkey operations.	Annual Report - Environment section
Complies with environmental laws and other relevant regulations and discloses them.	x			The information regarding compliance with the environmental laws and other applicable regulations in the reporting period is provided in the sustainability section of the Annual Report.	Annual Report - Environment section

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
Discloses the limitations of the environmental report, reporting period, reporting date, data collection process and reporting conditions to be included in the report to be prepared within the scope of the Sustainability Principles.	x			The explanations about the limitation, scope, reporting period, reporting date, data collection process and reporting conditions for the reports on the performance indicators of ESG are provided in the summary section of our Annual Report on sustainability as well as the "About the Report" section of the sustainability reports.	Annual Report - Sustainability section
Describes the highest level responsible, relevant committees and tasks in the partnership on the issue of environment and climate change.	x			The Environment Committee which is working under the supervision of the Global Sustainability Committee chaired by our CEO monitors the performance on the basis of our sustainability strategy and material issues under the leadership of the Group Supply Chain Director. The explanations related thereto are briefly provided in the sustainability section of the Annual Report.	Annual Report - Sustainability Approach section
Describes the incentives it offers for the management of environmental issues, including the achievement of objectives.			x	In line with the governance studies we carried out in 2021, we continue to work on incorporating environmental and social governance-oriented performance criteria into top management performance targets.	
Discloses how environmental problems are integrated into business goals and strategies.			x	Environmental sustainability plays a critical role in the continuity of Anadolu Efes' business activities as a producer which supplies its raw materials from nature. For this reason, we continue to work on integrating different environmental issues such as climate change, water risks and circular economy more and more into our business goals and corporate strategy, and to improve performance for the continuity of our planet.	
Discloses the sustainability performance for business processes or products and services and the activities to improve this performance.	x			The improvement activities performed for the sustainability performance regarding its products and services are briefly described in the Sustainability section of the Annual report. Detailed disclosures in this respect will be available in our Sustainability Report for 2021.	Annual Report - Environment section
Discloses not only how it manages environmental issues in terms of direct operations but also along the company's value chain and integrates suppliers and customers into its strategies.			x	It is key that our stakeholders, with whom we work together, understand and internalize our business principles in order to spread the positive impact we have created. Our Supplier Code of Conduct reveals our approach in this context. Besides our Working Principles for Suppliers, we carry out some activities for the minimization of environmental impacts throughout the value chain through different initiatives like smart agriculture projects with the producers of our raw materials and farmers, supplier audits etc.	https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20CodeofConduct%20for%20Suppliers.pdf

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
Whether it is involved in policy-making processes on environmental issues (sectoral, regional, national and international); it informs regarding the cooperation with the associations, related organizations and nongovernmental organizations that is a member of on the subject of environment, and the duties it has taken, if any, and the activities it supports.	x			We have various collaborations with many foundations and associations carrying out environmental activities such as the UN Global Compact, Sustainable Development Foundation, ÇEVKO, WWF Turkey etc. in the form of membership and participation in their initiatives. Detailed information about memberships and initiatives is provided in the sustainability reports. The updated data will be available in our Sustainability Report for 2021.	
Reports the information on environmental impacts in light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) with a comparison of different periods.	x			All environmental indicators of Anadolu Efes are reported in the sustainability reports in comparison with the previous years. The data for 2021 are provided in the Environmental Performance Indicators section of the Annual Report.	Annual Report - Environmental Performance Indicators section
Describes the standard, protocol, methodology, and base year details that are used to collect and calculate the data.	x			All these disclosures are available in the Sustainability Summary section of the Annual Reports. Detailed information, on the other hand, is provided in the Sustainability Reports.	Annual Report - Environment section, Performance Indicators section
Explains the status of the environmental indicators (increase or decrease) for the reporting year in comparison with the previous years.	x			The environmental performance indicators in comparison with the previous years are disclosed in the summarized sustainability section of the Annual Report and in the Sustainability Reports.	
Sets short and long-term goals to reduce the environmental impact and discloses these goals to the public. It is recommended that Science based targets should be determined as suggested by the United Nations Conference of the Parties on Climate Change. If there is progress within a reporting year according to the targets set before, it provides information on this subject.			x	They are available in the website for 2030 Sustainable Development Goals, in the Annual Report for 2021 and the Sustainability Report for 2020. Feasibility studies are ongoing for the identification of short and medium term goals.	

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
Discloses the strategy and actions to combat the climate crisis.			x	<p>The approach intended for the improvement of energy efficiency, minimization of emissions, enhancement of the use of renewable energies and the value chain in line with the target of achieving net zero carbon emission in our operations within the scope of the Positive Impact Plan and 2030 Goals of Anadolu Efes is provided in the Sustainability Report for 2020.</p> <p>The action plans will be included in the Sustainability Report for 2021 in detail. Additionally, we respond to the Carbon Disclosure Project (CDP) regarding the performance of Turkey operations.</p> <p>It is planned to expand the strategy for combating the climate crisis within the framework of the Task Force on Climate-related Financial Disclosures (TCFD).</p>	
Describes the program or procedures to prevent or minimize the potential negative impact of the products and / or services it offers; discloses the actions of third parties to reduce greenhouse gas emissions.	x			<p>Anadolu Efes predicates upon the sustainability approach in its operations and the whole value chain with an aim to prevent or minimize the potentially negative impact of the products it offers on the environment. Within this scope, it carries on its activities to improve energy efficiency and minimize resource consumption and emissions during its operations. Besides, the supplier assessments intended for the minimization of the environmental impact throughout the value-creation chain and the activities intended for the inclusion of the environmental criteria on a broad scale are maintained.</p> <p>We will strive to extend our 2030 sustainability goals and approach across our value-creation chain. We are working on inclusive action plans within this scope.</p>	Annual Report - Environment section
Discloses the actions taken to reduce the environmental impacts, the total number of projects and initiatives carried out, and the environmental benefits / benefits and cost savings they provide.	x			Anadolu Efes' collaborations, initiatives, benefits and savings achieved for the minimization of its environmental impacts are provided briefly in the Annual Reports published on an annual basis and in detail in the Sustainability and CDP Reports.	
Reports the total energy consumption data (excluding raw materials) and discloses the energy consumption as Scope-1 and Scope-2.	x			The Sustainability section of the Annual Report contains the energy consumption data and Scope-1 and Scope-2 emission data in line with the environmental performance indicators.	Annual Report - Environmental Performance Indicators section
Provides information on electricity, heat, steam and cooling generated and consumed in the reporting period.	x			Energy data are provided as stationary and non-stationary combustion emissions. Overall energy data are provided in the Annual Report.	Annual Report - Environmental Performance Indicators section

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
Conducts studies on increasing the use of renewable energy, transition to zero or low carbon emission and discloses these studies.	x			In parallel with our goal to achieve net zero carbon emission in all our operations by 2030, we aim at meeting 100% of our electricity needs from renewable sources of energy within the scope of our initiatives for the minimization of greenhouse gases. In this sense, the opportunities for renewable energy installation for use in our operations are evaluated besides the supply of renewable energy.	
Discloses the renewable energy production and usage data.	x			The data on the use of renewable energy in 2021 are provided in the Sustainability section of the Annual Report.	Annual Report - Environmental Performance Indicators section
Makes energy efficiency projects and discloses the amount of energy consumption and emission reduction as a result of these studies.	x			The activities performed for energy efficiency are briefly outlined in the Sustainability section of the Annual Report. Detailed explanations in this respect will be available in our Sustainability Report for 2021. Additionally, we respond to the Carbon Disclosure Project (CDP) regarding the performance of Turkey operations.	Annual Report - Environment section
Reports the amount of water withdrawn, used, recycled and discharged from underground or above ground, its sources and procedures (Total water withdrawal by source, water resources affected by water withdrawal; percentage and total volume of recycled and reused water, etc.).	x			The data related thereto are provided in the Annual Reports and Sustainability Reports which are published on a yearly basis. The indicators for the year of 2021 are disclosed to the public in the Sustainability section of the Annual Report.	Annual Report - Environmental Performance Indicators section
Discloses whether its operations or activities are participated in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).	x			The company is not involved in the carbon pricing system.	
Describes the carbon credit information accumulated or purchased during the reporting period.	x			There is no carbon credit accumulated or purchased during the reporting period.	
Discloses the details of carbon pricing if applied within the company.	x			Carbon pricing is not available.	
Discloses all mandatory and voluntary platforms where it reports its environmental information.	x			The company discloses its environmental information throughout the year via the Annual Report and Sustainability Report, CDP Climate Change program, Refinitiv with the direction of the Sustainability Index of the BIST, S&P CSA and such other indexes.	Annual Report - Sustainability section

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
C. Social Principles					
C1. Human Rights and Employee Rights					
Creates the Human Rights and Employee Rights Policy in line with the Universal Declaration of Human Rights, the ILO which Turkey has confirmed and committed to full compliance with the legal framework and regulations governing the human rights and working life. Discloses the mentioned policy and the roles and responsibilities regarding its implementation.	x			<p>As one of the first Turkish organizations to sign the United Nations Global Compact (UNGC), respect for human rights is a core value for Anadolu Efes.</p> <p>The Corporate Human Rights and Employee Rights Policy has been established inclusive of the Universal Declaration of Human Rights, ILO Agreements and the applicable legislation. The responsible persons have been designated in such policy and disclosed to the public.</p> <p>The policy is available in the Sustainability section of the Annual Report and in the website.</p>	<p>https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20Human%20Rights%20Policy.pdf</p> <p>https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20CodeofBusiness%20Conduct%20and%20Ethics.pdf</p>
Provides equal opportunity in its recruitment processes. Considers the supply and value chain effects, includes fair workforce, improvement of labor standards, women's employment and inclusion issues (such as women, men, religious belief, language, race, ethnic origin, age, disability, refugee, etc.) in its policies.	x			Fair workforce, labor standards etc. are provided in the Working Principles for Suppliers of Anadolu Efes.	https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20Human%20Rights%20Policy.pdf
Describes the measures taken along the value-creation chain for the protection of groups sensitive to certain economic, environmental, social factors (low income groups, women etc.) or minority rights / equal opportunities.			x	The issues of equality, diversity and inclusion are paid great attention in the company and the activities are maintained for the consideration of these issues across the value chain.	
Reports developments regarding discrimination, inequality, human rights violations, forced labor, and corrective practices. Discloses the regulations for not employing child labor.			x	Anadolu Efes complies with all applicable laws of the countries in which it operates. More inclusive activities are planned within the scope of the preventive and corrective actions for discrimination, inequality, violation of human rights, forced labor and child labor in accordance with the Human Rights Policy.	https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20Human%20Rights%20Policy.pdf
Discloses policies regarding investment in employees (training, development policies), compensation, vested benefits, right to unionize, work / life balance solutions and talent management. Determines the dispute resolution processes by creating mechanisms for employee complaints and dispute resolution. Regularly discloses the activities carried out to ensure employee satisfaction.	x			The practices for skill management and development, employee engagement, achievement of mental, physical and cognitive health of our employees besides occupational health and safety are provided in the Sustainability section of the Annual Report briefly and in the Sustainability Reports in detail.	<p>https://www.anadoluefes.com/Upload/Docs/Anadolu%20Efes%20Human%20Rights%20Policy.pdf</p> <p>Annual Report - Employees section</p>

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
Creates occupational health and safety policies and announces to the public. Discloses the precautions and accident statistics taken to prevent work accidents and health.	x			We consider providing a healthy and safe working environment to our employees as one of our most important responsibilities. Our practices and performance indicators within this scope are available in the Sustainability section of the Annual Report and in the Sustainability Reports. Our Human Resources, Human Rights and Occupational Health and Safety Policies set forth our approach and principles in this respect besides our Business Ethics Principles. The measures taken for preventing occupational accidents and keeping our employees healthy as well as our OHS statistics will be available in our Sustainability Report for 2021 in detail.	Annual Report - OHS section
Creates personal data protection and data security policies and discloses to the public.	x			The company has a Personal Data Protection and Processing Policy.	https://www.anadoluefes.com.tr/iletisim/kvkk
Creates the ethics policy (including work, work ethics, compliance processes, advertising and marketing ethics, open information, etc.) and discloses it to the public.	x			The explanations on the respective practices are provided in the Sustainability section of the Annual Report.	Annual Report - Ethical Principles section
Discloses the studies within the scope of social investment, social responsibility, financial inclusion and access to finance.	x			The explanations on the practices for social investments are briefly provided in the Sustainability section of the Annual Report. Detailed explanations on this respect will be available in our Sustainability Report for 2021.	Annual Report - Society section
Organizes information meetings and training programs for employees on ESG policies and practices.	x			Briefing meetings and training are organized in the company for the matter of sustainability and its importance.	Annual Report - Environment section
C2. Stakeholders, International Standards and Initiatives					
Conducts its activities in the field of sustainability by taking into account the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.).	x			Opinions are received within the frame of stakeholder analyses and relationships with stakeholders and sustainability material topics are identified accordingly. The opinions of the Board of Directors are asked within the scope of the Performance Assessment by the Board of Directors besides the materiality analysis available in the Sustainability Report.	Annual Report - Sustainability Approach section
Creates a customer satisfaction policy regarding the management and resolution of customer complaints and discloses to the public.			x	We have Customer Centers through which our customers can make contact with us for their demands about sales points as well as their requests, questions, recommendations and opinions in all other aspects. Our activities are ongoing for the development of a Customer Satisfaction Policy covering all operations.	https://www.anadoluefes.com/sayfa/1/317/iletisim

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
Conducts stakeholder communication continuously and transparently; it discloses which stakeholders, for what purpose, on what issue and how often it is communicated, and the developments regarding sustainability activities.	x			<p>Being one of our strategic focuses, stakeholder relations management has a critical importance in taking our sustainability performance a step forward. Various practices are launched within this scope by designing the best communication method and frequency for different stakeholder groups. The methods for communications with stakeholders and the foundations and associations that we are a member of are accessible on the 56th and 57th pages of the Sustainability Report for 2020.</p> <p>Updated and detailed information about the methods for communication with our stakeholders will be provided in our Sustainability Report for 2021.</p>	Annual Report - Communication with Stakeholders section
Discloses the international reporting standards it has adopted to public (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Climate-Related Financial Disclosures Task Force (TCFD), etc.).	x			<p>Our sustainability approach and performance have been disclosed through our Sustainability Reports complying with the GRI Standards on an annual basis since 2010. A new sustainability initiative that we comply with will be included in our Sustainability Report for 2021. We target a report in which we respond to the WEF Stakeholder Capitalism Metrics led by the International Business Council (IBC) in the World Economic Forum in 2020.</p> <p>In addition to the standards we follow in our report, we respond to the Carbon Disclosure Project (CDP) within the scope of the performance of our Turkey operations.</p>	Annual Report - Sustainability section
Discloses to the public its signatory or member status in international organizations or principles (Equator Principles, United Nations Environment Program Finance Initiative (UNEP-FI), United Nations Global Principles (UNGC), United Nations Principles for Responsible Investment (UNPRI) etc.), international principles adopted (International Capital Market Association (ICMA) Green / Sustainable Bond Principles).	x			We became the signatory of the United Nations' Global Compact (UN Global Compact) in 2011, The CEO Water Mandate in 2014 and the Women's Empowerment Principles (WEPIs) in 2015. Our sustainability commitments are shaped by the international principles and the performance thereof are provided in the Sustainability section of our Annual Report and in the Sustainability Reports in more detail.	Annual Report - Sustainability section
Makes concrete efforts to be included in the Borsa Istanbul Sustainability and international indices (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indices, etc.).	x			We have been uninterruptedly included in the Sustainability Index of the BIST since 2015 and in the FTSE4Good Developing Markets Index, being one of the leading sustainability indexes of the world, since 2017.	Annual Report - Sustainability section

Definition of the Principle	Status of Compliance			Explanation	Name of the Related Report/Section/Link
	Yes	No	Partial		
D. Corporate Governance Principles					
Shows a maximum effort for compliance with all Corporate Governance principles besides the Corporate Governance principles that are required to be followed compulsorily within the scope of the II-17.1 numbered Corporate Governance Communique of the Capital Market Board.	x			Anadolu Efes carries out all its activities in compliance with the applicable legal regulations and the "Corporate Governance Principles" of the Capital Market Board. The company complies with all principles which are provided in the annex of the Corporate Governance Communique (II-17.1) and stipulated in the applicable legislation.	
Takes into account the sustainability issue, the environmental impacts of its activities and the principles in this regard while determining the corporate governance strategy.			x	Efforts are being made to integrate the sustainability strategy more and more into our business goals and corporate strategy, and to improve performance, and the issue is followed up at the top management level.	
As stated in the Corporate Governance Principles, it takes the necessary measures to comply with the principles regarding the stakeholders and strengthen the communication with its stakeholders. It applies to the opinions of stakeholders when determining the measures and strategies in the field of sustainability.	x			Opinions are received within the frame of stakeholder analyses and relationships with stakeholders and important aspects of sustainability are identified accordingly. The opinions of the Board of Directors are asked within the scope of the Performance Assessment by the Board of Directors besides the materiality analysis available in the Sustainability Report.	Annual Report - Sustainability Approach section
Works on raising awareness on the issue of sustainability and its importance through social responsibility projects, awareness activities and trainings.	x			We support inclusive growth and sustainable development through various social benefit projects, programs and training we launch in the geographies we operate and work for raising awareness in terms of sustainability. The activities performed within this scope are provided in the Sustainability section of our Annual Report and in the Sustainability Reports in more detail.	Annual Report - Society section
Strives to become a member of international standards and initiatives on sustainability and to contribute to the studies.	x			The explanations about such activities are provided in the Sustainability section of the Annual Report.	Annual Report - Sustainability section
Discloses policies and programs regarding anti-bribery and corruption and the principle of tax integrity.	x			The explanations about the policies and activities related to anti-bribery and anti-corruption are briefly provided in the Sustainability section of the Annual Report. Detailed explanations in this respect will be available in our Sustainability Report for 2021.	Annual Report - Code of Business and Ethics section

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

SHAREHOLDERS

2.1 Investor Relations Unit

Our company has adopted the principle of treating each shareholder equally, and the Investor Relations and Treasury Department, established within our Company's Finance Directorate, continued to conduct the relations with our shareholders.

The individuals in charge of Investor Relations in our Company's Investor Relations Unit in 2021, are provided below. R. Aslı Kılıç Demirel, Investor Relations Manager, is working full-time and directly reporting to the CFO. Investor Relations Supervisor Sibel Turhan is working full-time and reporting to R. Aslı Kılıç Demirel. Additionally, R. Aslı Kılıç Demirel is working as the member of the Corporate Governance Committee.

Gökçe Yanaşmayan - Chief Financial Officer

Tel: 0 216 586 80 00
Fax: 0 216 389 58 63
E-mail: ir@anadoluefes.com

R. Aslı Kılıç Demirel - Investor Relations Manager

Tel: 0 216 586 80 72
Fax: 0 216 389 58 63
E-mail: asli.kilic@anadoluefes.com

Licenses: CMB Capital Market Activities Advanced Level License and CMB Corporate Governance Rating Specialist License

Sibel Turhan - Investor Relations Supervisor

Tel: 0 216 586 25 08
Fax: 0 216 389 58 63
E-mail: sibel.turhan@anadoluefes.com

Investor Relations Unit plays an essential role in accordance with the protection of shareholders rights and making usage of these rights easier particularly the rights to obtain information and the rights to examine.

In accordance with the Disclosure Policy of our company, information regarding operations and performance of our company as well as other events are shared, through meetings

with shareholders, investors, research specialists of intermediary institutions and other stakeholders. In addition, any type of information and explanation that may affect the exercise of the shareholders' rights are uploaded and updated on a regular basis on our website for the usage of the shareholders.

During 2021, meetings were conducted with a total of 221 local and international institutional investors related to the company's business results, performance, and other developments during the reporting period. Anadolu Efes also participates in conferences in Turkey and abroad as well as virtual conferences and other meetings organized to provide information about the company to shareholders and investors. In this context, in 2021, company representatives took part in 14 roadshows/conferences in Turkey and abroad.

The Corporate Governance Committee is responsible for monitoring the activities of the Investor Relations Unit of our company. Within this context, the Committee determines the standards for all announcements and main principles of investor relations, reviews these standards and principles and compliance with these every year, and gives necessary advices to the Board of Directors. The report that is prepared by the Investor Relations Unit regarding its activities and submitted to the Corporate Governance Committee at every meeting held by the Committee is also submitted to the Board of Directors by the Committee. In 2021, eight Committee meetings were held, whose dates are provided in Attachment-1.

Details regarding the activities performed by this department in 2021 can be found in our Company's 2021 Annual Report.

2. Exercise of the Information Rights by Shareholders

Information requests of shareholders are evaluated in accordance with our company's Disclosure Policy. Additionally, as mentioned above, any type of information and announcement which may affect the exercise of the shareholders' rights are put and updated on a regular basis on our website and through our

IR application for the usage of the shareholders. Our Disclosure Policy dictates equal treatment of all our shareholders and investors, and provides that accurate disclosure with similar content reach to everyone at the same time.

While shareholder's right to get and examine information given by laws, is not abolished or limited by the articles of association or the decision of any bodies of the company; every mechanism has been set up in order to ensure that shareholders use this right fully.

The Company's articles of association do not include an article that obstructs special audit and the management avoids any action that makes special audit process difficult. Our company acts in accordance with the relevant articles of Turkish Commercial Law regarding the right to ask for a special audit. In 2021, there has not been any request by shareholders for the assignment of a special auditor.

3. General Assembly Meetings

The General Assembly meetings of our company are held in accordance with the principles of the Corporate Governance Principles' "General Assembly" section.

Our General Assembly Meeting, which was previously planned to be held on 30.04.2021 and whose invitation was published in the Turkish Trade Registry Gazette dated 07.04.2021 and numbered 10304, was cancelled due to the curfew restrictions covering the relevant date.

In its meeting dated 28.04.2021, our Board of Directors resolved to hold the Annual Ordinary General Assembly Meeting regarding the Company's 2020 calendar year operations on 25.05.2021 Tuesday at 13:00 at the address "Fatih Sultan Mehmet Mahallesi Balkan Caddesi No:58 Buyaka E Blok Kat:1 34771 Ümraniye / İstanbul" and this resolution was announced to public on 29.04.2021 through Public Disclosure Platform.

For the year 2020, the balance sheet and income statement, Annual Report of the Board of Directors and the Corporate Governance Compliance report as its attachment, dividend distribution proposal of the Board of Directors,

Independent External Audit Report and an information document regarding the agenda were made ready for the evaluation of our shareholders at our headquarters and our website at www.anadoluefes.com, 21 days earlier than the date of the General Assembly. Also the proxy documents that were required for participation via proxy to the General Assembly were made available at our website in order to ease the participation to the meeting.

On the website of our company, in addition to the announcement of the General Assembly, disclosures and statements that are mandatory to be made according to the regulations, as well as all matters required to be announced according to Corporate Governance Principles, were disclosed to shareholders. Namely;

- The total number of shares which reflect the current shareholding structure of the company and the voting rights of shares was announced on our website on the date of the announcement of the General Assembly meeting.
- The General Assembly information document regarding the items on the agenda prepared for the Ordinary General Assembly Meeting which included information about the candidates, who were nominated for the independent Board memberships in line with Corporate Governance Principles. The candidates for the independent board memberships submitted written statements to the Nomination Committee, at the time that they were proposed as candidates, regarding their independence within the framework of the law, Articles of Association, and the Corporate Governance Principles.
- While preparing the agenda of the General Assembly, every proposal has been given in a separate heading and these headings were made clear in a way that would not cause different interpretations. Strict attention has been paid not to use expressions such as "other", "various (miscellaneous)" on the agenda. The information given before the general assembly has been given together with a reference to the related articles of the agenda.
- While preparing the agenda of the Ordinary General Assembly Meeting, there have not been any written requests, which the shareholders delivered to the Investor Relations Unit in writing to be included on the agenda. Likewise, shareholders, CMB or other government institutions, which are related to the company, have not delivered any written agenda item requests to be added to the agenda.
- In order to increase the attendance of the shareholders to the General Assembly, it is aimed to hold the meetings without causing any inequalities between shareholders and enable shareholders to attend these meetings with a minimum cost. In this context, the 2020 Ordinary General Assembly Meeting was held on 25.05.2021 in Istanbul where the headquarters of the company is registered, also in accordance with the articles of association.
- The Chairman of the meeting has obtained the required information and has done the necessary preparations in order to conduct the General Assembly as per the Turkish Commercial Code, related laws and legislations.
- The chairman of the Ordinary General Assembly has taken specific care in conveying the information about the subjects on the agenda objectively and in a detailed, clear and unbiased way. The shareholders have been given opportunities under equal conditions in explaining their considerations and questions. The chairman of the General Assembly has made sure that the questions asked by the shareholders and the questions which were not considered as trade secret have been answered directly in the General Assembly meeting. During the Ordinary General Assembly Meeting, there has not been any question irrelevant to the topics on the agenda or extensive such that they cannot be answered immediately. Questions asked during the General Assembly meeting and responses to these were recorded in the meeting minutes.
- In accordance with the Corporate Governance Principle article 1.3.7., there has not been any transaction in which persons who have privilege to access company information, had done on their behalf within the company's field of activity.
- The board of directors and other related persons, the ones who have responsibility in preparing the financial reports, and auditors have been present in the General Assembly meeting in order to provide the necessary information and answer the questions about the important subjects on the agenda in particular.
- Although there is no such article on our articles of association, the General Assembly meetings of our company are open to public including the stakeholders and the media without having the right to speak. In the Ordinary General Assembly Meeting held in 25.05.2021, there were no attendances by any stakeholders or the media apart from Company representatives that are mentioned in the previous provision.
- There has not been any transaction that required the approval of the majority of the independent Board members for the Board of Directors to take a decision, and where the decision was left to be resolved by the General Assembly because this condition was not met.
- Shareholders who have a management control, members of the Board of Directors, managers with administrative responsibility and their spouses, relatives by blood or marriage up to second degree have not conducted a significant transaction with the company or subsidiaries thereof which may cause a conflict of interest, or/and conduct a transaction on behalf of themselves or a third party which is in the field of activity of the company or subsidiaries thereof, or become an unlimited shareholder to a corporation which operates in the same field of activity with the company or subsidiaries thereof. There were also no transactions conducted by persons who have the opportunity to access information of the company in a privileged way, on their behalf within the scope of the company's field of activity.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

The 2020 Annual Ordinary General Assembly Meeting of our Company was held on 25.05.2021 with the participation of a total of 507,681,416.884 shares (86%) out of 592,105,263 shares constituting the capital amounting to TRL 592,105,263.00 of the Company.

Meeting minutes and List of Attendees were announced to public at the same day with the General Assembly through the Public Disclosure Platform. The General Assembly meeting minutes and Lists of Attendees are also available for the information of our shareholders at our website.

The following decisions were taken at the 2020 Ordinary General Assembly Meeting of our company:

- Annual Reports of the Board of Directors and the Independent Audit Company as well as the Consolidated Financial Statements for calendar year 2020 have been discussed and approved.
- The shareholders were informed regarding the donations made by the Company and on any income and benefits obtained by granting collaterals, pledges and mortgages in favor of third persons in 2020.
- To replace the released directors, the selection of TUNCAY ÖZİLHAN, KAMILHAN SÜLEYMAN YAZICI, JASON WARNER, TALİP ALTUĞ AKSOY, RAŞİH ENGİN AKÇAKOCA, AGAH UÇUR, AHMET BOYACIOĞLU, UÇUR BAYAR (independent member), BARIŞ TAN (independent member), ŞEVKİ ACUNER (independent member) and LALE DEVELİOĞLU (independent member) as Directors of the Board for one-year term has been approved.
- The selection of the DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the external audit company for the audit of the financial statements and reports for the year 2021 was approved.
- The amendments of the Company's Articles of Association, Article 7 ("Capital") for the extension of the registered capital system permission period and Article 14 ("Board

Meetings") regarding board meetings to also be held electronically, were approved.

- It has been decided to distribute a cash dividend of gross 1.9348 TRL (net TRL 1.64458) per each share with TRL 1 nominal value amounting to a total of TRL 1,145,605,262.85 realizing a 193.48% gross dividend distribution, calculated for the period January-December 2020 to be paid starting from 28 May 2021.

4. Voting Rights and Minority Rights

While our company avoids practices that make the use of voting rights difficult, the mechanisms have been set in order to enable every shareholder, including the cross-border ones, to use their voting rights in a proper and simple way. In this context, according to Article 26 of the articles of association of the company regarding "Participation to General Assembly via Electronic Means", shareholders having the right to attend the General Assembly can attend the meeting electronically in accordance with article 1527 of Turkish Commercial Law. In accordance with this article of articles of association, at the 2020 Ordinary General Assembly meeting held, shareholders and their representatives were able to use their rights as mentioned in the regulation.

While utmost care is given to the use of minority rights, our articles of association regulates the usage of all minority rights in accordance with regulations. While, Corporate Governance Principles enables provision of minority rights to shareholders with less than 1/20 share in capital in the articles of association; articles of association of our company does not include any article broadening the extent of minority rights compared to Law.

There are no privileged shares among the shares representing the paid-in capital of our Company. There is no cross shareholding relationship with the majority shareholders of our Company.

As there is no cross-ownership associated within our Company, therefore there occurred no voting in the General Assemblies of such companies.

5. Dividend Right

There is no privilege granted to shareholders regarding the distribution of dividends. Within the framework of compliance with Corporate Governance Principles, our Dividend Policy has been resolved to be handled as a written policy starting from 2005.

In line with our Dividend Distribution Policy, our Board of Directors resolved, in its meeting held on 25.02.2021, to submit a cash dividend proposal of gross TRL 1.9348 (net TRL 1.64458) per each share with TRL 1 nominal value, realizing a 193.48% gross dividend distribution over the issued capital of 592,105,263 TRL as of the end of the accounting period, calculated for the period January-December 2019, which amounts to a total proposed cash dividend of TRL 1,145,605,262.85 to be paid starting from 28 May 2021, for the approval of the General Assembly and this resolution was announced to public the same day through Public Disclosure Platform.

While dividend policy of our company is available on our website and annual report, detailed explanations and tables regarding the distribution of profit for the year 2021 are also provided in our Company's 2021 Annual Report.

6. Transfer of Shares

There are no provisions contained in the Company's Articles of Association restricting the transfer of shares, or provisions causing the transfer of shares difficult.

PUBLIC DISCLOSURE AND TRANSPARENCY

Acting in compliance with the principles regarding Public Disclosure and Transparency of Corporate Governance Principles, our Disclosure Policy regulates such matters; information which will be disclosed apart from the ones pointed out in the legislation, how frequently and in what ways these information's shall be disclosed, how frequently the board and the managers shall meet with the media, how frequently meetings shall be arranged to inform the public, which method shall be followed in answering the questions to the company, etc.

The information which will be disclosed to the public should be helpful in the decision-making process of the persons and institutions and should be prepared on time, accurately, completely, comprehensibly, interpretably, and accessible with low costs with ease at "Public Disclosure Platform" (www.kap.org.tr), on our company's website and through our IR application for public use. Besides, Central Registry Agency's "e-GOVERNANCE: Corporate Governance and Investor Relations Portal" is used directly and effectively to give information to the shareholders.

During the year, 30 special case announcements were made in accordance with CMB regulations. All of the public disclosures were made on time and released on our website simultaneously.

While the Investor Relations and Treasury Directorate working within the Finance Directorate is responsible for pursuing the Corporate Disclosure Policy in coordination with the Corporate Governance Committee, the details of individuals in charge are presented under the section "Investor Relations Unit".

While announcing its year-end financial results, our company regularly discloses its expectations for the following year along with assumptions and the data on which these assumptions are based, through an information document available to the public. During the year, in the case where estimates and the base for these expectations are not realized or it is understood that they are not going to be realized, the updated expectations are shared with the public with the required explanation.

The Disclosure Policy is available on our Company website.

1. Corporate Website and Its Content

Our corporate website is at www.anadoluefes.com. In order for international investors to use it, in addition to Turkish, our website is prepared also in English. In public disclosure, our website is used actively and the information given on the website is updated on a regular basis. The information on our website is the same and

consistent with the announcements which are done in accordance with the relevant regulation and it does not include conflicting or missing information. The letterhead of our company includes our website address. In our website, all information required as per Article no 2.1 in Section 2 of Corporate Governance Principles is available.

Announcements of financial statements, except for material events and footnotes which are mandatory to be disclosed to public in accordance with capital markets regulations, are simultaneously being disclosed at Public Disclosure Platform in English as well as in Turkish.

2. Annual Report

The annual report of our company is prepared in detail in a way that the public may access to the full and accurate information about the operations of our company, and includes information which is required by legislation and Article no 2.2 in Section 2 of the Corporate Governance Principles as well as the requirements specified in other Corporate Governance Principles.

STAKEHOLDERS

1. Informing the Stakeholder

Stakeholders are persons, associations, or interest groups such as employees, creditors, customers, suppliers, trade unions, several non-governmental organizations who are related to the matters on achieving the company's targets or that are related to the company's activities. Our company protects stakeholders' rights in transactions or activities conducted for the company which is set by the regulations or through the mutual contracts signed. If the rights of the stakeholders are not protected by regulations or with the mutual contracts, our company spends maximum effort to protect the rights of the stakeholders as much as possible in line with the company means and within bona fide rules. Our Company acts in accordance with the Corporate Governance Principles regarding its relations with its stakeholders and has

established all necessary mechanisms. In the case of conflicts of interest that arise among the stakeholders or when a stakeholder is involved in more than one interest group; a balanced policy, as far as possible shall be followed with regard to the protection of the vested rights, and each right is aimed to be protected independently.

Anadolu Efes' Indemnity Policy as required by the non-mandatory Article no 3.1.2 of Corporate Governance Principles was approved by the Board on 19.03.2015, as provided below, and immediately came into effect and also disclosed on the company website.

Indemnity Policy

In Our Company, provisions of the Labour Law numbered 4857 are applied regarding severance and notice payments. If there are amendments related to Labour Law numbered 4857, provisions of the relevant law that will come into force will be applied.

Within this context,

Regarding the claims for severance pay; provisions of the Labour Law numbered 4857 and Article 14 of the former Labour Law numbered 1475 (in accordance with the Temporary Article 6 of the Labour Law numbered 4857) are applied. However, if there is a collective bargaining agreement in force at the workplace, provisions of this collective bargaining agreement are to be implemented within the context.

Regarding the notice period, collective job-seeking permission is granted only if the employee presents a written request at the date of dismissal notice.

Creating timely and applicable solutions to problems related to the employees and other stakeholders, in order to maintain the satisfaction of all the stakeholders, is one of the key policies of the Company. Our employees, suppliers, customers, and consumers are informed on matters related to them in different ways.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

The Efes Communication Line that is currently active (444 EFES / 444 33 37 / iletisim@tr.anadoluefes.com) serves 6 days of the week excluding Sundays between 09:00-18:00. The incoming calls are immediately replied to and are resolved within specific time periods by the pre-determined responsible of relevant departments.

Information exchange with customers and suppliers is ensured by periodic dealer meetings as well as site meetings held by individuals in charge in relevant locations. Furthermore, customers and suppliers are capable of transmitting their problems to our Company via the dealer meetings and through oral or verbal applications submitted to the Company's management.

Meetings are held with our suppliers so as to improve the quality of the current materials as well as on other sectoral developments and pilot activities are conducted with respect to the co-produced projects.

Through the wide data information network established with its customers, the Company can exchange information on a real-time basis.

Our company conducts training programs to enhance the development of the employees. These development programs include class education, e-learning, on-the-job training, and knowledge sharing. For this purpose, in-house developed systems using internet platforms are also used.

The necessary mechanisms are formed by the Corporate Governance Committee in order for the stakeholders to communicate with the "Corporate Governance Committee" or the "Audit Committee" about the Company's practices which are contrary to the legislation and unethical. On the other hand, according to its own charter, the Audit Committee is responsible for monitoring whether a system regarding compliance to the Company's code of

business conduct and ethical rules is established by the management. Additionally, the Audit Committee reviews whether the management monitors the Company's compliance to code of business conduct and code of ethics, makes fraud risk assessments, and gives code of business conduct and fraud and code of ethics training to Company employees.

Stakeholders are sufficiently informed about afore-mentioned Company policies, procedures, etc. regarding the protection of their rights, via several channels including emails, corporate website, etc.

2. Participation of the Stakeholders in Management

Models supporting the participation of the stakeholders, primarily company's employees, to the management are developed in a manner not to hinder the activities of the corporation. Relevant actions are summarized below:

Employees are capable of transmitting their value adding suggestions to the management via our Bi-Fikir system, which is the Anadolu Group Innovation Portal. In addition, "Human Resources Request & Suggestion Line" that facilitates submission of requisitions and improvement requirements regarding the services provided by our Human Resources function is used effectively by our employees.

Periodically, a study for Measuring Employee Loyalty is conducted and employees can also transmit their requests and suggestions for improvement regarding the company they are involved in via this way.

In order to manage the relationships with our employees, as well as to manage the corporate information flow, we launched a web-based intranet system in 2009. As of 2013, our Human Resources Portal has been launched and our employees can obtain many human resources services via this portal which is an extensive self-service application.

As per our main system requirements, indicators designated under the strategic planning process are reviewed through meetings held.

With the Efes Communication Line, complaints or claims from our customers, suppliers, or consumers are replied to and remedied within prescribed periods by designated officers in charge at relevant units and all incoming requests are stored in electronic media, allowing the monitoring and reporting of progress in customer satisfaction. In addition, the performance of our suppliers in terms of quality, price, and delivery is monitored on our computer systems where they are scored and benchmarked on a periodic basis.

In production processes, utmost care is given to quality standards and the quality of our products is under the guaranty of our company.

New product developments are steered by Customer-Consumer research results and product improvement and development work is conducted in accordance with the demand from the market with product, package, and technology investments.

Within the context of trade secrets, the confidentiality of the information about the customers and the suppliers is taken care of as per Personal Data Protection Law and related legislation. Regarding the important decisions that give rise to an outcome for the stakeholders, the opinion of the stakeholders is taken.

3. Human Resources Policy

Our company's human resources policy and our practices in this area Corporate Governance Principles Section 3, article 3.3. complies with all the principles listed below.

Our human resources mission; In line with our company's vision, mission and strategies,

- To enable our employees to approach working life with passion, responsibility, equality, and justice in the way of brewing Pleasure and Entertainment.
- Developing Human Resources strategies and coordinating the implementation of Human Resources systems in all Efes locations in accordance with policies and procedures by standardizing them.

In line with our human resources mission, our basic strategy is;

- Focusing on the Career Development of Our Employees,
- Aiming the Cultural Change brought by the necessities of the in our time,
- And to ensure that our organization is Goal-oriented,

built on 3 foundations.

Our company's human resources strategy is prepared in line with our vision and mission and implemented to our goals in our strategic business plans, and is carried out under the following basic policies:

- Investing in the talent development of our employees,
- Creating transparent career paths for our employees and ensuring their effective communication,
- To reveal the true potential of our employees with appreciation and recognition,
- Developing and implementing new working methods that will keep up with the digital age,

- To ensure cultural exchange with a participatory approach and transparent communication,
- To place the target-oriented mindset at every level of the organization,
- To place the awareness that every Efes employee is responsible for developing their talents.

In order to prepare our employees for the future, great importance is given to education at every stage and at every level. This importance is presented in a transparent way with the created systems and "INVESTMENT IN PEOPLE" is made. In this direction, corporate development activities have been organized under "Anadolu Efes LABs" and under different academies since 2019 in order to train leaders, create a common management language and strengthen our culture that encourages continuous learning.

In addition, the Inspiring Digital online e-learning platform, which can be accessed 24/7 over the internet, aims to increase the personal and professional knowledge and skills of employees. With this e-learning platform, large target audiences can be reached in a short time with different development resources designed interactively. Participation in the training and completion status can be tracked through the system, and exams are also held for knowledge measurement.

With the Bi-Fikir project, which we implement in our company, where our employees voluntarily address and solve the problems related to their work in their own work area, a better communication, creativity, and innovation environment is provided for the employees within the company, it is aimed to increase the motivation of the employees and to ensure their personal development. In parallel with financial benefits and internal development, Bi-Fikir suggestion system brings various benefits such as innovation and creativity activities, responsibility, self-disclosure, innovation and creative thinking development, and job satisfaction.

It is our most fundamental principle that the decisions taken by our company management are applied sensitively to the field of activity. The follow-up of these practices is carried out within the framework of the determined Critical Performance Criteria, and not only focusing on operational performance, but also giving importance to profitability. Performance targets that we set annually for our employees within the framework of the aforementioned criteria enable our management policies to be evaluated according to quantitative and objective targets, depending on the indicators, beyond qualitative measurement.

One of the "company's responsibilities towards its employees", which has taken its place among the working principles of our group and is applied without compromise, is not to discriminate against language, religion, race, age, ethnic identity, and gender while conducting all kinds of relations with our employees.

We are proud of the diversity and cultural diversity of our employees, and while we gather around a common purpose, we accept these different perspectives as wealth. All human resources practices are built on nurturing and developing this wealth and providing equal opportunities to all employees in every field.

At Anadolu Efes, equality of opportunity is provided to all our employees in all human resources practices, starting with the recruitment of our employees, including training, wages, careers, and financial opportunities.

Respecting and protecting the rights of our employees under laws and regulations has been determined as one of the most important duties and priorities of the Company.

Within the scope of our Human Resources structure for both our Blue Collar and White Collar Employees, there is a Business Partner organization located in our company headquarters and a total of 9 regional Human Resources Managers affiliated to this organization. The Business Partner and regional Human Resources Managers mentioned above are responsible for evaluating the requests, complaints, and problems communicated

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

to them by the employees, and following the results of the process related to the requests, complaints, and problems received in coordination with the Senior Management, in accordance with their job descriptions.

Company employees can access information, documents, regulations, and policies related to their jobs through the corporate portal. Individual performance and potential evaluations are carried out through the online system and evaluation, success, and rewarding criteria and expectations are presented to the agreement and information of the employees since the beginning of the year. All human resources systems used are regularly reviewed and redesigned.

“Occupational Health and Safety Worker Representative” is selected for white-collar employees in order to represent employees on occupational health and safety issues. As stated in the Occupational Health and Safety Regulation, the duties and authorities of the representative elected by the workers working in the workplace are as follows:

- Participate in work related to health and safety in the workplace,
- monitoring work,
- requesting action,
- make suggestions

Or in similar matters, our blue-collar employees, who are authorized to represent workers act as health and safety worker representatives.

While providing a safe working environment and conditions for employees, General Occupational Health and Safety training, which requires the participation of all our employees, is organized by our company at regular intervals.

Relations with Blue Collar personnel in our company are regulated according to the Collective Bargaining Agreement, and a total of 6 Chief Representatives and 7 Union Representatives operate in our 3 Beer and 2 Malt Factories in Turkey, which are within the scope of the agreement. The aforementioned

Representatives are responsible for conveying the requests, complaints, and problems of our Blue Collar employees to the Senior Management within the limits set by the Collective Bargaining Agreement and the Laws, following the results, representing the employees in practices such as the Occupational Safety Board and observing their legal rights.

There is also a “Workplace Union Representative” for blue-collar employees, as stated in our Collective Bargaining Agreement. The duties and responsibilities of the representatives can be listed as follows;

Workplace union representatives fulfill the following duties assigned to them in order to ensure work peace, to maintain and observe the balance between the employer and the employer:

- a) To protect the cooperation and work peace between the employee and the employer in the workplace,
- b) Examining the demands and complaints made by the workers, convincing the worker in unreasonable demands and complaints, reflecting the demands and complaints that he/she finds reasonable to the employer at his/her own discretion. (The representative cannot be punished due to the discretion used in these complaints.)
- c) To try to resolve the disputes that may arise between the worker and the employer in a friendly way,
- d) To find solutions to problems that may arise in the implementation of the provisions of the collective bargaining agreement and, if necessary, to bring the issue to the employer after consulting the workers,
- e) To try to prevent illegal attempts and behaviors within its own authority, not to take part in such attempts and behaviors,
- f) To regulate the relations of unionized workers with the union,
- g) To work for the smooth execution of the Collective Bargaining Agreement,

h) To convey in writing the issues that cannot be resolved in the workplace to the union branch to which it is affiliated,

i) To fulfill other obligations given to it by the legislation.

4. Ethical Rules and Social Responsibility

Ethical rules are highly respected within our Company and these merits have been exercised for years within the corporate culture of Anadolu Group, our parent company, and our all operations are performed within this context. Anadolu Efes Code of Business Conduct and Ethics, which form our ethical values, are disclosed publicly in our website, whereas the minimum ethical rules with respect to environment, discrimination, child employees and union rights have been included to public in our annual report and website.

The necessary mechanisms to monitor compliance with Anadolu Efes Code of Business Conduct and Ethics Principles have been formed. In this context, details for the Code of Business Conduct and Ethics Communication Channels to be used by those who have any concern or become aware of any Code violation are made available on company website. These communication channels are operated by an independent company, and they are available 7/24, and it is possible to communicate a violation confidentially or anonymously.

Detailed explanations regarding the activities of our Company within the framework of social responsibility can be found in our Company’s 2021 Annual Report.

BOARD OF DIRECTORS

1. Structure and Composition of the Board of Directors

Our Board which consists of at least 7, at most 13 members according to articles of association, currently is composed of one Chairman, one Vice Chairman and nine members, totaling to eleven members.

The curriculum vitae of the Board members which also include their responsibilities outside of our Company are provided both in 2021 Annual Report and the website of our Company. There are no rules established by our Company regarding the Board Members taking responsibilities outside of Our Company, however, the requirements of the Corporate Governance Principles are applied on this issue. In this respect, the positions held by the Board Members outside Anadolu Group as at 31.12.2021 are provided in the table below:

Board Member	Current Positions Held Outside the Company*
Prof. Barış Tan	Koç University, Professor of Operations Management and Industrial Engineering Member of the Advisory Boards of Kyoto University Graduate School of Management, EM Lyon and Nottingham Business School Chairman of the ISM University of Management and Economics Senate
Uğur Bayar	Chairman - WWF Turkey Board Member - Tekfen Teknoloji Yatırım ve Tic. A.Ş., SAMUMED Biotech Company
Şevki Acuner	Board Member and Chairman of the Audit Committee of Tekfen Holding
Lale Saral Develioğlu	Board Member - Women on Board Association Turkey, Aksa Akrilik, Nobel Pharmaceuticals
Agah Uğur	Chairman - Boğaziçi Ventures Vice Chairman - Doğan Holding Board Member - Pegasus Havayolları, Alcatel Lucent Teletaş Telekomünikasyon, Gözde Girişim Member of High Advisory Council of TÜSİAD Member of the Board of Trustees of Sabancı University Member of the Board of Columbia University Istanbul Global Center Vice Chairman of Saha Foundation

*Both the Board Members that are listed in the table above and some of the other Board Members hold seats at the boards of various Anadolu Group companies.

According to the articles of association, the Board elects among the members every year a Chairman and at least one Deputy Chairman to represent the Chairman at his absence. The chairman is responsible for managing the Board meetings, ensuring that negotiations are held in order and the discussions during the meetings are recorded. While authorization of the Chairman of the Board, Board members and company executives are defined in the articles of association, no one in the company is given an unlimited decision making power.

According to the Corporate Governance Principles, our Board of Directors is required to be composed of at least four independent members. Similarly, according to relevant regulations, in the case where a separate Nomination Committee cannot be established due to the Board structuring, the Corporate Governance Committee can fulfill the responsibilities of this committee. In this respect, the Corporate Governance Committee assessed the candidate proposals to become an independent member, including the ones proposed by the board and shareholders, by

taking into consideration of whether or not the candidate meets the independency criteria and submitted this assessment under the report dated 19.02.2021 to the Board. The candidates for the independent board membership submitted their written statements to the Nomination Committee at the time they were proposed as candidates, that they are independent within the framework of the law, articles of association and the principles.

The written statement by all independent Board members declaring their independent status in the context of the principles in the regulatory framework, articles of association and the communiqué is as follows:

I hereby declare and state that;

- No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the

management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

- I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

- I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,
- I am assumed to be a resident in Turkey in accordance with the Income Tax Law dated 31.12.1960, numbered 193;
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries;
- I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,
- I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,
- I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange
- I am not registered nor declared on behalf of the corporate entity for which I will be elected as a Board Member

and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

In accordance with the report of the Nomination Committee, the Board's decision to appoint Prof. Barış Tan, Uğur Bayar, Şevki Acuner, and Lale Develioğlu as independent Board members, was sent to CMB for an opinion on 24.02.2021. CMB informed our Company that it delivers no negative opinion on independent membership of Prof. Barış Tan, Uğur Bayar, Şevki Acuner and Lale Develioğlu, via its written statement dated 19.03.2021.

Therefore, the precise independent Board membership candidates list and information about the candidates were disclosed to the public through an information document released with the announcement of the General Assembly. Assignment of candidates whose curriculum vitae were submitted in the information document was approved at the General Assembly dated 25.05.2021 and came into force.

Individuals who were elected as Independent Board Members were neither registered nor declared on behalf of a corporate identity.

In 2021, there arose no situation which revoked the independence of independent members of the Board of Directors.

There are currently no executive members on the Board of Directors. According to our articles of association, the office terms of Board members are up to three years, and it is possible for these members to be re-elected.

While our Company is insured against damages that may be caused due to the faults of the members of the Board of Directors during the execution of their duties, the total annual responsibility limit of the relevant insurance is in line with the amount stated in Corporate Governance Principles.

There is one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard.

While the Independent Board members, each being paid a total of TRL 168,000 annually, no payment is done to the other members of the Board.

2. Working Principles of the Board of Directors

The Board of our company executes its activities transparently, accountably, fairly, and responsibly in accordance with the requirements set by the Corporate Governance Principles.

The Board has a leading role to protect efficient communication and eradicate and find solutions for disagreements between the company and the shareholders. For this purpose, the Board conducts its roles with close cooperation with the Corporate Governance Committee and Investor Relations Unit.

In accordance with Article no 4.4.1 of Corporate Governance Principles, the Board gathers as often so that it performs its duties effectively. The gathering procedures and frequency of Board meetings, meetings, and resolution quorum, the process of asserting objections, and the validity of Board resolutions are explicitly laid down in our Company's Articles of Association. In this context, the Board holds its ordinary meetings five-six times a year and the Board members also convene upon any extraordinary situation and negotiate and render resolutions on critical agenda issues. In accordance with our Articles of Association, the majority of the members of the Board of Directors participates in the Board meetings and board decisions are taken with the vote of the majority of the total members of the Board.

The average rate of participation of Board Members in these five meetings during the year 2021 has been 100% and Board members aim to attend every meeting and present an opinion. When there are dissenting opinions on reasonable and detailed grounds regarding the questions asked or different opinions expressed by Board members, these are recorded in the meeting minutes.

The agenda of Board meetings comprise the agenda issues designated in the previous Board meeting for further negotiation in the next meeting along with the issues designated by the related Group President. However, before the meeting, a Board member may propose to the Chairman of the Board to make a change in the agenda. The opinion of a member, who did not attend the meeting but submitted his opinion to the Board in written format, is also submitted for other members' review.

Dates of the Board meetings are determined at the beginning of the year and accordingly, the Board members are notified of the meeting dates. Furthermore, Board members are also notified by means of a formal memorandum and report at least one week prior to any meeting. A secretariat is established for the meetings and all questions raised during the meetings and all issues negotiated are recorded into meeting minutes.

Each member in the Board has one voting right and Board Members do not have the right of weighted vote and/or power of veto. Board meetings are held in accordance with Article no 4.4.6 of Corporate Governance Principles.

Meeting minutes that have the nature of trade secrets are not disclosed to the public. However, all of the critical matters resolved are announced through public disclosures.

The Board resolutions related to the related party transactions of our Company are taken with the majority vote of the independent members; in accordance with the Corporate Governance Principles.

There were no transactions that are in the scope of the significant transactions as described in Article 1.3.9 of Corporate Governance Principles, in 2021.

3. Number, Structure and Independence of the Committees established under the Board

According to Article no 4.5.1 of Corporate Governance Principles, in order the board to perform its duties properly, an Audit Committee, a Corporate Governance Committee, a Nomination Committee, an Early Determination of Risk Committee and a Remuneration Committee should be established, however, in case a separate Nomination Committee, Early Determination of Risk Committee and Remuneration Committee cannot be established due to the structure of Board, Corporate Governance Committee may fulfill the responsibilities of these committees. In this context, in addition to the Audit Committee and Corporate Governance Committee that were already present in our company, the Committee for Early Detection of Risks was established according to the Board resolution dated 07.06.2012. The responsibilities of committees that are not present within the Board of Directors are fulfilled by the Corporate Governance Committee according to Corporate Governance Principles.

According to Article no 4.5.2 of Corporate Governance Principles, the scope of duties, the working principles, and the members of the committees are identified and disclosed to the public by the Board. In this context, in line with the Principles, Charters regarding functions and working principles of Committees were approved on 29.06.2012 and disclosed to the public on our company website at www.anadoluefes.com. Charters of the Audit Committee and Corporate Governance Committee that were updated in accordance with the revised Corporate Governance Principles were approved on 06.03.2014 and were made available to the public at our corporate website. There arose no necessity to revise the Charter of the Committee for Early Detection of Risks.

Apart from this, Article no 4.5.3 of Corporate Governance Principles requires all members of the Audit Committee and the chairman of other committees to be selected from independent Board members. In this context, selection of chairman and members to Committees was done through Board resolution dated 26.05.2021 for one year, was in line with this Corporate Governance Principle. Likewise, in line with Article, no 4.5.4 of Corporate Governance Principles, the chief executive/general manager does not have a role in any of the committees.

Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as an attachment to the Corporate Governance Compliance Report (Attachment 1).

4. Risk Management and Internal Control Mechanism

The Board of Directors establishes risk management, internal control, and internal audit systems to minimize negative risks that may affect all stakeholders, primarily shareholders.

The main aim of these systems is the protection of the value of the assets and reputation of the company, ensuring operational efficiency and sustainability, compliance with legislation, and accuracy of financial reports. Intended for this aim, risk management, internal audit, and internal control mechanisms have been established within the Company and fundamental principles with respect thereto are being announced via our annual report and website.

Identification of the existing and potential risks for the Company, development of practices for obtaining competitive advantage and sustainability by taking appropriate actions against the identified risks in the framework of our Company's risk appetite, and monitoring of such practices constitute the basic starting point of the risk management system.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

The Committee for Early Detection of Risks is established within the Company for early detection of risks that might endanger the existence, development, and perpetuation of the Company and to implement measures required against the risks determined as well as the management of risks. The Chairman of the committee is elected among the members of the Board of Directors. The Committee for Early Detection of Risks convenes as often as deemed necessary for the effectiveness of the work, at least two times per annum, and regularly briefs the Board of Directors of the Company about its meeting resolutions, important sightings, and recommendations. Thus, the Corporate Risk Management work is led and monitored by the top management. In addition, the Committee for Early Detection Risks and the Audit Committee held meetings together once a year, and risk management and internal audit practices are carried out at the highest level.

Corporate Risk Management system enables managers to determine current as well as potential risks and opportunities to be encountered while achieving Company targets, evaluate their likely impacts based on the Company's risk-taking profile, as well as plan and implement necessary actions. The risks and action plans are integrated into strategic business plans to make the necessary resource allocations.

Helped by the Corporate Risk Management software, which was initiated in all of our domestic and international operations, the risk management system was made prevalent in the whole company. Thus, participation in risk evaluation including sustainability and human resources risks is achieved at every level. The outcomes are used in supporting business continuity studies as well as operational and strategic decisions.

Existing or potential risks for our Company are defined below:

Financial risk; liquidity risk, receivables risk, equity/ debt ratio, exchange rate risk, and other factors that can affect the Company's financial status.

Strategic Risk; risk factors that may affect the company and brand value, or risks regarding mergers and acquisitions that may affect the sustainable growth of the Company.

Operational risk; risks that may affect every part of the business from the suppliers to the customers, and so the processes including business continuity, compliance, reputation, occupational health, and safety.

Environmental risk; risk factors such as fire, earthquake, etc. that can affect the Company's business continuity and safety.

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

Performance and risk indicators are used as early warning systems in order to trace risks and take necessary precautions on time. The SAP ERP system that is integrated into procedures in the Company is an efficient technological decision support system that is used for this purpose. SAP ERP supplies operational results in real-time that minimizes human error and makes early detection of risks possible and improves the efficiency of the internal control system.

Software and technologies particularly used by sales teams in the field are constantly improved to make sure that teams can access correct information immediately for making quick and right decisions by which customer satisfaction and competitive advantage are aimed at. With the use of high-level internal communication technologies, we aim to handle and solve the problems in a short time period.

Emergency situation management systems and procedures are established against potential natural risks while necessary arrangements have been made for backup systems with multinational service providers' expertise in this area in order to prevent systems from being affected and losing any data in case of an emergency situation. Additionally, all our facilities are insured in order to minimize environmental risks.

Additionally, environmental factors and extraordinary situations are monitored on an

immediate basis, and investigations are made to take necessary measures to minimize risk.

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.

Current systems and processes are strengthened through projects and studies regarding cyber-attack, information security, and personal data protection.

Internal Control system can be defined as all preventive and detective practices aimed to eliminate circumstances that may affect reaching the goals of the Company negatively and/or reduce their effects and possibility and disclose any non-compliances. Standard definitions, policies and procedures, job descriptions, and delegation structures regarding business processes constitute the basis of the internal control system. In this context, holistic internal control systems including preventive reformative and fixative ones have been established by the management, in order for the company to carry out Company's business effectively and efficiently. In this framework, holistic internal control systems have been established by the management to be preventive, remedial, and detective for the Company to carry out its business effectively and efficiently.

Through internal control systems established within the company, it is aimed to ensure the safety of assets, provide effectiveness and efficiency of operations, the trustworthiness of the financial reporting system, and assurance regarding compliance with regulations. The relevant internal control systems are also intended to protect the assets, reputation, sustainability and profitability of the company. An internal audit function that provides assurance for internal control and risk management activities

has been established within the Company. Internal audit function is organized including all operating countries comprising of both the headquarters and our subsidiaries, and conducts audits investigating the efficiency of the general control environment, corporate governance and risk management structures of our company, in accordance with International Internal Audit Standards for Professional Practice and the related laws and regulations, also benefitting from its auditors in addition to the auditors of AG Anadolu Grubu Holding A.S, who are specialized in their areas in addition to internal sources. The internal audit function reports to the Audit Committee, which consists of independent board members, internal audit reports are regularly discussed at the Audit Committee meetings with the participation of the Company's senior management and relevant invitees, and the actions are systematically monitored. The execution of the accounting system of the Company, the disclosure of financial information to the public, the external audit of the Company and supervision of the functioning and efficiency of the internal audit system are mainly carried out by the Audit Committee established by the Board of Directors of the Company. While carrying out the relevant function, the Audit Committee utilizes the findings of the Independent Audit, Certified Councillorship, Internal Audit Directorate, and Audit Presidency of AG Anadolu Grubu Holding A.Ş. and Risk Management Coordinatorship of Anadolu Group. Risk-oriented audit plans are established by internal audit and risk management units that work in coordination with.

The Company's internal audit unit was also periodically audited by an independent authorized institution in terms of compliance with the International Internal Audit Standards determined by the International Institute of Internal Auditors (IIA). As a result of this evaluation, it was certified by the authorized institution that the Internal Audit unit fully complies with the aforementioned Standards. In addition, the Company's internal audit unit regularly evaluates its internal audit services every year since 2011 with ISO 9001 quality assessment and has ISO 9001:2015 quality certificate.

5. Strategic Objectives of the Company

While the authorization and responsibilities of the Board members are clearly listed in our articles of association, the duties and responsibilities that are carried out by Board members de facto include:

- Setting the vision and mission of the company,
- Setting the strategic targets of the company,
- Determining the human and financial resource needs of the company,
- Auditing the performance of the management,
- Approving the budget and working plans of the company,
- Checking whether the company reaches its targets, examines results of operations,
- Ensure that the operations of the company are in line with regulations, articles of association, internal rules and policies,
- Examine Corporate Governance Principles of the company and improve missing points,
- Form the committees of the Board and ensure their operability.

While The Board manages and represents the company and is particularly loyal to the company's long-term interests by keeping the risk, growth and return the balance of the company at the optimum level through taking strategic decisions and with rationalistic and prudent risk, it is responsible for the company to reach its preset and publicly disclosed operational and financial performance targets. In this context, related Directorships make annual budgets and business plans every year and submit them to the Board. As a result, the operating results which are held in accordance with the plans throughout the year are continuously compared with the budget that was approved by the Board of Directors, and the reasons for the deviations are analyzed.

6. Financial Benefits

In accordance with the decision taken on the Annual Ordinary General Assembly, our company does not make any payment to Board members except for the independent Board members. On the Ordinary General Assembly dated 25.05.2021, it was decided to make an annual net payment of TRL 168,000 on a monthly basis to each independent Board member aiming to secure their independency. In accordance with Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibility are made public through our annual report. However, the declaration is not made separately for each member, but a cumulative number is given for all board members and managers having administrative responsibility.

The company has not lent any money, given any loan, extended the maturity of the loans or credits, improved the conditions of the loans, given any loan under the name of an individual loan through third parties, or given guarantee such as bail to a Board member or to the managers having administrative responsibility.

According to Article no 4.6.2 of Corporate Governance Principles, the remuneration principles of the Board members and managers having administrative responsibility should be in written form and the shareholders should be enabled to give their opinion after submitting these written remuneration principles to their reviews with a separate article in the General Assembly. Our remuneration policy prepared in this context is also made available to the public at our company website www.anadoluefes.com.

While there is no Nomination Committee established within the Board of Directors, in line with the Corporate Governance Principles, responsibilities of this committee are fulfilled by the Corporate Governance Committee.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

ATTACHMENT 1

EVALUATION OF THE BOARD OF DIRECTORS REGARDING THE WORKING PRINCIPLES AND EFFICIENCY OF THE COMMITTEES FORMED WITHIN THE BOARD

After the selection of Chairman and members made in accordance with Corporate Governance Principles, it has been decided to;

Appoint Board Member Mr. Şevki Acuner as the Chairman of the Audit Committee; Mr. Uğur Bayar as a member of the Audit Committee,

Appoint Board Member Mr. Uğur Bayar as the Chairman of the Corporate Governance Committee, and Board Members Mr. Dr. Yılmaz Argüden, Mrs. Aslı Kılıç Demirel, Mr. Rasih Engin Akçakoca; Mr. Jason Warner, Mrs. Lale Develioğlu and Mr. Mehmet Hurşit Zorlu as members of the Corporate Governance Committee,

Appoint Board Member Mr. Prof. Barış Tan as the Chairman of the Early Detection of Risk Committee and Mr. Talip Altuğ Aksoy, Mr. Agah Uğur, and Mr. Ben Graham as the member of the Early Detection of Risk Committee.

Charters regarding functions and working principles of the three afore-mentioned Committees were approved on 29.06.2012 and disclosed to the public on our company website at www.anadoluefes.com. Charters of the Audit Committee and Corporate Governance Committee that were updated in accordance with the revised Corporate Governance Principles were approved on 06.03.2014 and were made available to the public at our corporate website. There arose no necessity to revise the Charter of the Committee for Early Detection of Risks.

In 2021, all committees constituted within the Board of Directors have performed their functions as required in Corporate Governance Principles and their own Charters, and performed efficiently.

In 2021, in compliance with the way required for the efficiency of their functions, their Charters, and annual meeting schedules;

- Audit Committee met four times on 23.02.2021, 10.06.2021, 06.10.2021, and 15.12.2021,

- Corporate Governance Committee met seven times on, 23.02.2021, 25.02.2021, 27.07.2021, 12.08.2021, 06.10.2021, 04.11.2021 and 15.12.2021,

- Corporate Governance Committee met once on 19.02.2021 in order to execute duties of the Nomination Committee,

- Early Detection of Risk Committee met four times on 10.06.2021, 27.07.2021, 06.10.2021 and 15.12.2021,

consisting information related to their work and results of the meetings held during the year. According to this,

- Audit Committee that is responsible for taking all necessary measures in order to ensure that internal and external auditing is carried out adequately and transparently, as well as an efficient performance of internal control system; has submitted all of its suggestions on areas it is responsible for including its opinion and suggestions on the internal audit and internal control system.

- Corporate Governance Committee, that has been established to follow company's compliance to Corporate Governance Principles, develop improvement processes in this area and submit suggestions to the Board, has determined whether or not the Corporate Governance Principles were applied in the company, if not what is the reason, and also determined the conflict of interests occurred due to not complying with these principles totally and gave the Board advice that will improve the corporate governance practices; and monitored the works of the Investor Relations Unit.

- Early Detection of Risk Committee, that has worked on early determination of risks that will endanger the existence, development and sustainability of the company, has worked on the application of due precautions regarding the determined risks and has worked with the aim to manage the risks, scrutinized the systems of risk management of the company in accordance with Corporate Governance Principles and Charter of the Committee for Early Detection of Risks. The Committee also submitted risk assessment reports to the Board of Directors every two months in compliance with Article 378 of the Turkish Commercial Code numbered 6102.

OTHER INFORMATION RELATED TO OPERATIONS

1. ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş. TRADE REGISTRATION

Trade name:

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Formation Date:

26.06.2000

Registration Number:

91324

Address of Record:

Fatih Sultan Mehmet Mahallesi Balkan Caddesi No: 58/24 Buyaka E Blok Ümraniye-İstanbul/Türkiye

Number Of Issued Shares And Registered Share Capital:

592,105,263 shares each with a par value of TRL 1.00 (one Turkish lira).

On this basis the company's issued share capital amounts to TRL 592,105,263.

2. CHANGES IN THE ARTICLES OF ASSOCIATION:

At the Ordinary General Assembly held on 25.05.2021, pursuant to the permissions obtained from the Capital Markets Board and T.R. Ministry of Commerce, the amendment on the Article 7 ("Capital") of the Company's Articles of Association, for the extension of the registered capital system permission period between 2021-2025 and Article 14 ("Board Meetings") regarding board meetings to also be held electronically, was submitted for the approval of the General Assembly and accepted by the majority of votes.

3. CAPITAL STRUCTURE

As of 31 December 2021, the company's registered share capital ceiling was TRL 900,000,000 and its issued capital was TRL 592,105,263.00. During the reporting period there was no change in the company's capital structure.

4. PRODUCTION AND SALES

A. Production Volume

		2020	2021	CHANGE (%)
DOMESTIC BEER	BEER (MHL)	4.6	4.8	3.8
	MALT (THOUSAND TONNES)	86.1	84.3	-2.1
INTERNATIONAL BEER	BEER (MHL)	31.6	33.0	4.6
	MALT (THOUSAND TONNES)	267.0	272.7	2.1
TOTAL SOFT DRINKS	SOFT DRINKS (MILLION UNIT CASES)	1,184	1,376	16.2

OTHER INFORMATION RELATED TO OPERATIONS

B. Net Sales

2021 (million TRL)	BEER GROUP	SOFT DRINKS	TOTAL
REVENUES	17,367.7	21,929.5	39,297.3
INTER-SEGMENT REVENUES	-	(1.2)	(1.2)
TOTAL REVENUES	17,367.7	21,928.3	39,296.0

2020 (million TRL)	BEER GROUP	SOFT DRINKS	TOTAL
REVENUES	12,352.0	14,391.0	26,743.0
INTER-SEGMENT REVENUES	-	(0.3)	(0.3)
TOTAL REVENUES	12,352.0	14,390.7	26,742.7

5. EXPORTS

Turkey exports and CIF amounts in 2021 with comparison to 2020 is given in the table below.

	AMOUNT (MHL)			CIF AMOUNT (USD MILLION)		
	2020	2021	CHANGE (%)	2020	2021	CHANGE (%)
EXPORTS	0.45	0.54	19.35	32.21	39.90	23.90

6. CAPACITY AND CAPACITY UTILIZATION RATES

	CAPACITY	CAPACITY UTILIZATION RATE IN 2022 (%)*
DOMESTIC BEER (MHL)	6.9	69
INTERNATIONAL BEER (MHL)	46.6	68
TOTAL	53.5	68
MALT (DOMESTIC) (THOUSAND TONNES)	115	71
MALT (INTERNATIONAL) (THOUSAND TONNES)	284	96
SOFT DRINKS (MILLION UNIT CASES)**	1,718	84

*Capacity Utilization Rate=Production Amount/Average Capacity

** Annual production capacity calculations are based on the formula provided by The Coca-Cola Company to all bottlers of Coca-Cola products. Calculations are made according to high season capacity utilization rates. Capacity is defined as the product obtained by multiplying the hourly unit case output of a plant at targeted utilization. Because package mix and sales may change from year to year, production capacity calculations for one year may not be directly comparable to such calculations for other years even if the numbers of production lines are the same.

7. INVESTMENT POLICY AND INVESTMENT EXPENDITURES

Anadolu Efes is a company which pursues sustainable growth, takes risks that are quantifiable and manageable, and adroitly shepherds its investments. Continuously undertaking investments in order to maintain both its organic and its inorganic growth and to expand the market and foster a beer-appreciative culture in the countries in which it operates, the company also invests without letup in order to keep pace with rising demand. Anadolu Efes carries out its international beer investments through EBI, a wholly-owned subsidiary based in Holland, while its soft drinks investments in the Turkish and international markets are carried out by CCI, in which it is the majority shareholder. CCI is an independent company whose operations are completely separate from the Anadolu Efes' beer operations. CCI provides for its own investment and working capital needs from its own cash flow and/or by borrowing and it makes no demands of Anadolu Efes on this account.

All of Anadolu Efes' investments and all investments related to all beer operations taking place under Anadolu Efes' responsibility are undertaken in line with Board of Directors-approved annual budgets and investment decisions as specified in business plans. Investments in beer operations are conducted as spelled out in the company's Investment Management Guide ("Guide"), whose aims are to ensure the appropriateness of investment decisions and to achieve standardization and consistency in investment activities. Every investment is carried out so as to be compatible with that specific operation's strategic business plan. Our most important priority is to make certain that only the most profitable and essential investments are undertaken in all beer operations.

As a general principle, investment decisions must be based on the specific financial projections as spelled out in detail in the Guide and they must be documented in detail as also specified in the Guide.

The investment expenditures made by Anadolu Efes in recent years consist mainly of investments undertaken in three areas:

- 1) Investments within the scope of the Company's growth strategy include various technical investments, including some improvements in existing facilities and those made within the framework of compliance, investments in marketing such as investments in coolers to increase the cold-availability of products.
- 2) A variety of short-term and long-term investments for technical improvements and complying with the requirements of laws and regulations in existing plants;
- 3) Marketing-related investments, such as investments in coolers aimed at increasing the cold-availability of products.

However, these expenditures are related only to Anadolu Efes beer operations, and as stated above, CCI provides for its own investment and working capital needs from its own responsibility. On the other hand, Anadolu Efes' actual investment expenditures vary from the estimates as it is affected by several factors, which include market conditions, funding opportunities, operating cash flows and other factors that are partially beyond its control.

Total investment-related cash flows amounted to TRL 5,789.7 million in 2021 compared with TRL 1,515.0 million in 2020.

The cash flow regarding investments was amounting TRL 5,789.7 million in 2021; out of which TRL 2,724.8 million was related to the net purchase of tangible and intangible assets regarding the growth of beer and soft drink operations, TRL 87.0 million was related to the capital increases in joint ventures and TRL 2,978.0 related to the purchases for obtaining control of subsidiaries.

8. INVESTMENT INCENTIVES

Anadolu Efes takes advantage of new "investment incentives" that are provided in the scope of decree no 2012/3305 whose intent is to encourage investment in designated regions of the country. Anadolu Efes also benefits from incentives under the Ministry of Economy's "Turquality" project, specifically under the headings of "International Branding of Turkish-Made Products" and "Entrenching the 'Made In Turkey' Logo".

9. INFORMATION RELATED TO EMPLOYEES

The average number of employees for the years ended on 31.12.2021 and 31.12.2020 are as follows (numbers represent the employees of the companies that are being consolidated):

2020: 16,820

2021: 16,701

Our Company agreed with Tek-Gıda İş Labor Union on the terms of the collective labor agreement for the period 1 September 2021 - 31 August 2023.

The main terms of the collective agreement are as follows;

- Gross wages of the union member employees will be increased by gross TRL 1,500 per person per month in the first year of the collective labor agreement.
- In the second year of the agreement, gross wages of the union member employees will be increased by the rate of increase in the Consumer Price Index announced by the State Statistical Institute +3% and by gross TRL 200 per person per month.

OTHER INFORMATION RELATED TO OPERATIONS

10. DONATIONS AND ASSISTANCE; SOCIAL RESPONSIBILITY PROJECT-RELATED OUTLAYS; BENEFITS PROVIDED TO COMPANY DIRECTORS AND SENIOR MANAGERS

In 2021, Anadolu Efes paid out a total of TRL 19.7 million as charitable donations.

The consolidated value of Anadolu Efes' expenditures related to social responsibility projects was TRL 14.0 million.

Information about benefits consisting of salaries, bonuses, shares of profits, and similar forms of remuneration paid to members of the Company's Board of Directors and of its senior management is presented in the footnotes to the financial statements. The total value of all benefits provided to these persons as allowances (including travel, accommodation and representation allowances), as access to company-owned properties, as cash facilities, and as insurance and other guarantees was TRL 524 thousand in 2021.

11. R&D

Anadolu Efes has been carrying out R&D work on barley, one of the most important inputs used in brewing, since 1982. The company has developed 17 barley cultivars, all of which are registered in its own name. This R&D work has resulted in such benefits as diversifying and improving plant breeds, increasing crop productivity by 30%, and improving product quality.

12. ISSUES RELATED TO GROUP COMPANIES

Instances in which the company increased or reduced any direct or indirect stakes it owns in the capital of any associate, subsidiary, or joint venture during the reporting period are summarized below:

EFFECTIVE RATES	31.12.2021	31.12.2020	REASON FOR CHANGE
Blue Hub Ventures B.V.	100.00%	0.00%	New Company Incorporation
Mahmudiye Kaynak Suyu Ltd. Şti.	0.00%	50.26%	Merger by Transfer to CCI
Tonus Turkish-Kazakh Joint Venture LLP	0.00%	50.26%	Liquidation of the Company
The Coca-Cola Bottling Company of Jordan Ltd.	50.26%	45.23%	Exercise of Put Option
Waha Beverages B.V.	50.26%	40.22%	Exercise of Put Option
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC	50.26%	40.22%	Exercise of Put Option
Coca-Cola Bottlers Uzbekistan Ltd. (CCBU)	50.26%	0.00%	Share Acquisition
Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş.	78.58%	76.22%	Capital Increase and Share Acquisition

13. OTHER ISSUES

The Company acquired none of its own shares during the reporting period.

The Company did not undergo any special audits during the reporting period. The Company did undergo normal audits by public authorities as required by the laws and regulations to which it is subject.

As of 31 December 2021, the Company was not a respondent in any suit whose outcome would be capable of significantly affecting either the Company's financial position or the conduct of its business.

As of the reporting date, no administrative or judicial action had been initiated against the company or any member of its Board on account of any violation of the requirements of law.

As of the reporting date, none of the members of the company's Board of Directors had demanded the issuance of any report as provided for under Article 199/4 of the Turkish Commercial Code.

The company's financial position is solid. There is no risk of its having insufficient capital or of its becoming insolvent.

None of the persons from the company's management has been engaged in business, on their own behalf or on behalf of someone else that is in competition with the company, in accordance with the permission given by the general assembly. In the Affiliate Report approved by the Board of Directors of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. concerning the company's dealings with members of its own corporate group it is stated that the company was involved in no dealings that were directed by a controlling shareholder or by any entity belonging to a controlling shareholder or by any other controlling entity and there were no dealings that were undertaken solely for the benefit of a controlling shareholder or any entity belonging to a controlling shareholder; that there were no measures that were either taken or refrained from solely for the benefit of a controlling shareholder or of any entity belonging to a controlling shareholder; that all the dealings in which the company was involved during 2021 with any controlling shareholder or with any entity belonging to a controlling shareholder were conducted on an arm's-length basis and the company was, to the best of our knowledge, adequately and appropriately compensated for each and every such transaction that it entered into at the time the transaction occurred; that there were no measures that were either taken or refrained from that would have benefited a controlling shareholder of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. or any entity belonging to a controlling shareholder while also causing the company to suffer a loss and that, for this reason, there were no transactions or measures whose consequences need to be compensated for.

Information about the conflicts of interest between the Company and the corporations providing the Company with services such as investment consultancy and rating services and the measures taken by the company to prevent such conflicts of interest:

No conflicts of interest have been observed during the period. Regarding the procurement of services such as investment consultancy and rating services, our Company complies with all legal provisions including the CMB legislation, and pays utmost attention to prevent any situation that could lead to a conflict of interest in this respect.

13. EVENTS AFTER REPORTING PERIOD

- In Ukraine, we have three breweries in the cities of Chernihiv, Kharkiv and Mykolaiv and we have around three thousand employees. As always, our first priority is to ensure the safety of our employees. All possible precautions have been taken in this regard. In addition, all the measures have been taken to ensure the safety of our production facilities and infrastructure. Accordingly, as announced in our material disclosure on the same date, our breweries in Ukraine were shut down and the sales operations were halted as of 24 February 2022. The share of our Ukraine operation in Anadolu Efes sales revenues is 5% and its share in EBITDA is 2% as of FY2021.

As of the date of this report, our production and sales activities continue in our Russia operation.

- In Fitch Ratings' ("Fitch") assessment on 10 March 2022, Fitch downgraded Anadolu Efes' Long-Term Foreign Currency Issuer Default Rating and Local Currency Issuer Default Rating by one notch from BBB- to BB+. Fitch also placed all ratings on Rating Watch Negative.

Fitch also stated in its report that the challenging macroeconomic environment in Company's operating markets was the main driver of the rating action while adequate liquidity position of the Company including the hard currency balances were acknowledged.

2021 DIVIDEND DISTRIBUTION TABLE

ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş. 2021 Dividend Payment Table (TRL)

	Based on CMB Regulations	Based on Legal Records
1. Paid-In / Issued Capital		592,105,263.00
2. Total Legal Reserves (According to Legal Records)		372,939,109.84
3. Current Period Profit	3,802,921,160.49	2,058,164,737.83
4. Taxes Payable (-)	-1,435,654,496.55	0
5. Net Current Period Profit	1,068,303,393.18	2,058,164,737.83
6. Losses in Previous Years (-)	0	-1,384,017,111.87
7. Primary Legal Reserve (-)	0	0
8. Net Distributable Current Period Profit	1,068,303,393.18	674,147,625.96
Dividend Advance Distributed (-)	0	0
Dividend Advance Less Net Distributable Current Period Profit	0	0
9. Donations Made During The Year (+)	70,457.40	0
Donation-Added Net Distributable Current Period Profit on which First Dividend Is Calculated	1,068,406,932.23	0
11. First Dividend to Shareholders	29,605,263.15	0
Cash	0	0
Stock	0	0
12. Dividend Distributed to Owners of Privileged Shares	0	0
13. Other Dividend Distributed	0	0
To the Employees	0	0
To the Members of the Board of Directors	0	0
To Non-Shareholders	0	0
14. Dividend to Owners of Redeemed Shares	20,181,857.34	0
15. Second Dividend to Shareholders	545,428,037.37	0
16. Secondary Legal Reserves	78,754,821.61	0
17. Statutory Reserves	0	0
18. Special Reserves	0	0
19. Extraordinary Reserves	394,333,413.71	0
20. Other Distributable Resources	523,025,909.71	0

ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş. 2021 DIVIDEND PAYMENT RATES TABLE

SHARE GROUP	CASH DIVIDEND AMOUNT (TRL) - NET	STOCK DIVIDEND AMOUNT (TRL)	TOTAL DIVIDEND AMOUNT (TRL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT (%)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TRL - NET (TRL)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TRL - NET (%)
TOTAL	988,253,289.21			1.66905	166.905

STATEMENT OF RESPONSIBILITY

BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF FINANCIAL CORPORATE GOVERNANCE INFORMATION FORM, CORPORATE GOVERNANCE COMPLIANCE REPORT AND ANNUAL REPORT

RESOLUTION DATE: 23 FEBRUARY 2022 / 10 MARCH 2022

RESOLUTION NUMBER: 554 / 556

DECLARATION OF RESPONSIBILITY PURSUANT TO ARTICLE 9 OF THE SECOND SECTION OF THE CAPITAL MARKETS BOARD COMMUNIQUE ON PRINCIPLES PERTAINING TO FINANCIAL REPORTING IN CAPITAL MARKETS

Appended to this resolution are our financial statements, corporate governance information form, corporate governance compliance report and annual report for January-December 2021, which have been approved by our company's Board of Directors and Audit Committee, which have been prepared in compliance with Capital Markets Board ("SPK") Communique II-14.1 on principles pertaining to financial reporting in capital markets and with Turkish Accounting/Financial Reporting Standards ("TMS"/"TFRS") and on Corporate Governance and Sustainability Principles, and which have been independently audited. We hereby declare:

- We have examined the consolidated financial statements, corporate governance information form, corporate governance compliance report and annual report dated 31 December 2021;
- That, to the best of our knowledge within the framework of our duties and responsibilities at our company, neither the consolidated financial statements nor the corporate governance information form, corporate governance compliance report and annual report contain any assertion that is untrue insofar as matters of material importance are concerned or any omission that would lead to the conclusion that such assertions were misleading as of the date on which they were made;
- That, to the best of our knowledge within the framework of our duties and responsibilities at the company, these consolidated financial statements prepared in accordance with current financial reporting standards honestly reflect the realities of our company's assets, liabilities, financial standing, and profits & losses, and the annual report honestly reflects our company's business and performance and honestly reflects our company's financial standing along with any material risks and uncertainties that confront it.

Sincerely



ŞEVKİ ACUNER
Chairman of the Audit Committee



UĞUR BAYAR
Member of the Audit Committee



GÖKÇE YANAŞMAYAN
Group CFO



KEREM İŞERİ
CFO

(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT



DRT Bağımsız Denetim
ve Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak no1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel : +90 (212) 366 6000
Fax : +90 (212) 366 6010
www.deloitte.com.tr

Mersis No:
0291001097600016
Ticari Sicil No : 30409

To the General Assembly of Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

1) Opinion

As we have audited the full set consolidated financial statements of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. ("the Company") and its subsidiaries ("the Group") for the period between 1 January 2021–31 December 2021, we have also audited the annual report for the same period.

In our opinion, the consolidated financial information provided in the Management's annual report and the Management's discussions on the Group's financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

2) Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") issued by POA and ethical provisions stated in the regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor's Opinion for the Full Set Consolidated Financial Statements

We have presented unqualified opinion for the Group's full set consolidated financial statements for the period between 1 January 2021 – 31 December 2021 in our Auditor's Report dated 23 February 2022.

4) Management's Responsibility for the Annual Report

The Group's Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 ("TCC") and "Communiqué on Principles of Financial Reporting in Capital Markets" with No.14.1 of the Capital Markets Board ("the Communiqué"):

- a) Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,
- b) Preparing the annual report with the all respects of the Group's flow of operations for that year and the Group's consolidated financial performance accurately, completely, directly and fairly. In this report, the consolidated financial position is assessed in accordance with the consolidated financial statements. The Group's development and risks that the Group may probably face are also pointed out in this report. The Board of Director's evaluation on those matters are also stated in this report.
- c) The annual report also includes the matters stated below:
 - The significant events occurred in the Group's activities subsequent to the financial year ends,
 - The Group's research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

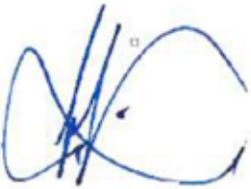
5) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management's discussions and consolidated financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management's discussions on the Group's financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit

The engagement partner on the audit resulting in this independent auditor's report is Koray Öztürk.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Koray Öztürk
Partner

İstanbul, 10 March 2022

**ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)
INDEPENDENT AUDITOR'S REPORT



DRT Bağımsız Denetim
ve Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak no1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel : +90 (212) 366 6000
Fax : +90 (212) 366 6010
www.deloitte.com.tr

Mersis No:
0291001097600016
Ticari Sicil No : 30409

To the General Assembly of Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

A) Report on the Audit of the Financial Statements

1) Opinion

We have audited the consolidated financial statements of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by the POA, together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matter	How the matter was addressed in the audit
<p data-bbox="89 476 761 534">Impairment Testing of Goodwill and Intangible Assets with Indefinite Useful Lives</p> <p data-bbox="89 570 736 740">Anadolu Efes Biracılık ve Malt Sanayii A.Ş. ("Anadolu Efes") and its subsidiary, Coca-Cola İçecek A.Ş. ("Coca-Cola"), has expanded their operations with business combinations. As a result of the business combinations, the share of goodwill and intangible assets with indefinite useful lives in total assets has reached to 42% in the consolidated financial statements.</p> <p data-bbox="89 776 789 1006">The Group management performs annual impairment testing of its cash generating units to which goodwill has been allocated and its intangible assets with indefinite useful lives in accordance with its accounting policies. The recoverable amount of cash generating units and intangible assets with indefinite useful lives is determined based on value in use. Recoverable amount is determined based on discounted projected cash flows by using key management estimates; such as, revenue increase, discount rate, long-term growth rate and inflation rate.</p> <p data-bbox="89 1042 769 1183">There are significant estimates and assumptions used in the impairment tests performed by the Group management and these assets have material magnitude on the consolidated financial statements, thus the impairment testing of goodwill and intangible assets with indefinite useful lives is determined as a key audit matter.</p> <p data-bbox="89 1219 783 1300">The related disclosures including the accounting policies for impairment testing of goodwill and intangible assets with indefinite useful lives are disclosed in Notes 2 and 17.</p>	<p data-bbox="817 476 1504 534">The audit procedures applied including but not limited to the following are:</p> <ul data-bbox="817 538 1513 1353" style="list-style-type: none"> <li data-bbox="817 538 1513 619">• Assessing Group's process for the impairment testing of goodwill and intangible assets with indefinite useful lives and performing the design and implementation testing of the relevant controls, <li data-bbox="817 655 1513 712">• Evaluating the appropriateness of cash generating units determined by Group management, <li data-bbox="817 749 1513 827">• Review of the Group's budget processes in details (basis of estimation) and review of basis and arithmetical accuracy of models that are used for discounted projected cash flows, <li data-bbox="817 863 1513 921">• Comparing forecasted cash flows for each cash generating unit with its historical financial performance, <li data-bbox="817 957 1513 1066">• Through involvement of our internal valuation specialists, assessing the reasonableness of key assumptions used in each cash generating unit, including earnings before interest, tax, depreciation and amortization ("EBITDA"), long term growth rates and discount rate, <li data-bbox="817 1102 1513 1159">• Comparative analysis of actual results with the initial estimations to verify the accuracy of historical estimations, <li data-bbox="817 1195 1513 1253">• Evaluating sensitivity analysis of impairment tests for the potential changes in key assumptions, <li data-bbox="817 1289 1513 1353">• Evaluating the appropriateness of related disclosures regarding to Intangible Assets with Indefinite Useful Lives and Goodwill in Note 17 in accordance with TFRS.

4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the standards on auditing issued by Capital Markets Board and SIA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the standards on auditing issued by Capital Markets Board and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 23 February 2022.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2021 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Koray Öztürk.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Koray Öztürk, SMMM
Partner

İstanbul, 23 February 2022

TABLE OF CONTENTS

	Page
Consolidated Statement of Financial Position	164
Consolidated Statement of Profit or Loss	166
Consolidated Statement of Other Comprehensive Income	167
Consolidated Statement of Changes in Equity	168
Consolidated Statement of Cash Flows	170
Notes to the Consolidated Financial Statements	171-247
NOTE 1 GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES	171
NOTE 2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	174
NOTE 3 BUSINESS COMBINATIONS	193
NOTE 4 INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD	195
NOTE 5 SEGMENT REPORTING	197
NOTE 6 CASH AND CASH EQUIVALENTS	199
NOTE 7 SHORT AND LONG TERM BORROWINGS	199
NOTE 8 DERIVATIVE INSTRUMENTS	203
NOTE 9 FINANCIAL INVESTMENTS	205
NOTE 10 TRADE RECEIVABLES AND PAYABLES	205
NOTE 11 OTHER RECEIVABLES AND PAYABLES	206
NOTE 12 INVENTORIES	207
NOTE 13 PREPAID EXPENSES AND DEFERRED INCOME	208
NOTE 14 RIGHT-OF-USE ASSETS	209
NOTE 15 INVESTMENT PROPERTIES	210
NOTE 16 PROPERTY, PLANT AND EQUIPMENT	211
NOTE 17 INTANGIBLE ASSETS	213
NOTE 18 COMMITMENTS AND CONTINGENCIES	216
NOTE 19 EMPLOYEE BENEFITS OBLIGATIONS	219
NOTE 20 CURRENT AND NON-CURRENT PROVISIONS	219
NOTE 21 OTHER ASSETS AND LIABILITIES	221
NOTE 22 EQUITY, RESERVES AND OTHER EQUITY ITEMS	223
NOTE 23 REVENUE AND COST OF SALES	224
NOTE 24 OPERATING EXPENSES	225
NOTE 25 EXPENSES BY NATURE	226
NOTE 26 OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES	226
NOTE 27 INVESTMENT ACTIVITY INCOME/EXPENSE	227
NOTE 28 FINANCE INCOME/EXPENSE	228
NOTE 29 TAX ASSETS AND LIABILITIES	228
NOTE 30 EARNINGS PER SHARE	231
NOTE 31 NON-CURRENT ASSETS CLASSIFIED as HELD for SALE and DISCONTINUED OPERATIONS	232
NOTE 32 RELATED PARTY BALANCES AND TRANSACTIONS	233
NOTE 33 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT	235
NOTE 34 FINANCIAL INSTRUMENTS	244
NOTE 35 EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS	245
NOTE 36 FEES FOR SERVICES FROM INDEPENDENT AUDIT FIRMS	246
NOTE 37 EVENTS AFTER REPORTING PERIOD	247

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Notes	Audited	
		December 31, 2021	Reclassified (Note 2) December 31, 2020
ASSETS			
Cash and Cash Equivalents	6	10.260.355	8.524.950
Financial Investments	9	73.644	38.553
Trade Receivables	10	5.117.061	2.745.025
- Trade Receivables from Related Parties	32	472.351	322.831
- Trade Receivables from Third Parties		4.644.710	2.422.194
Other Receivables	11	158.315	162.530
- Other Receivables from Related Parties	32	120.322	115.371
- Other Receivables from Third Parties		37.993	47.159
Derivative Financial Assets	8	100.573	135.109
Inventories	12	5.903.274	2.708.747
Prepaid Expenses	13	1.861.020	660.555
- Prepaid Expenses to Related Parties		23.333	-
- Prepaid Expenses to Third Parties		1.837.687	660.555
Current Tax Assets	29	380.186	289.661
Other Current Assets	21	809.432	442.333
- Other Current Assets from Third Parties		809.432	442.333
Subtotal		24.663.860	15.707.463
Non-current Assets Classified as Held for Sale	31	-	15.095
Current Assets		24.663.860	15.722.558
Financial Investments		822	799
Trade Receivables	10	-	1.792
- Trade Receivables from Third Parties		-	1.792
Other Receivables	11	113.066	67.529
- Other Receivables from Related Parties	32	17.409	19.266
- Other Receivables from Third Parties		95.657	48.263
Derivative Financial Assets	8	-	8.279
Property, Plant and Equipment	16	21.297.137	12.592.066
Right-of-Use Assets	14	431.203	327.253
Intangible Assets		36.193.054	20.466.958
- Goodwill	17	9.201.985	3.299.250
- Other Intangible Assets	17	26.991.069	17.167.708
Prepaid Expenses	13	305.481	430.999
Deferred Tax Asset	29	2.031.664	942.314
Other Non-Current Assets	21	935	821
Non-Current Assets		60.373.362	34.838.810
TOTAL ASSETS		85.037.222	50.561.368

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Notes	Audited	
		December 31, 2021	Reclassified (Note 2) December 31, 2020
LIABILITIES			
Current Borrowings	7	2.678.964	2.327.687
- Current Borrowings from Third Parties		2.678.964	2.327.687
- Banks Loans	7a	2.678.761	2.327.494
- Lease Liabilities	7b	203	193
Current Portion of Non-Current Borrowings	7	3.795.733	656.805
- Current Portion of Non-Current Borrowings from Third Parties		3.795.733	656.805
- Banks Loans	7a	1.214.094	513.660
- Lease Liabilities	7b	94.245	112.362
- Issued Debt Instruments	7a	2.487.394	30.783
Trade Payables	10	12.701.964	6.196.323
- Trade Payables to Related Parties	32	790.122	569.046
- Trade Payables to Third Parties	10	11.911.842	5.627.277
Employee Benefit Obligations	19	219.572	113.117
Other Payables	11	3.542.190	2.305.485
- Other Payables to Related Parties	32	18.077	-
- Other Payables to Third Parties		3.524.113	2.305.485
Derivative Financial Liabilities	8	444.129	78.280
Deferred Income	13	148.584	130.976
Current Tax Liabilities	29	178.829	127.950
Current Provisions		675.289	174.542
- Current Provisions for Employee Benefits	20	439.170	139.468
- Other Current Provisions	20	236.119	35.074
Other Current Liabilities	21	136.140	430.938
Current Liabilities		24.521.394	12.542.103
Long-Term Borrowings	7	14.771.633	9.180.122
- Long-term Borrowings from Third Parties		14.771.633	9.180.122
- Banks Loans	7a	2.313.176	1.816.654
- Lease Liabilities	7b	409.485	257.907
- Issued Debt Instruments	7a	12.048.972	7.105.561
Trade Payables	10	2.091	49.528
- Trade Payables to Third Parties		2.091	49.528
Employee Benefit Obligations	19	-	1.155
Other Payables	11	7.020	4.417
- Other Payables to Third Parties		7.020	4.417
Liabilities due to Investments Accounted for Using Equity Method	4	508.945	57.241
Derivative Financial Liabilities	8	708.656	213.420
Deferred Income	13	14.697	7.531
Non-Current Provision	20	348.640	230.367
- Non-Current Provision for Employee Benefits		348.640	230.367
Deferred Tax Liabilities	29	4.816.174	3.257.472
Other Non-Current Liabilities	21	5.479	3.284
Non-Current Liabilities		21.183.335	13.004.537
Equity Attributable to Equity Holders of the Parent		18.715.082	12.805.764
Issued Capital	22	592.105	592.105
Inflation Adjustment on Capital	22	63.583	63.583
Share Premium (Discount)		204.017	1.364.733
Put Option Revaluation Fund Related with Non-controlling Interests		-	6.773
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		(54.642)	(32.151)
- Revaluation and Remeasurement Gain/(Loss)		(54.642)	(32.151)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		10.467.910	4.409.983
- Currency Translation Differences		15.628.030	6.481.026
- Gains (Losses) on Hedge		(5.160.120)	(2.071.043)
Restricted Reserves Appropriated from Profits	22	372.939	372.939
Prior Years' Profits or Losses		6.000.867	5.213.040
Current Period Net Profit or Losses		1.068.303	814.759
Non-Controlling Interests	4	20.617.411	12.208.964
Total Equity		39.332.493	25.014.728
TOTAL LIABILITIES		85.037.222	50.561.368

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Notes	Audited	
		Current Period January 1 - December 31 2021	Previous Period January 1- December 31 2020
Revenue	5, 23	39.296.008	26.742.693
Cost of Sales (-)	23	(25.142.116)	(16.799.303)
GROSS PROFIT (LOSS)		14.153.892	9.943.390
General Administrative Expenses (-)	24	(2.820.859)	(2.057.227)
Sales, Distribution and Marketing Expenses (-)	24	(7.284.753)	(5.210.101)
Other Income from Operating Activities	26	1.365.593	859.096
Other Expenses from Operating Activities (-)	26	(1.028.305)	(817.959)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	5	4.385.568	2.717.199
Investment Activity Income	27	801.345	474.495
Investment Activity Expenses (-)	27	(333.885)	(158.417)
Share of Loss from Investments Accounted for Using Equity Method	4	(542.378)	(249.004)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	5	4.310.650	2.784.273
Finance Income	28	3.700.093	2.258.422
Finance Expenses (-)	28	(4.207.822)	(2.975.745)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX	5	3.802.921	2.066.950
Tax (Expense) Income, Continuing Operations		(1.435.655)	(610.076)
- Current Period Tax Income (Expense)	29	(1.010.648)	(610.283)
- Deferred Tax Income (Expense)	29	(425.007)	207
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		2.367.266	1.456.874
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	31	-	(3.964)
PROFIT/(LOSS)		2.367.266	1.452.910
Profit/(Loss) Attributable to:		2.367.266	1.452.910
- Non-Controlling Interest	4	1.298.963	638.151
- Owners of Parent		1.068.303	814.759
Earnings/(Loss) Per Share (Full TRL)	30	1,8042	1,3760
Earnings/(Loss) Per Share From Continuing Operations (Full TRL)	30	1,8042	1,3794
Earnings/(Loss) Per Share From Discontinued Operations (Full TRL)	30	-	(0,0034)

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Notes	Audited	
		Current Period January 1- December 31 2021	Previous Period January 1- December 31 2020
PROFIT/(LOSS)		2.367.266	1.452.910
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income that will not be Reclassified to Profit or Loss		(46.072)	(7.643)
Gains (Losses) on Remeasurements of Defined Benefit Plans	20	(56.804)	(9.387)
Taxes Relating to Components of Other Comprehensive Income that will not be reclassified to profit or loss be Reclassified to Other Profit or Loss		10.732	1.744
- <i>Deferred Tax Income (Expense)</i>		10.732	1.744
Other Comprehensive Income that will be Reclassified to Profit or Loss		13.672.949	410.749
Currency Translation Differences		18.156.283	1.527.916
Other Comprehensive Income (Loss) on Cash Flow Hedge		21.769	(102.090)
Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations	33	(5.603.352)	(1.283.115)
Taxes Relating to Components of Other Comprehensive Income that will be reclassified to profit or loss Reclassified to Other Profit or Loss		1.098.249	268.038
- <i>Deferred Tax Income (Expense)</i>		1.098.249	268.038
OTHER COMPREHENSIVE INCOME (LOSS)		13.626.877	403.106
TOTAL COMPREHENSIVE INCOME (LOSS)		15.994.143	1.856.016
Total Comprehensive Income Attributable to			
- <i>Non-Controlling Interest</i>		8.890.404	1.157.906
- <i>Owners of Parents</i>		7.103.739	698.110

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Notes	Issued Capital	Inflation Adjustment on Capital	Share Premium/ (Discounts)	Put Option Reserve Fund Related with Non-controlling Interests ^(*)	Other Accumulated Comprehensive Income that will not be reclassified in Profit or Loss	
						Revaluation and Remeasurement Gain/(Loss) ^(**)	
Previous period (January 1 - 31 December 31, 2020)	Beginning Balances	592.105	63.583	2.434.374	6.773	(27.978)	
	Transfers	-	-	-	-	-	
	Total Comprehensive Income (Loss)	-	-	-	-	(4.173)	
	- Profit (Loss)	-	-	-	-	-	
	- Other Comprehensive Income (Loss)	-	-	-	-	(4.173)	
	Dividends	22	-	-	(1.069.641)	-	-
	Ending Balances	592.105	63.583	1.364.733	6.773	(32.151)	
Current Period (January 1 - December 31, 2021)	Beginning Balances	592.105	63.583	1.364.733	6.773	(32.151)	
	Transfers	-	-	-	-	-	
	Total Comprehensive Income (Loss)	-	-	-	-	(22.491)	
	- Profit (Loss)	-	-	-	-	-	
	- Other Comprehensive Income (Loss)	-	-	-	-	(22.491)	
	Dividends	22	-	-	(1.160.716)	-	-
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control ^(***)	3	-	-	-	-	-
	Increase (decrease) through other changes ^(****)		-	-	-	(6.773)	-
	Ending Balances	592.105	63.583	204.017	-	(54.642)	

^(*) Non-controlling interest share put option liability.

^(**) Gains (Losses) on Remeasurements of Defined Benefit Plans.

^(***) Coca-Cola İçecek A.Ş. ("CCI"), through its wholly owned subsidiary CCI International Holland BV (CCI Holland), signed an agreement and will acquire 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited ("TCCBCJ") from Atlantic Industries Company, a subsidiary of The Coca-Cola Company (TCCC), for a total consideration of USD5.4 million (TRL 71.977).

^(****) The Group completed the acquisition of a minority stake owned by European Refreshments (ER), a wholly owned subsidiary of The Coca-Cola Company (TCCC), of 19,97% in Waha Beverages B.V. ("Waha BV") the holding company for Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC a company incorporated in Baghdad (Al Waha).

The accompanying notes form an integral part of these consolidated financial statements.

**Other Accumulated Comprehensive
Income that will be reclassified
in Profit or Loss**

Retained Earnings

Currency Translation Differences	Gains (Losses) on Hedge	Restricted Reserves Appropriated from Profits	Prior Years' Profits or Losses	Current Period Net Profit or Loss	Equity Attributable to Equity Holders of the Parent	Non-Controlling Interests	Total Equity
5.712.414	(1.189.955)	372.939	4.178.878	1.034.162	13.177.295	11.203.005	24.380.300
-	-	-	1.034.162	(1.034.162)	-	-	-
768.612	(881.088)	-	-	814.759	698.110	1.157.906	1.856.016
-	-	-	-	814.759	814.759	638.151	1.452.910
768.612	(881.088)	-	-	-	(116.649)	519.755	403.106
-	-	-	-	-	(1.069.641)	(151.947)	(1.221.588)
6.481.026	(2.071.043)	372.939	5.213.040	814.759	12.805.764	12.208.964	25.014.728
6.481.026	(2.071.043)	372.939	5.213.040	814.759	12.805.764	12.208.964	25.014.728
-	-	-	814.759	(814.759)	-	-	-
9.147.004	(3.089.077)	-	-	1.068.303	7.103.739	8.890.404	15.994.143
-	-	-	-	1.068.303	1.068.303	1.298.963	2.367.266
9.147.004	(3.089.077)	-	-	-	6.035.436	7.591.441	13.626.877
-	-	-	-	-	(1.160.716)	(439.274)	(1.599.990)
-	-	-	(26.932)	-	(26.932)	(45.045)	(71.977)
-	-	-	-	-	(6.773)	2.362	(4.411)
15.628.030	(5.160.120)	372.939	6.000.867	1.068.303	18.715.082	20.617.411	39.332.493

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Notes	Audited	
		January 1- December 31, 2021	January 1- December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		8.072.534	4.972.316
Profit/(Loss) from Continuing Operation for the Period		2.367.266	1.456.874
Profit/(Loss) from Discontinued Operation for the Period		-	(3.964)
Adjustments to Reconcile Profit (Loss)		5.400.279	3.548.904
Adjustments for Depreciation and Amortization Expense	5, 14, 15, 16, 17, 25	2.399.006	2.073.049
Adjustments for Impairment Loss (Reversal)	35	269.229	72.414
Adjustments for Provisions	35	118.738	77.499
Adjustments for Interest (Income) Expenses	35	853.986	381.518
Adjustments for Foreign Exchange Losses (Gains)		224.818	502.949
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments	35	91.012	14.332
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	4	542.378	249.004
Adjustments for Tax (Income) Expenses	29	1.435.655	610.076
Adjustments for Losses (Gains) on Disposal of Non-Current Assets	27	(254.167)	(115.062)
Transfer of Currency Translation Differences Previously Accounted as Other Comprehensive Income	27	(455.377)	(279.929)
Other Adjustments to Reconcile Profit (Loss)		175.001	(36.946)
Change in Working Capital		1.417.535	530.296
Adjustments for Decrease (Increase) in Trade Accounts Receivables		(2.423.702)	52.560
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		(956.564)	(158.216)
Adjustments for Decrease (Increase) in Inventories		(3.053.960)	(471.966)
Adjustments for increase (Decrease) in Trade Accounts Payable		5.955.232	913.204
Adjustments for increase (Decrease) in Other Operating Payables		1.896.529	194.714
Cash Flows from (used in) Operations		9.185.080	5.532.110
Payments Related with Provisions for Employee Benefits	20	(60.266)	(52.117)
Income Taxes (Paid) Return		(1.052.280)	(507.677)
CASH FLOWS USED IN INVESTING ACTIVITIES		(5.789.734)	(1.515.021)
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures	4	(87.000)	(126.393)
Proceeds from Sales of Property, Plant, Equipment		391.022	357.218
Cash Outflows Arising from Purchase of Property, Plant, Equipment and Intangible Assets	15, 16, 17	(3.115.798)	(1.745.846)
Cash Outflows Related to Purchases for Obtaining Control of Subsidiaries	3, 35	(2.977.958)	-
CASH FLOWS USED IN FINANCING ACTIVITIES		(2.124.734)	(1.129.171)
Proceeds from Borrowings	7a	9.874.194	5.493.058
Repayments of Borrowings	7a	(9.160.249)	(5.818.335)
Payments of Lease Liabilities	7b	(196.066)	(191.541)
Cash Inflows from Settlement of Derivative Instruments		67.150	-
Cash Outflows from Settlement of Derivative Instruments		(66.986)	-
Dividends Paid		(2.210.945)	(604.324)
Interest Paid	7	(1.111.793)	(634.372)
Interest Received		222.825	269.816
Cash Outflows Related to Changes in Share of Subsidiaries that will not Result in Loss of Control	3	(393.687)	-
Other Inflows (Outflows) of Cash	35	850.823	356.527
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES		158.066	2.328.124
Effect Of Currency Translation Differences On Cash And Cash Equivalents		1.587.383	383.886
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		1.745.449	2.712.010
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	8.508.135	5.796.125
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	10.253.584	8.508.135

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

General

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes, the Company) was established in İstanbul in 1966. Certain shares of Anadolu Efes are listed on the Borsa İstanbul (BIST).

The registered office of the Company is located at the address "Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No:58, Buyaka E Blok, Tepeüstü, Ümraniye - İstanbul".

The Company, its subsidiaries and joint ventures will be referred to as the "Group". The average number of permanent personnel employed in the Group is 16.701 (December 31, 2020 - 16.820).

The consolidated financial statements of the Group approved by the Board of Directors of the Company and signed by the Chief Financial Officer, Gökçe Yanaşmayan and Finance Director, Kerem İşeri were issued on February 23, 2022. General Assembly and specified regulatory bodies have the right to make amendments to statutory financial statements after issue.

Nature of Activities of the Group

The operations of the Group consist of production, bottling, selling and distribution of beer under a number of trademarks and also production, bottling, distribution and selling of sparkling and still beverages with The Coca- Cola Company (TCCC) trademark.

The Group owns and operates twenty one breweries; three in Turkey, eleven in Russia and seven in other countries (December 31, 2020 - twenty one breweries; three in Turkey, eleven in Russia and seven in other countries). The Group makes production of malt in two locations in Turkey and three locations in Russia (December 31, 2020 - production of malt in two locations in Turkey and three locations in Russia). Entities carrying out the relevant activities will be referred as "Beer Operations".

The Group has ten facilities in Turkey, nineteen facilities in other countries for sparkling and still beverages production (December 31, 2020 - ten facilities in Turkey, sixteen facilities in other countries). Entities carrying out the relevant activities will be referred as "Soft Drink Operations".

The Group also has joint control over Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap), which undertakes production and sales of fruit juice concentrates, purees and fresh fruit sales in Turkey and Syrian Soft Drink Sales & Dist. LLC (SSDSD), which undertakes distribution and sales of sparkling and still beverages in Syria.

List of Shareholders

As of December 31, 2021 and December 31, 2020, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	December 31, 2021		December 31, 2020	
	Amount	(%)	Amount	(%)
AG Anadolu Grubu Holding A.Ş.	254.892	43,05	254.892	43,05
AB Inbev Harmony Ltd.	142.105	24,00	142.105	24,00
Publicly traded and other	195.108	32,95	195.108	32,95
	592.105	100,00	592.105	100,00

The Company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

List of Subsidiaries and Joint Ventures

The subsidiaries included in the consolidation and their effective shareholding rates at December 31, 2021 and December 31, 2020 are as follows:

	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights %	
				December 31, 2021	December 31, 2020
Subsidiaries					
Efes Breweries International B.V. (EBI) ⁽⁷⁾	The Netherlands	Managing foreign investments in breweries	Beer Group	100,00	100,00
JSC FE Efes Kazakhstan Brewery (Efes Kazakhstan)	Kazakhstan	Production and marketing of beer	Beer Group	100,00	100,00
International Beers Trading LLP (IBT)	Kazakhstan	Marketing of beer	Beer Group	100,00	100,00
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer and low alcoholic drinks	Beer Group	96,87	96,87
JSC Lomisi (Efes Georgia)	Georgia	Production and sales of beer and carbonated soft drinks	Beer Group	100,00	100,00
PJSC Efes Ukraine (Efes Ukraine)	Ukraine	Production and marketing of beer	Beer Group	99,94	99,94
Efes Trade BY FLLC (Efes Belarus)	Belarus	Marketing and distribution of beer	Beer Group	100,00	100,00
Efes Holland Technical Management Consultancy B.V. (EHTMC)	The Netherlands	Leasing of intellectual property and similar products	Beer Group	100,00	100,00
AB InBev Efes B.V. (AB InBev Efes)	The Netherlands	Investment company	Beer Group	50,00	50,00
JSC AB Inbev Efes ⁽¹⁾	Russia	Production and marketing of beer	Beer Group	50,00	50,00
PJSC AB Inbev Efes Ukraine ⁽¹⁾	Ukraine	Production and marketing of beer	Beer Group	49,36	49,36
LLC Vostok Solod ⁽²⁾	Russia	Production of malt	Beer Group	50,00	50,00
LLC Bosteels Trade ⁽²⁾	Russia	Selling and distribution of beer	Beer Group	50,00	50,00
LLC Inbev Trade ⁽²⁾	Russia	Production of malt	Beer Group	50,00	50,00
Euro-Asien Brauerein Holding GmbH (Euro-Asien) ^{(1) (9)}	Germany	Investment company	Beer Group	50,00	50,00
Bevmar GmbH ^{(1) (9)}	Germany	Investment company	Beer Group	50,00	50,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) ⁽³⁾	Turkey	Marketing and distribution company of the Group in Turkey	Beer Group	100,00	100,00
Cypex Co. Ltd. (Cypex)	Northern Cyprus	Marketing and distribution of beer	Beer Group	99,99	99,99
Efes Deutschland GmbH (Efes Germany)	Germany	Marketing and distribution of beer	Beer Group	100,00	100,00
Blue Hub Ventures B.V. ⁽⁵⁾	The Netherlands	Investment company	Beer Group	100,00	-
Coca-Cola İçecek A.Ş. (CCİ) ⁽⁴⁾	Turkey	Production of Coca-Cola products	Soft Drinks	50,26	50,26
Coca-Cola Satış ve Dağıtım A.Ş. (CCSD)	Turkey	Distribution and selling of Coca-Cola, Doğadan and Mahmudiye products	Soft Drinks	50,25	50,25
Mahmudiye Kaynak Suyu Ltd. Şti. (Mahmudiye) ⁽⁸⁾	Turkey	Filling and selling of natural spring water	Soft Drinks	-	50,26
J.V. Coca-Cola Almaty Bottlers LLP (Almaty CC)	Kazakhstan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC)	Azerbaijan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,19	50,19
Coca-Cola Bishkek Bottlers CJSC (Bishkek CC)	Krygyzstan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights %	
				December 31, 2021	December 31, 2020
CCI International Holland B.V. (CCI Holland)	The Netherlands	Investment company of CCI	Soft Drinks	50,26	50,26
Tonus Turkish-Kazakh Joint Venture LLP (Tonus) ⁽⁶⁾	Kazakhstan	Investment company of CCI	Soft Drinks	-	50,26
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC) (Note 3)	Jordan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	45,23
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC)	Turkmenistan	Production, distribution and selling of Coca Cola products	Soft Drinks	29,90	29,90
Sardkar for Beverage Industry Ltd. (SBIL)	Iraq	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Waha Beverages B.V. (Note 3)	The Netherlands	Investment company of CCI	Soft Drinks	50,26	40,22
Coca-Cola Beverages Tajikistan LLC (Coca Cola Tacikistan)	Tajikistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
AI Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (AI Waha) (Note 3)	Iraq	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	40,22
Coca-Cola Beverages Pakistan Ltd (CCBPL)	Pakistan	Production, distribution and selling of Coca Cola products	Soft Drinks	24,96	24,96
Coca-Cola Bottlers Uzbekistan Ltd. (CCBU) (Note 3)	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	-
Joint Ventures					
Anadolu Etap Penkon Gıda ve Tarım Ürünleri San ve Tic. A.Ş. (Anadolu Etap) (Note 3)	Turkey	Production and sales of fruit juice concentrates and sales of purees and fresh fruit sales	Beer Group	78,58	76,22
Syrian Soft Drink Sales & Dist. LLC (SSDSD)	Syria	Distribution and sales of Coca-Cola products	Soft Drinks	25,13	25,13

⁽¹⁾ Subsidiaries that AB Inbev Efes B.V. directly participates.

⁽²⁾ Subsidiaries of JSC AB Inbev Efes.

⁽³⁾ The Company's beer operations in Turkey form the Turkey Beer Operations together with Ef-Pa.

⁽⁴⁾ Shares of CCI are currently traded on BIST.

⁽⁵⁾ Blue Hub Ventures B.V. has been incorporated by EBI NV, which holds directly 100%, on July 14, 2021.

⁽⁶⁾ Tonus Turkish-Kazakh Joint Venture LLP under CCI has been de-registered on March 30, 2021.

⁽⁷⁾ Efes Breweries International N.V. has converted from an N.V. into a B.V. on November 15, 2021.

⁽⁸⁾ Announcement text for the simplified merger application of Mahmudiye Kaynak Suyu Limited (Mahmudiye), 100% subsidiary of the Group, with no capital increase has been approved by the CMB as of December 16, 2021.

⁽⁹⁾ Liquidation process of Euro-Asien and Bevmar has initiated with the BOD decision of AB Inbev Efes B.V. dated December 22, 2021.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

Work Environments and Economic Conditions of Subsidiaries and Joint Ventures in Foreign Countries

Certain countries, in which consolidated subsidiaries and joint ventures operate, have undergone substantial political and economic changes in recent years. Accordingly, such markets do not possess well-developed business infrastructures and the Group's operations in such countries might carry risks, which are not typically associated with those in more developed markets. Uncertainties regarding the political, legal, tax and/or regulatory environment, including the potential for adverse changes in any of these factors, could significantly affect the commercial activities of subsidiaries and joint ventures.

Effect of COVID-19 Outbreak on Group Operations

The Group has been implementing several contingency plans to mitigate the potential negative impacts of COVID-19 on the Group's operations and financial statements. It has been some partial hitches in sales process due to lockdowns and due to closure of some sales channels in countries where the Group operates in line with the slowdown in global markets and beer/beverage industry. Meanwhile the Group has taken series of actions to minimize capital expenditures, expenses and inventory level and has reviewed current cash flow strategies to maintain strong balance sheet and liquidity position. Lifting of curfews and decreasing in restrictions regarding to pandemic has positive effect on both market demand and the Group's operations.

The Group management has evaluated the potential effects of COVID-19 outbreak and reviewed the key assumptions estimations used in proportion of the interim condensed consolidated financial statements. In this concept, Group has performed impairment test for financial assets, inventories, property, plant and equipment, right-of-use assets, deferred tax asset, goodwill and brands and do not anticipate any material impairment loss in the interim condensed consolidated financial statements as of December 31, 2021.

Nature of risks arising from financial instruments, and risk management policies and risk level for the Group has been presented in Note 33.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation and Presentation of Consolidated Financial Statements

Statement of Compliance to TFRS

The consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the Communiqué) published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards (TAS) issued by Public Oversight Accounting and Auditing Standards Authority (POAASA). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards (TFRS) and its addendum and interpretations.

The consolidated financial statements are presented in accordance with the specified format in "TFRS Taxonomy Announcement", issued on April 15, 2019 by the POA, and "the Financial Statements Examples and Guidelines for Use", published by the Capital Markets Board (CMB) of Turkey.

The Company and its Turkish subsidiaries, associates and joint ventures maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements have been prepared under historical cost conventions except for financial assets and financial liabilities which are carried at fair value. The consolidated financial statements are based on the statutory records, which are maintained under historical cost conventions, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TAS.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.2 Functional and Reporting Currency

Functional and reporting currency of the Company and its subsidiaries, joint ventures located in Turkey is Turkish Lira.

Functional Currency of Significant Subsidiaries Located in Foreign Countries

Subsidiary/Joint Venture	Local Currency	Functional Currency	
		2021	2020
EBI	European Currency (EURO)	USD	USD
JSC AB Inbev Efes	Russian Ruble (RUR)	RUR	RUR
PJSC AB Inbev Efes Ukraine	Ukraine Hryvnya (UAH)	UAH	UAH
AB InBev Efes B.V.	European Currency (EURO)	USD	USD
Efes Kazakhstan	Kazakh Tenge (KZT)	KZT	KZT
Efes Moldova	Moldovan Leu (MDL)	MDL	MDL
Efes Georgia	Georgian Lari (GEL)	GEL	GEL
EHTMC	European Currency (EURO)	USD	USD
Efes Germany	European Currency (EURO)	EURO	EURO
Almaty CC	Kazakh Tenge (KZT)	KZT	KZT
Azerbaijan CC	Azerbaijani Manat (AZN)	AZN	AZN
Turkmenistan CC	Turkmenistan Manat (TMT)	TMT	TMT
Bishkek CC	Kyrgyz Som (KGS)	KGS	KGS
TCCBCJ	Jordan Dinar (JOD)	JOD	JOD
SIBL	Iraqi Dinar (IQD)	IQD	IQD
SSDSD	Syrian Pound (SYP)	SYP	SYP
CCBPL	Pakistan Rupee (PKR)	PKR	PKR
CCI Holland	European Currency (EURO)	USD	USD
Waha B.V.	European Currency (EURO)	USD	USD
Al Waha	Iraqi Dinar (IQD)	IQD	IQD
Tacikistan CC	Tajikistani Somoni (TJS)	TJS	TJS
CCBU	Uzbekistan Som (UZS)	UZS	-

2.3 Significant Accounting Estimates and Decisions

Preparation of consolidated financial statements requires management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the statement of financial position date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors and reasonable expectations about future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.4 Changes in Accounting Policies

Adoption of new and revised Turkish Financial Reporting Standards

New and amended TFRS Standards that are effective for the current year

Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 Interest Rate Benchmark Reform – Phase 2

The amendments in Interest Rate Benchmark Reform – Phase 2 (Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

The amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 are all effective for annual periods beginning on or after January 1, 2021. Early application is permitted.

The Group management has assessed that these amendments do not have any effect on the Group's consolidated financial statements.

Standards, amendments and interpretations that are issued but not effective as at December 31, 2020

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 Insurance Contracts as of January 1, 2023.

Amendments to TAS 1 Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendment defers the effective date by one year. Amendments to TAS 1 are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted.

Amendments to TFRS 3 Reference to the Conceptual Framework

The amendments update an outdated reference to the Conceptual Framework in TFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

Amendments to TAS 16 Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.4 Changes in Accounting Policies (continued)

Adoption of new and revised Turkish Financial Reporting Standards (continued)

Standards, amendments and interpretations that are issued but not effective as at December 31, 2020 (continued)

Amendments to TAS 37 Onerous Contracts - Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.

Annual Improvements to TFRS Standards 2018-2020 Cycle

Amendments to TFRS 1 First time adoption of International Financial Reporting Standards

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to TFRSs.

Amendments to TFRS 9 Financial Instruments

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

Amendments to TAS 41 Agriculture

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after January 1, 2022. Early application is permitted.

Amendments to TFRS 4 Extension of the Temporary Exemption from Applying TFRS 9

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 Insurance Contracts from applying TFRS 9 Financial Instruments, so that entities would be required to apply TFRS 9 for annual periods beginning on or after January 1, 2023.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.4 Changes in Accounting Policies (continued)

Adoption of new and revised Turkish Financial Reporting Standards (continued)

Standards, amendments and interpretations that are issued but not effective as at December 31, 2020 (continued)

Amendments to TFRS 16 COVID-19 Related Rent Concessions beyond June 30, 2021

The International Auditing and Assurance Standards Board (“IAASB”) has published *COVID-19 Related Rent Concessions beyond June 30, 2021 (Amendment to TFRS 16)* that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after April 1, 2021. Earlier application is permitted.

Amendments to TAS 1 Disclosure of Accounting Policies

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted.

Amendments to TAS 8 Definition of Accounting Estimates

With this amendment, the definition of “a change in accounting estimates” has been replaced with the definition of “an accounting estimate”, sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted.

Amendments to TAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted.

The Group is in the process of assessing the impact of the interpretation on its financial position or performance.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.5 Changes in Accounting Policies

The accounting estimates of the Group are adopted to be the same as prior years and material changes in prior years' accounting estimates are explained on Note 2.35.

2.6 Offsetting

Financial assets and liabilities are offset and the net amount are reported in the consolidated financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

2.7 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the parent company, Anadolu Efes, its subsidiaries drawn up to the reporting date. The financial statements of the companies included in the consolidation have been prepared based on the accounting policies and presentation formats adopted by the Group in accordance with CMB Financial Reporting Standards.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated by using the full consolidation method; therefore, the carrying value of subsidiaries is eliminated against the related shareholders' equity. The equity and net income attributable to minority shareholders' interests of subsidiaries are shown separately in the consolidated balance sheet and consolidated income loss statement.

The Company and The Coca Cola Export Corporation (TCCEC) which owns 20,09% shares of CCI, decided to change some of the provisions defined as the "important decisions" in the Association Agreement which is effective from January 1, 2013. As a result of this change, in accordance with the Shareholders' Agreement, TCCEC will have certain protective rights on major decisions. As a result, with effect from January 1, 2013, Anadolu Efes gained control over CCI and started to include CCI and its subsidiaries in consolidation scope.

A joint venture agreement was signed between EBI and AB Inbev Efes BV with a 50% stake in Anheuser Busch InBev SA/NV (AB InBev). As a result of this partnership agreement has gained control over JSC Sun InBev, PJSC Sun InBev Ukraine and Bevmar GmbH. In addition to that EBI's control over Euro-Asien is continuing. Therefore, since March 29, 2018 EBI has started to consolidate companies of JSC Sun InBev, PJSC Sun InBev Ukraine ve Bevmar GmbH. As of March 29, 2018 Euro-Asien, which were previously consolidated with a 100% direct final ratio, continued to be consolidated with a 50% direct ownership to EBI.

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Group and its subsidiaries together with one or more other parties. The Group's interest in joint ventures is accounted with equity method starting from January 1, 2013 according to TFRS 11.

The shareholder agreement signed between the company and Özgörkey Holding A.Ş., which owns 21,42% shares of Anadolu Etap on December 3, 2019, and Anadolu Etap's management structure does not allow any shareholder to control Anadolu Etap on its own. Anadolu Etap, is currently being accounted to Group's financials on equity method and will continue to be accounted by using equity method during the period of validity of the shareholder agreement terms.

Intercompany balances and transactions, including intercompany profits and unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

The acquisition method of accounting is used for business combinations. Subsidiaries, joint ventures or investment in associates, acquired or disposed of during the year are included in the consolidated financial statements from the date of acquisition or to the date of disposal.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.8 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term investments, which can easily be converted into cash for a certain amount, has high liquidity with original maturities of 3 months or less. In accordance with TAS 7, bank deposits with a maturity of more than 3 months as of the acquisition date are reclassified to short term financial investments. However, Group recognises bank deposits with a maturity more than 3 months, which are considered to be highly liquid and do not include interest loss and penalty if compromised before maturity, to cash and cash equivalents. The deposits with the original maturities more than 3 months are classified to financial investments. The amounts paid under reverse repurchase agreements are included in the cash and cash equivalents.

2.9 Trade Receivables and Expected Credit Loss

Trade receivables that are originated by the Group by the way of providing goods or services are generally collected in 14 to 65 day terms. Trade receivables are recognized and carried at discounted amount if they include significant interest less an allowance for any uncollectible amounts. Expected credit loss is recognized by using the expected credit loss defined in TFRS 9. Expected credit losses are calculated based on Group's future estimates and experience over the past years.

2.10 Related Parties

Parties are considered to be related if one party directly or indirectly has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions or be the associate of the Group. Related parties also include individuals who are principle owners, management and members of the Group's board of directors and their families. Amounts due from and due to related parties are carried at cost. Related party transactions are transfers of resources, services or obligations between related parties, regardless of whether a price is charged.

2.11 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined primarily on the basis of the weighted average cost method. For processed inventories, cost includes direct materials, direct labor and the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income/(loss) in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

2.12 Financial Investments

According to TFRS 9, all investments in equity instruments are to be measured at fair value. However, in limited circumstances, cost may provide an appropriate estimate of fair value. This would be the case if insufficient more recent information is available to measure fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

2.13 Investment Properties

Investment properties consist of building and land improvements that are owned and not used by Group. They are hold on hand to earn rental income and capital appreciation. Investment properties are shown by deducting accumulated depreciation from the acquisition cost investment properties (except land) are depreciated by using straight-line depreciation method.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.14 Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated. Depreciation is computed by the straight-line method over the following estimated useful lives:

Buildings and land improvements	5-49 years
Machinery and equipment	6-20 years
Leasehold improvements	4-20 years
Furnitures and fixtures	5-10 years
Vehicles	5-10 years
Returnable bottles and cases	5-10 years
Other tangible assets	5-12 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The increase in the carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years. The increase is recognized in the consolidated income statement (Note 27).

Expenses for repair and maintenance of property, plant and equipment are normally charged to the income statement. They are, however, capitalized and depreciated through the estimated useful life of the property, plant and equipment in exceptional cases if they result in an enlargement or substantial improvement of the respective assets.

The Group management recognizes returnable bottles as property, plant and equipment. The Group sells its products also in non-returnable bottles. For such sales, there is no deposit obligation of the Group.

2.15 Leases

Group - as a lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all of the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- Group has the right to obtain substantially all of the economic benefits from use of the identified asset,
- Group has the right to direct the use of an identified asset.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.15 Leases (continued)

Group has the right to direct the use of the asset throughout the period of use only if either:

- a) Group has the right to direct how and for what purpose the asset is used throughout the period of use or
- b) Relevant decisions about how and for what purpose the asset is used are predetermined:
 - i. Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or
 - ii. Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above mentioned factors.

Right-of-use asset

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- a) the amount of the initial measurement of the lease liability,
- b) any lease payments made at or before the commencement date, less any lease incentives received,
- c) any initial direct costs incurred by the Group, and
- d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, Group measures the right-of-use asset at cost:

- a) less any accumulated depreciation and any accumulated impairment losses; and
- b) adjusted for any remeasurement of the lease liability.

Group applies the depreciation requirements in TAS 16 Property, Plant and Equipment Standard in depreciating the right-of-use asset.

Group applies TAS 36 Impairment of Assets Standard to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) fixed payments, less any lease incentives receivable,
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- c) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.15 Leases (continued)

After the commencement date, Group measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect the lease payments made, and
- remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Practical expedients

The short-term lease agreements with a lease term of 12 months or less and agreements related to information technology equipment leases (mainly printer, laptop, mobile phone etc.), which are determined by the Group as low value, have been evaluated within the scope of practical expedients introduced by the TFRS 16 Leases Standard and related lease payments are recognised as an expense in the period in which they are incurred.

Group - as a lessor

All the leases that Group is the lessor are operating leases. Assets leased out under operating leases are classified under investment properties, property, plant and equipment or other current assets in the consolidated balance sheet. Rental income is recognised in the consolidated statement of income on a straight-line basis over the lease term.

2.16 Non-Current Assets Classified as Held for Sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction instead of its usage. These assets can be a business unit, sales group or a separate tangible asset. In the event that the completion of the sale of assets held for sale is postponed due to reasons beyond the control of the Group and if the active sales plan continues, the Group continues to classify the assets as assets held for sale. Assets held for sale are recognized at the lower of carrying amount or fair value. The impairment loss is recognized in consolidated profit or loss statement of the period, at when the carrying value is less than the fair value. No depreciation is recognized for these assets.

2.17 Other Intangible Assets

Intangible assets acquired separately from a business are capitalized at cost.

Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill, if the fair value can be measured reliably. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. Intangible assets are amortized on a straight-line basis over the best estimate of their useful lives. Intangible assets with indefinite useful life formed in the financial statements in accordance with purchase method, are not subject to amortization and the carrying amounts of such intangibles are reviewed for impairment at least annually and whenever there is an indication of possible impairment.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.17 Other Intangible Assets (continued)

a) Brands

The brands, which belong to International Beer Operations and which are acquired as part of a business combination, are carried at their fair value and brands are separately carried at cost in the financial statements. The Group expects that the brands will generate cash inflow indefinitely and therefore are not amortized. Brands are tested for impairment annually

b) Bottlers and Distribution Agreements

Bottlers and distribution agreements include;

- i) Bottlers and distribution agreements that are signed with the Coca Cola Company identified in the financial statements of the subsidiaries acquired through change in scope of consolidation in 2013.
- ii) "Distribution Agreements" that are signed related with various brands identified in the fair value financial statements of the subsidiaries acquired by EBI in 2012 and 2018.

Since the Group management expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. The intangible assets relating to the bottlers and distribution agreements are therefore not amortized. Bottlers and distribution agreements are tested for impairment annually.

c) License Agreements

License and distribution agreements includes, the agreements that are signed related with various brands identified in the fair value financial statements of subsidiaries acquired in 2012 and 2018 by EBI in the scope of consolidation. Since the Group management expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. The intangible assets relating to the bottlers and distribution agreements are therefore not amortized. License and distribution agreements are tested for impairment annually.

d) Rights

The rights acquired as part of a business combination is carried at their fair value and if they are acquired separately, then they are carried at cost in the financial statements. Rights in the consolidated financial statements comprise mainly water sources usage rights and are amortized on a straight-line basis over 9 to 40 years.

e) Software

The cost of acquisition of new software is capitalized and treated as an intangible asset if these costs are not an integral part of the related hardware. Software is amortized on a straight-line basis over 1 to 5 years.

2.18 Business Combinations and Goodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.18 Business Combinations and Goodwill (continued)

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.19 Trade Payables

Trade payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Such financial liabilities are initially recognised at fair value and represented by the original invoice amount. After initial recognition, trade payables are measured at amortised cost using the effective interest rate method. The Group's trade payables are due within twelve months after the financial statement date, therefore classified under current liabilities.

2.20 Borrowings

All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in net profit or loss when the obligations related with the borrowings are removed.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the balance sheet date.

2.21 Current Income Tax and Deferred Tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in equity. The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries and joint ventures of the Group operate.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.21 Current Income Tax and Deferred Tax (continued)

Corporate Tax Rate of Significant Subsidiaries Located in Foreign Countries

	December 31, 2021	December 31, 2020
Turkey (Note 29)	25%	22%
The Netherlands	25%	25%
Russia	20%	20%
Kazakhstan	20%	20%
Moldova	12%	12%
Georgia	-	-
Ukraine	18%	18%
Azerbaijan	20%	20%
Kyrgyzstan	10%	10%
Pakistan	29%	29%
Iraq	15%	15%
Jordan	17%	16%
Turkmenistan	8%	8%
Tajikistan	13%	13%
Uzbekistan	15%	-

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax related to the equity items is carried under the equity and not reflected to income statement. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent of the probability that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to net off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxation authority.

2.22 Employee Benefits

a) Defined Benefit Plans

In accordance with existing social legislation in Turkey, the Group companies operating in Turkey are required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. In the consolidated financial statements the Group has reflected a liability using the Projected Unit Credit Method and based on estimated inflation rates and factors derived using the Group's experience of personnel terminating their services and being eligible to receive such benefits and discounted by using the current market yield at the balance sheet date on government bonds.

Also, CCBPL has gratuity fund provision as a defined benefit plan and calculated in accordance with TAS 19 "Employee Benefits" using actuarial works. Employee is eligible for gratuity after completing 3 years with the Company and can take his accrued gratuity amount at the time of separation from the Company or at retirement age. This provision is calculated by actuarial firm and the actuarial gain/loss accumulated on this provision is reflected to financial statements the gains/loss originated from the changes in actuarial assumptions and the fluctuations between actuarial assumptions and the actual results are reflected as other comprehensive income to equity.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.22 Employee Benefits (continued)

b) Defined Contribution Plans

The Group pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are paid.

c) Long Term Incentive Plans

The Group provides a benefit to its employees over a certain seniority level under the name "long term incentive plan". Provision for long term incentive plan accrued in consolidated financial statements reflects the discounted value of the estimated total provision of possible future liabilities until the financial statement date.

2.23 Provisions, Contingent Assets and Liabilities

a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

b) Contingent Assets and Liabilities

Contingent liabilities are not recognized in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements, but disclosed when an inflow of economic benefits is probable.

2.24 Foreign Currency Translations

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recorded in the consolidated income statement of the relevant period, as foreign currency loss or gain. Buying and selling foreign currency translation rates announced by the Central Bank of the Republic of Turkey and used by the Group's subsidiaries in Turkey as of respective year-ends are as follows:

Tarih	USD/TRL(full)		EURO/TRL(full)	
	Buying	Selling	Buying	Selling
December 31, 2021	13,3290	13,3530	15,0867	15,1139
December 31, 2020	7,3405	7,3537	9,0079	9,0241

The assets of subsidiaries and joint ventures operating in foreign countries are translated at the rate of exchange ruling at the balance sheet date and the equity items are translated using the exchange rates at the date of the transaction (The assets of subsidiaries and joint ventures operating in Turkey are translated at the buying rate of exchange ruling at the balance sheet date, the liabilities are translated at the selling rate of exchange ruling at the balance sheet date). The income statements of foreign subsidiaries and joint ventures are translated at average exchange rates. Differences resulting from the deviation between the values of investment related to equity accounts of consolidated subsidiaries and joint ventures and the appreciation of foreign currencies against the Turkish Lira are accounted to equity as "currency translation differences". Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the acquiring company and are recorded at the exchange rate of balance sheet date. On disposal of a foreign entity, currency translation differences are recognized in the income statement as a component of the gain or loss on disposal.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.25 Paid in Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

2.26 Dividends Payable

Dividends payable are recognized as an appropriation of profit in the period in which they are declared.

2.27 Events After Reporting Period

The Group adjusts the amount recognized in its financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

2.28 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is presented net after sales returns and discounts, value-added taxes and sales taxes. Revenue is recognized by taking into account the following criteria:

a) Sale of Goods

Revenue is generated from beer and soft drinks sales to domestic and foreign dealers and customers and by-product sales. Revenues are recognised on an accrual basis at the time deliveries are made, the amount of revenue can be measured reliably and it's probable that the economic benefits associated with the transaction will flow to the Company at the fair value of considerations received or receivable. Net sales represent the invoiced value of goods shipped or services given without value added tax less sales returns and sales discounts.

Revenue recognition:

Group recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods is counted to be transferred when the control belongs to the customer.

Group recognizes revenue based on the following main principles:

- Identification of customer contracts
- Identification of performance obligations
- Determination of transaction price in the contract
- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled

The Group assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes).

A customer receives a discount for purchasing a bundle of goods or services if the sum of the stand-alone selling prices of those promised goods or services in the contract exceeds the promised consideration in a contract. Except when the Group has observable evidence that the entire discount relates to only one or more, but not all, performance obligations in a contract, the Group allocates a discount proportionately to all performance obligations in the contract.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.28 Revenue (continued)

a) Sale of Goods (continued)

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. When (or as) a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation. An asset is transferred when (or as) the customer obtains control of that asset.

Group recognized revenue from its customers only when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- Group can identify each party's rights regarding the goods or services to be transferred,
- Group can identify the payment terms for the goods or services to be transferred;
- The contract has commercial substance,
- It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

Sale of goods: Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

The Group does not adjust the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

b) Interest Income

Interest income is recognized as the interest accrues. Interest income is reflected under the "financial income" in the consolidated income statement.

c) Dividend Income

Dividend income is recognized when the right to collect the dividend is established.

2.29 Borrowing Costs

Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized. Borrowing costs other than these are recorded as expensed at the date they are incurred.

2.30 Segment Reporting

The management monitors the operating results of its two business units separately for the purpose of making decisions about the resource allocation and performance assessment. The two operating segments are Beer Operations (Beer Group) and Soft Drinks Operations (Soft Drinks).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.30 Segment Reporting (continued)

Segment performance is evaluated based on EBITDA BNRI which is calculated excluding profit from discontinued operations and the following effects from profit from continuing operations attributable to our equity holders: (i) non-controlling interest, (ii) tax (expense)/income, (iii) share of gain/(loss) of investments accounted using equity method, (iv) financial income/(expense), (v) investment activity income/(expense) (vi) foreign exchange gains/(losses) arising from operating activities (vii) depreciation, amortization and other non- cash items and (viii) non-recurring items above EBIT. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the Group.

EBITDA BNRI is not an accounting measure under TFRS accounting and does not have a standard calculation method however it has been considered as the optimum indicator for the evaluation of the performance of the operating segments by considering the comparability with the entities in the same business.

2.31 Earnings per Share

Earnings per share in the consolidated income statements are calculated by dividing the net profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. In Turkey, companies can increase their share capital by making distribution of free shares to existing shareholders from inflation adjustment to shareholders equity. The Group has no dilutive instruments.

For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted with respect to free shares issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

2.32 Reporting of Cash Flows

In the consolidated statement of cash flows, cash flows are classified and reported according to their operating, investing and financing activities. Cash flows related with investing activities present the cash flows provided from and used in the Group's investing activities and cash flows related with financing activities present the proceeds and repayments of sources in the Group's financing activities.

2.33 Hedge Accounting

For the purpose of hedge accounting, hedges that have been part of the Group are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment that is attributable to a particular risk and could affect profit or loss (except for foreign currency risk)
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment that could affect profit or loss

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.33 Hedge Accounting (continued)

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes

in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

For fair value hedges, the change in the fair value of a hedging instrument is recognized in the statement of consolidated income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of consolidated income as part of financial income and expense.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of consolidated income as part of financial income and expense. Amounts recognized as other comprehensive income are transferred to the statement of consolidated income when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast purchase occurs.

Foreign Currency Hedge of Net Investments in Foreign Operations

Group that is determined to be effective on the gain or loss arising from the hedging instrument related to the net investments in foreign subsidiaries operating in foreign countries is recognized directly in equity and the ineffective portion is recognized in the statement of profit or loss. In the case of disposal of a foreign subsidiary, the amount recognized in equity for the hedging instrument is recognized in profit or loss.

Other derivatives not designated for hedge accounting

Other derivatives not designated for hedge accounting are recognized initially at fair value; attributable transaction costs are recognized in statement of consolidated income when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes in the fair value of such derivatives are recognized in the consolidated income statement as part of finance income and costs.

2.34 Use of Assumptions and Accounting Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheet date. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in income statement in the periods in which they become known. The source of the estimates and assumptions which may cause to significant adjustments at assets and liabilities at following periods as of balance sheet date are as follows:

- a) Expected credit loss is recognized by using the expected credit loss defined in TFRS 9. Expected credit losses are calculated based on Group's future estimates and experience over the past years. (Note 10)
- b) During the assessment of the reserve for inventory allowance the following are considered; analyzing the inventories physically and historically, considering the employment and usefulness of the inventories respecting to the technical personnel view. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories (Note 12).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.34 Use of Assumptions and Accounting Estimates (continued)

c) The Group performs impairment test for tangible assets, intangible assets with indefinite useful life and goodwill annually or when circumstances indicate that the carrying value may be impaired. As of December 31, 2021, impairment test for the intangible assets with indefinite useful life and goodwill is generated by comparing its carrying amount with the recoverable amount. The recoverable amount is the higher of net selling price and value in use. In these calculations, estimated free cash flows before tax from business plan and approved by Board of Directors are used. Approved free cash flows before tax are calculated for 10 years period by using expected growth rates. Estimated free cash flows before tax are discounted to expected present value for future cash flows. Key assumptions such as country specific market growth rates, gross domestic product (GDP) per capita and consumer price indices were derived from external sources.

Main estimates such as raw material and good prices, working capital requirements and capital expenditures were based on the Group's key assumptions and historical operating data. The enterprise value used as a base for the impairment test has been calculated using cash flow projections from the strategic business plan approved by the Board of Directors. Perpetuity growth rate used in impairment test in the operating units is between 3,50% - 13,72% (December 31, 2020 - 4,00% - 15,07%) and after tax discount rate is between 9,04% and 25,67% (December 31, 2020 - 9,28% and 24,80%).

- d) The liability for the put option that has been measured by applying different valuation techniques and assumptions has been presented in "other non-current liabilities" in the consolidated balance sheet based on their remaining maturities (Note 21).
- e) The discount rates related with retirement pay liability are actuarial assumptions determined with future salary increase and the employee's turnover rates (Note 20).
- f) Deferred tax asset is only recorded if it is probable that a taxable income will be realized in the future. Under the circumstances that a taxable income will be realized in the future, deferred tax is calculated over the temporary differences by carrying forward the deferred tax asset in the previous years and the accumulated losses. As of December 31, 2021, the estimations made to indicate that the Group will incur taxable profits in the future periods were reasonable and deferred tax asset was recorded (Note 29).
- g) The Group accounts its returnable bottles liabilities under other payables within the framework of the accounting policies. The Group accounts its liabilities related to the part of current returnable bottles available in the market that expected to return in the future periods based on its estimates and assumptions.
- h) Soft Drink Operations applies straight-line depreciation method according to the terms of time-based marketing activities participation contracts, and has determined a maximum of 2 years for depreciation according to the requirements of the Competition Law on 2021.

2.35 Comparative Information and Restatement of Prior Period Financial Statements

The consolidated financial statements of the Group are prepared in comparison with the previous period in order to allow the determination of financial status and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is restated or classified when necessary and significant differences are accordingly disclosed. In the current period, the Group has made some restatements and reclassifications in the prior period's consolidated financial statements.

Reclassifications made in the financial statements dated December 31, 2020:

- 1) The December 31, 2020, financial statements have been reclassified to correct an error in the classification of a payable amounting to TRL77.086 in "Other Current Liabilities". The amount has been reclassified to "Trade Payables" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.
- 2) The December 31, 2020, financial statements have been reclassified to correct an error in the classification of a provision amounting to TRL57.642 in "Trade Receivables". It has been reclassified; to "Current Prepaid Expense" account in amount of TRL53.147, to "Non-current Prepaid Expense" account in amount of TRL4.495. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 3. BUSINESS COMBINATIONS

Transactions Related with 2021

Purchases for Obtaining Control of Subsidiaries

Coca-Cola Bottlers Uzbekistan (CCBU)

As per the announcement made on August 6, 2021, CCI signed a Share Purchase Agreement with The State Assets Management Agency of the Republic of Uzbekistan (UzSAMA) as the winner in the open sale process to privatize Coca-Cola Bottlers Uzbekistan, Ltd (CCBU). Closing of the transaction was subject to the receipt of relevant and customary approvals including governmental approvals; these have been received, and the acquisition was completed officially as of September 29, 2021.

Fair value appraisal of the identifiable assets, liabilities and contingent liabilities of the acquired company is in progress in accordance with TFRS 3 "Business Combinations". TFRS 3 "Business Combinations" permits fair value appraisal works to be completed in one-year period. The Group has accounted the acquisition based on the provisional fair values of identifiable assets, liabilities and contingent liabilities on CCBU's financial statements at the acquisition date. As of December 31, 2021, TRL 2.302.469 temporary difference between total consideration and provisional fair value of identifiable assets, liabilities and contingent liabilities of CCBU was booked as provisional goodwill in the consolidated financial statements.

	Provisional Fair Value of CCBU
Cash and cash equivalents	76.944
Financial Investments	93.324
Trade receivables	7.676
Inventories	203.348
Other current assets	219.077
Property, plant and equipment	291.831
Other non-current assets	4.867
Trade payables	(167.449)
Fair value of net assets/(liabilities)	729.618
Total consideration	2.234.822
Total acquisition liability	797.265
Consolidated net asset/liability value by the Group	(729.618)
Provisional goodwill arising from acquisition	2.302.469
Cash paid (including currency translation differences)	(3.054.902)
Cash and cash equivalents balance of CCBU's as of the acquisition date	76.944
Net cash outflow from acquisition	(2.977.958)

As of December 27, 2021, CCI, through its wholly owned subsidiary CCI International Holland BV (CCI Holland), acquired a 42.88% stake in LLC Coca-Cola Bottlers Uzbekistan (CCBU) from The Coca-Cola Company (TCCC) for a total consideration of USD 90,0 million. Through the execution of a share purchase agreement and share transfer instrument, TCCC transferred its 42,88% stake in CCBU to CCI Holland. As a result, CCI became the sole owner of CCBU with a 100,0% indirect stake through CCI Holland.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 3. BUSINESS COMBINATIONS (continued)

Changes in Ownership Interests in Subsidiaries that do not result in Loss of Control

Waha Beverages B.V.

According to the CMB announcement on October, 27 2021, Coca-Cola İçecek A.Ş. (CCİ) completed the acquisition of a minority stake owned by European Refreshments (ER), a wholly owned subsidiary of The Coca-Cola Company (TCCC), of 19.97% in Waha Beverages B.V. (Waha BV) the holding company for AI Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC a company incorporated in Baghdad (“AI Waha”). ER exercised its put option under a shareholders agreement entered between ER and CCI in 2013, that became exercisable between December 31, 2016 and 2022. Pursuant to ER’s decision to exercise its put option and upon execution of a notarial deed of transfer and its registration, ER transferred its 19.97% stake in Waha BV to CCI in consideration of a sum of TRL 393.687 paid by CCİ. Resultantly, CCİ became the sole owner of Waha B.V. with a 100,0% direct stake and of AI Waha by extension.

The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC)

Coca-Cola İçecek A.Ş. (CCİ), through its wholly owned subsidiary CCI International Holland BV (CCI Holland), signed an agreement and will acquire 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited (TCCBCJ) from Atlantic Industries Company, a subsidiary of The Coca-Cola Company (TCCC), for a total consideration of USD 5,4 million (TRL 71.977). As a result, CCI became the sole owner of TCCBCJ with a 100,0% indirect stake through CCI Holland.

Changes in Ownership Interests in Joint Ventures

Anadolu Etap

The Company’s ownership in Anadolu Etap has been increased to 78,58% from 76,22% on June 28, 2021 following the capital increase by TRL87.000. Anadolu Etap, which is currently being consolidated to Group’s financial statements by using the equity method, will continue to be accounted by using equity method, as the current governance structure and agreements among the shareholders of the Anadolu Etap does not allow any shareholder to fully control and consolidate.

Transactions Related with 2020

Changes in Ownership Interests in Joint Ventures

Anadolu Etap

The Company’s ownership in Anadolu Etap has been increased to 76,22% from 71,70% on March 6, 2020 following the capital increase by TRL126.393. Anadolu Etap, is currently being consolidated to Group financial statements by using the equity method and will continue to be consolidated in the same way, as the current governance structure and agreements among the shareholders of Anadolu Etap does not allow any shareholder to fully control and consolidate.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

a) Information about material non-controlling interests in subsidiaries

The Company has control over CCİ while it has 50,26% ownership interest in CCİ. CCİ is included in consolidation by using the full consolidation method and equity and net income attributable to non-controlling interests is recorded as “non-controlling interests” in statement of financial position and profit and loss statement.

The Company has control over AB Inbev Efes B.V. while it has 50,00% ownership interest in AB Inbev Efes B.V.. AB Inbev Efes B.V. is included in consolidation by using the full consolidation method and equity and net income attributable to non-controlling interests is recorded as “non-controlling interests” in statement of financial position and profit and loss statement.

Non-controlling interest reflected to profit and loss statement in the period is amounting to TRL1.298.963 (December 31, 2020 - TRL638.151), of which TRL1.274.146 (December 31, 2020 - TRL679.249) is related with net income of CCİ attributable to non-controlling interests.

Non-controlling interest reflected to statement of financial position at the end of the period is amounting to TRL20.617.411 (December 31, 2020 - TRL12.208.964), of which TRL10.586.106 (December 31, 2020 - TRL7.912.218) is related with equity of CCİ attributable to non-controlling interests.

In 2021, total dividend declared to non-controlling interests is amounting to TRL439.274 as disclosed in the consolidated statement of changes in equity (December 31, 2020 - TRL151.947). TRL436.615 of this amount has been paid by CCİ and its subsidiaries (December 31, 2020 - TRL151.947).

The Group management has identified CCİ as a separate operating segment. Summarized information on statement of financial position and profit and loss statement is given as “Soft Drinks” segment in Note 5 “Segment Information”.

Condensed consolidated statement of cash flows of CCİ is given below:

	January 1 - December 31, 2021	January 1 - December 31, 2020
Net cash generated from operating activities	3.956.991	2.905.746
Net cash used in investing activities	(4.320.233)	(555.948)
Net cash used in financing activities	(1.859.349)	(902.113)
Currency translation differences	1.703.598	390.103
Net increase/(decrease) in cash and cash equivalents	(518.993)	1.837.788

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

b) Investments Accounted for Using Equity Method

	December 31, 2021		December 31, 2020	
	Ownership	Carrying Value	Ownership	Carrying Value
Anadolu Etap ⁽¹⁾	78,58%	(508.945)	76,22%	(57.241)
SSDSD ⁽²⁾	25,13%	-	25,13%	-
		(508.945)		(57.241)

Relating to investment in associates, total assets and liabilities and profit/(loss) for the period of as of December 31, 2021 and 2020 are as follows:

	Anadolu Etap		SSDSD	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Total Assets	2.376.564	1.897.976	769	1.145
Total Liabilities	3.024.225	1.973.071	21.288	11.584
Net Assets	(647.661)	(75.095)	(20.518)	(10.439)

	Anadolu Etap		SSDSD	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Group's Share (%)	78,58%	76,22%	25,13%	25,13%
Group's Share of Net Assets for the period	(508.945)	(57.241)	(10.311)	(5.246)
Group's Share of Profit/(Loss) for the period	(538.704)	(245.647)	(3.674)	(3.357)

The movement of investments in associates for the years ended as of December 31, 2021 and 2020 are as follows:

	2021	2020
Balance at January 1	(57.241)	62.013
Income/Loss from associates	(542.378)	(249.004)
Other	3.674	3.357
Capital increase (Note 3)	87.000	126.393
Balance at December 31	(508.945)	(57.241)

⁽¹⁾ Losses exceeding the Group's share in Anadolu Etap, has been continued to be accounted as "Liabilities due to Investments Accounted for Using Equity Method" in consolidated financial statements in accordance with TAS 28 regarding the Project Completion Guarantee given for the payment obligations of Anadolu Etap.

⁽²⁾ SSDSD, which has been accounted by using equity method in CCI financial statements, is accounted as investment in associates in Group's financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 5. SEGMENT REPORTING

As at December 31, 2021, the Group presents Domestic Beer and International Beer as a single operating segment as Beer Group because they meet the aggregation criteria. As at December 31, 2020, related disclosure and tables were accordingly restated.

The Group's segment reporting in accordance with TFRS 8 is disclosed as follows:

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
January 1 - December 31, 2021				
Net sales	17.367.719	21.929.535	-	39.297.254
Inter-segment sales	-	(1.246)	-	(1.246)
Revenue	17.367.719	21.928.289	-	39.296.008
EBITDA BNRI	2.356.802	4.666.043	1.055	7.023.900
Financial Income/(Expense)	(732.462)	224.733	-	(507.729)
Tax (Expense) Income	(287.030)	(1.151.240)	2.615	(1.435.655)
Capital expenditures (Note 16, 17)	1.810.124	1.305.749	(75)	3.115.798
	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
January 1 - December 31, 2020				
Net sales	12.352.025	14.391.013	-	26.743.038
Inter-segment sales	-	(345)	-	(345)
Revenue	12.352.025	14.390.668	-	26.742.693
EBITDA BNRI	1.961.379	3.136.809	195	5.098.383
Financial Income/(Expense)	(428.230)	(289.092)	⁽¹⁾	(717.323)
Tax (Expense) Income	(164.287)	(447.980)	2.191	(610.076)
Capital expenditures (Note 16, 17)	1.079.794	666.120	(68)	1.745.846

⁽¹⁾ Includes adjustment journals in the consolidation of the Group.

As of December 31, 2021, the portion of Turkey geographical area in the consolidated net revenue and total assets is 30% and 36% respectively (December 31, 2020- 32% and 37% respectively).

As of December 31, 2021, the portion of Russia and Ukraine geographical area in the consolidated net revenue and total assets is 30% and 37% respectively (December 31, 2020- 32% and 34% respectively).

As of December 31, 2021, the portion of Kazakhstan geographical area in the consolidated net revenue and total assets is 12% and 6% respectively (December 31, 2020- 11% and 5% respectively).

As of December 31, 2021, the portion of Pakistan geographical area in the consolidated net revenue and total assets is 11% and 6% respectively (December 31, 2020- 10% and 6% respectively).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 5. SEGMENT REPORTING (continued)

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
December 31, 2021				
Segment assets	41.643.911	32.786.241	10.607.070	85.037.222
Segment liabilities	26.748.402	17.816.399	1.139.928	45.704.729
Investments Accounted for Using Equity Method	(508.945)	-	-	(508.945)
December 31, 2020				
Segment assets	23.570.073	19.147.331	7.843.964	50.561.368
Segment liabilities	13.980.214	10.410.690	1.155.736	25.546.640
Investments Accounted for Using Equity Method	(57.241)	-	-	(57.241)

⁽¹⁾ Includes adjustment journals in the consolidation of the Group.

Reconciliation of EBITDA BNRI to the consolidated Profit/Loss from Continuing Operations and its components as of December 31, 2021 and 2020 are as follows:

	January 1 - December 31, 2021	January 1 - December 31, 2020
EBITDA BNRI	7.023.900	5.098.383
Depreciation and amortization expenses	(2.399.006)	(2.073.049)
Provision for retirement pay liability	(68.435)	(49.041)
Provision for vacation pay liability	(27.925)	(9.667)
Foreign exchange gain/loss from operating activities	(125.260)	(236.412)
Rediscount income/expense from operating activities	(1.227)	19
Non-recurring items	(7.340)	(4.674)
Other	(9.139)	(8.360)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	4.385.568	2.717.199
Investment Activity Income	801.345	474.495
Investment Activity Expenses (-)	(333.885)	(158.417)
Income/(Loss) from Associates	(542.378)	(249.004)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	4.310.650	2.784.273
Finance Income	3.700.093	2.258.422
Finance Expenses	(4.207.822)	(2.975.745)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	3.802.921	2.066.950

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 6. CASH AND CASH EQUIVALENTS

	December 31, 2021	December 31, 2020
Cash on hand	7.623	2.800
Bank accounts		
- Time deposits	8.317.160	7.542.612
- Demand deposits	1.790.009	883.252
Other	138.792	79.471
Cash and cash equivalents in cash flow statement	10.253.584	8.508.135
Expected Credit Loss (-)	(875)	(1.179)
Interest income accrual	7.646	17.994
	10.260.355	8.524.950

As of December 31, 2021, annual interest rates of the TRL denominated time deposits vary between 16,50% and 28,00% and have maturity between 3 - 45 days (December 31, 2020 - 15,50% - 19,00%; maturity between 4 - 50 days). Annual interest rates of the US Dollars (USD) and, Euro (EURO), and other currency denominated time deposits vary between 0,20% and 9,50% and have maturity between 3 - 84 days (December 31, 2020- annual interest rates of the US Dollars (USD) and, Euro (EURO), and other currency time deposits vary between 0,02% - 8,25%; maturity between 4-309 days).

As of December 31, 2021, other item contains credit card receivables amounting to TRL138.451 (December 31, 2020 - TRL79.076).

As of December 31, 2021, the Group has designated its bank deposits amounting to TRL2.558.016, equivalent of thousand USD180.090, thousand EURO4.500 and thousand RUR500.000 for the future raw material purchases, operational and interest expense related payments in the scope of hedge accounting (December 31, 2020 - TRL633.595, equivalent of thousand USD54.000, thousand EURO20.818 and thousand RUR500.000).

NOTE 7. SHORT AND LONG TERM BORROWINGS

a) Bank Loans, issued debt instruments and other borrowings

	December 31, 2021	December 31, 2020
Short-term Bank Loans (Third Parties)	2.678.761	2.327.494
Current Portion of Bank Loans (Third Parties)	1.214.094	513.660
Current Portion of Issued Debt Instruments (Third Parties)	2.487.394	30.783
Long-term Bank Loans (Third Parties)	2.313.176	1.816.654
Long-term Issued Debt Instruments (Third Parties)	12.048.972	7.105.561
	20.742.397	11.794.152

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 7. SHORT AND LONG TERM BORROWINGS (continued)

a) Bank Loans, issued debt instruments and other borrowings (continued)

As of December 31, 2021, total borrowings consist of principal (finance lease obligations included) amounting to TRL20.585.594 (December 31, 2020- TRL11.691.692) and interest expense accrual amounting to TRL156.803 (December 31, 2020 - TRL102.458). As of December 31, 2021 and 2020, total amount of borrowings and the effective interest rates are as follows:

	December 31, 2021			December 31, 2020		
	Amount	Weighted average fixed rate	Weighted average floating rate	Amount	Weighted average fixed rate	Weighted average floating rate
Short-term Borrowings						
TRL denominated borrowings	1.424.965	19,03%	-	1.355.907	11,81%	-
Foreign currency denominated borrowings (USD)	617	3,00%	-	340	3,00%	-
Foreign currency denominated borrowings (EURO)	-	-	-	225.644	1,35%	-
Foreign currency denominated borrowings (Other)	1.253.179	8,46%	Kibor + 0,10%	745.603	7,13%	Kibor + 0,22%
	2.678.761			2.327.494		
Short-term portion of long term borrowings						
TRL denominated borrowings	331.966	11,65%	-	34.333	11,72%	-
Foreign currency denominated borrowings (USD)	2.496.795	3,40%	Libor+2,50%	38.458	4,07%	Libor+2,50%
Foreign currency denominated borrowings (EURO)	199.429	-	Euribor+1,99%	134.891	-	Euribor + 2,16%
Foreign currency denominated borrowings (Other)	673.298	9,13%	-	336.761	7,07%	-
	3.701.488			544.443		
Total	6.380.249			2.871.937		
Long-term Borrowings						
TRL denominated borrowings	772.950	11,74%	-	889.000	11,71%	-
Foreign currency denominated borrowings (USD)	12.871.121	3,83%	Libor+2,50%	7.131.987	3,82%	Libor+2,50%
Foreign currency denominated borrowings (EURO)	565.667	-	Euribor + 2,30%	487.741	-	Euribor + 2,27%
Foreign currency denominated borrowings (Other)	152.410	15,00%	-	413.487	6,87%	-
	14.362.148			8.922.215		
Grand Total	20.742.397			11.794.152		

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 7. SHORT AND LONG TERM BORROWINGS (continued)

a) Bank Loans, issued debt instruments and other borrowings (continued)

Repayments of long-term borrowings are scheduled as follows:

	December 31, 2021	December 31, 2020
Between 1-2 years	2.047.809	4.488.409
Between 2-3 years	5.711.867	1.116.455
Between 3-4 years	-	3.317.351
5 years and more	6.602.472	-
	14.362.148	8.922.215

The movement of borrowings as of December 31, 2021 and 2020 is as follows:

	2021	2020
Balance at January 1	11.794.152	10.103.990
Proceeds from borrowings	9.874.194	5.493.058
Repayments of borrowings (-)	(9.160.249)	(5.818.335)
Interest and borrowing expense (Note 28)	1.045.250	607.147
Interest paid (-)	(1.111.793)	(634.372)
Foreign exchange (gain)/loss	6.815.500	2.003.373
Currency translation differences	1.485.343	39.291
Balance at December 31	20.742.397	11.794.152

As of December 31, 2021, net interest on cross currency swap contracts of CCİ is TRL91.060 (December 31, 2020 - TRL51.650).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 7. SHORT AND LONG TERM BORROWINGS (continued)

b) Lease Liabilities

	December 31, 2021	December 31, 2020
Short term Lease Liabilities (Third Parties)	203	193
Current Portion of Lease Liabilities (Third Parties)	94.245	112.362
Long term Lease Liabilities (Third Parties)	409.485	257.907
	503.933	370.462

Repayments of long-term lease liabilities are scheduled as follows:

	December 31, 2021	December 31, 2020
Between 1-2 years	57.360	57.719
Between 2-3 years	42.719	20.152
Between 3-4 years	29.569	10.919
Between 4-5 years	36.263	21.655
5 years and more	243.574	147.462
	409.485	257.907

The movement of lease liabilities as of December 31, 2021 and 2020 is as follows:

	2021	2020
Balance at January 1	370.462	446.051
Additions	36.904	65.826
Repayments (-)	(196.066)	(191.541)
Disposals (-)	(20.444)	(35.406)
Interest expense (Note 28)	46.577	51.233
Amendments to lease agreements	58.919	(17.619)
Foreign exchange (gain)/loss	14.991	6.107
Currency translation differences	192.590	45.811
Balance at December 31	503.933	370.462

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 8. DERIVATIVE INSTRUMENTS

a) Cross currency swaps

Soft Drink Operations

As of December 31, 2021, Soft Drink Operations has a cross currency swap contract with a total amount of USD150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has also purchased an option on September 19, 2020 amounting to USD150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TRL1.999.350). (December 31, 2020 - TRL1.101.075)

b) Currency option contracts

Beer Operations

As of December 31, 2021, Beer Operations holds a derivative financial instrument of an option contract signed on September 13, 2021 with an amount of USD12 million (USD18 million leveraged) and EURO13.2 million (EURO19.8 million leveraged) and maturity of June 6, 2022. The total swap value of this hedge transactions is TRL359.092 (December 31, 2020 - TRL136.460).

Soft Drink Operations

As of December 31, 2021, Soft Drink Operations holds a derivative financial instrument of an option contract signed on August 23, 2021 with an amount of USD20 million (USD 32 million leveraged) and maturity of August 1, 2022. The total swap value of this hedge transaction is TRL266.580 (December 31, 2020 - None).

c) Commodity swap contracts

Beer Operations

As of December 31, 2021, Beer Operations has 41 commodity swap contracts with a total nominal amount of TRL866.617 for 20.698 tonnes of aluminium, 18.471 tonnes of plastic. Aforementioned commodity swap contracts are designated as hedging instruments in cash flow hedges related to forecasted cash flow, for the highly probable purchases of production materials exposed to can and pet price risk for the year 2022 (December 31, 2020- TRL346.588).

Soft Drink Operations

As of December 31, 2021, Soft Drink Operations has no sugar swap transactions. (December 31, 2020 - TRL5.523).

As of December 31, 2021, Soft Drink Operations has 10 aluminium swap transactions with a total nominal amount of TRL788.479 for 21.426 tones. The total of these aluminium swap contracts is designated as hedging instruments in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to can price risk for the year 2022 (December 31, 2020 - TRL174.193).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 8. DERIVATIVE INSTRUMENTS (continued)

c) Commodity swap contracts (continued)

Soft Drink Operations (continued)

As of December 31, 2021, Soft Drink Operations has 1 resin swap transactions with a total nominal amount of TRL36.788 for 2.400 tones. The total of these aluminium swap contracts is designated as hedging instruments in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to pet price risk for the year 2022 (December 31, 2020 - None).

d) Currency forwards

Beer Operations

As of December 31, 2021, Beer Operations have FX forward transactions with a total nominal amount of TRL5.740.346, for forward contracts amounting to USD154 million and EURO244 million. The total of these FX forward contracts are designated as cash flow hedges related to forecasted cash flow, for the high probability purchases of raw material, trade goods and operational expenses, exposed to foreign currency risk (December 31, 2020 - TRL2.696.376).

e) Swap contracts

Soft Drink Operations

As of December 31, 2021, Soft Drink Operations have a swap contract with a total amount of EURO 25 million due on May 11, 2022, for the probability of arising interest rate exposure. The nominal value of this transaction is TRL 377.168. (December 31, 2020 - None)

As of December 31, 2021, Soft Drink Operations holds no cross currency swap contract. (December 31, 2020- TRL225.523).

The effective portion of change in fair value of derivative instruments designated as hedging instruments in cash flow hedges is recognized in the consolidated statement of comprehensive income. The Group calculates the fair values of financial instruments that do not have an active market by using market data, using similar transactions, reference to fair value of similar instruments and discounted cash flow analysis.

	December 31, 2021		December 31, 2020	
	Nominal Value	Fair Value Asset/(Liability)	Nominal Value	Fair Value Asset/(Liability)
Currency option contracts	625.672	32.768	136.460	(4.517)
Cross currency participation swaps	1.999.350	(708.423)	1.101.075	(213.420)
Commodity swap contracts	1.691.884	47.139	526.305	83.807
Currency forwards	5.740.346	(292.452)	2.696.376	43.984
Cross currency swaps	-	-	225.523	(58.166)
Fair value hedge reserve assets/(liabilities)	377.168	(131.244)	-	-
	10.434.420	(1.052.212)	4.685.739	(148.312)

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 9. FINANCIAL INVESTMENTS

	December 31, 2021	December 31, 2020
Time deposits with maturity more than three months	11.576	23.164
Restricted cash ^(*)	62.068	15.389
	73.644	38.553

^(*) The restricted bank balance as of December 31, 2021 is the blocked amount in the bank for collateral of letters of credit in Uzbekistan.

As of December 31, 2021, time deposits with maturities over 3 months made for between 39- 357 days are denominated in USD interest rate is 2,25% and in KZT interest rate is 7,50% - 9,50% (December 31, 2020 - time deposits with maturities over 3 months made for between 1- 174 days are denominated in USD interest rate is 1,00% and 2,50%).

NOTE 10. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables

	December 31, 2021	December 31, 2020
Short term trade receivables from third parties	4.785.096	2.543.464
Long term trade receivables from third parties	-	1.792
Trade receivables from related parties (Note 32)	472.351	322.831
Notes and cheques receivables	41.916	26.397
Expected credit loss (-)	(182.302)	(147.667)
	5.117.061	2.746.817

The movement of provision for doubtful receivables as of December 31, 2021 and 2020 is as follows:

	2021	2020
Balance at January 1	147.667	115.739
Current year provision	21.143	44.367
Provisions no longer required	(28.161)	(7.018)
Write-offs from expected credit loss	(23.943)	(12.974)
Currency translation differences	65.596	7.553
Balance at December 31	182.302	147.667

b) Trade Payables

	December 31, 2021	December 31, 2020
Short term trade payables to third parties	11.911.842	5.627.277
Long term trade payables to third parties	2.091	49.528
Trade payables to related parties (Note 32)	790.122	569.046
	12.704.055	6.245.851

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 11. OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	December 31, 2021	December 31, 2020
Receivables from related parties (Note 32)	108.614	104.183
Due from personnel	15.318	15.436
Sublease receivables from related parties (Note 32) ⁽¹⁾	11.708	11.188
Deposits and guarantees given	6.567	4.083
Receivables from tax office	709	16.958
Other	15.399	10.682
	158.315	162.530

⁽¹⁾ Subleases from related parties has been recorded according to TFRS 16 which are related with the management building and leased on behalf of the parent company AG Anadolu Group A.Ş. and the subsidiaries.

b) Other Non-Current Receivables

	December 31, 2021	December 31, 2020
Deposits and guarantees given	68.213	42.622
Receivables from tax office	26.467	-
Sublease receivables from related parties (Note 32) ⁽¹⁾	17.409	19.266
Other	977	5.641
	113.066	67.529

c) Other Current Payables

	December 31, 2021	December 31, 2020
Taxes other than income taxes	2.201.148	1.154.710
Deposits and guarantees taken	885.134	513.243
Payables for purchases to obtain control of subsidiaries	239.922	-
Dividends payable	83.853	619.997
Payables related to share ratio changes in subsidiaries that do not result in loss of control	71.977	-
Other current payables to related parties (Note 32)	18.077	-
Other	42.079	17.535
	3.542.190	2.305.485

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 11. OTHER RECEIVABLES AND PAYABLES (continued)

a) Other Non-Current Payables

	December 31, 2021	December 31, 2020
Deposits and guarantees taken	7.020	4.417
	7.020	4.417

⁽¹⁾ Subleases from related parties has been recorded according to TFRS 16 which are related with the management building and leased on behalf of the parent company AG Anadolu Group A.Ş. and the subsidiaries.

NOTE 12. INVENTORIES

	December 31, 2021	December 31, 2020
Raw materials	2.211.964	1.071.213
Finished and trade goods	1.856.714	880.709
Packaging materials	920.219	368.108
Supplies	483.557	210.477
Work-in-process	430.085	220.607
Other	162.432	43.702
Reserve for obsolescence (-)	(161.697)	(86.069)
	5.903.274	2.708.747

The movement of reserve for obsolescence as of December 31, 2021 and 2020 is as follows:

	2021	2020
Balance at January 1	86.069	90.283
Current year provision (Note 26)	38.005	35.481
Provisions no longer required (Note 26)	(28.434)	(20.516)
Inventories written-off	(5.112)	(24.886)
Currency translation differences	71.169	5.707
Balance at December 31	161.697	86.069

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 13. PREPAID EXPENSES AND DEFERRED INCOME

a) Current Prepaid Expenses

	December 31, 2021	December 31, 2020
Advances given to suppliers	1.336.959	254.651
Prepaid sales expenses	434.757	359.617
Prepaid insurance expenses	21.319	16.066
Prepaid rent expenses	1.235	9.792
Prepaid expenses to related parties (Anadolu Efes Spor Kulübü)	23.333	-
Prepaid other expenses	43.417	20.429
	1.861.020	660.555

b) Non- current Prepaid Expenses

	December 31, 2021	December 31, 2020
Prepaid sales expenses	217.050	369.600
Prepaid rent expenses	27.277	20.850
Advances given to suppliers	22.601	20.437
Prepaid other expenses	38.553	20.112
	305.481	430.999

c) Short Term Deferred Income (Deferred Income Other Than Contract Liabilities)

	December 31, 2021	December 31, 2020
Advances taken	148.584	130.976
	148.584	130.976

d) Long Term Deferred Income (Deferred Income Other Than Contract Liabilities)

	December 31, 2021	December 31, 2020
Deferred income	14.697	7.531
	14.697	7.531

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 14. RIGHT-OF-USE ASSETS

For the year ended December 31, 2021, movement on right of use asset is as follows:

Cost	January 1, 2021	Additions	Amendments to Leasing	Disposals	Currency translation differences	December 31, 2021
Land	42.266	-	9.509	(1.014)	38.517	89.278
Buildings	251.028	7.487	44.554	(48.458)	164.501	419.112
Machinery and equipment	41.243	736	-	(10.859)	365	31.485
Vehicles	146.533	28.681	6.814	(5.441)	37.378	213.965
Furniture and fixture	4.035	-	-	(2.796)	336	1.575
Other	3.328	-	-	-	1.748	5.076
	488.433	36.904	60.877	(68.568)	242.845	760.491
Accumulated depreciation (-)						
Land	8.405	3.724	-	(52)	8.454	20.531
Buildings	66.981	44.955	-	(30.084)	67.511	149.363
Machinery and equipment	13.079	10.636	-	(10.859)	78	12.934
Vehicles	69.067	59.622	-	(4.262)	16.994	141.421
Furniture and fixture	1.712	1.637	-	(2.796)	211	764
Other	1.936	1.152	-	-	1.187	4.275
	161.180	121.726	-	(48.053)	94.435	329.288
Net book value	327.253					431.203

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 14. RIGHT-OF-USE-ASSETS (continued)

For the year ended December 31, 2020, movement on right use of asset is as follows:

Cost	January 1, 2020	Additions	Amendments to Leasing	Disposals	Currency translation differences	December 31, 2020
Land	40.525	7.126	544	(7.373)	1.444	42.266
Buildings	235.179	12.952	1.583	(25.362)	26.676	251.028
Machinery and equipment	32.560	30.533	-	(22.160)	310	41.243
Vehicles	135.765	13.154	-	(5.317)	2.931	146.533
Furniture and fixture	5.163	2.160	-	(3.357)	69	4.035
Other	2.881	-	-	-	447	3.328
	452.073	65.925	2.127	(63.569)	31.877	488.433
Accumulated depreciation (-)						
Land	6.122	2.517	-	(492)	258	8.405
Buildings	21.616	51.190	-	(12.964)	7.139	66.981
Machinery and equipment	9.962	10.725	-	(7.690)	82	13.079
Vehicles	15.685	55.371	-	(3.325)	1.336	69.067
Furniture and fixture	1.722	3.347	-	(3.357)	-	1.712
Other	851	905	-	-	180	1.936
	55.958	124.055	-	(27.828)	8.995	161.180
Net book value	396.115					327.253

NOTE 15. INVESTMENT PROPERTIES

There is no transaction in investment properties for the year ended December 31, 2021.

Movement on investment properties for the year ended December 31, 2020 is as follows:

Cost	January 1, 2020	Additions	Disposals	Currency translation differences	Transfers	(Impairment)/ Impairment reversal	December 31, 2020
Land	37.817	-	(24.679)	910	(6.827)	(7.221)	-
Buildings	241.545	-	(246.601)	9.173	(2.432)	(1.685)	-
Construction in progress	1.821	-	-	21	-	(1.842)	-
	281.183	-	(271.280)	10.104	(9.259)	(10.748)	-
Accumulated depreciation(-)							
Buildings	135.959	3.631	(139.334)	1.679	(1.661)	(274)	-
	135.959	3.631	(139.334)	1.679	(1.661)	(274)	-
Net book value	145.224						-

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 16. PROPERTY, PLANT AND EQUIPMENT

For the year ended December 31, 2021 movement on property, plant and equipment are as follows:

Cost	January 1, 2021	Additions	Disposals	Acquired through business combination (Note 3)	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers ^(*)	December 31, 2021
Land and land improvements	799.312	747	(14.958)	10.827	431.664	-	80.397	1.307.989
Buildings	4.482.609	15.288	(9.444)	51.094	3.070.356	-	143.371	7.753.274
Machinery and equipment	11.885.966	309.564	(205.487)	339.592	8.445.072	(3.556)	625.871	21.397.022
Vehicles	313.688	21.047	(38.705)	56.210	269.952	-	(17.694)	604.498
Other tangibles	5.872.818	1.140.700	(720.902)	148.715	3.165.243	-	321.047	9.927.621
Leasehold improvements	34.420	183	-	-	1.847	-	1.401	37.851
Construction in progress	605.555	1.452.426	(727)	20.630	605.529	-	(1.162.452)	1.520.961
	23.994.368	2.939.955	(990.223)	627.068	15.989.663	(3.556)	(8.059)	42.549.216

Accumulated depreciation and impairment (-)	January 1, 2021	Additions ^(**)	Disposals	Acquired through business combination (Note 3)	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers ^(*)	December 31, 2021
Land and land improvements	118.620	19.292	(1.255)	9.775	103.591	-	238	250.261
Buildings	1.290.336	178.773	(8.071)	42.797	883.045	-	⁽²⁾	2.386.878
Machinery and equipment	6.293.122	1.002.413	(178.725)	212.125	4.816.465	268.288	(265)	12.413.423
Vehicles	193.085	41.051	(41.259)	29.089	163.689	-	-	385.655
Other tangibles	3.444.086	943.648	(625.755)	41.451	1.950.697	(5.168)	29	5.748.988
Leasehold improvements	29.369	1.974	-	-	1.847	-	-	33.190
Construction in progress	33.684	-	-	-	-	-	-	33.684
	11.402.302	2.187.151	(855.065)	335.237	7.919.334	263.120	-	21.252.079
Net book value	12.592.066							21.297.137

^(*) There are transfers to other intangible assets amounting to TRL8.385, and transfer from inventories amounting to TRL326 in 2021. (Note 17).

^(**) Distribution of depreciation expense is disclosed in Note 25.

As of December 31, 2021, there is a pledge on property, plant and equipment of TRL248.315 (December 31, 2020 - TRL148.321) for loans of Soft Drink Operations. This amount is disclosed in Commitments and Contingencies note under guarantees, pledges and mortgages (GPMs) table (Note 18).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 16. PROPERTY, PLANT AND EQUIPMENT (continued)

For the year ended December 31, 2020 movement on property, plant and equipment are as follows:

Cost	January 1, 2020	Additions	Disposals	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers ^(*)	December 31, 2020
Land and land improvements	765.882	962	(17.504)	41.627	-	8.345	799.312
Buildings	4.075.512	3.072	(7.749)	308.142	-	103.632	4.482.609
Machinery and equipment	10.700.717	180.596	(278.107)	869.482	-	413.278	11.885.966
Vehicles	269.255	8.576	(15.473)	34.359	-	16.971	313.688
Other tangibles	5.632.651	539.373	(978.691)	350.289	-	329.198	5.872.820
Leasehold improvements	32.863	351	(622)	(588)	-	2.416	34.420
Construction in progress	538.638	895.588	(2.311)	78.150	-	(904.510)	605.555
	22.015.518	1.628.518	(1.300.457)	1.681.461	-	(30.670)	23.994.370
Accumulated depreciation and impairment (-)	January 1, 2020	Additions ^(**)	Disposals	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers ^(*)	December 31, 2020
Land and land improvements	115.565	13.219	(15.904)	6.267	-	(527)	118.620
Buildings	1.063.806	146.803	(2.241)	80.972	12.085	(11.089)	1.290.336
Machinery and equipment	5.292.092	854.863	(249.103)	415.224	(19.246)	(708)	6.293.122
Vehicles	155.575	30.827	(14.079)	20.859	99	(196)	193.085
Other tangibles	3.319.971	798.868	(909.320)	217.310	16.657	602	3.444.088
Leasehold improvements	28.335	1.577	(622)	79	-	-	29.369
Construction in progress	33.653	-	-	-	31	-	33.684
	10.008.997	1.846.157	(1.191.269)	740.711	9.626	(11.918)	11.402.304
Net book value	12.006.521						12.592.066

^(*) As of December 31, 2020 there are transfers to other intangible assets amounting to TRL11.977, transfer to investment properties amounting to TRL7.598, transfer to assets held for sale amounting to TRL5.187 and transfer from inventories amounting to TRL6.010. (Note 15, 17).

^(**) Distribution of depreciation expense is disclosed in Note 25.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 17. INTANGIBLE ASSETS

a) Other Intangible Assets

For the year ended December 31, 2021 movements of intangible assets are as follows:

Cost	January 1, 2021	Additions	Disposals	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers	December 31, 2021
Bottling contracts	10.417.801	-	-	4.437.705	-	-	14.855.506
Licence agreements	6.028.801	-	-	4.626.219	-	-	10.655.020
Brands	927.101	-	-	746.962	-	-	1.674.063
Rights	234.573	630	(5.145)	148.440	-	72.780	451.278
Construction in progress	90.551	89.787	(333)	-	-	(118.925)	61.080
Other intangible assets	300.237	85.426	(1.590)	96.523	-	54.530	535.126
	17.999.064	175.843	(7.068)	10.055.849	-	8.385	28.232.073
Accumulated amortization and impairment (-)	January 1, 2021	Additions	Disposals	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers	December 31, 2021
Bottling contracts	-	-	-	-	-	-	-
Licence agreements	386.770	-	-	50.082	-	-	436.852
Brands	152.545	-	-	110.527	-	-	263.072
Rights	145.936	55.216	(3.472)	99.649	-	-	297.329
Construction in progress	-	-	-	-	-	-	-
Other intangible assets	146.105	37.975	(1.899)	61.570	-	-	243.751
	831.356	93.191	(5.371)	321.828	-	-	1.241.004
Net book value	17.167.708						26.991.069

As of December 31, 2021, there is no pledge on intangible assets.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 17. INTANGIBLE ASSETS (continued)

a) Other Intangible Assets (continued)

For the year ended December 31, 2020 movements of intangible assets are as follows:

Cost	January 1, 2020	Additions	Disposals	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers	December 31, 2020
Bottling contracts	9.803.808	-	-	613.993	-	-	10.417.801
Licence agreements	5.830.619	-	-	198.182	-	-	6.028.801
Brands	868.751	-	-	58.350	-	-	927.101
Rights	177.999	464	(8.164)	4.898	-	59.376	234.573
Construction in progress	60.186	67.744	-	-	-	(37.379)	90.551
Other intangible assets	254.562	49.120	(1.968)	8.527	-	(10.004)	300.237
	16.995.925	117.328	(10.132)	883.950	-	11.993	17.999.064
Accumulated amortization and impairment (-)	January 1, 2020	Additions	Disposals	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers	December 31, 2020
Bottling contracts	-	-	-	-	-	-	-
Licence agreements	375.059	-	-	11.711	-	-	386.770
Brands	125.045	-	-	27.500	-	-	152.545
Rights	78.750	67.309	(7.297)	2.796	-	4.378	145.936
Construction in progress	-	-	-	-	-	-	-
Other intangible assets	114.228	32.306	(1.813)	5.778	-	(4.394)	146.105
	693.082	99.615	(9.110)	47.785	-	(16)	831.356
Net book value	16.302.843						17.167.708

As of December 31, 2020, there is no pledge on intangible assets.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 17. INTANGIBLE ASSETS (continued)

b) Goodwill

For the years ended December 31, 2021 and 2020, movements of the goodwill during the period are as follows:

	2021	2020
At January 1	3.299.250	3.221.352
Acquired through business combination (Note 3)	2.302.469	-
Currency translation differences	3.600.266	77.898
At December 31	9.201.985	3.299.250

As of December 31, 2021 and 2020, operating segment distributions of goodwill are presented below:

	Beer Group	Soft Drinks	Other	Total
2021	4.110.514	5.091.471	-	9.201.985
2020	2.297.078	1.002.172	-	3.299.250

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 18. COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation

As of December 31, 2021 and December 31, 2020 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

	December 31, 2021						
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	Other Foreign Currency TRL Equivalent
A. GPMs given on behalf of the Company's legal personality	474.223	205.208	181	370	25.989	2.667.001	46.933
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	1.897.725	-	3.600	39.069	1.555.011	2.538.234	308.832
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	1.252.461	30.848	-	80.827	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above ⁽²⁾	1.252.461	30.848	-	80.827	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	3.624.409	236.056	3.781	120.266	1.581.000	5.205.235	355.765

Ratio of other GPMs over the Company's equity (%)

3,2

⁽¹⁾ Consists of the GPMs given in favor of subsidiaries included in full consolidation for their borrowings. These financial liabilities are included in short-term and long-term borrowings in consolidated financial statements.

⁽²⁾ Includes the GPMs given in favor of Anadolu Etap which is the Group's investment accounted by using equity method. The Company has given a Project Completion Guarantee (Guarantee) for Anadolu Etap's payment obligations according to the loan agreement signed by Anadolu Etap with European Bank For Reconstruction and Development (EBRD) amounting to EURO102,9 million. The guarantee that has been given by Anadolu Efes is limited with Anadolu Efes' share in Anadolu Etap as determined by Article 12 of the Corporate Governance Communiqué.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 18. COMMITMENTS AND CONTINGENCIES (continued)

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation (continued)

	December 31, 2020						
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	Other Foreign Currency TRL Equivalent
A. GPMs given on behalf of the Company's legal personality	322.625	143.142	181	1.359	31.385	2.809.340	28.752
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	1.121.011	-	4.600	53.580	1.103.328	3.034.852	178.801
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	731.142	24.649	-	78.403	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above ⁽²⁾	731.142	24.649	-	78.403	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	2.174.778	167.791	4.781	133.342	1.134.713	5.844.192	207.553

Ratio of other GPMs over the Company's equity (%)

2,9

⁽¹⁾ Consists of the GPMs given in favor of subsidiaries included in full consolidation for their borrowings. These financial liabilities are included in short-term and long-term borrowings in consolidated statements.

⁽²⁾ Includes the GPMs given in favor of Anadolu Etap which is the Group's investment accounted by using equity method. The Company has given a Project Completion Guarantee (Guarantee) for Anadolu Etap's payment obligations according to the loan agreement signed by Anadolu Etap with European Bank For Reconstruction and Development (EBRD) amounting to EURO102,9 million. The guarantee that has been given by Anadolu Efes is limited with Anadolu Efes' share in Anadolu Etap as determined by Article 12 of the Corporate Governance Communiqué.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 18. COMMITMENTS AND CONTINGENCIES (continued)

Murabaha

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank (Banks). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of December 31, 2021, CCBPL has USD15 million and USD 37 million sugar purchase commitments to the Banks until the end of June 2022 and December 2022 respectively (December 31, 2020 - CCBPL has USD 2,8 million sugar purchase commitment to the Banks until the end of June 2021 and has USD 0,8 million sugar purchase commitment to the Banks until the end of December 2021).

Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Turkey continue to evolve as a result of the transformation from command to market oriented economy managed by the government. The various legislation and regulations are not always clearly written and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas (as examples, customs and currency control) are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts may create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

As per the change in governing law in Pakistan, "Capacity Tax" was started to be applied as of July 9, 2013, replacing "Sales and Excise Tax". CCBPL fulfilled all the obligations as per the new law and change in regulations.

As of May 2014, "Capacity Tax" application was cancelled by the constitutional court and the law has been reverted to "Sales and Excise Tax". After this withdrawal, CCBPL fulfilled all the obligations again according to "Sales and Excise Tax" system.

After the withdrawal, Federal tax office in Pakistan requested TRL264.680 (PKR 3.505 million) additional tax payment from CCBPL, by arguing that "Sales and Excise Tax" should be applied retrospectively by considering the period before the cancellation of "Capacity Tax" application. Company Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion of Management, the outcome of the litigation will be favourable (December 31, 2020 - TRL160.979 (PKR 3.505 million)).

Litigations against the Group

As of December 31, 2021, according to the legal opinion obtained by the management in response to the 63 lawsuits filed against Beer Operations, in the event of loss the estimated compensation will be million TRL165.285. In the opinion given by the legal counsel of the Group, it is stated that there is low probability of losing the cases and so no provision has been made in the financial statements. (December 31, 2020 - estimated compensation TRL13.300)

CCI and subsidiaries in Turkey are involved on an ongoing basis in 222 litigations arising in the ordinary course of business as of December 31, 2021 with an amount of TRL17.717 (December 31, 2020 - TRL14.458). According to the legal opinion obtained by the management no court decision has been granted yet as of December 31, 2021.

As of December 31, 2021, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TRL393.437(PKR 5.210 million) according to the legal opinion obtained by the management (December 31, 2020 - TRL235.377 (PKR 3.505 million)).

Group management does not expect any adverse consequences related with these litigations that would materially affect Group's operation results or financial status.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 19. EMPLOYEE BENEFITS OBLIGATIONS

As of December 31, 2021 and 2020, employee benefits obligations are as follows:

	December 31, 2021	December 31, 2020
Wages payable	119.805	43.473
Social security and withholding tax liabilities	99.767	70.799
	219.572	114.272

NOTE 20. CURRENT AND NON-CURRENT PROVISIONS

a) Short Term Provision for Employee Benefits

As of December 31, 2021 and 2020, short term provision for employee benefits are as follows:

	December 31, 2020	December 31, 2020
Management bonus accrual	255.245	52.922
Other short-term employee benefits	107.595	47.942
Provision for vacation pay liability	76.330	38.604
	439.170	139.468

As of December 31, 2021 and 2020, the movement of provision for vacation pay liability is as below:

	2021	2020
Balance at January 1	38.604	43.344
Payments and used vacations	(16.572)	(16.139)
Current year provision	27.925	9.667
Currency translation differences	26.373	1.732
	76.330	38.604

As of December 31, 2021 and 2020, the movement of management bonus accruals is as below:

	2021	2020
Balance at January 1	52.922	40.999
Payments (-)	(166.904)	(110.211)
Current year provision	290.855	120.600
Currency translation differences	78.372	1.534
	255.245	52.922

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 20. CURRENT AND NON-CURRENT PROVISIONS (continued)

b) Long Term Provision for Employee Benefits

	December 31, 2021	December 31, 2020
Employment termination benefits	333.475	217.509
Long term incentive plans	15.165	12.858
	348.640	230.367

In accordance with existing social legislation, the Group's companies incorporated in Turkey are required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay. The retirement pay liability as at December 31, 2021 is subject to a ceiling of full TRL8.285 (December 31, 2021 - full TRL7.117) Retirement pay liability ceiling has been increased to full TRL10.849 as of January 1, 2022. In the consolidated financial statements as of December 31, 2021 and 2020, the Group reflected a liability calculated using the projected unit credit method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds. Accordingly, net discount rates determined by considering expected payment dates are in a range between 4,35% and 3,00% (December 31, 2020 - 4,15% and 3,01%).

Movement of provision for employment termination benefits represented in the consolidated financial statements is as follows:

	2021	2020
Balance at January 1	217.509	177.627
Payments	(23.670)	(19.136)
Interest cost	3.114	2.507
Current year provision	65.321	46.534
Actuarial (gain)/loss	53.703	8.621
Currency Translation Difference	17.498	1.356
	333.475	217.509

Movement of provision for long-term incentive plan represented in the consolidated financial statements is as follows:

	2021	2020
Balance at January 1	12.858	10.808
Payments	(20.024)	(16.842)
Interest cost	497	353
Current year provision	21.881	18.438
Actuarial (gain)/loss	(47)	101
	15.165	12.858

Actuarial loss from defined benefit plans, included in other short-term employee benefits and provision for employment termination benefits, amounting to TRL56.804 was reflected to other comprehensive income (December 31, 2020 - TRL9.387).

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 20. CURRENT AND NON-CURRENT PROVISIONS (continued)

c) Other Current Provision

Movement of provisions for lawsuits and penalties represented in the consolidated financial statements is as follows:

	2021	2020
Balance at January 1	35.074	54.443
Payment	(2.383)	(31.817)
Current year provision	170.768	12.508
Provisions no longer required	(427)	(1.246)
Currency translation differences	33.087	1.186
Balance at December 31	236.119	35.074

As of 31 December 2021, other current provision includes CCBPL's provision for tax lawsuits amounting to TRL115.830 (December 31, 2020 - None).

NOTE 21. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	December 31, 2021	December 31, 2020
Value Added Tax (VAT) deductible or to be transferred	619.386	291.337
Deferred VAT and other taxes	54.702	66.464
Other	135.344	84.532
	809.432	442.333

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 21. OTHER ASSETS AND LIABILITIES (continued)

b) Other Non-Current Assets

	December 31, 2021	December 31, 2020
Deferred VAT and other taxes	660	669
Other	275	152
	935	821

c) Other Current and Non-Current Liabilities

As of December 31, 2021 and 2020, other current liabilities are as follows:

	December 31, 2021	December 31, 2020
Put option liability	31.513	331.285
Deferred VAT and other taxes	55.096	68.025
Other	49.531	31.628
	136.140	430.938

As of December 31, 2021 and 2020, other non- current liabilities are as follows:

	December 31, 2021	December 31, 2020
Deferred VAT and other taxes	500	500
Other	4.979	2.784
	5.479	3.284

The obligation of TRL31.513 results from the buying option carried, for the purchase of 12,5% of Turkmenistan CC shares from Day Investment Ltd., with a consideration of USD 2.360 thousand. USD amount is converted with the official USD purchase rate announced by Central Bank of Republic of Turkey and resulting TRL amount is reflected under other current liabilities (December 31, 2020 - TRL17.324).

According to the announcement on October, 27 2021, CCI completed the acquisition of a minority stake owned by European Refreshments (ER), a wholly owned subsidiary of The Coca-Cola Company (TCCC), of 19,97% in Waha Beverages B.V. (Waha BV) the holding company for Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC a company incorporated in Baghdad (Al Waha). ER exercised its put option under a shareholders agreement entered between ER and CCI in 2013, that became exercisable between December 31, 2016 and 2022. Pursuant to ER's decision to exercise its put option and upon execution of a notarial deed of transfer and its registration, ER transferred its 19,97% stake in Waha BV to CCI in consideration of a sum of USD 40.4 million (TRL 393.687 million) paid by CCI. Resultantly, CCI became the sole owner of Waha B.V. with a 100,0% direct stake and of Al Waha by extension (December 31, 2020 - TRL 313.961 million).

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 22. EQUITY, RESERVES AND OTHER EQUITY ITEMS

a) Issued Capital and Adjustments to Share Capital and Equity Investments

	December 31, 2021	December 31, 2020
Common shares 1 full TRL per value		
Authorized capital	900.000	900.000
Issued capital	592.105	592.105

The composition of shareholders and their respective percentage of ownership as of December 31, 2021 and 2020 are given at Note 1 - Group's Organization and Nature of Activities.

As of December 31, 2021 and 2020, there is no privileged share representing the capital. According to the articles of association, foundation shares that do not represent the share capital receives 2% of the profit that remains after 10% of the paid in capital is deducted from the distributable profit for the period.

b) Restricted Reserves Allocated from Net Profit, Revaluation Fund and Accumulated Profits

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital (inflation-restated issued capital in accordance with the communiqués and announcements of CMB). The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital (inflation-restated capital in accordance with CMB). The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

Quoted companies distribute dividend according to the Communiqué No: II-19.1 which is effective from 1 February 2014 of the CMB.

Companies distribute dividend within the framework of the profit distribution policies determined by the general assemblies and in accordance with the related legislation by the decision of the general assembly. Within the scope of the communiqué, a minimum distribution ratio has not been determined. Companies pay dividends as specified in articles of incorporation or in profit distribution policies.

Positive distinction from inflation adjustment to shareholders' equity and carrying amount of paid-in capital extraordinary reserves can only be netted-off against prior years' losses and used as an internal source for capital increase. However, when positive distinction from inflation adjustment to shareholders' equity is used for cash dividend distribution, it is subject to income tax.

Statutory resources attributable to dividend distribution are TRL1.138.579 as of December 31, 2021.

Within the framework of the Communiqué published on the Official Gazette dated 17 May 2020 and numbered 31130 by the Ministry of Trade and in accordance with the conformity opinion received from the Ministry of Trade; for the period January-December 2020, cash dividend proposal of gross full TRL1.9348 (net full TRL1.64458) per each share with TRL 1 nominal value amounting to a total of TRL1.160.716 to be distributed from the released legal reserves effective from May 28, 2021 as TRL 1.145.604 paid to shareholders and TRL15.111 paid to the founding shareholders realizing a 193,48% gross dividend distribution over its issued capital amounting to TRL592.105 was approved in General Assembly meeting held on May 25, 2021. Following the approval of General Assembly on May 25, 2021, the dividend has distributed in cash as of June 1, 2021 (2020 - TRL1.069.641).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 22. EQUITY, RESERVES AND OTHER EQUITY ITEMS (continued)

b) Restricted Reserves Allocated from Net Profit, Revaluation Fund and Accumulated Profits (continued)

In 2021, dividend payment amounting to TRL439.274 (December 31, 2020 - TRL151.947) has been made to non-controlling interests.

	December 31, 2021			December 31, 2020		
	Nominal Amount	Inflation Adjustment on Capital	Restated Amount	Nominal Amount	Inflation Adjustment on Capital	Restated Amount
Issued capital	592.105	63.583	655.688	592.105	63.583	655.688
Legal reserves	372.939	74.729	447.668	372.939	74.729	447.668
Extraordinary reserves	266.332	25.831	292.163	241.311	25.831	267.142

NOTE 23. REVENUE AND COST OF SALES

Group recognizes revenue when the control of products is transferred to the customer, compatible with revenue information under segment reporting according to TFRS 8 (Note 5).

	January 1 - December 31 2021	January 1 - December 31 2020
Domestic revenues	11.663.511	8.320.332
Foreign revenues	27.632.497	18.422.361
Revenue	39.296.008	26.742.693
Current year purchases and net change in inventory	(20.887.951)	(13.408.223)
Depreciation and amortization expense (*)	(1.385.478)	(1.240.162)
Personnel expenses	(1.143.393)	(831.682)
Utility expenses	(879.473)	(597.523)
Repair and maintenance expenses	(265.576)	(202.330)
Provision for retirement pay liability	(19.026)	(13.576)
Rent expenses (**)	(17.737)	(3.828)
Provision for unused vacation	(5.575)	(2.413)
Other	(537.907)	(499.566)
Cost of sales (-)	(25.142.116)	(16.799.303)
Gross Profit	14.153.892	9.943.390

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 24. OPERATING EXPENSES

a) General and Administrative Expenses

	January 1 - December 31 2021	January 1 - December 31 2020
Personnel expenses	(1.350.301)	(946.173)
Outsource expenses	(621.079)	(440.190)
Depreciation and amortization expense (*)	(216.769)	(215.873)
Information technology expenses	(178.375)	(124.957)
Utilities and communication expenses	(60.733)	(32.188)
Rent expenses (**)	(56.130)	(38.279)
Taxation expenses (except for income tax)	(50.486)	(39.054)
Provision for retirement pay liability	(45.853)	(29.789)
Insurance expenses	(25.449)	(19.414)
Repair and maintenance expenses	(20.866)	(18.409)
Provision for unused vacation	(13.467)	(3.026)
Other	(181.351)	(149.875)
	(2.820.859)	(2.057.227)

b) Selling, Distribution and Marketing Expenses

	January 1 - December 31 2021	January 1 - December 31 2020
Transportation and distribution expenses	(2.539.978)	(1.802.298)
Advertising, selling and marketing expenses	(2.075.716)	(1.383.350)
Personnel expenses	(1.292.166)	(992.861)
Depreciation and amortization expenses (*)	(796.554)	(613.081)
Repair and maintenance expenses	(79.600)	(58.566)
Utilities and communication expenses	(53.025)	(36.991)
Rent expenses (**)	(31.247)	(12.006)
Provision for unused vacation	(8.883)	(4.228)
Provision for retirement pay liability	(3.556)	(5.676)
Other	(404.028)	(301.044)
	(7.284.753)	(5.210.101)

(*) Expenses consist of depreciation and amortization expenses that belong to tangible and intangible assets and right of use assets.

(**) Consists of rent expenses that are not within the scope of TFRS 16 due to contract period of less than one year or low contract value.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 25. EXPENSES BY NATURE

a) Depreciation and Amortization Expenses

	January 1 - December 31 2021	January 1 - December 31 2020
Cost of sales	(1.385.478)	(1.240.162)
Marketing, selling and distribution expenses	(796.554)	(613.081)
General and administration expenses	(216.769)	(215.873)
Other expense from operating activities	(205)	(3.933)
Inventories	(3.062)	(409)
	(2.402.068)	(2.073.458)

b) Personnel Expenses

	January 1 - December 31 2021	January 1 - December 31 2020
General and administration expenses	(1.350.301)	(946.173)
Marketing, selling and distribution expenses	(1.292.166)	(992.861)
Cost of sales	(1.143.393)	(831.682)
	(3.785.860)	(2.770.716)

NOTE 26. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES

a) Other Income from Operating Activities

	January 1 - December 31 2021	January 1 - December 31 2020
Foreign exchange gains arising from operating activities	624.913	365.452
Income from scrap and other materials	68.082	44.069
Reversal of provision for inventory obsolescence	28.434	20.516
Reversal of provision for expected credit loss	28.161	7.018
Rent income	12.061	36.564
Insurance compensation income	8.860	9.824
Other	595.082	375.653
	1.365.593	859.096

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 26. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES (continued)

b) Other Expense from Operating Activities

	January 1 - December 31 2021	January 1 - December 31 2020
Foreign exchange losses arising from operating activities	(750.173)	(601.864)
Provision for inventory obsolescence	(38.005)	(35.481)
Provision for expected credit loss	(21.143)	(44.367)
Donations	(19.726)	(12.057)
Administrative fines	(765)	(1.279)
Depreciation and amortization expense on PPE & intangible assets	(205)	(3.933)
Other	(198.288)	(118.978)
	(1.028.305)	(817.959)

NOTE 27. INVESTMENT ACTIVITY INCOME/EXPENSE

a) Investment activity income

	January 1 - December 31 2021	January 1 - December 31 2020
Transfer of currency translation differences previously accounted as other comprehensive income	455.377	279.929
Gain on disposal of fixed assets	294.590	186.083
Gain on put option revaluation	27.151	-
Provision for impairment on PPE no longer required (Note 16)	14.920	8.483
Other	9.307	-
	801.345	474.495

b) Investment activity expense

	January 1 - December 31 2021	January 1 - December 31 2020
Provision for impairment on PPE (Note 16)	(281.596)	(18.109)
Loss on disposal of PPE	(38.732)	(69.998)
Transfer of currency translation differences recognized in other comprehensive income in the previous period to the income statement	(11.714)	-
Loss on sale of put option valuation	--	(55.441)
Provision for impairment on investment properties (Note 15)	-	(10.474)
Loss on sale of intangible assets	(1.691)	(1.023)
Other	(152)	(3.372)
	(333.885)	(158.417)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 28. FINANCE INCOME/EXPENSE

a) Finance Income

	January 1 - December 31 2021	January 1 - December 31 2020
Foreign exchange gain	3.330.043	1.773.710
Interest income	231.771	269.610
Gain on derivative transactions	128.037	204.494
Interest income from sub-lease receivables	6.070	7.252
Gain arising from the termination of lease agreements	1.206	1.095
Other	2.966	2.262
	3.700.093	2.258.422

b) Finance Expense

	January 1 - December 31 2021	January 1 - December 31 2020
Foreign exchange loss	(2.586.148)	(1.815.532)
Interest and borrowing expense	(1.045.250)	(607.147)
Loss on derivative transactions	(400.002)	(434.087)
Interest expenses related to leases	(46.577)	(51.233)
Other	(129.845)	(67.746)
	(4.207.822)	(2.975.745)

NOTE 29. TAX ASSETS AND LIABILITIES

The corporation tax rate for the fiscal year is 25% in Turkey (December 31, 2020 - 22%). Corporate tax returns are required to be filed until the twenty fifth of the fourth month following the fiscal year end and paid in full until the end of the same month. The tax legislation provides for a provisional tax of 25% (2020 - 22%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

According to Amendment to the Corporate Tax Law, which came into force after being published in the Official Gazette dated April 22, 2021 and numbered 31462; the legal corporate tax rate of 20% as of March 31, 2021 will be applied as 25% for the earnings of the corporations for the 2021 taxation period, and as 23% for the earnings for the 2022 taxation period. The aforementioned application will be effective starting from January 1, 2021. Within the scope of the aforementioned law, deferred tax assets and liabilities in the consolidated financial statements as of December 31, 2021, are calculated as 23% for the amount that will have tax effect in 2022 and for the part that will have a tax effect in the following periods calculated with 20% rate.

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

In Turkey, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 29. TAX ASSETS AND LIABILITIES (continued)

The main components of tax assets and liabilities as of December 31, 2021 and 2020 are as follows:

	2021	2020
Prepaid corporate tax	380.186	289.661
Provision for corporate tax	178.829	127.950

The main components of tax income and expenses as of December 31, 2021 and 2020 are as follows:

	January 1 - December 31 2021	January 1 - December 31 2020
Current period tax expense	(1.010.648)	(610.283)
Deferred tax income/(expense), net	(425.007)	207
	(1.435.655)	(610.076)

As of December 31, 2021 and 2020, the reconciliation of theoretical income tax calculated with the tax rates used in the countries that the Company operates in and total income tax is as follows:

	January 1 - December 31 2021	January 1 - December 31 2020
Consolidated profit before tax	3.802.921	2.066.950
Effect of associate income net off tax	542.378	249.004
Consolidated profit before tax (excluding effect of associate income net off tax)	4.345.299	2.315.954
Enacted tax rate	25%	22%
Tax calculated at the parent company tax rate	(1.086.325)	(509.510)
Tax effect of non-deductible expenses	(80.131)	(46.817)
Tax effect of income excluded from tax bases	77.880	21.639
Effect of different tax rates	146.250	(3.355)
Deferred tax effect of translation on non-monetary items	(32.454)	(18.764)
Cancellation of deferred tax calculated in previous periods	(474.172)	(75.529)
Deferred tax effect of unused investment allowance	29.426	16.850
Other	(16.129)	5.410
	(1.435.655)	(610.076)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 29. TAX ASSETS AND LIABILITIES (continued)

As of December 31, 2021 and December 31, 2020 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	December 31, 2021	December 31, 2020
Deferred tax assets	2.031.664	942.314
Deferred tax liabilities	(4.816.174)	(3.257.472)
	(2.784.510)	(2.315.158)

As of December 31, 2021 and 2020 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	Asset		Liability		Net	
	December 31 2021	December 31 2020	December 31 2021	December 31 2020	December 31 2021	December 31 2020
PP&E and intangible assets	-	-	(5.415.355)	(3.658.030)	(5.415.355)	(3.658.030)
Inventories	-	25.548	(8.926)	-	(8.926)	25.548
Carry forward losses	1.727.535	821.268	-	-	1.727.535	821.268
Retirement pay liability and other employee benefits	83.448	52.813	-	-	83.448	52.813
Other provisions and accruals	687.059	329.588	-	-	687.059	329.588
Unused investment discounts	119.130	89.705	-	-	119.130	89.705
Derivative financial instruments	22.599	23.950	-	-	22.599	23.950
	2.639.771	1.342.872	(5.424.281)	(3.658.030)	(2.784.510)	(2.315.158)

As of December 31, 2021 and 2020, the movement of deferred tax asset and liability is as follows:

	2021	2020
Balance at January 1	(2.315.158)	(2.437.160)
Recognized in consolidated statement of profit or loss	(425.007)	207
Recognized in consolidated statement of other comprehensive income	1.108.981	269.782
Acquired through business combination (Note 3)	4.867	-
Currency translation adjustment	(1.158.193)	(147.987)
Balance at December 31	(2.784.510)	(2.315.158)

As a result of the Group management's assessment that sufficient taxable income will be generated and such carried losses will be utilized until the end of legal period, deferred tax asset amounting to TRL1.727.535 has been recognized. Whereas carried forward tax losses of companies reside in Turkey can be carried for 5 years, JSC AB Inbev Efes and PJSC AB Inbev Efes Ukraine's can be carried forward with an indefinite life according to local tax regulations.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 29. TAX ASSETS AND LIABILITIES (continued)

Maturity of prior years' losses for which no deferred tax asset is recognized of companies based in Turkey are as follows:

	December 31, 2021	December 31, 2020
Between 0-1 years	137.653	38.702
Between 1-2 years	276.444	-
Between 2-3 years	46.464	221.164
Between 3-4 years	75.718	-
Between 4-5 years	2.146.250	-
	2.682.529	259.866

As of December 31, 2021, total investments made for Bursa, Elazığ, Köyceğiz, Çorlu, Ankara, Mersin, İzmir, Isparta and Mahmutiye production line investments under the scope of investment incentives are amounting to TRL295.245 (December 31, 2020 - TRL293.938) with a total tax advantage of TRL119.131 (December 31 - 2020, TRL89.705). Tax advantage calculated from the beginning date of the incentives by considering the future advantages is amounting to TRL4.528 (December 31, 2020 - TRL 3.708).

NOTE 30. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Weighted average number of shares represents the number of shares as a result of capital increase and adjusted number of shares at the beginning period multiplied with the time-weighting factor. Time weighting factor is calculated by dividing the number of days that the shares are available by the total number of days of the period. The Group has no dilutive instruments.

Following table illustrates the net income and share figures used in earnings per share calculation:

	December 31, 2021	December 31, 2020
Weighted average number of shares (full value)	592.105.263	592.105.263
Profit/(loss) for the owners of parent	1.068.303	814.759
Earnings/(losses) per share (full TRL)	1,8042	1,3760
Profit/(loss) for the owners of parent	1.068.303	814.759
Less: Profit/(Loss) for the owners of parent from discontinued Operations (-)	-	(1.992)
Profit/(loss) from continuing operations	1.068.303	816.751
Earning/(losses) per share from continuing operations (full TRL)	1,8042	1,3794
Profit/(loss) from discontinued operations	-	(1.992)
Earning/(losses) per share from discontinued operations (full TRL)	-	(0,0034)

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial statement date and the date of approval of these financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 31. NON-CURRENT ASSETS CLASSIFIED as HELD for SALE and DISCONTINUED OPERATIONS

a) Assets Held for Sale

The Group has classified its facilities accounted under “Property, Plant and Equipment” whose net book value is TRL 15.095 to “Non-Current Assets Held for Sale” in 2020.

Aforementioned assets are disposed in the current year and there is no balance in “Non- current Assets Held for Sale” in financial statements as of December 31, 2021.

b) Discontinued Operations

Agreement has been reached between The Coca-Cola Company and CCI on the preliminary discussions to revisit the sales and distribution model of Doğadan brand, the non-ready to drink tea in CCI’s portfolio. According to the agreement, CCI sales and distribution activities of Doğadan brand terminated as of April 30, 2020.

In the consolidated financial statements as of December 31, 2020 Doğadan is disclosed as discontinued operation in accordance with TFRS 5. As of December 31, 2021, discontinued operation has no effect on financial statements.

	January 1 - December 31 2021	January 1 - December 31 2020
Revenue	-	60.618
Cost of Sales	-	(63.274)
Sales, Distribution and Marketing Expenses	-	(1.054)
Profit (Loss) from Discontinued Operations Before Tax	-	(3.710)
Tax (Expense)/Income from Discontinued Operations	-	(254)
Profit/(Loss) from Discontinued Operations	-	(3.964)
- Non-Controlling Interest	-	(1.972)
- Owners of Parent	-	(1.992)

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 32. RELATED PARTY BALANCES AND TRANSACTIONS

a) Related Parties Balances

Due from Related Parties

	December 31, 2021	December 31, 2020
AB InBev Group Companies ⁽³⁾	294.416	174.757
Migros Group Companies ⁽²⁾	270.466	241.021
AG Anadolu Grubu Holding A.Ş. ^{(1) (*)}	29.781	32.909
Other	15.419	8.781
	610.082	457.468

Due to Related Parties

	December 31, 2021	December 31, 2020
AB InBev Group Companies ⁽³⁾	740.488	557.589
Oyex Handels GmbH ⁽²⁾	14.577	10.687
Anadolu Efes Spor Kulübü	24.833	-
Anadolu Eğitim ve Sosyal Yardım Vakfı	18.088	-
AG Anadolu Grubu Holding A.Ş.	8.609	-
Other	1.604	770
	808.199	569.046

⁽¹⁾ The shareholder of the Group

⁽²⁾ Related party of AG Anadolu Grubu Holding A.Ş. (a shareholder)

⁽³⁾ Related parties of AB Inbev Harmony Ltd. (a shareholder)

^(*) As of December 31, 2021 there are TRL11.708 short term and TRL17.409 long term sub-lease receivables totaling TRL28.485 according to TFRS 16 (December 31, 2020 TRL1.417 short term and TRL27.068 long term totaling TRL28.485).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 32. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Related Parties Transactions

Purchases of Goods, Services and Donations

	Nature of transaction	January 1 - December 31 2021	January 1 - December 31 2020
Ab InBev Group Companies ⁽³⁾	Service and Purchase of Trade Goods	295.688	183.738
Anadolu Efes Spor Kulübü	Service	174.484	103.500
Oyex Handels GmbH ⁽²⁾	Purchase of Materials and Fixed Assets	69.964	50.765
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Consultancy Service	43.350	44.571
Anadolu Eğitim ve Sosyal Yardım Vakfı	Donation	18.082	5.015
Efestur Turizm İşletmeleri A.Ş. ⁽²⁾	Travel and Accommodation	1.752	4.837
Çelik Motor Ticaret A.Ş. ⁽²⁾	Vehicle Leasing	654	904
Other		874	1.332
		604.848	394.662

Finance Income and Expense

	Nature of transaction	January 1 - December 31 2021	January 1 - December 31 2020
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Interest income from subleases	6.070	7.252
Çelik Motor Ticaret A.Ş. ⁽²⁾	Interest expense from leases	(87)	(277)
		5.983	6.975

Revenue and Other Income/(Expenses), Net

	Nature of transaction	January 1 - December 31 2021	January 1 - December 31 2020
Migros Group Companies ⁽²⁾	Sales Income	928.444	808.764
Ab Inbev Group Companies ⁽³⁾	Other Income	132.986	73.846
Other	Other Income	2.616	168
		1.064.046	882.778

⁽¹⁾ The shareholder of the Group

⁽²⁾ Related party of AG Anadolu Grubu Holding A.Ş. (a shareholder)

⁽³⁾ Related parties of AB Inbev Harmony Ltd. (a shareholder)

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 32. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Director's remuneration

As of December 31, 2021 and 2020, total benefits to Anadolu Efes Board of Directors, remuneration and similar benefits received by total executive members of the Board of Directors and executive directors are as follows:

	January 1 - December 31 2021		January 1 - December 31 2020	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	635	77.959	547	72.658
Post-employment benefits	-	-	-	-
Other long-term benefits	-	7.322	-	6.630
Termination benefits	-	19	-	-
Share based payments	-	-	-	-
	635	85.300	547	79.288

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise bank borrowings, leases, cash and short-term deposits. The main purpose of these financial instruments is to raise funds for the Group's operations. Besides, The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments can be identified as interest rate risk, foreign currency risk, foreign currency hedge risk of net investments in foreign operations, liquidity risk, price risk, credit risk and capital risk. The Group management reviews and agrees policies for managing each of these risks. The Group also monitors the market price risk arising from all financial instruments.

a) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by using natural hedges that arise from offsetting interest rate of assets and liabilities or derivative financial instruments.

Some of the interest rates associated with financial liabilities are based on prevailing market interest rates. Therefore, the Group is affected by changes in interest rates in national and international markets. The Group's exposure to market risk arising from changes in interest rates is primarily related to its debts and liabilities. The Group makes foreign currency swap transactions to hedge interest rate risk as stated in Note 8.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

a) Interest Rate Risk (continued)

The Group's financial instruments sensitive to interest rate risk is as follows:

	January 1 - December 31 2021	January 1 - December 31 2020
Financial instruments with fixed interest rate		
Financial assets	-	-
Financial assets at fair value through profit or loss	8.336.382	7.583.770
Financial liabilities	(19.583.384)	(10.913.433)
Financial instruments with floating interest rate		
Financial liabilities	(1.159.013)	(880.719)

At December 31, 2021, if interest rate on the Group's borrowings would have been 100 basis points higher/lower with all other variables held constant, then profit before tax and minority interest for the three-month period ended March 31, 2022 which is the following reporting period, would be:

	January 1 - December 31 2021	January 1 - December 31 2020
Change in EURO denominated borrowing interest rate	1.901	1.547
Change in USD denominated borrowing interest rate	120	84
Change in Other denominated borrowing interest rate	539	348
Total	2.560	1.979

b) Foreign Currency Risk

Foreign currency risk generally arises from the EURO and USD denominated assets and liabilities of the Group. The Group has transactional currency exposures. Such exposures arise from sales or purchases of goods and services or borrowings of the Group in currencies other than the functional currency. The Group manages short term foreign currency risk by balancing foreign currency denominated assets and liabilities. The Group designates certain part of its bank deposits for the future raw material purchases, operational expense and interest related payments Note 6 Group's foreign currency liability consists of mainly long term liabilities. The Group also conducts foreign exchange forward transactions and cross currency swap transactions in order to hedge its foreign currency risk as stated in Note 8. Accordingly, in the short term foreign currency risk that may arise from fluctuation of foreign currencies are relatively limited.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

Net foreign currency exposure for the consolidated Group companies as of December 31, 2021 and 2020 are presented below:

Foreign Currency Position Table						
December 31, 2021						
	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EURO	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	290.954	11.023	146.922	8.224	124.071	19.961
2a. Monetary Financial Assets (Cash and cash equivalents included)	4.112.184	289.648	3.860.714	10.255	154.714	96.756
2b. Non- monetary Financial Assets	219	-	-	14	219	-
3. Other Current Assets and Receivables	243.037	16.064	214.116	1.917	28.921	-
4. Current Assets (1+2+3)	4.646.394	316.735	4.221.752	20.410	307.925	116.717
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	287	-	-	19	287	-
8. Non-Current Assets (5+6+7)	287	-	-	19	287	-
9. Total Assets (4+8)	4.646.681	316.735	4.221.752	20.429	308.212	116.717
10. Trade Payables and Due to Related Parties	(3.850.369)	(137.956)	(1.838.821)	(125.197)	(1.888.810)	(122.738)
11. Short-term Borrowings and Current Portion of Long- term Borrowings	(2.710.066)	(189.499)	(2.498.226)	(14.041)	(211.832)	(8)
12a. Monetary Other Liabilities	(1.433)	-	-	(95)	(1.433)	-
12b. Non-monetary Other Liabilities	(31.513)	(2.364)	(31.513)	-	-	-
13. Current Liabilities (10+11+12)	(6.593.381)	(329.819)	(4.368.560)	(139.333)	(2.102.075)	(122.746)
14. Trade Payables and Due to Related Parties	(75)	-	-	(5)	(75)	-
15. Long-Term Borrowings	(13.526.991)	(970.726)	(12.938.809)	(38.984)	(588.140)	(42)
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	(13.527.066)	(970.726)	(12.938.809)	(38.989)	(588.215)	(42)
18. Total Liabilities (13+17)	(20.120.447)	(1.300.545)	(17.307.369)	(178.322)	(2.690.290)	(122.788)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	12.929.130	970.000	12.929.130	-	-	-
19a. Total Hedged Assets (*)	12.929.130	970.000	12.929.130	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset/(Liability) Position (9+18+19)	(2.544.636)	(13.810)	(156.487)	(157.893)	(2.382.078)	(6.071)
21. Monetary Items Net Foreign Currency Asset/(Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(15.685.796)	(997.510)	(13.268.220)	(159.843)	(2.411.505)	(6.071)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(390.928)	(502)	(6.673)	(25.470)	(384.254)	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

Foreign Currency Position Table

December 31, 2020

	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EURO	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	292.204	28.889	212.063	8.224	74.085	6.056
2a. Monetary Financial Assets (Cash and cash equivalents included)	3.515.804	440.604	3.234.251	25.298	227.882	53.671
2b. Non- monetary Financial Assets	181	-	-	20	181	-
3. Other Current Assets and Receivables	5.255	9	63	571	5.144	48
4. Current Assets (1+2+3)	3.813.444	469.502	3.446.377	34.113	307.292	59.775
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	3.804	479	3.516	32	288	-
8. Non-Current Assets (5+6+7)	3.804	479	3.516	32	288	-
9. Total Assets (4+8)	3.817.248	469.981	3.449.893	34.145	307.580	59.775
10. Trade Payables and Due to Related Parties	(1.910.533)	(127.671)	(937.167)	(101.821)	(917.194)	(56.172)
11. Short-term Borrowings and Current Portion of Long- term Borrowings	(444.843)	(10.120)	(74.286)	(41.136)	(370.549)	(8)
12a. Monetary Other Liabilities	(2.397)	(233)	(1.712)	(76)	(685)	-
12b. Non-monetary Other Liabilities	(331.285)	(45.131)	(331.285)	-	-	-
13. Current Liabilities (10+11+12)	(2.689.058)	(183.155)	(1.344.450)	(143.033)	(1.288.428)	(56.180)
14. Trade Payables and Due to Related Parties	(45)	-	-	(5)	(45)	-
15. Long-Term Borrowings	(7.644.067)	(972.285)	(7.137.060)	(56.280)	(506.965)	(42)
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	(2)	-	(2)	-	-	-
17. Non-Current Liabilities (14+15+16)	(7.644.114)	(972.285)	(7.137.062)	(56.285)	(507.010)	(42)
18. Total Liabilities (13+17)	(10.333.172)	(1.155.440)	(8.481.512)	(199.318)	(1.795.438)	(56.222)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	6.014.248	819.324	6.014.248	-	-	-
19a. Total Hedged Assets ^(*)	6.014.248	819.324	6.014.248	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset/(Liability) Position (9+18+19)	(501.676)	133.865	982.629	(165.173)	(1.487.858)	3.553
21. Monetary Items Net Foreign Currency Asset/(Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(6.193.877)	(640.816)	(4.703.911)	(165.796)	(1.493.471)	3.505
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(18.699)	(2.672)	(19.608)	101	909	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

^(*) In order to hedge foreign exchange risk arising from the translation of net investments in the subsidiaries operating in the Netherlands to Turkish Lira, the USD denominated bonds have been designated as hedges of net investment risk.

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

The information regarding the export and import figures realized as of December 31, 2021 and 2020 is as follows:

	January 1 - December 31 2021	January 1 - December 31 2020
Total Export	1.201.741	722.545
Total Import	6.915.114	5.272.337

The following table demonstrates the sensitivity analysis of foreign currency as of December 31, 2021 and 2020:

	Foreign Currency Position Sensitivity Analysis			
	December 31, 2021 ^(*)		December 31, 2020 ^(*)	
	Income/(Loss)			
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Increase/decrease in USD by 10%:				
USD denominated net asset/(liability)	(1.326.822)	1.326.822	(470.391)	470.391
USD denominated hedging instruments (-)	1.292.913	(1.292.913)	601.425	(601.425)
Net effect in USD	(33.909)	33.909	131.034	(131.034)
Increase/decrease in EURO by 10%:				
EURO denominated net asset/(liability)	(241.151)	241.151	(149.347)	149.347
EURO denominated hedging instruments (-)	-	-	-	-
Net effect in EURO	(241.151)	241.151	(149.347)	149.347
Increase/decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset/(liability)	(607)	607	350	(350)
Other foreign currency hedging instruments (-)	-	-	-	-
Net effect in other foreign currency	(607)	607	350	(350)
TOTAL	(275.667)	275.667	(17.963)	17.963

^(*) Monetary assets and liabilities eliminated in scope of consolidation are not included.

c) Foreign Currency Hedge of Net Investments in Foreign Operations

The Group has designated two bonds, the first amounting to USD180 million out of USD500 million bond issued as of May 30, 2013 and the second amounting to USD320 million out of USD500 million bond issued as of June 28, 2021 to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, Efes Breweries International (whose main activity is facilitating foreign investments in breweries).

CCI has designated USD470 million out of USD500 million bond issued as of September 19, 2017 as a hedging instrument in order to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, CCI Holland and Waha B.V.

The effective part of the change in the value of the bonds and loans designated as hedging of net investments amounting to TRL5.603.352 (TRL4.482.682- including deferred tax effect) is recognized as "Gains (Losses) on Hedge" under Equity and to "Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations" under Other Comprehensive Income (December 31, 2020 - TRL1.283.115 (TRL1.026.492- including deferred tax effect)).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

d) Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions. The Group also reduces the risk by preferring long-term debt.

The analysis of non-derivative financial liabilities as at December 31, 2021 and 2020 in the statement of financial position is as follows:

December 31, 2021	Carrying value	Contractual payment (=I+II+III+IV)	Less than 3month (I)	Between 3-12 month (II)	Between 1-5 year (III)	More than 5 year (IV)
Contractual maturities						
Financial liabilities	20.742.397	23.325.746	2.045.562	4.793.200	9.884.512	6.602.472
Financial leasing borrowings	503.933	808.663	27.869	91.135	199.191	490.468
Trade payable and due to related parties	12.704.055	12.704.055	8.950.289	3.751.675	2.003	88
Liability for put option	31.513	31.513	-	31.513	-	-
Employee Benefit Obligations	219.572	219.572	219.572	-	-	-
Total	34.201.470	37.089.549	11.243.292	8.667.523	10.085.706	7.093.028
December 31, 2020	Carrying value	Contractual payment (=I+II+III+IV)	Less than 3month (I)	Between 3-12 month (II)	Between 1-5 year (III)	More than 5 year (IV)
Contractual maturities						
Financial liabilities	11.794.152	13.165.508	1.446.490	1.882.275	9.836.743	-
Financial leasing borrowings	370.462	407.514	21.689	52.765	182.936	150.124
Trade payable and due to related parties	6.245.851	6.245.851	5.230.872	965.451	49.474	54
Liability for put option	331.285	331.285	-	331.285	-	-
Employee Benefit Obligations	113.117	113.117	113.117	-	-	-
Total	18.854.867	20.263.275	6.812.168	3.231.776	10.069.153	150.178

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

e) Price Risk

This is a combination of currency, interest and market risks which the Group manages through natural hedges that arise from offsetting the same currency receivables and payables, interest bearing assets and liabilities. Market risk is closely monitored by the management using the available market information and appropriate valuation methods.

f) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by limiting transactions with specific counterparties and assessing the creditworthiness of the counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

The Group seeks to manage its credit risk exposure through diversification of sales activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. The Group keeps guarantees for a part of its receivables by means of DDS (Direct Debit System). The Group also obtains guarantees from the customers when appropriate and keep considerable portion of the receivables secured with guarantees or receivable insurance.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

f) Credit Risk (continued)

Maximum exposure to credit risk and aging of financial assets past due but not impaired as of December 31, 2021 and 2020 are disclosed as below:

December 31, 2021	Receivables				Deposits	Derivative Instruments
	Trade Receivables		Other Receivables			
	Due from related parties	Due from third parties	Due from related parties	Due from third parties		
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	472.351	4.644.710	137.731	133.650	10.118.745	100.573
- Maximum credit risk secured by guarantees	149.628	1.433.908	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	472.351	4.447.492	137.731	133.650	10.118.745	100.573
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	186.896	-	-	-	-
- Under guarantee, securities and credit insurance	-	14.079	-	-	-	-
D. Net carrying amount of financial assets impaired past due (gross carrying value)	-	10.322	-	-	-	-
- impaired (-)	-	192.908	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	(182.586)	-	-	-	-
- not past due (gross carrying value)	-	10.322	-	-	-	-
- impaired (-)	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
E. Off-balance sheet items which include credit risk	-	-	-	-	-	-
December 31, 2021			Trade Receivables	Other Receivables	Deposits	Derivative Instruments
Past due between 1-30 days			128.016	-	-	-
Past due between 1-3 months			42.787	-	-	-
Past due between 3-12 months			16.093	-	-	-
Past due for more than 1 year			-	-	-	-

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

f) Credit Risk (continued)

	Receivables				Deposits	Derivative Instruments
	Trade Receivables		Other Receivables			
	Due from related parties	Due from third parties	Due from related parties	Due from third parties		
December 31, 2020						
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	322.831	2.423.986	134.637	95.422	8.449.028	143.388
- Maximum credit risk secured by guarantees	225.386	847.277	-	-	-	-
	-	-	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	314.941	1.974.766	134.637	95.422	8.449.028	143.388
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	7.890	449.220	-	-	-	-
- Under guarantee, securities and credit insurance	-	18.659	-	-	-	-
D. Net carrying amount of financial assets impaired	-	-	-	-	-	-
- past due (gross carrying value)	-	147.828	-	-	-	-
- impaired (-)	-	(147.828)	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
E. Off-balance sheet items which include credit risk	-	-	-	-	-	-
December 31, 2020			Trade Receivables	Other Receivables	Deposits	Derivative Instruments
Past due between 1-30 days			411.143	-	-	-
Past due between 1-3 months			35.716	-	-	-
Past due between 3-12 months			2.361	-	-	-
Past due for more than 1 year			-	-	-	-

g) Capital Risk Management

The Group's policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group periodically measures Net Debt to EBITDA BNRI ratio to maintain capital risk management. Net Debt is calculated by deducting cash and cash equivalents and deposits over three months from total borrowing.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 34. FINANCIAL INSTRUMENTS

Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The optimum fair value of a financial instrument is the quoted market value, if any.

The financial assets and liabilities which are denominated in foreign currencies are evaluated by the foreign exchange rates prevailing on the date of balance sheet which approximate to market rates. The following methods and assumptions were used to estimate the fair value of each class of financial instrument of the Group for which it is practicable to estimate a fair value:

a) Financial Assets

The fair values of certain financial assets carried at cost in the consolidated financial statements, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying value of trade receivables along with the related allowance for unearned income and uncollectibility are estimated to be their fair values.

b) Financial Liabilities

Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The bank borrowings are stated at their amortized costs and transaction costs are included in the initial measurement of loans and bank borrowings. The fair value of bank borrowings are considered to state their respective carrying values since the interest rate applied to bank loans and borrowings are updated periodically by the lender to reflect active market price quotations. The carrying value of trade payables along with the related allowance for unrealized cost is estimated to be their fair values.

Fair value hierarchy table

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows

Level 1: Market price valuation techniques for the determined financial instruments traded in markets

Level 2: Other valuation techniques including direct or indirect observable inputs

Level 3: Valuation techniques not containing observable market inputs.

December 31, 2021	Level 1	Level 2	Level 3
Financial assets at fair value			
Derivative financial instruments (Note 8)	-	100.573	-
Financial liabilities at fair value			
Derivative financial instruments (Note 8)	-	(1.152.785)	-
Put option liabilities (Note 21)	31.513	-	-
December 31, 2020	Level 1	Level 2	Level 3
Financial assets at fair value			
Derivative financial instruments (Note 8)	-	143.388	-
Financial liabilities at fair value			
Derivative financial instruments (Note 8)	-	(291.700)	-
Put option liabilities (Note 21)	17.324	-	313.961

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 34. FINANCIAL INSTRUMENTS (continued)

b) Financial Liabilities (continued)

Derivative Instruments, Risk Management Objectives and Policies

Derivative instruments and hedging transactions are explained in Note 6, Note 8 and Note 28.

NOTE 35. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS

a) Adjustments for Impairment Loss (Reversal)

	January 1 - December 31 2021	January 1 - December 31 2020
Adjustments for impairment loss (reversal of impairment) of receivables (Note 10, 26)	(7.018)	37.349
Adjustments for impairment loss (reversal of impairment) of property, plant and equipment (Note 16, 27)	266.676	9.626
Adjustments for impairment loss (reversal of impairment) of inventories (Note 12, 26)	9.571	14.965
Adjustments for impairment loss (reversal of impairment) of investment properties (Note 15)	-	10.474
	269.229	72.414

b) Adjustments for (Reversal of) Provisions Related with Employee Benefits

	January 1 - December 31 2021	January 1 - December 31 2020
Provision for vacation pay liability (Note 20)	27.925	9.667
Provision for retirement pay liability (Note 20)	68.435	49.041
Provision for long term incentive plans (Note 20)	22.378	18.791
	118.738	77.499

c) Adjustments for Interest (Income) Expenses

	January 1 - December 31 2021	January 1 - December 31 2020
Adjustments for interest income (Note 28)	(231.771)	(269.610)
Adjustments for interest expenses (Note 28)	1.045.250	607.147
Adjustments for interest income sub-lease receivables (Note 28)	(6.070)	(7.252)
Adjustments for interest expense related to leases (Note 28)	46.577	51.233
	853.986	381.518

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 35. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS (continued)

d) Cash Flows From (used in) Investing Activities

	January 1 - December 31 2021	January 1 - December 31 2020
Cash and cash equivalents in acquired companies (Note 3)	76.944	-
Cash paid for acquisition (Note 3)	(3.054.902)	-
	(2.977.958)	-

e) Cash Flows From (used in) Financing Activities

	January 1 - December 31 2021	January 1 - December 31 2020
Income/(loss) from cash flow hedge	792.590	12.540
Change in time deposits with maturity more than three months	11.588	359.376
Change in restricted cash	46.645	(15.389)
	850.823	356.527

f) Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments

	January 1 - December 31 2021	January 1 - December 31 2020
Adjustments for fair value (gains) losses on derivative financial instruments	118.163	(41.109)
Put option revaluation (Note 27)	(27.151)	55.441
	91.012	14.332

NOTE 36. FEES FOR SERVICES FROM INDEPENDENT AUDIT FIRMS

The Group's explanation regarding the fees for the services received from the independent audit firms for the periods January 1 - December 31, 2021 and January 1 - December 31, 2020 are as follows:

	January 1 - December 31 2021	January 1 - December 31 2020
Audit fee for the reporting period	16.250	5.950
Tax consulting fee	6.065	4.090
Other assurance services fee	4	44
Other service fee apart from audit	107	76
	22.426	10.160

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi)

NOTE 37. EVENTS AFTER REPORTING PERIOD

- a) In its meeting held on February 23, 2022, Anadolu Efes' Board of Directors resolved to submit for the approval of the General Assembly a cash dividend proposal of gross full TRL1.8545 (net full TRL 1.66905) per each share with full TRL 1 nominal value amounting to a total of TRL1.098.059 realizing a 185.45% gross dividend distribution over the issued capital amounting to TRL592.105, calculated for the period January-December 2021 to be paid starting from May 20, 2022.
- b) Upon signing of the Subscription Agreement and obtaining the Tranche Issuance Certificate from the Capital Markets Board (CMB) on January 18, 2022, the sale of the USD500 million 7-year notes, with the maturity date of January 20, 2029, with a fixed coupon rate of 4,50% and a yield of 4,75%, issued to investors outside of Turkey, and the admission of these notes to the Irish Stock Exchange has been completed. As of January 20, 2022, the proceeds have been transferred to CCI's accounts.
- c) Cİ plans to launch an offer to holders of its outstanding USD500 million notes due 2024 to tender such Notes in an aggregate principal amount of up to USD250 million (Tender Offer). HSBC Bank Plc., J.P. Morgan Securities Plc., Bank of America Merrill Lynch International and MUFG Securities EMEA Plc. have been authorized to conduct this Tender Offer. The Tender Offer, which was announced by CCI on January 10, 2022 on Public Disclosure Platform (PDP), is now finalized by USD200 million.

On January 26, 2022 (the "Early Settlement Date"), CCI repurchased USD199,3 million (the "Early Acceptance Amount") in aggregate principal amount.

- d) As of February 21, 2022, CCI's Board of Directors resolved to propose to the General Assembly the distribution of gross dividends of TRL 600.315, after legal liabilities are deducted, from 2021 net income starting from May 18, 2022. As per the proposal, the remainder of 2021 net income will be added to the extraordinary reserves. General Assembly has right to amend the proposal.

Subject to the approval of the General Assembly, entities which are Turkey resident taxpayers or entitled such dividends through a permanent establishment or a permanent representative in Turkey, will be paid a gross cash dividend of TRL 2,36 (net TRL 2,36) per 100 shares, representing TRL 1 nominal value. While other shareholders will receive gross TRL 2,36 (net TRL 2,1240) per 100 shares.

APPENDIX

INDEPENDENT ASSURANCE REPORT



To: Anadolu Efes Biracılık ve Malt Sanayi A.Ş.

Introduction and objectives of the work:

Bureau Veritas Turkey has been engaged by Anadolu Efes Biracılık ve Malt Sanayi A.Ş. to provide independent assurance over the "Selected Information" listed below included Activity Report 2021.

This limited assurance report applies to "Selected Information" within the scope of the work described below.

Scope of work:

The scope of the work was limited to assurance over information included in the Activity Report 2021 for the reporting period January 1, 2021 to December 31, 2021 (the 'Selected Information').

Subject to the limitations and exclusions listed in the next sections, our review included:

For the reporting period of 01.01.2021-31.12.2021, on pages 88-89 of the 2021 Activity Report;

- Turkey, Scope 1 Greenhouse Gas Emission (ton CO₂e)
- Turkey, Scope 2 Greenhouse Gas Emission (ton CO₂e)
- Turkey, Water Extraction (m³)

Assessment standard

The assurance process was conducted in line with the requirements of the International Standard On Assurance Engagements-ISA 3000 Revised, Assurance Engagements Other Than Audits Or Reviews Of Historical Financial Information and International Standard On Assurance Engagements- ISA 3410, Assurance Engagements on Greenhouse Gas Statements.

Reporting principles

The following principles have been taken as basis in the preparation of this report:

- Appropriateness and robustness of key reporting systems and processes used to collect, analyse and review reported information;
- Evaluation of the report according to the main principles of ISA 3000 International Standard for Assurance Engagements (Revised)
 - Professional Scepticism
 - Professional Judgment
 - Assurance Skills and Techniques
- Evaluation of the report according to the principles of conformity, completeness, reliability, objectivity and intelligibility defined in ISA 3000 International Standard for Assurance Engagements

Limitations and Exclusions:



The work is limited to Anadolu Efes Biracılık ve Malt Sanayi A.Ş.'s Turkey locations and "selected information" defined in the scope.

The reliability of the reported data depends on the accuracy of the location-level data collection and monitoring arrangements that are considered as part of this assurance.

Excluded from the scope of our work is the following:

- Information related to activities outside the defined reporting period or scope;
- Company position statements (including any expression of opinion, belief, aspiration, expectation, aim or future intent);
- Historic text which was unchanged from previous years and did not relate to ongoing activities;
- Financial data;
- Appropriateness of commitments and objectives chosen by Anadolu Efes Biracılık ve Malt Sanayi A.Ş.;
- Information and emission factors provided by independent third parties and/or information obtained within the Company, as indicated in the calculation tables, regarding calculations related to carbon emissions.

This moderate level assurance engagement relies on a risk based selected sample of the Selected Information and the associated limitations that this entails.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities:

The preparation and presentation of the Selected Information in the Activity Report 2021 are the sole responsibility of the management of Anadolu Efes Biracılık ve Malt Sanayi A.Ş.

Bureau Veritas Turkey was not involved in the drafting of the related the Report. Responsibilities were to:

- Provide moderate level assurance as per ISAE 3000 and ISAE 3410' over the accuracy, reliability and objectivity of the information contained within the Activity Report 2021;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained;
- Report our detailed conclusions and recommendations in an internal report to Anadolu Efes Biracılık ve Malt Sanayi A.Ş.' s management.

Methodology:

As part of our independent assurance, our work included:

1. Conducting employee interviews regarding the scope of work involved;
2. Process analysis of collecting and reporting the information included;
3. Review of documentary evidence produced by Anadolu Efes Biracılık ve Malt Sanayi A.Ş.;
4. Recalculation of examples in accordance with the evidence documents used to prepare the information included
5. Remote Audit
6. Implementation of analytical procedures on the final reported data

The work is based on current best practices in independent assurance; It was conducted in accordance with Bureau Veritas Turkey's standard procedures and ISAE 3000 International Assurance Audits Standard requirements.

The work was planned and conducted to provide independent limited assurance.

Data :

Principles of reporting; it provides information on the data collection and calculation principles of the Greenhouse Gas Emission-Scope 1 total, Greenhouse Gas Emission Scope 2 total and water consumption data included in the 2021 Activity Report.

Information covers; the operations of Adana, Ankara, İzmir Breweries, Afyon and Konya Malt Factories and Bilecik Şerbetçioğlu factories of Anadolu Efes Biracılık ve Malt Sanayi A.Ş between January 1, 2021 and December 31, 2021.

For the facilities located in Adana, Ankara, İzmir, Afyon, Konya and Bilecik locations within the scope of reporting;

- Buildings fuel and electricity (purchased electricity, natural gas, generator)
- Vehicle fuels (diesel, gasoline, LNG)
- Biogas
- Water Consumption

The data and the flow of this data are as follows;

Scope 1 Greenhouse Gas Emissions:

The following activities are included in the calculation of greenhouse gas emissions within the scope of Scope-1 calculation;

- Natural Gas
- CNG (for Konya facility)
- Diesel and fuel oil used in generators,
- Fugitive emissions- CO₂ production
- Fugitive emissions - refrigerants (refrigeration systems)
- Fire extinguisher
- Diesel and gasoline use (passenger vehicles)
- LPG usage (forklift)
- Welding gases (LPG etc.)
- Biogas

Scope 2 Greenhouse Gas Emissions:

The following activities are included in the calculation of greenhouse gas emissions within the scope of Scope-2 calculation;

- Electricity

Water Consumption:

It is reported within the scope of water consumption data;

- Groundwater usage amounts for Adana, Ankara, Afyon, İzmir and Konya facilities
- City water usage amounts for Bilecik facility

The amount of groundwater usage is determined by the readings made from the meters of the facility itself. Meter readings are entered into the SAP system, and water consumption values are taken directly from the SAP system. The amount of water city water for the Bilecik facility is taken from the invoices.

Emission Factors and references used in the calculation are as follows;

Emission Source	Emission Factor (kg CO ₂ /TJ)			Reference
	CO ₂	CH ₄	N ₂ O	
Natural Gas	56100	1	0,1	Emission Factor: 2006 IPCC Guidelines for National Greenhouse Gas Inventories -Volume 2-Chapter 2 Stationary Combustion - Table 2.3 Default Emission Factors For Stationary Combustion in the Manufacturing Industry
Diesel	74100	3	0,6	Emission Factor: 2006 IPCC Guidelines for National Greenhouse Gas Inventories -Volume 2-Chapter 2 Stationary Combustion - Table 2.3 Default Emission Factors For Stationary Combustion in the Manufacturing Industry
Fuel Oil	77400	3	0,6	Emission Factor: 2006 IPCC Guidelines for National Greenhouse Gas Inventories -Volume 2-Chapter 2 Stationary Combustion - Table 2.3 Default Emission Factors For Stationary Combustion in the Manufacturing Industry
LPG	63100	1	0,1	Emission Factor: 2006 IPCC Guidelines for National Greenhouse Gas Inventories -Volume 2-Chapter 2 Stationary Combustion - Table 2.3 Default Emission Factors For Stationary Combustion in the Manufacturing Industry
CNG	0.00020258	0.00000700	0.00003278	DEFRA,2021 Unit: ton CO₂/kWh
Diesel (passenger vehicles)	74100	3, 9	3, 9	Emission Factor: 2006 IPCC Guidelines for National Greenhouse Gas Inventories -Volume 2-Chapter 3 Mobile Combustion - Table 3.2.1. Road Transport Default CO ₂ , Table 3.2.2 Road Transport N ₂ O and CH ₄ Default Emission Factors and Uncertainty Ranges
Gasoline (passenger vehicles)	69300	25, 0	8, 0	Emission Factor: 2006 IPCC Guidelines for National Greenhouse Gas Inventories -Volume 2-Chapter 3 Mobile Combustion - Table 3.2.1. Road Transport Default CO ₂ , Table 3.2.2 Road Transport N ₂ O and CH ₄ Default Emission Factors and Uncertainty Ranges
Refrigerants	R410-A: 1.924 R22: 1.760 R134-A: 1.300 R404: 3.943 R407: 1923			Global Warming Potential (GWP) & Values For Some Refrigerants (IPCC-AR5 Report)
Fire extinguisher	HFC-227ea: 3350			Global Warming Potential (GWP) (IPCC-AR5 Report)
Electricity	0.0004183 tCO ₂ /kwh			IEA (2021) Emission Factors

Limited Assurance Conclusion

As a result of the evidence obtained, no contradiction has been detected that the Selected Information in the Company's 2021 Annual Report for the year ended 31 December 2021 has not been prepared in all material respects in accordance with the Reporting Principles and Tables section.

This report has been prepared for the Company's Board of Directors to assist in the reporting of the Company's activities, including its outcome. We allow this report to be included in the 2021 Annual Report for the year ended December 31, 2021, in order to enable the Board of Directors to demonstrate that it has fulfilled its responsibilities on the subject by having a limited independent assurance report on Selected Information prepared.

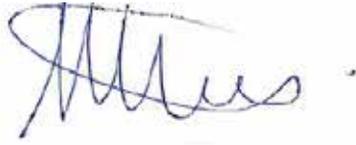
Statement of Independence, Impartiality and Competence

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety and social accountability with over 190 years history.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest..

No member of the assurance team has a business relationship with Anadolu Efes Biracılık ve Malt Sanayi A.Ş., its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over carbon and water information, systems and processes, has many experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Limited Assurance.

BUREAU VERITAS GÖZETİM HİZMETLERİ LTD. ŞTİ.

Ibrahim Tagay, Certification Manager

İstanbul, 10.03.2022

ABBREVIATIONS

1 Hectoliter	100 Liters
1 Unit Case	5,678 Liters
BNRI	Before non-recurring items
BIST	Borsa İstanbul
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
HOD	A rigid container with a 20-liter capacity
CMB	Capital Markets Board
TCCC	The Coca-Cola Company
IFRS	International Financial Reporting Standards
n.m.	not meaningful

TERMS

Coca-Cola System	TCCC and all of its international bottling partners
Sparkling Beverage	Non-alcoholic beverages produced in a variety of flavors and containing different flavoring additives. The sparkling beverage category does not include plain waters, flavored waters, fruit juices, fruit-flavored beverages, sports drinks, teas, or coffees.
Still Beverage	All non-sparkling and non-alcoholic beverages such as plain waters, flavored waters, fruit juices, fruit-flavored beverages, sports drinks, teas, and coffees.
Bottler	Any company that obtains concentrates, various beverages, and/or syrups from TCCC readies them for consumption as non-alcoholic beverages, and markets and distributes them to customers.
Bottler Agreement	Any contract between TCCC and a bottler that governs the parties' respective production, packaging, distribution, and selling rights and obligations with respect to TCCC products within a designated territory.
Concentrate	Any product which TCCC makes or has made for it and which TCCC sells to bottlers so that they may produce non-alcoholic beverages by adding water and/or flavorings to it.
Customer	Any store, retail point of sale, restaurant, chain store, or other form of business enterprise that sells our products to its own customers.
PET (polyethylene terephthalate)	Type of a polyester (polyethylene terephthalate) used in the manufacture of beverage bottles

DIRECTORY

Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

Address: Fatih Sultan Mehmet Mah. Balkan
Cad. Buyaka E Blok No:58/24
P.K. 34771 Ümraniye İstanbul, Turkey
Tel: +90 216 586 80 00

Efes Pazarlama ve Dağıtım Ticaret A.Ş.

Address: Fatih Sultan Mehmet Mah. Balkan
Cad. Buyaka E Blok No:58/23
P.K. 34771 Ümraniye / İstanbul, Turkey
Tel: +90 216 586 80 00

Efes Breweries International N.V.

Address: Strawinskylaan 1227, 1077 XX
Amsterdam, The Netherlands
Tel: +31 (20) 575 222 90

ABInBev EFES, JSC

Address: 17-1, Krylatskaya str.
Moscow 121614, Russia
Tel: +7 495 960 23 60

Efes Kazakhstan JSC FE

Address: Gogol street, 75,
050000, Karaganda city, Kazakhstan
Tel: + 7 7212 51-61-61
Fax: +7 7212 51-51-14

Efes Breweries in Georgia JSC LOMISI

Address: Village Natakhtari 3308 Mtsketa
Region, Georgia
Tel: +995 322 18 07 88

Efes Vitanta Moldova Brewery S.A.

Address: MD-2023, Chisinau, 167 Uzinelor Str.
Moldova
Tel: +(373 22) 885 201
Fax: +(373 22) 42 81 03

Cypex Co. Ltd.

Address: Özker Özgür Cad.
Vakıflar Çarşısı 23/1-2-3, Küçük Kaymaklı,
Lefkoşa TRNC
Tel: +90 (392) 225 32 31
Fax: +90 (392) 225 33 04

Coca-Cola İçecek A.S. (CCI)

Coca-Cola Satış ve Dağıtım A.Ş. (CCSD)
Address: Dudullu OSB Mah. Deniz Feneri Sok.
No:4, 34776 Ümraniye/İstanbul, Turkey
Tel: +90 216 528 40 00
Fax: +90 365 84 67 / 68

www.anadolufes.com