

Anadolu Group Sustainability Report 2022

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About the Report

As Anadolu Group, we have been publishing the value we cultivate in environmental, social and governance areas in line with our vision "The star that links Anatolia to the world and the world to Anatolia" within our consolidated sustainability reports since 2019. We manage our sustainability performance in three strategic pillars as The Future of Nature, The Future of Business and The Future of People in compliance with our sustainability strategy, "From Anadolu to the Future" and share transparently with all our stakeholders.

Anadolu Group's fourth sustainability report based on the consolidated sustainability performance data and sustainability priorities of **Anadolu Group and all Group companies in Türkiye and abroad**, covering the fiscal year from January 1, 2022, to December 31, 2022. The report also contains Holding and Group companies' performances and best practices within the scope of our visionary goals and sustainability strategy, "From Anadolu to the Future".

The report compliance with the Global Reporting Initiative (GRI) Standards, the United Nations Global Compact (UNGC), and World Economic Forum (WEF) Stakeholder Capitalism Metrics. This report also demonstrates our environmental, social, and governance performances as well as our contribution to the United Nations Sustainable Development Goals (SDGs).

Please contact us if you have any questions, comments, or suggestions concerning the Report at sustainability@anadolugrubu.com.tr.



Operations in 19 Countries



Chairman's Message



Tuncay Özilhan
Anadolu Group Chairman

Esteemed Stakeholders,

At the beginning of the year 2023, we experienced one of the greatest disasters in our recent history with earthquakes affecting 11 of our provinces. Once again, I wish to express my condolences to the entire nation and all those affected by the disaster. As Anadolu Group, together with Group companies and stakeholders, we mobilized our resources early on to support those affected by the earthquakes and help them overcome these difficult times. We are closely monitoring urgent local needs and we are continuing our projects and relief efforts to support the recovery of social and economic life in the region.

The challenges of our time, such as global competition, geopolitical factors, technological advances, climate change, digitalization, corporate governance, supply chain management and financial crises have a deep impact on both the global economy and the expectations from companies. Thanks to our qualified workforce, strong operational infrastructure and our flexibly structured Group companies that are highly adaptable to change, we have been successfully navigating this era of transition and uncertainty. We are providing uninterrupted services in fields critical to social life, including healthcare, agriculture, retail, beverages, energy and automotive, preserving the high standards we set in our business strategies. In 2022, we maintained our healthy and strong growth in all our operational fields. As both our national and global economy face substantial challenges, Anadolu Group continues to expand its area of influence, playing a key role in the Turkish economy owing to our strong financial strategies, unique take on integrated risk management and business models focused on sustainable growth, innovation and value generation.

In 2022, we set a new strategy with our Group companies for a collective future, building on our over 70 years of experience to further increase our resilience. We disclosed three visionary goals within the scope of our sustainability strategy, "From Anadolu to the Future." We identified our strategic pillars as the Future of Nature, the Future of People and the Future of Business and also determined 12 focus areas. Our strategy guides us to improve our efforts in generating shared value in the environment, society and governance areas in our long-standing operating regions, building on our predictions of a global transformation. We are closely monitoring issues like extreme weather conditions, biodiversity loss, the devastating consequences of climate change and the subsequent disasters, which are all prominent among the top 10 most severe global risks in the short and medium term, according to the Global Risks Report 2022 by the World Economic

Forum and the reports of the Intergovernmental Panel on Climate Change. This year, we have been among the supporters of a project by TÜSİAD for the preparation of the report titled "Management of Forest Ecosystems and Carbon Sinks to Combat the Climate Crisis in Türkiye", which discusses the correlation between forest ecosystems and the climate and biodiversity crises. Together with our Group companies, we are supporting international biodiversity goals. We are closely examining the impact of not only global risks but also any factors that bring about change in existing ways of doing business, lifestyles and consumer behaviors, in order to engender new habits for a better future and work towards the goal of initiating positive change.

Together with our Group companies, we have elevated our leadership in national and international indices and reports. AG Anadolu Grubu Holding, Anadolu Efes, Coca-Cola İçecek and Migros continue to be listed on the BIST Sustainability Index and Corporate Governance Index. Anadolu Isuzu is also included in the BIST Corporate Governance Index in 2023. On the indices that are compiled by Refinitiv, a London Stock Exchange Group business, AG Anadolu Grubu Holding took first place in the "Investment Holding Companies" category for environmental performance and second place for social performance. Migros ranked second in the "Food Retailers" category for its ESG performance. Furthermore, AG Anadolu Grubu Holding came first in the "Investment Holding Companies" category of the Refinitiv Diversity and Inclusion Index. Migros became the first Türkiye based food retailer to be included in the BIST Sustainability 25 Index and the Bloomberg Gender Equality Index. Anadolu Efes and CCI maintained their positions in the FTSE4Good Emerging Markets Index. CCI remains the first and only Turkish company listed on the UNGC 100 Index since the index began in 2013. It is also listed in the MSCI ESG Leaders Index, the S&P Global Corporate Sustainability Assessment and the ECPI Emerging Markets ESG Index. Both Anadolu Efes and Migros exceeded the industry average in the MSCI ESG Ratings with A and AA scores, respectively. Anadolu Isuzu and Adel Kalemcilik were listed in the Women-Friendly Companies Share Index compiled by İş Asset Management. Anadolu Efes, CCI, Migros and Anadolu Isuzu participated in the Carbon Disclosure Project (CDP) reporting, which discusses climate risks and opportunities, targets, strategies and stakeholder relations in detail. Anadolu Efes increased its score in the CDP Türkiye Climate Change Program by two points from C to B and ranked above the global average. CCI maintained its above global and industrial average score of "B" in CDP Climate Change Program and also "A-" score in Water Security Program. Migros was listed in Türkiye's Leaders in Climate for the fourth time. CCI and Migros also listed among leading companies in Water Security Program for the second time. Anadolu Isuzu topped the list of commercial vehicle manufacturing companies in Türkiye with a score of "A-".

Our success stories always motivate us to strive for even greater achievements. Guided by our strategy, goals and with the help of our stakeholders in all our operating regions, we pursue our vision to "Act today for a better future" so that we will continue to generate more value for the future. Through our efforts, we are planting seeds of goodness today for our common future. We are aware that the smallest act can change the world when we come together. I present my gratitude to all our stakeholders for participating in our sustainability efforts.

CEO's Message



Hurşit Zorlu
Anadolu Group CEO

Esteemed Stakeholders,

The earthquakes that struck our southeastern provinces early this year caused deep sorrow. Together with our Group companies, we have been in close cooperation and solidarity with many stakeholders ever since we heard of the catastrophe. We are closely reviewing urgent needs in the earthquake-stricken areas and continue our efforts to support local communities and those affected by the disaster. We hope for a quick recovery and once again extend our condolences to our entire nation.

We have successfully come through another year of strong and steady performance with our more than 80,000 employees, 86 production facilities, 6 R&D centers and approximately 80 companies in 19 countries. 2022 has been a year of global instability and featured some challenges as well as positive developments. Despite the overall uncertainty, we made progress in many areas in 2022, building upon our operational agility, years-long experience and financial resilience. Anadolu Group boosted its total consolidated sales by 119% compared to 2021 and reached 178 billion Turkish Lira in 2022. Our total assets in the balance sheets

increased by 62% to 182 billion Turkish Lira. While continuing our activities, we remain aware of our responsibility toward our stakeholders and the ecosystem and continue working for a sustainable world.

Anadolu Group has also become a signatory to the United Nations Global Compact and a founding member of the Association of United Nations Global Compact Signatories. We will continue to report annually on our progress in the 10 principles of UNGC regarding human rights, labor, environment and anti-corruption.

Last year, we disclosed to the public "From Anadolu to the Future" sustainability strategy and our visionary goals, which carry the trace of our collective decision-making culture and values. In line with our strategy, we will continue to periodically share Anadolu Group sustainability efforts and progress towards goals, focusing on 12 areas within the scope of our three strategic pillars: the Future of Nature, the Future of Business and the Future People.

In **The Future of Nature** strategic pillar, we demonstrated impactful works on greenhouse gas emissions, water management, circular economy, agriculture and biodiversity. In 2022, our Group companies implemented effective and inspiring projects. Tackling the environment from multiple aspects, particularly climate, water and packaging, **Coca-Cola İçecek** has achieved a milestone in the beverage industry as the largest sustainability-linked bond issuance in Türkiye and the first of its kind across the Europe, Middle East and Africa region. **Anadolu Efes** conducted a holistic study by including scope 1 and 2 emissions as well as scope 3 emissions in the Carbon Footprint Mapping project as part of its efforts to combat the climate crisis. Anadolu Isuzu declared commitment to the goal of 1.5°C as part of the Science-Based Targets Initiative. Solar power plant investments remained a key topic on our agenda. **Migros** and **Anadolu Isuzu** invested in SPPs to benefit from renewable energy sources. At Anadolu Group, we are also monitoring and coordinating Group companies' renewable energy investments for self-consumption purposes. **Anadolu Etap** focuses on preserving water resources by installing a package treatment plant. **Anadolu Efes Sports Club** raised awareness about the importance of preserving water resources by wearing World Water Day jerseys to its game on March 22, 2022. CCI contributed to the circular economy by promoting sustainable packaging, including returnable glass bottles and lightweight practices, while **Migros** supported the cause through "#BagFreeShoppingMovement" and **Kia Türkiye** by offering reusable materials at its services. **CCI, Migros** and **Anadolu Etap** have developed agricultural projects to enhance the sustainability of agricultural production and integrate digitalization into agricultural practices. The Jungle Cat, Crane, and Sea Turtle, which are endangered species, including Anatolian Ground Squirrel, appear on the lead pencils of **Adel Kalemcilik**, creating biodiversity awareness among children. **Anadolu Efes** supports the protection of corals facing the threat of extinction through the "+1 Breath to the Sea" project and aims to enhance biodiversity in the Marmara Sea. **Anadolu Motor** is among the companies supporting the

"Rabbit Island Conservation" project. Having launched research on regenerative agriculture, **Migros** introduced MLife raw hazelnut, the first private-label product certified by the Rainforest Alliance. Anadolu Group will continue to raise awareness and work on potential precautions regarding biodiversity loss and ecosystem degradation.

For **the Future of Business**, we are transforming our operations with a perspective of digitalization and innovation and conducting efforts focused on creating an inclusive and traceable value chain. Our Group's "Bi-Fikir" program, which supports innovation and entrepreneurial ecosystems, has implemented over 6,500 quick applications and nearly 2,400 projects since 2015. **Migros** gathered all online channels under "Migros One," including its most recent launch, Migros Yemek. **Anadolu Isuzu**, operating in the automotive industry, introduced "Big.e" electric minivan and the full electric CitiVolt for sustainable cities in a global launch in Germany. **Kia Türkiye** continues to encourage sustainable transportation with environment-friendly electric vehicles. **Garenta** focused on reducing the environmental impact of its fleet by purchasing different models of electric vehicles and beginning to install charging stations. It has also been a significant development for both our Group and our country that **Togg**, in which we have a 23% share and we consider as an important asset among our Group's investments, came out of the production line. Our leading brands continued their responsible products and services. **CCI** came first in the International Customer Experience Awards for its project "Telsell". **Anadolu Isuzu** received "German Design Awards Gold 2023" for Big.e and "German Design Awards Winner 2023" for its electric bus NovoCiti Volt at the German Design Awards. The company was also awarded in the "Transportation" category at the ABC Awards. **Migros** launched 13,825 products supporting healthy lifestyle, of which 462 are private labeled. **Anadolu Medical Center** now provides Home Care and Health Services to ensure continuous care. **Anadolu Motor** conforms to the European Union harmonization framework in developing and expanding its product portfolio following user requirements. We focused on boosting supply chain efficiency, improving sustainability performance and ensuring traceability within the scope of our responsible supply chain efforts. **Migros** became the first Turkish retailer to join the global retailers in the "10x20x30" project followed by the World Resources Institute and the Consumer Goods Forum. Our Group company **CCI** joined the project through the supplier network of Migros. Highly prioritizing inclusion, we launched "Accessible **Migros**" and "**Anadolu Etap** Children of Seasonal Agricultural Workers" projects. We are also participating in national and international indices and reports within the scope of integrated governance. Our Group companies, **CCI** published its third Integrated Annual Report, while **Migros** published its first Integrated Annual Report to discuss their strategies, corporate governance, performance and risks from a value-generation point of view.

Regarding **the Future of People**, our management approach keeps all our stakeholders and our society at heart to create shared value for all. We increase our employment potential by the year to contribute to the local economy, support the career growth of women employees and provide equal opportunity to everyone. We stand out as one of the prominent holding companies in Türkiye with the highest number of women executives. We increased the overall rate of women executives across the Group from 32.3% in 2021 to 33.6% in 2022. We aim to create a highly satisfied working environment for current and potential employees. Our Group company **CCI** was listed in the Top 100 Talent Program with its New Graduate Management Trainee "Next Talent" Program and came first in the "Fast-Moving Consumer Goods (Soft Drink)" category. **Migros** was listed in the world's top 10 most successful companies and received the Grand Winner Award at the Globe Awards Business Excellence program for its human resources practices. Our Group companies and particularly our social organizations, implement high social-impact projects and promote socioeconomic development for all groups in society. **Anadolu Isuzu's** "Vocational Development Program", which aims to support the vocational development and employment of women in the automotive industry, received the "Generating Benefit for Women" award during the "Joint Futures" awards program by the Turkish Confederation of Employer Associations. Our social organization **Anadolu Foundation** continued to contribute to education and healthcare and reached out to wider audiences. With a view to promoting equal opportunity in education, our Foundation has offered over 30,000 education scholarships in 81 provinces; commissioned over 50 educational buildings, dormitories, sports halls, hospitals and community clinics; and reached over 60,000 people in need. The Foundation also provided free healthcare services over 700,000 times. My Dear Teacher Program extended through 2022 and reached out to more than 190,000 teachers across Türkiye. The Pink Ball on the Court project, a collaboration between **Anadolu Medical Center** and **Anadolu Efes Sports Club**, continues to raise awareness for breast cancer for the ninth year in 2022.

Our Sustainability Report explores the value we generated through our stakeholders as well as our actions on environment, social and governance areas within the scope of our sustainability strategy From Anadolu to the Future. I am excited to share our Anadolu Group 2022 Sustainability Report, which communicates our visionary targets, performance improvements and strategic approach. This year, we have once again achieved impactful results by keeping sustainability as our key focus. I would like to thank all stakeholders, who played a part in our success.

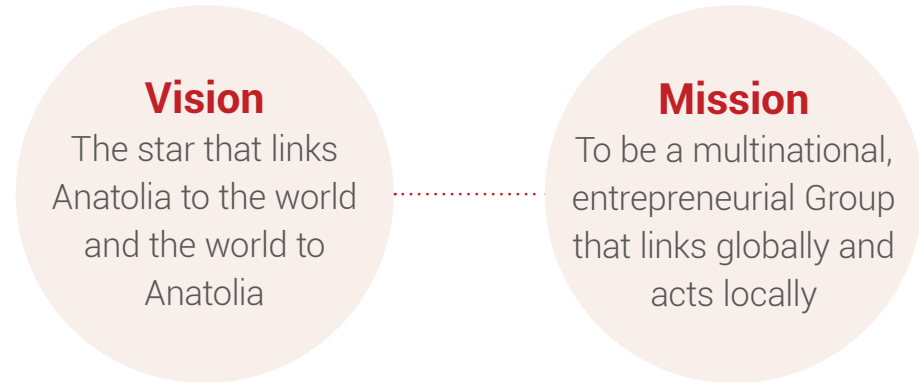
About Anadolu Group

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 7 sectors (beer, soft drink, retail, agriculture, automotive, stationery and energy) and in 19 countries with approximately 80 companies, 86 production facilities, 6 R&D centers and more than 80,000 employees. The Group, which was founded by Yazıcı and Özilhan families in 1950, is a driving force of 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, Honda, Honda Marine, Kohler, Johns Hopkins Medicine.

With assets worth **TRY 182.2 billion** in value in 2022, the Group booked a total turnover of **TRY 178 billion** on its operations.

Anadolu Group manages its environmental, social and corporate governance activities in the strategic pillar; The Future of Nature, The Future of Business, and The Future of People with the sustainability strategy “From Anadolu to the Future”. 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.

Anadolu Group strives to produce value in sustainable manner and consistently achieves a 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 regional player in a broad geography and its understanding of strong corporate governance.



<p>~80 companies 7 different sectors across 19 countries</p>	<p>80.000+ total employment</p>	<p>As of year-end 2022 TRY 178 billion turnover</p>
<p>86 production facilities</p>	<p>6 R&D centers</p>	<p>6 of our companies, including the Holding, are listed in Borsa Istanbul and 4 are listed in the Borsa Istanbul sustainability Index.</p>

ANADOLU GROUP

OUR FOUNDING PHILOSOPHY

COLLECTIVE MIND



The business philosophy of our Group stems from the collective mind of our founders and it is based on a culture of cooperation and collective decision-making. The diversity of our employees and our stakeholders strengthens our collective mind. We enrich our collective mind by embracing different ideas and competencies and combining them with our experience from the past. We conduct our business with collective mind, we decide together and we build our future together with our collective mind.

OUR VALUES

WE ALWAYS FOCUS ON HUMAN



In the foundations of our management perspective and stakeholder relations, there is always a human-oriented approach. We respect our people, esteem and support their ideas. We invest in the development of our employees and recognize their needs to provide a desirable working environment for them. We always prioritize quality and endeavour to present our people the best in every area.

WE MANAGE OUR BUSINESS WITH A FAIR AND EGALITARIAN APPROACH



Our group is formed by reliable, honest, ethical and responsible individuals. Our companies adopt a fair and egalitarian approach in all their activities, decisions and implementations in and out of their organizations. We do not allow discrimination on any subject. We are transparent and accountable in all our actions. We take possession and responsibility of our business.

WE LEAD INNOVATION WITH OUR ENTREPRENEURIAL SPIRIT



With an innovative and entrepreneurial spirit, we always support innovation and embrace change. We work with passion and excitement to grow and develop our business. We encourage our employees to be creative and empower them to experiment. We endeavor to keep up with change and be a pioneer in new developments. With a visionary perspective, we make future-oriented investments.

WE STRIVE TO PRODUCE VALUE IN A SUSTAINABLE MANNER



In all our operations, we strive to produce value in a sustainable manner for our world and our stakeholders. In addition to the economic value we produce, we are always involved in activities that will create positive impact on social and environmental areas. Our principal mission is to fulfil our responsibility to carry our people and our society forward and leave a better world to the future generations.



Group Companies

We carry out activities in 19 countries in the beer, soft drink, retail, agriculture, automotive, stationery and energy industries. We are currently active¹ in Turkey, Germany, Azerbaijan, Belarus, Georgia, the Netherlands, Iraq, Kazakhstan, Kyrgyzstan, the Turkish Republic of Northern Cyprus, Moldova, Uzbekistan, Pakistan, Russia, Syria, Tajikistan, Turkmenistan, Ukraine and Jordan.

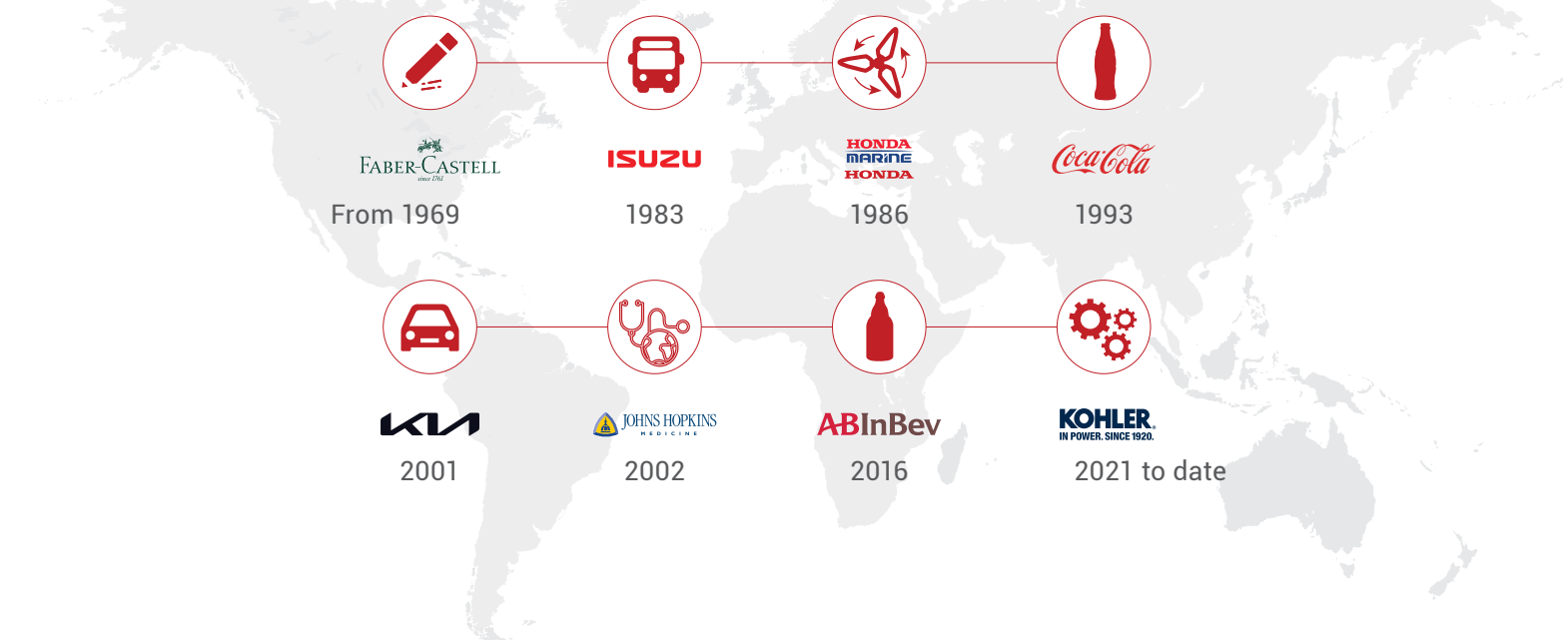
¹CCI currently has no operations in Syria and has not had any sales of beverages since 2017.



International Business Partners

We continue to contribute to sustainable development in every region we operate in through partnerships with the world's leading brands and cooperation with multinational companies. We replicate the sustainability efforts of our international partners in our country and become industry leaders.

For more than 50 years, we have been establishing partnerships based on mutual trust with the world's leading brands and creating value together.



¹ In the 2nd quarter of 2022, the sale of shares representing 100% of the capital of Anadolu Restaurant, which operates the franchise of McDonald's restaurants, which came out of the portable portfolio.

ANADOLU EFES

Beer Group

Anadolu Efes took off on its journey in 1969 with two breweries. Now, over 50 years later, the company has become the fifth largest in Europe and the ninth largest in the world in terms of production volume thanks to its experience in the industry, dynamic corporate culture, and competencies. Exporting to over 70 countries, Anadolu Efes currently has 21 breweries, 5 malteries, 1 hops processing facility and 1 preform plant in six countries: Türkiye, Russia, Ukraine, Kazakhstan, Georgia, and Moldova. Anadolu Efes considers creating a sustainable business model a key responsibility owed to future generations. It has been striving toward the 2030 goals built on three main focus areas. The company's 2030 goals are categorized under three main pillars: "Targeting Zero for Environment", "Getting Stronger through Diversity&Inclusion" and "Increasing Our Support for Social Impact". Anadolu Efes adheres to the UN SDGs in its efforts and has publicly announced the transparent social, environmental, ethical, and economic evaluation of its performance in its sustainability report in compliance with the reporting criteria published by the GRI since 2010. Having already achieved significant milestones in sustainability, Anadolu Efes expanded the scope of its environmental and social commitments beyond the borders of Türkiye and became a signatory to the UNGC in 2011, to the CEO Water Mandate in 2014, and the Women's Empowerment Principles (WEPs) in 2015. Anadolu Efes has been included in the Borsa Istanbul (BIST) Sustainability Index since 2015 and in the FTSE4Good Emerging Markets Index, a leading global sustainability index, since 2017. Since 2018, Anadolu Efes has shared its climate performance for Turkish operations with the Climate Program of the Carbon Disclosure Project (CDP). Creating values for society is a priority for Anadolu Efes. The company strives to contribute to social and cultural development, from tourism to agriculture, environment, sports, arts and culture, and entrepreneurship.



Soft Drinks Group

Coca-Cola İçecek (CCI) is one of the critical bottling companies in The Coca-Cola Company's (TCCC) global bottling footprint with 30 plants in 11 countries (Türkiye, Pakistan, Kazakhstan, Iraq, Uzbekistan, Azerbaijan, Kyrgyzstan, Jordan, Tajikistan, Turkmenistan, and Syria). CCI's GRI Standards-compliant sustainability report became the first in Türkiye. Furthermore, the company has periodically reported on its sustainability performance since 2009. In 2021, CCI became the first company operating in the FMCG industry in Türkiye to publish an integrated annual report. CCI remains the only Turkish company to make it into the UNGC 100 Sustainability Index, launched in 2013 by the UNGC. CCI has been reporting its climate change efforts to the CDP since 2011 and its water management efforts since 2014. CCI has been named a Climate Leader of Türkiye three times and a Water Leader of Türkiye twice by the CDP. Traded on the BIST Sustainability Index since 2015, CCI has also made it to international MSCI ESG Leadership, FTSE4Good Development, ECPI Emerging Markets, and ESG Equity Capital indices, S&P Global Corporate Sustainability Assessment, and Vigeo Eiris Best Emerging Market Performance Assessment. CCI is also a signatory to the WEPs.



MIGROS

Migros Group

Migros operates in the retail food industry via online channels and 2,908 stores in 81 provinces across Türkiye. In 2022, it was awarded the "Most Admired Retail Company" for the 19th consecutive time in Türkiye's Most Admired Companies survey. Migros follows the environmental, social, and governance priorities and focal points in sustainability framed in the Migros Better Future Plan. The company's roadmap within the plan targets a wide range of areas, from the multifaceted fight against climate change to sustainable agriculture and the protection of food, the support of healthy living, gender equality, and the equality of opportunity. The relevant developments are subsequently reported in compliance with the GRI Standards. The 2021 Sustainability Report was prepared in the Integrated Report format, and in 2022, Migros published the first Integrated Annual Report in the retail food industry.

Migros is the only retail company to be listed for nine years in a row in the BIST Sustainability Index. It was also the first food retail company to be cited in the BIST Sustainability Top 25 Index, published in 2022. Migros scored 9.67 in Corporate Governance and is listed in the BIST Corporate Governance Index. In 2022, the company's CDP Climate Change and CDP Water Security reports merited the company to the Climate Leaders for the fourth time and the Water Program Leaders for the second time. Migros also became the first Türkiye-based food retailer to be included in the Bloomberg Gender-Equality Index (GEI). The company also ranked in the top 10 in the "Sustainability", "Economic Contribution", "Financial Stability", "Reliability", "Customer Satisfaction", "Innovation", and "Digital Transformation" categories in a survey conducted by Capital, a monthly business magazine. Migros is a signatory to the UNGC and a member of The Consumer Goods Forum (CGF) at the management level, is a member of the LEAD Network Europe, and has supported the establishment of LEAD Network Türkiye chapter. It is also a signatory to the CEO Gender Parity Pledge of the LEAD Network Europe.



Automotive Group

We began our operations in the automotive industry in the 1960s with truck production. Today, we are an industry leader and continue our operations through our companies Anadolu Isuzu, Çelik Motor, and Anadolu Motor. We are also partnering with Türkiye'nin Otomobili Girişim Grubu (Togg), which we believe will hold substantial potential in our group's future investments. In the Automotive Group, we partner with leading global brands, such as Isuzu, Kia, Kohler, Honda Power Equipment, and Honda Marine.

ANADOLU ISUZU

Anadolu Isuzu

Anadolu Isuzu focuses on the commercial vehicle segment of the automotive industry and is one of the leading manufacturers in Türkiye of trucks, light trucks, midibuses, buses, and pick-up trucks. Its export share continues to rise. The company has been carrying out engineering activities since its foundation and includes an R&D center, which was accredited in 2009. Anadolu Isuzu designs and manufactures vehicles for 45 markets. The company has been publishing sustainability reports since 2019. Anadolu Isuzu continues its sustainable growth and working on new markets, products, and digital processes; efficient after-sales services and products with reduced environmental impacts; and diesel, compressed natural gas (CNG), and electric and autonomous vehicles. Working toward digital transformation and Industry 4.0 visions, Anadolu Isuzu put into practice the Smart Factory project. The Smart Factory project manages the complex production flow and spacious production facilities necessitated by the fluctuation and variety involved in "Tailored Manufacturing" by 3D digital twin technology. It also employs the Internet of Things (IoT) to communicate all information on customized production to operators. The Smart Factory project was awarded the Best Innovation Project of the Year in the "Innovation" category in IDC, a global organization.



ÇELİK MOTOR

Çelik Motor

With its brands Kia, Garenta, MOOV, and ikinciye.com, Çelik Motor combines its automotive experience with business processes that complement a digital ecosystem. Since 2001, Çelik Motor has brought the South Korean brand Kia to Turkish users. With its expertise in bringing other brands to Türkiye, Çelik Motor has elevated Kia to a significant industry player. Kia currently has 38 authorized dealers and 41 authorized service centers in Türkiye and is heavily involved with alternative fuel vehicles, which remain a significant agenda of the automotive industry.

In the 2000s, Çelik Motor took steps in line with the needs of the automotive ecosystem toward change and innovation. In 2014, it founded Garenta, Türkiye's first 100-percent-domestic-capital corporate car rental brand and soon became the innovative brand in short-term leasing operations in the sector. Taking pioneering steps in the vehicle-sharing industry sector in Türkiye under its brand MOOV, Çelik Motor founded ikinciye.com in 2013 and transferred its know-how and experience to the digital platform. The first online platform in Türkiye to sell and purchase used cars in an auction model, ikinciye.com has not only achieved significant success in a short period but has also become a reference brand in the industry with its innovative practices.



Anadolu Motor

Leveraging its position among the leading firms in its industry and more than half a century of experience in engine manufacturing and marketing, Anadolu Motor manufactures single-cylinder diesel engines under its brand, "Antor". Its Antrac brand features a wide range of manufactured and exported products, from tiller machines to water pumps and diesel and petrol generators. Anadolu Motor is also active in the industrial sector as the distributor for the Kohler diesel engines, in the gardening and industrial product groups with Honda Power Equipment, and in the maritime industry with the Honda Marine outboard motors and 4XC Design by Ranieri boats. In the final quarter of 2022, the company signed a distribution agreement with Sweden's OXE Marine for the OXE diesel engines.



Togg

Togg is a global technology brand that redefines mobility, the intellectual property rights of which are owned by Türkiye. Founded on June 25, 2018, Togg continues its operations by joining forces with AG Anadolu Grubu Holding A.Ş., BMC Otomotiv Sanayi ve Ticaret A.Ş., Turkcell İletişim Hizmetleri A.Ş., Zorlu Holding A.Ş. and the Union of Chambers and Commodity Exchanges of Türkiye. Redefining the mobility experience with its user-centric and innovative approach, Togg's product and service portfolio consists of electric smart devices, digital experience platform, and clean energy solutions including charging as well as battery investments. In 2023, Togg launched its first born-electric smart device T10X and digital experience platform Trumore, and is preparing to penetrate the European markets in 2024. Türkiye's global technology brand serving in the field of mobility, Togg builds its ecosystem of mobility through global partnerships and start-up collaborations, while developing new technologies, services, user experiences and new business models within the ecosystem created around smart and connected smart devices with its sub-brands Trugo and Trumore.



Siro Silk Road Clean Energy Storage Technologies, which Togg established in partnership with Farasis Energy, operates with the vision of "Making a livable world by spearheading c.l.e.a.n. energy storage solutions". Togg's fully-owned brand Trugo offers charging services using energy from renewable sources. Togg plans to use a common platform to produce 5 different models and a total of 1 million smart devices by 2030.

Agribusiness, Energy, and Industry Group

Our companies, Anadolu Etap, Anadolu Kafkasya, AES Elektrik, Aslancık Elektrik, and Adel Kalemcilik, are offering services and products in Türkiye and its neighboring countries in the agriculture, energy, and stationery industries.



Anadolu Etap

A joint venture of Anadolu Group and Özgörkey Holding, Anadolu Etap strives to provide quality fresh fruit and fruit juice to Turkish and global markets as Türkiye's largest fresh fruit grower and fruit juice concentrate producer. The first agricultural company in Türkiye to establish and practically incorporate the Sustainable Agriculture Principles, Anadolu Etap is the leading power in the agriculture and agribusiness industry with eight farms, 5 million fruit trees, three fruit juice plants, and one packaging plant on 30 thousand decares. The company cooperates with farmers who comply with quality standards and who could implement Sustainable Agriculture Principles. Anadolu Etap exports 70% of its fresh juice and fruit juice concentrate products to over 65 countries from the Far East to Europe and the United States.

As a signatory to the UNGC, Anadolu Etap has published three sustainability reports in compliance with the GRI standards to date. The company implements sustainable programs to educate its qualified agricultural workforce to create social values, encourage women's economic participation toward gender equality and rural development, and contribute to children's education to advocate equal education opportunities.



Energy Companies

The Aslancık Hydroelectric Power Plant (Aslancık HPP) and the Georgia Urban Energy (Paravani HPP) companies undertake operations in the energy industry in Türkiye and Georgia, respectively. Furthermore, the Anadolu Kafkasya Enerji Yatırımları A.Ş. incorporates a wind power plant (Taba LLC), which is currently in the project development stage in the Shida Kartli region of Georgia.

In March 2014, Anadolu Group launched the Aslancık HPP with the cooperation of the Doğan and Doğuş Groups. It featured an installed capacity of 120 MW, and the plant generated 325



GWh of electricity in 2022. The electricity generated in the Aslancık HPP was sold under the Renewable Energy Resources Support Mechanism (YEKDEM). The Paravani HPP in Georgia, which featured a 90-MW installed capacity, generated 354 GWh in 2022, which was sold to the Georgian system operator. Presently, Taba LLC is developing the Ricoti Wind Power Plant in Georgia, projected to feature a 20-MW installed capacity.



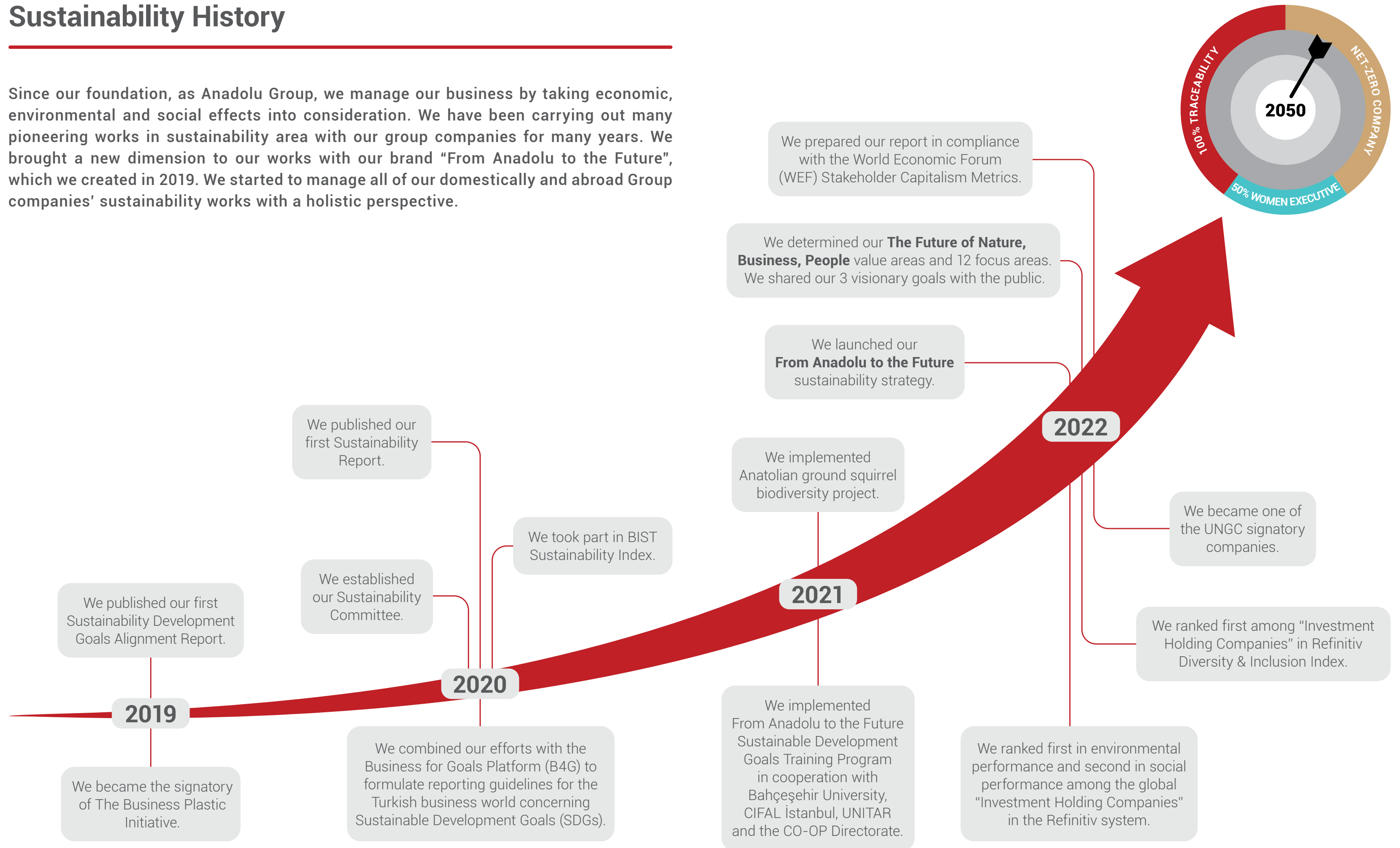
Adel Kalemcilik

Adel Kalemcilik was founded in 1969 in cooperation with the world-renowned producer of writing, drawing, and painting supplies, Faber-Castell. In 1995, the initial collaboration evolved into a formal partnership. The company is currently the largest stationery manufacturer in Türkiye and the region and exports to over 40 countries. Adel Kalemcilik has strived to benefit its shareholders and society in all endeavors since its foundation and actively contributes to sustainable projects. The Tree of Goodness Corporate Social Responsibility project, fueled by the company's "goodness" virtue, conducts numerous sponsorships and social responsibility projects.



Sustainability History

Since our foundation, as Anadolu Group, we manage our business by taking economic, environmental and social effects into consideration. We have been carrying out many pioneering works in sustainability area with our group companies for many years. We brought a new dimension to our works with our brand "From Anadolu to the Future", which we created in 2019. We started to manage all of our domestically and abroad Group companies' sustainability works with a holistic perspective.



Highlights in 2022

THE FUTURE OF NATURE

Reduced* **46.296 ton CO₂e** in scope 1 and 2 greenhouse gas emissions. Purchased renewable energy increased* approx. **3.3-fold**.

Prioritized all Group companies' self consumption renewable-energy investments.

Reduced* the amount of wastewater by **24%** with efficiency projects.

Recycled, recovered or composted approximately **87%** of non-hazardous and hazardous waste.

Recycled hazardous waste **3.5-fold** increased* for energy purposes. Composted the amount of non-hazardous waste approx. **2.5-fold** increased*.

The total of spendings and investments in the environmental area increased 4-fold and reached **TRY 520.3 million**.

THE FUTURE OF BUSINESS

Net sales increased* by **119%** and reached **TRY 178 billion**. Total asset size increased by **62%** and reached **TRY 182 billion**.

Ranked **#1** in environmental performance and **#2** in social performance among the global "Investment Holding Companies" in the Refinitiv system.

Ranked **#1** among the global "Investment Holding Companies" in the Refinitiv Diversity & Inclusion Index. Raised Corporate Governance and Credit Rating to **9.57**.

Became a signatory to the United Nations Global Compact (UNGC).

Extended digitalization, R&D and innovation budget* by **112%** and invested **TRY 327.7 million**.

Sustainability-focused R&D investments amounted to **TRY 63.7 million**, accounting for **19.4%** of R&D investment and expenditures.

Worked with approximately **30,000** suppliers, **82%** of whom were local.

THE FUTURE OF PEOPLE

Invested approximately **TRY 827 million** social and charitable contributions.

The rate of women employees was **33%**. Increased the rate of our women executive from **32.3%** to **33.6%**. Invested and spent **TRY 173 million** in OHS.

In line with our equal pay for equal work principle, shared with the public details of our remuneration policy for women and men in all levels. Colleagues from **41** different nationalities worked across our 19 country operations. **451,912 person*hours** of OHS training provided for our employees (**6,93 hours** per employee).

Implemented **6,526** quick applications and **2,355** projects, developed within the scope of "Bi-Fikir" innovation program. Created value exceeding **TRY 860 million** in 8 years.

*Compared to the previous year

Contribution to National and International Indices and Reports

As one of the biggest driving forces of the Turkish economy, we are aware of the impact of our way of doing business.

Today, wherever we are, with our strategy From Anadolu to the Future, we continue to work to each a more sustainable future.

 <p>Listed in the BIST Sustainability Index.</p>	 <p>Listed in the BIST Corporate Governance Index.</p>	<p>MiGROS</p> <p>Above the retail industry average with an AA score in MSCI ESG Ratings.</p>	 <p>Ranked #1 among the global "Investment Holding Companies" in the Refinitiv Diversity & Inclusion Index.</p>
<p>MiGROS</p> <p>As the first representative among Turkish retailing industry included in the BIST Sustainability 25 Index.</p>	 <p>Ranked #1 in environmental performance and #2 in social performance among the global "Investment Holding Companies" in the Refinitiv system, is part of the London Stock Exchange Group.</p>	<p>MiGROS</p> <p>As the first representative among Turkish retailing industry included in the Bloomberg Gender Equality Index.</p>	 <p>Listed in the Women-Friendly Companies Stock Index, compiled by İş Asset Management.</p>
<p>MiGROS</p> <p>Ranked #2 in ESG performance among the global "Retailing Companies" in the Refinitiv system.</p>	 <p>Included in the FTSE4Good Emerging Indexes.</p>	 <p>Report their carbon emissions annually to the Carbon Disclosure Project (CDP) on their performance in the mitigation of climate change.</p>	 <p>Improved CDP Türkiye Climate Change Program score by two points from C to B.</p>
 <p>As the first and still only Turkish company listed on the UNGC 100 Index. Included in MSCI ESG Leaders Index, S&P Global's Corporate Sustainability Assessment and ECPI Emerging Markets ESG Index.</p>	 <p>Above the industry average with an A score in MSCI ESG Ratings.</p>	 <p>Maintained CDP Türkiye Climate Change Program ranking at "B" while outperformed global and sectoral averages.</p>	<p>MiGROS</p> <p>Named four times in the CDP Türkiye Climate Leadership list.</p>
		 <p>Numbered among leading companies reporting to the CDP Water Program for the second time.</p>	<p>ANADOLU ISUZU</p> <p>Ranked #1 among Türkiye's commercial vehicle manufacturers with an "A-" score in the CDP Türkiye Climate Change Program.</p>

*Anadolu Efes Türkiye

Social Solidarity in Natural Disasters

Natural disasters trigger physical, economic, social, and environmental losses for humans as well as the entire ecosystem stakeholders and leave a trail of destruction. From a sustainability perspective, we take on an active role in combatting these devastating impacts that radically change life and human activities.

In early 2023, we suffered deeply sorrowful earthquakes. Millions of people across 11 provinces, Kahramanmaraş, Hatay, Gaziantep, Malatya, Diyarbakır, Kilis, Şanlıurfa, Adıyaman, Osmaniye, Adana, and Elazığ, shaken by the earthquake. Our Group companies mobilized their power from day one to provide relief with our responsibility of social solidarity. We launched solidarity and donation campaigns with all our stakeholders to establish permanent contributions in the earthquake region.

We are continuing our support to strengthen our country and to redevelop the disaster zone. We hope to never suffer from such a catastrophe ever again.

We offer our condolences and wish for recovery for our nation.

Anadolu Efes, continued to work with all its strength to heal the wounds of the earthquake disaster. The Anadolu Efes Crisis Team, which gathered immediately after the earthquake, contacted company employees and business partners, and delivered the identified needs to the region in coordination with the authorities and NGOs. In this context, tents were set up at the Adana plant and in the appropriate areas of dealers and distributors in the region. In addition, a psychological support line was activated for all employees. The company allocated trucks and service vehicles to AFAD and the Adana Crisis Desk to ensure that relief supplies and search and rescue teams could reach the earthquake zones. Blankets, heaters, sleeping bags, mattresses, clothes, and food provided support. Launched the 'Kardeş Şehir' Campaign for its business partners. Within the scope of the solidarity campaign, 11 trucks delivered emergency supplies such as food, clothing, medicine, diapers, heaters, hygienic products and containers for shelter to the region. In addition, the company's search and rescue teams participated in search and rescue operations in Hatay. 60 tons of animal feed was sent to villages in the disaster area. A donation campaign was launched with the participation of local and international employees. The company allocated its barley warehouse in Adıyaman for the storage of aid materials sent to the region by the Governorship and AFAD. Four-Legged City / Animal Search and Rescue for stray animals in the earthquake zone provided food support through the Rehabilitation Center.

CCI, delivered 136 trucks of water and beverages to areas suffering from the disaster. The Hazar plant operated at 100% capacity to meet the disaster zone's needs when necessary. CCI and Coca-Cola Türkiye employees and distributors collected over 2,000 parcels of aid in kind in Istanbul, Çorlu, Bursa, Ankara, Izmir, Antalya, and Köyceğiz. CCI also dispatched disaster relief tents to distributors in the region. Coca-Cola Türkiye, CCI, and Coca-Cola Foundation collectively donated 30 million Turkish Lira. The Coca-Cola Foundation accounted for \$1 million of the total donation. CCI employees in all operational countries gathered approximately 1.38 million Turkish Lira in individual donations. CCI additionally transferred the same amount of money to the concerned institutions. Furthermore, in contribution to the Ramadan campaign by Coca-Cola Türkiye to send a million meals to the earthquake zone, CCI delivered 1.1 million meals to the area. On International Women's Day, the United Nations Population Fund (UNFPA) donated hygienic products to women and girls in the earthquake area in Türkiye.



ANADOLU GROUP

We are involved in many relief works to support the regions that were affected by the earthquakes since the first day.

Delivery of 237 lorries full of food, water, beverage and necessary equipments

100% capacity water production from our water factory only for the earthquake zone

Providing sheltering to more than 3,000 people in our factories, farm, dealers, distributors, containers and tents

More than 600 tons of product purchase from farmers and producers in the earthquake area

Semi-trailer truck, vehicle, forklift and storehouse allocation for logistics and storage needs 2 pick-up and 1 truck donation to AFAD

Packaged food distribution to more than 32,000 people

Additional scholarship payments to our 123 scholars that were affected by the earthquake
Scholarship support with additional quota to 30 students from earthquake zone

Stationery and toy support to ore than 12,000 children

Providing search and rescue support with our volunteer employees

Transfer of 60 tons of animal feeding stuff

May 2023 data

Migros mobilized its entire sources soon after the earthquake. It dispatched trucks from regional distribution centers loaded with emergency needs, which delivered aid to the earthquake-stricken region within the first 24 hours. The company also distributed ready meals to thousands of people in Iskenderun and Kahramanmaraş. Migros continued to provide seamless support to the region through the volunteer work of employees from all around Türkiye and by distributing necessary items from its regional stores. The company also follows up closely with the Earthquake Solidarity Campaign, launched by the Republic of Türkiye Ministry of Trade and the Republic of Türkiye Ministry of Family and Social Services. Having identified the needs of those stricken by the disaster, Migros has now delivered 80 trucks of relief materials in coordination with the campaign. Furthermore, Migros is providing much-needed support to farmers for the reestablishment and development of production in the earthquake-stricken regions, purchasing their products and bringing them to consumers at Migros stores without crops losing their value. Migros also set up a regional base to save time managing needs and processes on-site, placed tons of products under protection and distributed them all over Türkiye. Migros will prioritize individuals stricken by the disaster in its Türkiye-wide recruitment of 10,000 people scheduled for 2023.

Anadolu Isuzu dispatched trucks of urgent needs to the earthquake area since day one and maintained support with the help of employees and business partners. Anadolu Isuzu Search and Rescue Team (ISKUT) arrived on the scene right after the disaster and participated in the rescue efforts. Anadolu Isuzu donated a truck and two D-Max pick-up trucks to use in the relief efforts, while company partners Isuzu Motors and Itochu Corporation donated 20 million Japanese Yen.

Çelik Motor collaborated with its brands Kia, Garenta and ikinciye.com to collect and deliver relief materials worth 400,000 Turkish Lira to the earthquake region. Kia Türkiye General Directorate and branches donated in kind worth 2 million Turkish Lira. Kia global center also donated \$2 million.

Anadolu Motor remained in touch with the regional dealerships, services, and customers since the immediate aftermath of the disaster and provided any required support. Anadolu Motor employees also organized donation campaigns to relieve the needs in the disaster-hit areas. Within this scope, basic needs, including blankets, food (canned) and hygienic products delivered to the region.

Anadolu Etap launched efforts to relieve the wounds and to reach out to those in need following the earthquake in Southeast Türkiye. Contributing to priority and urgent needs through employee volunteer work, Anadolu Etap also contributed to food service materials, heaters, and gas cylinders. The company also delivered a food package to the earthquake-hit area on behalf of its employees. Anadolu Etap also sent tents and containers from its farms to Hatay, Iskenderun, Adana, and Osmaniye to provide shelter to those in need after the disaster.

Through the Tree of Goodness project, Adel Kalemcilik reached out to over 10,000 children struck by the earthquake in 11 provinces and delivered stationery and toys through numerous NGOs and institutional collaborations. Adel Kalemcilik continues to create projects to meet the needs of children, teachers, and all business partners affected by the earthquake and sends aid to the region.

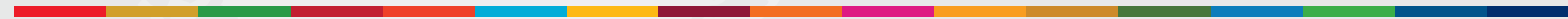
Anadolu Foundation made additional payments to 123 scholarship receivers in the earthquake region. It also delivered aid materials, including heaters, blankets, clothes, hygienic and baby products, portable charging devices, and sleeping bags, procured by the Anadolu Group employees to the disaster area through the Istanbul Metropolitan Municipality. Anadolu Foundation also operates a free-of-charge psychological support hotline available to scholarship holders. The foundation organized a "Post-Earthquake Psychological Support Event" for scholarship students affected or stricken by the earthquake and for teachers through the My Dear Teacher Program.

Anadolu Medical Center gathered parcels of aid materials, including medicine and consumables as listed by AFAD, with the help of hospital staff and delivered them to the earthquake region through the Kocaeli Provincial Directorate of Health. Anadolu Medical Center's volunteer physicians, nurses, and assistant personnel have been on duty on the earthquake site since the immediate aftermath of the disaster. The center also donated, under the coordination of the Turkish Nurses Association's Anatolian Branch, nurse uniforms to volunteering nurses in Hatay and Adiyaman.

FROM ANADOLU TO THE FUTURE

Act today for a better future

**We act today for the future of nature,
business and people.**



Strategic Pillars, Focus Areas and Goals

We act today for the future of nature, business and people.

The right time to build a better future is today. Sustainability transformation is realizing that transformation is 'a present-day activity'. It takes creating new habits, aiming positive change and taking action, knowing that the smallest act can change the world when we come together. Thus, we consciously stand among the pioneers of change, act today for a better future.

We are connected to our roots, we work in harmony and we build bridges between Anatolia and the world.

We connect deeper with the land we live on, with the business we do and with the communities that we share a purpose with. Owing to our ability to think globally and act locally, we build bridges between Anatolia and the world, planting seeds of goodness today for our common future.

We are a part of the collective movement. We act today better for a sustainable future.

We are aware that the sustainability transformation has become indispensable all over the world. We truly know that the ultimate key to build a better future for our world and communities is "sustainability". We acknowledge the fast-changing expectations and needs that come along with the dynamics of the new century and the new world rising.

Foreseeing this global shift, we are eager to create shared value environmentally, socially and in terms of governance in all the regions where we have been operating since many years. We move forward with new and enhanced goals. We bring sustainability focused strategic transformation into action. As we transform, we consciously aim that every piece of land, every piece of work and every single life we touch transform, heal and strengthen with us. Through our strategy "From Anadolu to the Future", we build a sustainable future in every region we operate today. We act today for the future of nature, business and people, in order to build a better tomorrow.

With our strategy "From Anadolu to the Future", we are working towards a more sustainable "future" wherever we exist today. We further our activities with the vision of "Improve today for the future". We put **our world at the center** of our sustainability strategy design and we express our contributions to the entire ecosystem with **our strategic pillars and focus areas** surrounding it. Aware of the limits of the world and the importance of time for the future. We want the Future of Nature, the Future of Business and the Future of People to transform, heal and strengthen every piece of land, every piece of work and every single life we touch with the pillars. With our focus areas, **like every planet in the solar system**, we exist in harmony around the pillars and produce common value. We build bridges between **Anatolia and the world** with our ability to think globally and act locally.



The Future of Nature

We act today for the future of nature.

The right time to take action for the future of nature is today. Thus, we consciously aim to nourish lives in every country and field in which we operate. We are deeply aware that the continuity of our business depends on the gifts that nature offers us. We know that the most fundamental relationship between humanity and nature is the constant exchange of resources. We plant seeds that nourish our world today, we carry the love and respect we have for nature to our work. We protect "The Future of Nature", preserving all living things with whom we share the planet; the continuity of our business and the welfare of the communities we are connected to. We embrace international pledges, particularly the United Nations Sustainable Development Goals and the European Green Deal.

We provide tangible solutions for the future of nature:

We combat climate change.

We encourage low carbon manufacturing, embracing the **Net-Zero for the future** principle. We responsibly source the raw materials we use, water in particular and reintroduce the wastes resulting from our operations into the economy.

We preserve the **water cycle for the future**, working consciously to provide uninterrupted flow for our common future, providing solutions for reducing and reusing water.

We embrace the principle of **circular economy for the future** as we reduce, recycle and re-use waste instead of linear consumption in our waste management processes.

We consciously support **agriculture for the future**. We actively take steps to transform agriculture, knowing that it is the true pioneer of a sustainable world today and tomorrow. We encourage the suppliers in our value chain to adopt restorative and regenerative agricultural practices, ensuring that the agricultural products that have a significant share in our portfolio are manufactured with innovative and purposeful methods.

We protect **biodiversity for the future**. We consciously conduct projects that preserve the diversity of all ecosystems and life forms, reducing the impacts of our operations for a better, more sustainable world today.

Net-Zero for the Future



"Think solutions, act today".

We are a part of the net-zero movement.

We deeply feel the environmental, social and economic effects of the climate change. We act today to transform these influences for a better future. Embracing the net-zero for the future principle, we gradually reduce greenhouse gas emissions in our battle against climate crises. We are a part of the solution today in order to build a better future.

Water Cycle for the Future



"Progress is possible by flowing forward through new paths".

We create innovative solutions to use water resources effectively.

The mounting pressure on natural resources jeopardizes the continuity of our resources today and for the future. That's why we consciously integrate the water cycle for the future principle into each and every work we do, encouraging responsible use of resources to manage the risk. We develop innovative solutions that allow us to build a better future. We focus on reducing and reusing water in our manufacturing processes to ensure effective use of water resources. We protect the water cycle by creating innovative solutions today in order to build a better future.

Agriculture for the Future

"Healthy soil brings about a healthy future".

We preserve and nourish our resources with regenerative and restorative agriculture practices.



Modern industrial agriculture affects soil health, acting a part of a major role in climate change. Being aware of the fact, we consciously adopt the agriculture for the future principle. We implement regenerative and restorative agricultural practices into our operations. We willingly and passionately contribute to the regeneration of the soil, increasing soil health and biological diversity, improving the water cycle and the ecosystems, increasing the carbon capacity of the soil and thus fighting against climate change. We preserve and nourish our resources today in order to build a better future.

Circular Economy for the Future



"The steps we take today become future's resources".

We create solutions aligned with circular economy to sustain the product cycle.

We provide tangible solutions that support the circular economy today. We offer practices to enable the recycling and reuse of wastes to reintroduce them into the economy. We embrace and encourage this approach throughout our whole value chain. We contribute to the circular economy by taking solid steps today in order to build a better future.

Biodiversity for the Future



"Diversity in the ecosystem is vital for a better future".

We conserve biodiversity and reduce global risks.

Biodiversity loss and ecosystem destruction are among the top global risks of today. Thus, we consciously place the biodiversity for the future principle at the heart of our business. We take solid steps to preserve biodiversity in alignment with the requirements of the United Nations Convention on Biological Diversity. We design and develop practices to secure all ecosystems and life forms by reducing the impact of our operations on natural habitats. We work consciously to reduce global risks today in order to build a better future.

The Future of Business

We act today for the future of business.

The right time to take action for the future of business is today. We consciously operate in a wide geography. As one of the major driving forces of the Turkish economy, establishing partnerships with global brands and multinational companies, we are aware of the scope of our impact.

We provide tangible solutions to build a better future for business:

We make responsible and purposeful investments that provide benefits in environmental, social and governance areas to secure “the Future of Business” and to meet the expectations of business partners, suppliers, customers, investors and public institutions.

We own the principle of digitalization and **innovation for the future** as we move forward by seeing opportunities. Following tech developments closely, we passionately integrate them into our business. We prioritize R&D and innovation studies. We lead digital transformation and support entrepreneurship. We believe in creating shared value and making a difference.

Embracing the principle of creating **leading brands for the future**, we meet the fast-changing needs of our customers with customer-oriented solutions and with our leading consumer products. In every single work we do, we intend that the only trace we leave for tomorrow is the value we create.

Owning the principle of **responsible manufacturing for the future**, we prioritize environmental and social standards throughout the supply chain, ensuring that the products and services we offer meet the international quality standards. We acknowledge that being inclusive moves us all forward.

Standing by the principle of **inclusiveness for the future**, we empower all our stakeholders, including the vulnerable segments along the value chain, increasing welfare and creating shared value.

Embracing the principle of **integrated governance for the future**, we acknowledge environmental, social and governance risks and opportunities while managing our portfolio and making conscious investment decisions for a better future.

Digitalization and Innovation for the Future



“Those who foresee opportunities design the future”.

We lead digital transformation and support entrepreneurship with our sustainable business approach.

Modern technological developments bring along risks and opportunities for the business world. Thus, we intentionally embrace the principle digitalization and innovation for the future, placing it at the core of our business. We develop innovative products and services that meet the expectations of our stakeholders and the future; we utilize opportunities with a business approach empowered by digitalization and innovation. We increase efficiency by integrating technological developments into our processes. We encourage entrepreneurship inside and outside our company. We keep going beyond boundaries and creating opportunities today in order to build a better future.

Leading Brands for the Future

“Create value to make a difference”.

We make a difference by offering unique experiences through customer-oriented solutions.



Today, companies maintain their competitiveness through deeper understanding of their customers. Acknowledging this powerful truth of the modern world, we adopt the principle of leading brands for the future. We closely monitor the rapidly changing needs of customers through the operations of our leading brands. We provide customer-oriented solutions, utilizing the power of digitalization. We are committed to offering value-added products and services today in order to build a better future.

Inclusiveness for the Future

“Inclusivity moves us all forward”.

We grow, prosper and get stronger together with our stakeholders.



We are aware of the major role that today's business world plays in local socioeconomic development. We move forward embracing the principle of inclusiveness for the future. We aim to get stronger together with our stakeholders through inclusivity in our wide value chain. It is crucial for us to ensure that the vulnerable groups in our supply chain are empowered and remain in the economic system through the economic value we create. We aim to get stronger together today in order to build a better future.

Responsible Manufacturing for the Future

“Let the value you create be the mark you leave”.

We contribute to the responsible value chain through responsible product and service development.



It is urgent for the future business world that every step of supply and production processes must be traceable and responsibly managed. We acknowledge that the first step in responsible product and service development is responsible value chain management. Thus, we embrace the principle of responsible manufacturing for the future. We prioritize the suppliers' compliance with the environmental and social standards that are firmly set; we support their growth in environmental and social fields along with governance. We are eager to maintain the standards in the supply chain and expand responsible products and services. We contribute to the responsible value chain today in order to build a better future.

Integrated Governance for the Future

“Be fair, transparent, responsible and accountable”.

We strengthen our governance approach through effective risk management.



Today, corporations' ability to adapt to a fast-changing world depends primarily on adopting a strong governance approach. We embrace integrated governance through the principle of integrated governance for the future. We strengthen our governance approach through risk management, owning the foundational pillars of fairness, transparency, responsibility and accountability. We manage financial and non-financial risks in an integrated and proactive manner, making investments and new investment decisions accordingly. We keep strengthening our responsible governance approach today in order to build a better future.

The Future of People

We act today for the future of people.

The right time to take action to build a better future for the people is today. Thus, we consciously place our human-oriented governance approach at the core of our relations with all our stakeholders, employees in particular and the communities we are connected to.

We provide tangible solutions to build a better future for the people:

For "the Future of People", we get stronger together. As we embrace the principle of **human resources for the future**, we provide equal and fair working conditions through our people-oriented corporate culture. We support our employees in their growth and transformation, encouraging creative expression. We encourage new talents to join us. Standing by the principle of **empowered community for the future**, we conduct social investment programs for various stakeholder groups as we have been doing since many years. First and foremost, we utilize all our experience for creating shared value environmentally, socially and in terms of governance. With our core strategy "From Anadolu to the Future", we conduct purpose-oriented projects in which our priorities and the needs of our stakeholders intersect. Our goal is to create higher shared value with purpose-oriented collaborations, products and services, aiming for the betterment of every single life we touch today.

Human Resources for the Future

"The only limitless resource on Earth is human potential".



We put people at the heart of what we do, we unleash the potential of a better future.

We believe that the greatest value that corporations have today is the people they work with. Thus, we passionately put people at the center of our business culture. We provide our employees an equal, fair, safe and free environment for new ideas. We support gender equality as we acknowledge that the diversity of employees is a true asset. We believe in the power of unleashing our true potential and we support the growth of our employees who play a key role in achieving our strategic goals. We enable our existing talents to adopt new and empowering skills aligned with the needs and expectations of the new age.

We are proud to be an inspiring, visionary employer aspired by the new talents with whom we will walk our path. We unleash our highest potential together today in order to build a better future.

Empowered Community for the Future

"Responsible and purposeful acts empower communities".



We conduct purpose-oriented, measurable and effective social projects.

We acknowledge the importance of creating shared value in today's world. With our social investment approach, we carry out programs that create common value for our stakeholders. Thanks to our powerful product and service portfolio, we develop goal-oriented, measurable projects, which create value for the stakeholder groups within the scope of our field of activity. We wholeheartedly ensure that the positive impact of our projects is higher than the return on investment. We keep providing nourishing and responsible solutions today in order to build a better future.

THE FUTURE OF NATURE

By 2030, reducing greenhouse gas emissions in scope 1 and 2 by **50%** compared to 2020, working with the vision of becoming a **net-zero** company by 2050

Anadolu Efes

- ◆ Achieving net-zero in all operations by 2030

Coca-Cola İçecek

- ◆ Run its manufacturing sites on 100% renewable electricity and make them carbon-neutral by 2030
- ◆ Reduce its total absolute GHG emissions by 13% by 2030 and emissions per liter of product by 50% by 2030 compared to 2015 while growing the business

Migros

- ◆ 42% absolute reduction in its scope 1 and scope 2 carbon emissions by 2030 compared to 2020
- ◆ Making improvements which reduce the carbon footprint of the purchased goods by starting an initiative with its suppliers to reduce scope 3 carbon emissions

Anadolu Isuzu

- In accordance with the Science Based Targets Initiative (SBTi)
- ◆ until 2030; reducing greenhouse gas emissions in scope 1 and scope 2 by at least 4.2% annually, while reducing greenhouse gas emissions in the relevant categories by at least 2.5% annually in scope 3

THE FUTURE OF BUSINESS

To be traceable in **50%** of operations by 2030 and **100%*** by 2050

*Limited to private label products for Migros.

THE FUTURE OF PEOPLE

Aim to increase the rate of women executives to **35%** by 2030 and **50%** by 2050

Sustainability Management



Sustainability management at Anadolu Group falls under the responsibility of the Sustainability Committee under Anadolu Group CEO and, reporting to it, the Sustainability Steering Committee. Consisting of Anadolu Group senior management, the Sustainability Committee's purpose is to determine the sustainability strategy of the group concerning environmental, social, and governance; to ensure coordination between the group companies; and to monitor and supervise the policies, goals, and practices regarding sustainability by reporting them to the Board of Directors.

For this purpose, the committee gathered twice within the reporting period. The Sustainability Steering Committee, established upon approval by the Sustainability Committee, works to align group companies in compliance with "From Anadolu to the Future" strategy and to monitor their target-oriented performances. The Sustainability Committee may also authorize thematic and temporary working groups tailored to the needs to perform duties the committee sets forth.

Our sustainability approach creates additional value for our stakeholders by investing in the future through environmental, social, and governance endeavors. **"From Anadolu to the Future"** sustainability strategy unites our nearly 80 companies in seven sectors across 19 countries under the same sustainability management approach. The visionary sustainability goals included in our strategy encourage and guide group companies' transformation to ensure a focus on value creation. In turn, Group companies strive to improve their sustainability performances regarding their operations and industry priorities.

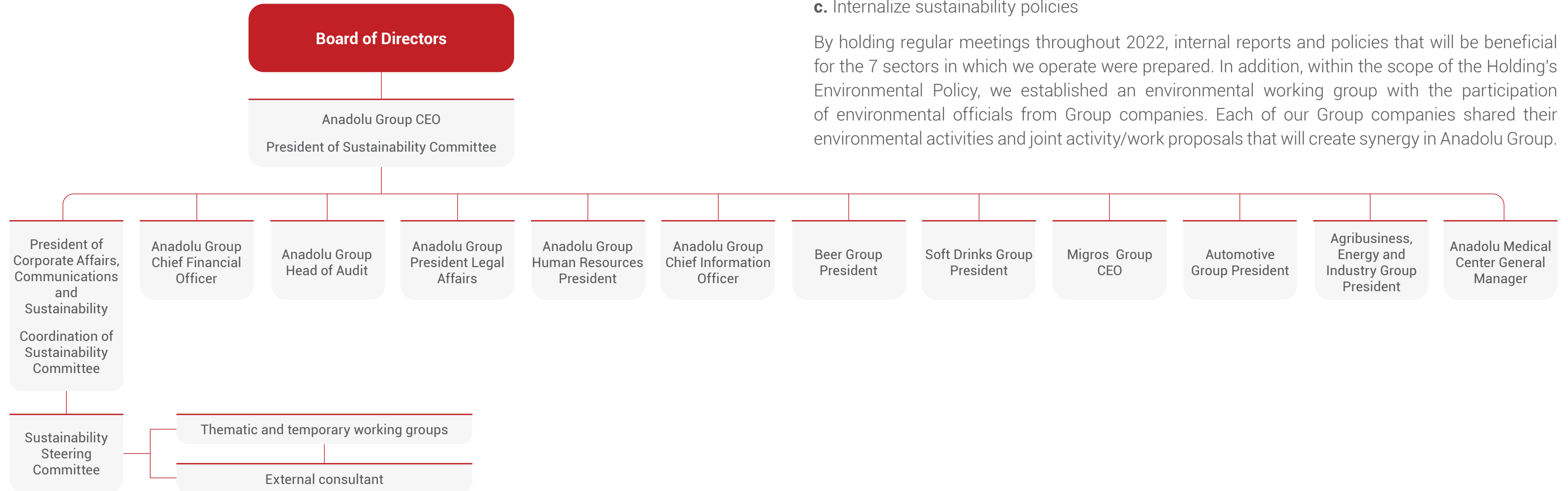
Based on the responsibilities of the Anadolu Group Sustainability Committee, we temporarily set up working groups. We have created the sustainability culture within our group in order to spread the culture in every field, to accelerate learning from each other and to provide long-term benefits in our business processes.

Working groups with representatives from Holding and Group companies:

- a. National and international developments
- b. Global climate change actions
- c. Internalize sustainability policies

By holding regular meetings throughout 2022, internal reports and policies that will be beneficial for the 7 sectors in which we operate were prepared. In addition, within the scope of the Holding's Environmental Policy, we established an environmental working group with the participation of environmental officials from Group companies. Each of our Group companies shared their environmental activities and joint activity/work proposals that will create synergy in Anadolu Group.

Sustainability Committee



Material Issues

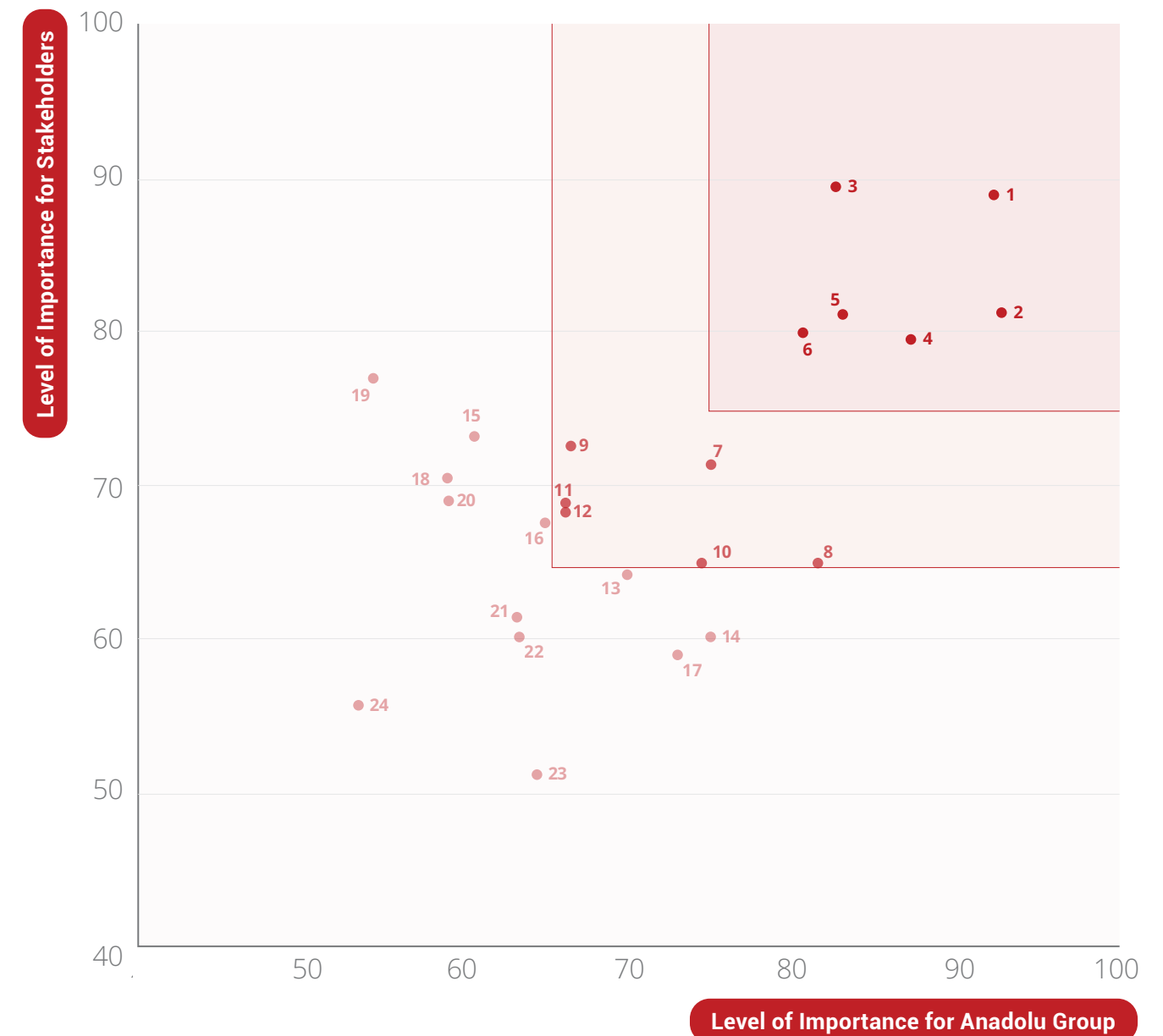
In 2020, we conducted a comprehensive and participatory stakeholder analysis process to identify the materiality sustainability issues warranting Anadolu Group's focus. Using an online questionnaire, we reached our internal stakeholders (employees) and strategic external stakeholders (representatives from suppliers, business partners, investors, analysts, nongovernmental organizations, public institutions, media, universities and international organizations) to identify stakeholder priorities.

We reviewed in 2021, our Group's sustainability priorities while developing the sustainability strategy, "From Anadolu to the Future". We reevaluated our priorities in light of the COVID-19 pandemic and the ensuing global developments.














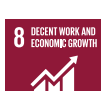
















Our priorities, which we reviewed in 2021, continue to be valid in 2022 as well. We carried out the following in this process:

- ◆ We analyzed the trends in Turkey and the world through a literature review. Within this scope, we assessed striking global and local agenda items through an in-depth study of the World Economic Forum's global risk predictions, sector-based materiality maps defined by the Sustainability Accounting Standards Board (SASB), the Sustainable Development Goals and the 11th Development Plan.
- ◆ We organized one-on-one meetings with Anadolu Group CEO, Group Presidents and CEOs of Group companies
- ◆ We evaluated our focal subject areas in line with our business strategy.
- ◆ We drew upon the impact analysis methodology, which recommended by the SASB for determining materiality areas, allowing us to address each area in terms of its impacts and opportunities. We evaluated the significant risks and opportunities in finance, law, innovation and competition.

Following the materiality analysis, we identified extremely important and very important issues. **Climate change and energy** ranked high in extremely important issues given the global and local developments. **Responsible resource management and purchasing** became an extremely important as COVID-19 brought disruptions to the supply chain. As talent deficit gained importance in the global and local agendas, **talent management** climbed up the high-priority list.



- | | | |
|---|---|--|
| <ul style="list-style-type: none"> ● Extremely Important 1 Climate change and energy 2 Digital transformation 3 Water and wastewater 4 R&D and innovation 5 Packaging and waste 6 Responsible resource management and procurement | <ul style="list-style-type: none"> ● Very Important 7 Product quality and safety 8 Talent management 9 Human rights and fair working conditions 10 Risk management 11 Business ethics 12 Stakeholder engagement | <ul style="list-style-type: none"> ● Important 13 Anti-bribery and anti-corruption 14 Corporate governance 15 Circular economy 16 Equal opportunity and safety 17 Employee loyalty and satisfaction 18 Customer satisfaction and communication 19 Occupational health and safety 20 Biodiversity 21 Data privacy and cybersecurity 22 Contribution to local development 23 Multi-stakeholder initiatives and collaborations 24 Community investment programs |
|---|---|--|

Level of Importance	Material Issues	Related SDG	Management	Relevant Section
Extremely Important	Climate change and energy		Risks arising from climate change affect the industries in which we operate at different levels. We focus on energy efficiency and strive to minimize greenhouse gas emissions to contribute to the fight against the climate crisis and mitigate the risks.	The Future of Nature – Net-Zero for the Future 
	Digital transformation	 	Having integrated technology and digitalization into our business processes, we have made our business more efficient and maintained our competitive edge with digital transformation. We are investing in digital technologies in our own business processes and activities.	The Future of Business – Digitalization and Innovation for the Future 
	Water and wastewater	 	We aim to maintain the continuity of our business by managing water resources in the most efficient way possible. We strive to minimize water consumption and wastewater and improve the quality of water emissions.	The Future of Nature – Water Cycle for the Future 
	R&D and innovation	 	We invest in R&D and innovation for the sustainable transformation of our business models. We carry out innovative projects for product, process and operation development, which will sustain our global success and increase end-user satisfaction. We support an entrepreneurship ecosystem both within and outside our company.	The Future of Business – Digitalization and Innovation for the Future 
	Packaging and waste		To fight against waste, one of the most significant environmental concerns, we strive to reduce our waste production at the source as much as possible. We also apply recycling techniques and provide the necessary human, technology and financing resources to dispose of waste in an eco-friendly manner.	The Future of Nature – Circular Economy for the Future 
	Responsible resource management and procurement	 	We aim to strengthen our stakeholders while managing a large value chain in the industries in which we operate. Furthermore, we prioritize transparency and environmental responsibility in our procurements and strive to raise supplier standards.	The Future of Business – Responsible Manufacturing for the Future 
Very Important	Product quality and safety		By maintaining high standards in the value chain, we ensure that our customers always receive safe, high-quality products and services.	The Future of Business – Responsible Manufacturing for the Future 
	Talent management	 	We aim to recruit new-generation talents to Anadolu Group companies, retain the talents we have and develop personal-development and career-planning practices.	The Future of People – Human Resources for the Future 
	Human rights and fair working conditions	 	We protect employee rights and prevent discrimination throughout our value chain, providing an equal and fair work environment.	The Future of People – Human Resources for the Future 
	Risk management		To ensure the sustainability of our business, we identify financial and non-financial risks on a domestic and global scale in advance, take necessary measures and seize new opportunities.	The Future of Business – Integrated Governance for the Future 
	Business ethics		We establish business relationships based on principles of ethics and transparency with all stakeholders, particularly employees.	The Future of Business – Integrated Governance for the Future 
	Stakeholder dialog		We continuously seek opinions and feedback from our stakeholders on a range of topics through various communication platforms.	From Anadolu to the Future – Stakeholder Communication 

Stakeholder Communication

We interact with various stakeholder groups across a wide inter-group ecosystem. To maintain effective stakeholder dialogue, we establish one-way and two-way communication. To meet their expectations and needs, we decide on the type and frequency of the communication channel based on the nature of the stakeholder group.

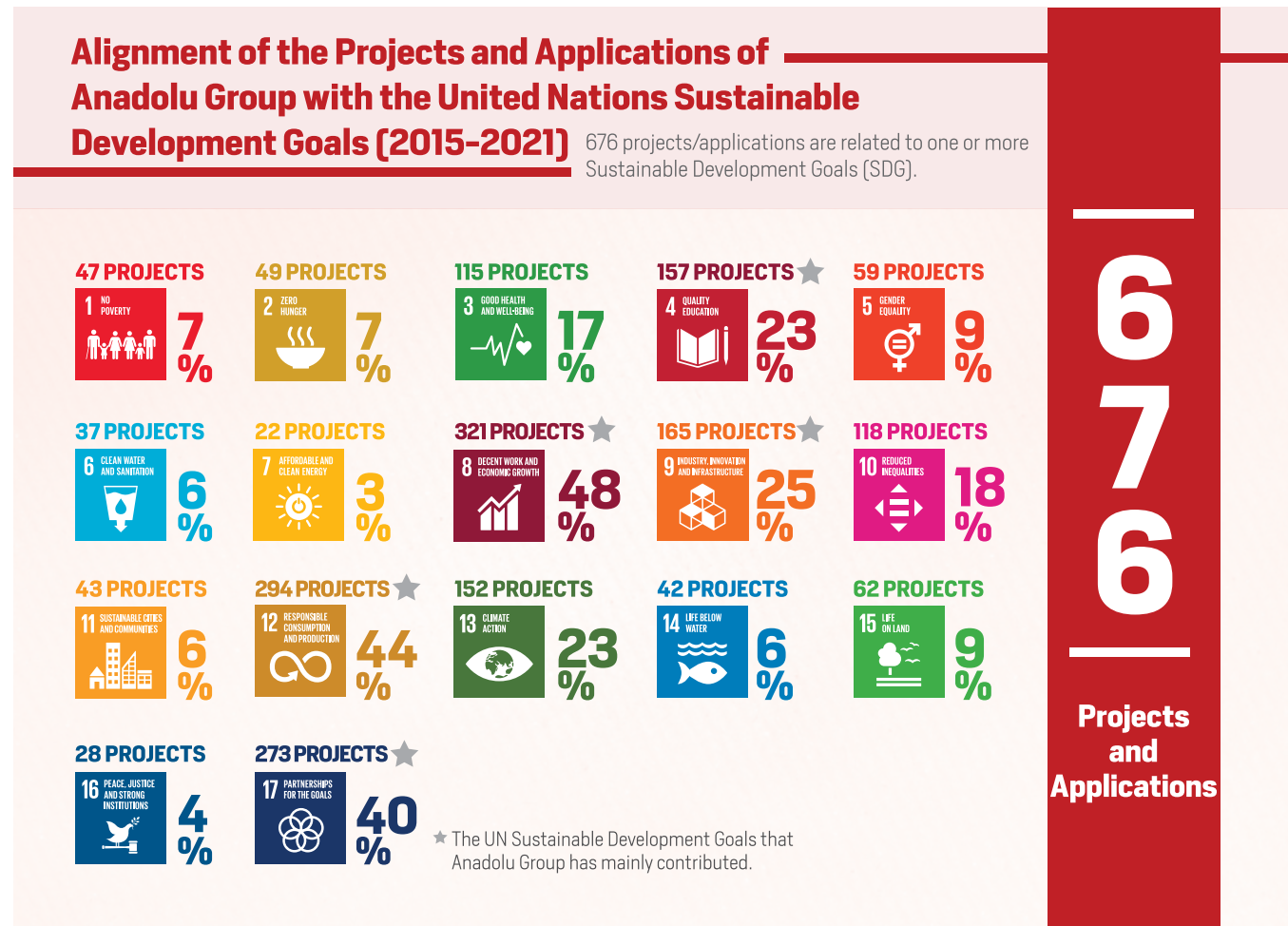
We have been conducting awareness studies since 2021 to measure awareness among Anadolu Group employees regarding our sustainability efforts and to promote mutual communication with our employees. In 2022, we organized a group-wide online questionnaire via Computer Aided Web Interviewing, including statements regarding our activities within the scope of From Anadolu to the Future. The survey allowed us to gather insights into the extent to which Group employees embrace sustainability activities, which will inform the upcoming projects and initiatives to be undertaken in the next period. Consisting mainly of Generation Y participants, the survey measured the awareness and recollection regarding From Anadolu to the Future activities and the individual participants' behaviors concerning environmental sustainability. We then organized a subsequent raffle between the participants who answered correctly on our strategy's 12 focus areas and gifted hats decorated with the Anatolian ground squirrel to promote our biodiversity project. We also inquired about group employees' preferred communication channels regarding sustainability activities. We are confident that the outcome will contribute to the upcoming project.



By Impact	Stakeholder Group	Communication Method	Communication Frequency
Direct Economic Impact	Employees and Group companies	Leader messages, internal communication efforts, media communication efforts, digital media channels, internal and external reports/meetings, trainings, indoor digital announcement platforms, ethical line, Anadolu Group Innovation Program (Bi-Fikir)	Year-round
		Anadolu Group Innovation Day (Bi-Fikir Festivali)	Annually
		Annual report	Quarterly
		Sustainability report and SDG alignment report, researches & surveys	Annually
	Suppliers	Media communication efforts, digital media channels, supplier meetings	Year-round
		Annual report	Quarterly
		Sustainability report and SDG alignment report	Annually
	Shareholders and investors	Media communication efforts, digital media channels, meetings, conferences and road shows	Year-round
		Annual report	Quarterly
		Sustainability report and SDG alignment report	Annually
Customers	Media communication efforts, digital media channels	Year-round	
	Annual report	Quarterly	
	Sustainability report and SDG alignment report	Annually	
Indirect Economic Impact	Financial institutions and analysts	Media communication efforts, digital media channels, meetings, conferences and road shows	Year-round
		Annual report	Quarterly
		Sustainability report and SDG alignment report	Annually
	Business partners	Media communication efforts, digital media channels	Year-round
		Annual report	Quarterly
		Sustainability report and SDG alignment report	Annually
	Public institutions and local administrations	Media communication efforts, digital media channels, visits/meetings	Year-round
		Annual report	Quarterly
		Sustainability report and SDG alignment report	Annually
Non-governmental organizations	Media communication efforts, digital media channels, visits/meetings, project partnerships	Year-round	
	Annual report	Quarterly	
	Sustainability report and SDG alignment report	Annually	
Media	Media communication efforts, digital media channels, meetings and networking activities	Year-round	
	Annual report	Quarterly	
	Sustainability report and SDG alignment report	Annually	
Sources of New Opportunities, Know-How and Perception	National and international regulatory bodies	Digital media channels	Year-round
		Annual report	Quarterly
		Sustainability report and SDG alignment report	Annually
	Universities	Digital media channels, project partnerships	Year-round
		Virtual Career Day	Biannually
		Education programs, participation in university events	Year-round
		Innovation program (Bi-Fikir KAP)	For six months
	Annual report	Quarterly	
	Sustainability report and SDG alignment report	Annually	

UN SDGs Alignment Efforts

To demonstrate our contribution to the SDGs, we updated Anadolu Group SDGs Alignment Report, From Anadolu to the Future, first published in 2019, to cement our commitment to the SDGs. We published our analysis report on the 676 projects selected from among group companies' sustainability projects and practices from 2015 to 2021. The report illustrates that Anadolu Group actively participates in the realization of the SDGs and conducts many activities that benefit global development and comply with international standards.



Cooperation of Anadolu Group and Business for Goals (B4G) Platform to Provide Guidance on SDG Reporting

Anadolu Group combined efforts with Business for Goals (B4G) Platform to formulate reporting guidelines concerning SDGs for the Turkish business world. Subsequently, we produced a set of three instructive guides for all establishments that have integrated SDGs into their business processes and seek to measure their performance in this initiative. Furthermore, we translated into Turkish two important guiding documents namely The **Sustainable Development Goals Compass** and **Business Reporting on the SDGs**. To share our actions and methodology in preparing our SDG alignment report with the business world, we formulated **Anadolu Group Reporting and Communication Strategy Guidelines for the SDGs Alignment Report**. We intended for these public documents to lead establishments that wish to participate in the reporting process to contribute to the SDGs, analyze their performances, and share the results with the world.



Anadolu Group SDGs Alignment Report, From Anadolu to the Future, is a groundbreaking study in the Turkish business world, as it contains inventories and analyses that correlate each group project and application with each SDG.



FROM ANADOLU TO THE FUTURE

The Future of Nature



We act today for the future of nature.

The Future of Nature

The right time to take action for the future of nature is today. Thus, we consciously aim to nourish lives in every country and field in which we operate. We are deeply aware that the continuity of our business depends on the gifts that nature offers us. We know that the most fundamental relationship between humanity and nature is the constant exchange of resources. We plant seeds that nourish our world today, we carry the love and respect we have for nature to our work. We protect "The Future of Nature", preserving all living things with whom we share the planet; the continuity of our business and the welfare of the communities we are connected to. We embrace international pledges, particularly the United Nations Sustainable Development Goals and the European Green Deal.

We provide tangible solutions for the future of nature:

We combat climate change. We encourage low carbon manufacturing, embracing the Net-Zero for the Future principle. We responsibly source the raw materials we use, water in particular and reintroduce the wastes resulting from our operations into the economy. We preserve the water cycle for the future, working consciously to provide uninterrupted flow for our common future, providing solutions for reducing and reusing water. We embrace the principle of circular economy for the future as we reduce, recycle and re-use waste instead of linear consumption in our waste management processes. We consciously support agriculture for the future. We actively take steps to transform agriculture, knowing that it is the true pioneer of a sustainable world today and tomorrow. We encourage the suppliers in our value chain to adopt restorative and regenerative agricultural practices, ensuring that the agricultural products that have a significant share in our portfolio are manufactured with innovative and purposeful methods. We protect biodiversity for the future. We consciously conduct projects that preserve the diversity of all ecosystems and life forms, reducing the impacts of our operations for a better, more sustainable world today.

Our Group companies continue to manage and improve environmental performances in compliance with their ISO 14001 Environmental Management System certificate. In 2022, AG Anadolu Grubu Holding did not receive any environmental fines.

Visionary Goal	Progress
By 2030, reducing greenhouse gas emissions in scope 1 and 2 by 50% compared to 2020, working with the vision of becoming net-zero company by 2050 ² .	In scope 1 and 2, we reduced our greenhouse gas emissions by 20,772.72 tons of CO₂e compared to 2020.

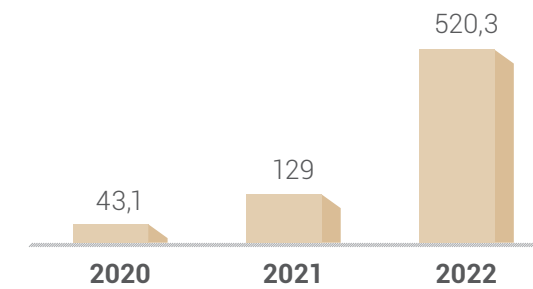
² We identified a base year for our scope 1 and 2 greenhouse gas emissions and set a proportional goal to identify our absolute target.

Contribution to Sustainable Development Goals



We **quadrupled**³ our environment budget from the previous year and registered **520.3 million** Turkish Lira in investments and expenses.

Environmental Investments and Expenses (TRY Million)



Company	ISO 14001 Certificate	ISO 14064 Certificate	ISO 50001 Certificate
AG Anadolu Grubu Holding	✓		
Anadolu Efes	✓*		✓**
Coca-Cola İçecek	✓	✓	✓***
Migros	✓	✓	
Anadolu Isuzu	✓	✓	✓
Anadolu Motor	✓		
Anadolu Etap	✓		✓****
Aslancık Elektrik	✓		✓
Adel Kalemcilik	✓		✓

* Valid for the nine locations.
 ** Valid for the 10 locations.
 *** Valid for all Türkiye, Pakistan, and Kazakhstan facilities and the Bishkek facility in Kyrgyzstan.
 **** Valid for beverage facilities of Anadolu Etap.

³ The 2022 average currency rate for the USD/TRY parity obtained at OECD.

Net-Zero for the Future



We deeply feel the environmental, social and economic effects of the climate change. We act today to transform these influences for a better future. Embracing the net-zero for the future principle, we gradually reduce greenhouse gas emissions in our battle against climate crises. We are a part of the solution today in order to build a better future.

The Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report concludes that climate change occurred due to human activities and greenhouse gas emissions need to be immediately and crucially reduced to zero to maintain global warming at 1.5 °C level. The Working Group II contribution to the IPCC Sixth Assessment Report, "Climate Change 2022: Impacts, Adaptation, and Vulnerability", evaluates the world's adaptation capacity and flexibility toward climate change. It emphasizes the complex threats posed by climate change.

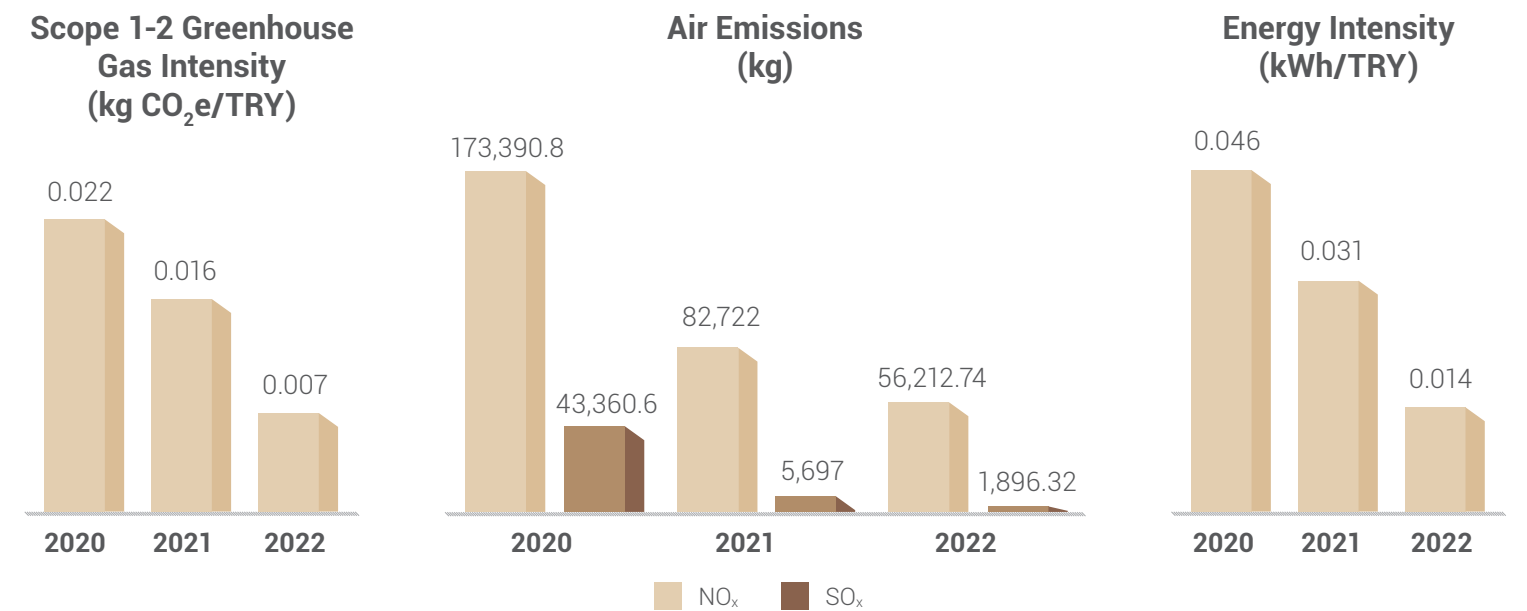
Initiating action to reduce emissions to zero at the government, company, investor, and non-governmental organization levels, as well as many other stakeholder groups, listed at the top of the materiality issues. The UNEP's "Emissions Gap Report" ⁴ suggests only 45% of reaching 1.5°C. Adapting to the science-based targets requires risk management where climate risks and opportunities evaluated and transitional risks compensated.

We measure our impact on the climate crisis in line with our visionary goals and manage our investment and efficiency processes to reduce it further. We regularly carry out group-wide measurements of greenhouse gas emissions. In line with our goal to become a net-zero company, we are conducting efficiency studies and implementing projects. We make calculations to include the area affected by our activities toward our sustainability goals and transparently share our environmental impacts.

We are aware of the critical importance of energy in reducing greenhouse gas emissions. Therefore, we are investing in renewable energy sources together with our Group companies. There is no Emissions Trading System in Türkiye yet, and our country is not included in the carbon pricing system. However, we still take the pricing approaches set forth by the Partnership for Market Readiness⁵ for the Carbon Market by the Republic of Türkiye Ministry of Urbanization and Climate Change into consideration regarding legal compliance. We are conducting carbon-pricing studies within the company to prevent legal changes in carbon prices that pose a risk to our stakeholders and operations and to include our emission values in our investment preferences.

Voluntary carbon markets, on the other hand, play a crucial role in the struggle against climate change and in reducing emissions. Many companies and investors have been participating in the voluntary carbon markets. Our energy companies merited certification for 827,828 metric tons of verified carbon in exchange for the 1,559,930 MWh of electricity generated between 2014–2019. We concluded the sales of these certificates. We also budgeted for the 2023 sales of the 329,000 metric tons worth of certificates verified in exchange for 620,676 MWh generated since 2020. Our energy companies will remain in the growing voluntary carbon markets.

We are reducing our carbon footprint by adapting to transitional risks. At the same time, we also monitor the impact of our carbon-intensive operations emitting scope 1 and 2 greenhouse gases. Total greenhouse gas emissions⁶ registered as 18,799,545 metric tons of CO₂e in 2022. Energy intensity reached 0.014 kWh/TRY while greenhouse gas intensity for scope 1 and 2 remained at 0.0074 kg CO₂e/TRY and 0.105 kg CO₂e/TRY for scope 1-2-3. Compared to the previous year, in 2022, we reduced emissions by 46,296 tons of CO₂e, including 33,493 tons of CO₂e in our scope 1 emissions and 12,802 tons of CO₂e in our scope 2 emissions. We also measure, monitor, and work to reduce air emissions in addition to greenhouse gases. NO_x emissions in 2022 registered as 56,212.74 kg and SO_x emissions as 1,896.32 kg. We are maintaining our actualization rates towards our target through the reductions we have achieved.



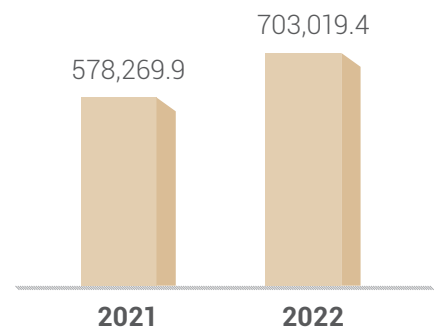
We increase our renewable energy uses and investments in this field, which support our goal of reducing our greenhouse gas emissions. In 2022, we purchased 230,369.34 MWh of renewable energy. Compared to the previous year, we increased our renewable energy production by 22% and produced 703,019.4 MWh of renewable energy. On the other hand, we sold 675,721.9 MWh of renewable energy, which we produced with an increase of 139,424.5 MWh compared to 2021.

⁴ Emissions Gap Report 2022

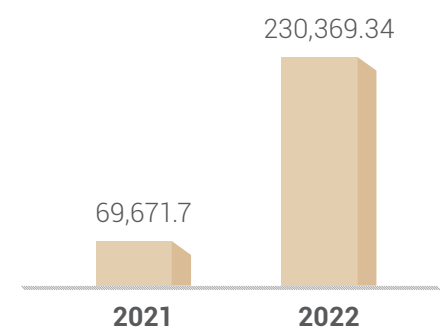
⁵ PMR Türkiye – PMR Türkiye

⁶ Greenhouse gas emissions for 2022 include emissions due to logistics activities by the holding, CCI, Migros, Anadolu Isuzu, and Çelik Motor.

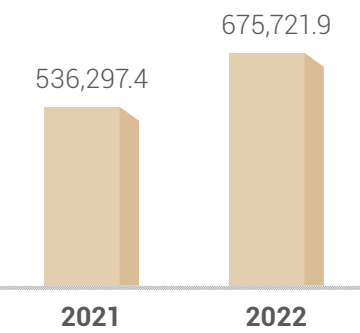
Produced Renewable Energy (MWh)



Purchased Renewable Energy (MWh)



Sold Renewable Energy (MWh)



Anadolu Efes Carbon Footprint Mapping Project

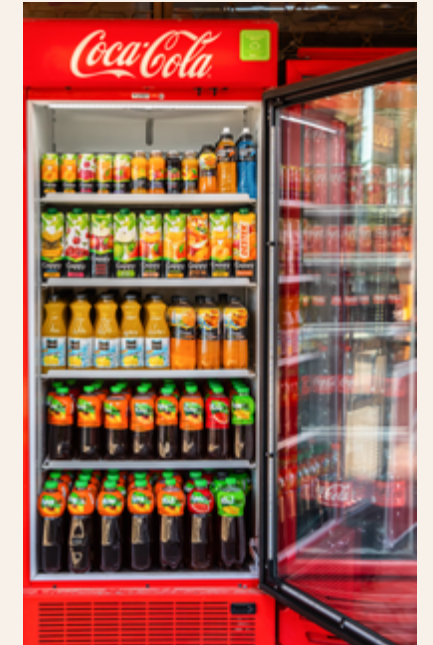
Anadolu Efes works on the planned reduction of greenhouse gas emissions as part of the fight against the climate crisis. Carbon footprint calculations and mapping for scope 1, 2 and 3 emissions throughout the company operations are completed. The project's first stage recalculated the scope 1 and 2 emissions from 2020, defined as the base year, applying an extended scope and updated methodology to set a goal for 2030. The project also calculated scope 1 and 2 emissions within 2021 to determine the environmental impact of emissions throughout the reporting period. Scope 3 emissions for the current period also calculated in the categories subject to the methodology and framework.

Migros Introduces Carbon Footprint Actions for Suppliers

Migros launched the "Sustainable Business Partners Network" platform in 2022 toward its net zero goal. The platform helps the company measure to the impact of scope 3 emissions stemming from products provided by the suppliers and to achieve strategic and environmental goals through a responsible production and consumption approach. Migros monitors various environmental parameters, including carbon emission, water consumption, and the amount of waste pertaining to suppliers and unique brand producers that account for 80% of its turnover. It also monitors the progress in its goals against climate change and supports its suppliers to achieve its goals. An independent auditing company examines all shared data. As part of the program, Migros organized the Greenhouse Gas Emission Calculation Training with nearly a hundred suppliers participating in observing their environmental impact and helping with calculations for the Sustainable Business Partners Network platform.

CCI's Practices for Reducing Carbon Footprint

CCI considers energy efficiency and climate preservation as the primary intervention points for reducing environmental footprints. CCI opts for environmentally friendly alternatives and highly energy-efficient equipment with a sustainable and responsible purchasing approach. In line with its 2030 Sustainability Pledge, the company aims by 2030, compared to the base year of 2015, to power all manufacturing sites on 100% renewable energy, to make them carbon neutral and to reduce total absolute emissions by 13% and emissions per liter of product by 50% along the value chain while still growing the business volume.



The company's commercial performance in transporting millions of products based on an effective logistics network that optimizes the number of vehicles and distances while also minimizing emissions. Logistics optimization is essential to commercial performance. The company also opts for fuel-efficient and low-carbon vehicles. It also replaces LPG forklifts with electric ones and achieves a 68% reduction in carbon dioxide emissions per forklift.

The company has prevented approximately 1,400 metric tons of greenhouse gas emissions since 2013 with the "Route Optimization Project" and since 2016 with the "Road Net" platform. CCI also saved 29 million MJ of energy and prevented 2,150 metric tons of CO₂ emissions through operational excellence projects. Best practices throughout the value chain prevented 609,000 metric tons of CO₂ emissions annually.

CCI uses green electricity across its entire cloud system. Highly prioritizing digitization, the company became the first fast-moving consumer goods company to adopt biometric signature practices thanks to the joint efforts of the Digital Technologies and Legal Departments. Over a thousand documents signed with a biometric signature since the project's launch in 2019.

While cooling operations highly boost the consumer experience of products, they are also responsible for reducing environmental footprints. To this end, the company upgrades current equipment with more energy-efficient technology and cooperates with suppliers to develop and improve climate-friendly coolers. The company also purchased hydrofluorocarbon (HFC)-free coolers equipped with an EMD over the last 10 years and prevented the emission of 2.5 million metric tons of CO₂, which is the equivalent of the amount of CO₂ sequestered by approximately 41 million saplings throughout 10 years.

Migros Renewable Energy Initiatives

Migros uses renewable energy sources and invests in solar power plants (SPP) in line with its environmental sustainability goals. The SPP of 1.2 MW of installed power, mounted on the Adana Distribution Center roof in 2022, launched in September. With an annual capacity of 1,680 MWh, the plant provides for approximately 90% of Adana Distribution Center's annual energy needs and prevents the emission of nearly 744 metric tons of carbon dioxide into the atmosphere per year. Launched in September 2022, the Adana Distribution Center SPP generated 313 MWh of electricity. The company aims to continue exploiting natural resources efficiently. Currently, it has new SPP projects, still awaiting permissions, scheduled for 2023. The company obtained the International Renewable Energy Certificate for 134,100 MWh from the International REC Standards (I-REC), established to monitor the source of energy generated from renewable sources and to prove its consumption. In 2022, the company provided 21.42% of its energy consumption, equivalent to 134,413 MWh, from renewable sources.



Anadolu Isuzu Reduces Emissions by Real-Time Monitoring

Anadolu Isuzu expands the use of Industry 4.0 technologies in all production plants and contributes to the fight against the climate crisis. The company replaced the operator-conducted actions during the painting and drying of vehicles with automated sensors. The project prevents the operation of high-energy consumption fans when no vehicles are in the cabins. The goal is to save an annual 60,000 kWh in energy, reduce CO₂ emissions by approximately 50 metric tons, and achieve a 36,000 Turkish Lira saving on costs.

Kia's Alternative Fuel Strategy

Through its global Plan S strategy, Kia aims to develop 14 electric vehicle models by 2027 and to generate 30% of its total sales from electric vehicles by 2030. Within the project's scope, Çelik Motor has already launched hybrid, mild-hybrid, and electric models, which appeal to Turkish consumer preferences, to the market.



Combating Climate Change at Migros

Migros strives to reduce the high impact of greenhouse gas emissions stemming from the cooling systems, and accounting for most scope 1 emissions, on the life cycle analysis. The company obtained the patent for the cooling system, which already had the Utility Model Certificate. Migros switched to a water-cooling system in 29 stores as of 2022. The company currently has water-cooling systems installed in 54 locations, including 51 stores and three distribution centers, and plans to increase these figures. All new stores to launch in 2023 must be equipped with a water-cooling system. Furthermore, the cooling systems installed in distribution centers and stores do not contain HFC, a substance of high "Ozone Depletion Potential".

The company also continues to work on energy consumption, one of the significant standpoints in combating climate change. Energy efficiency steps reduce carbon emissions in operations and boost overall efficiency. Migros stores to renovate or launch will be equipped with voltage regulators and high automation efficiency systems to reduce their



overall environmental impact. The energy monitoring system regularly measures the energy consumption daily, weekly, or monthly, while the automation system monitors the consumption data on the cooling, HVAC, and lighting systems. The company also saves energy in stores with daylighting systems and solar reflective roof paint to reduce the heat island effect.

Water Cycle for the Future

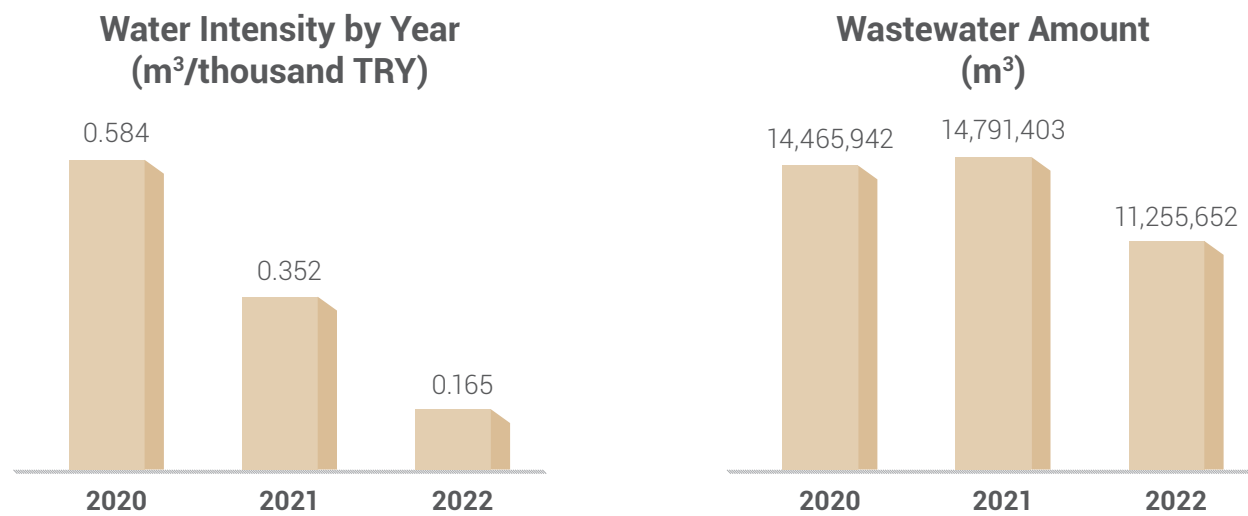


The mounting pressure on natural resources jeopardizes the continuity of our resources today and for the future. That's why we consciously integrate the water cycle for the future principle into each and every work we do, encouraging responsible use of resources to manage the risk. We develop innovative solutions that allow us to build a better future. We focus on reducing and reusing water in our manufacturing processes to ensure effective use of water resources. We protect the water cycle by creating innovative solutions today in order to build a better future.

The World Resources Institute (WRI)⁷ expects global water consumption to increase by 30% by 2050, given the rising population, socioeconomic developments, and changing consumption habits. Data published by the WRI suggest that 4 billion people face water stress for at least a month per year. The WRI Aqueduct Water Risk Atlas⁸ considers Türkiye subject to high water stress and facing the threat of drought.

Climate change-induced floods and droughts, irregular precipitation patterns, changes in sea levels, and damage to aquatic ecosystems not only threaten regional biodiversity but also pose risks to the continuity of economic activities. We implement efficient water management procedures and recover our wastewater to reduce the risks stemming from geographical conditions and the negative impacts of climate change.

In 2022, we reduced the amount of wastewater by 24% compared to 2021 with our efficiency studies.



⁷ Understanding Risk and Investing in Solutions for Water Security | WRI (wri.org)

⁸ Aqueduct Water Risk Atlas (wri.org)

Water Management and Water Replenishment Programs at CCI

CCI highly prioritizes the impact of the climate crisis on water resources in all facilities and the basins in which they are located. It draws water for production and production processes from local sources. With that in mind, the company carries out a Source Water Vulnerability Assessment (SVA) and develops a Water Management Plan to use the water efficiently and to reduce water-related risks in its system and in the societies to which it serves. Furthermore, CCI continues to cooperate with the Coca-Cola Company (TCCC), the Coca-Cola Foundation, the United Nations Development Programme (UNDP), the United States Agency for International Development (USAID), relevant state institutions and organizations, and various civil society organizations.

CCI monitors the amount of water used to produce 1 liter of product. The company created a water map to track its plants' daily water consumption. The company also analyzes, evaluates, and upscales best practices among the CCI plants to reduce the water-use ratio (WUR).

It also supports TCCC's primary goal: "For every drop of water we use, we give one back" to minimize the negative impact on water. CCI applied various tools, including TCCC's Water Risk Assessment Framework, Source Water Vulnerability Assessment (SVA), the World Resources Institute (WRI) Aqueduct, Global Corporate Water Risk Assessment, and Global Water Risk Assessment, to identify, assess, and resolve water-related risks in its active regions. To analyze and interpret the outcomes of the Water Risk Assessment in a local background, we conducted surveys in production plants on water use, water stress, source security, basin security, and social and stakeholder concerns. According to the mapping based on survey results, 13 locations out of 30 of the high environmental, social, and governance risks were assigned leadership locations. Then, leadership locations in Türkiye, Pakistan, and Jordan prioritized. The first stage launched within this scope with the 2022 water replenishment project in Bursa.

CCI also issued the first sustainability-linked bond in the beverage industry in Europe, the Middle East, and Africa. Having received the ESG Bond Issuance of the Year award at the Bonds, Loans, & Sukuk Türkiye Awards, where the most innovative and groundbreaking agreements compete, CCI aims to reduce its WUR by 17% from 1.69 L/L in the base year 2020 down to 1.4 L/L by 2029. CCI received the Best Campaign Award at the 2022 Best Business Awards for its sustainability-linked bond issuance campaign.

In 2022, CCI saved approximately 285,588 m³ of water thanks to water efficiency projects and investments in its operational countries. CCI's overall water savings on a company-wide scale is over 2 million m³. Furthermore, the company recycled and reused 232,305 m³ of water in 2022.

As part of its 2030 Sustainability Pledge, CCI commits to increasing its water efficiency by 20% compared to the base year 2020, achieving water neutrality, and ensuring water security in water-stressed locations through community projects by 2030.

Anadolu Etap Commissioned Package Treatment Plant

Anadolu Etap installed a package treatment plant to physically process domestic wastewater for compatibility with the recipient environment before discharge. The plant processes 10 m³ of domestic wastewater daily through various methods (physical, biological, and advanced) to remove polluting materials from the water.



Anadolu Efes Water Efficiency Projects

Anadolu Efes locates water management as a part of corporate risk management. The company identifies high water use processes to improve performance further. As the first Turkish company to sign the CEO Water Mandate in 2014, Anadolu Efes prioritizes water efficiency practices and makes progress by setting targets. In 2022, the company implemented a total of 8 projects, primarily focused on water reuse and water and energy savings. As a result of these projects and a facility in Ukraine not operating during 2022, Anadolu Efes' total water consumption decreased by approximately 30% compared to the previous year, amounting to 10,078,609 m³.

Anadolu Efes Players Donned Specially Designed Jerseys to Support the World Water Day Jersey Awareness Project

Emphasizing preserving water sources, Anadolu Efes Sports Club played against Real Madrid on March 22, 2022, wearing specially designed World Water Day jerseys to raise awareness among all stakeholders in cooperation with Wilo Türkiye. The club aimed to highlight the depleting water sources and the importance of clean water with the project. Under the primary "Act for the Planet" project, their World Water Day Jersey earned the club the Golden Award for the fifth time at the EuroLeague Devotion Marketing Awards.



Migros Water Efficiency Initiatives

Migros carries out a diverse range of activities for the efficient use of water and to prevent the environmental impacts of the wastewater generated from its operations. The company tracks water reduction goals per sales meter square for daily water consumption.

The corporate goal is to reduce daily water consumption per sales meter square by 10% by 2030 compared to the base year 2021. Migros monitors consumption and saving amounts every year and focuses on efficiency projects and investments to achieve its goal. The company registered an additional decrease of 1.9% in 2022 compared to the 2021 figures.

Circular Economy for the Future



We provide tangible solutions that support the circular economy today. We offer practices to enable the recycling and reuse of wastes to reintroduce them into the economy. We embrace and encourage this approach throughout our whole value chain. We contribute to the circular economy by taking solid steps today in order to build a better future.

Currently, prevailing linear production processes building on the “Buy–Use–Throw Away” concept further trigger irresponsible use and depletion of sources with devastating results for our planet. Circular economy models, unlike linear models, reuse the sources within the same economy to create positive financial and environmental impacts. These business models efficiently use and recycle raw materials and reduce waste production, boosting economic, social, and environmental values. While the increasing efficiency in source use and the multi-purpose use of raw materials as multiple inputs reduce greenhouse gas emissions, they also reduce the risks in the value chain. We adopt a waste reduction, reuse, and recovery approach in all our processes and instill a circular economy model.

Linear production and consumption practices trigger source depletion and waste production. The rising population and people’s busy daily lives further boost single-use plastic and packaging consumption, subsequently introducing pollution. At this point, preventing production- and consumption-related waste generation and reintegrating the generated waste into the value chain through reuse become critical. We must adopt circular economy approaches, plan and instill actions to this end. We adopt responsible production and consumption practices in line with the UN SDGs and the targets set by the EU Green Deal.

We implement proper waste management in accordance with AG Anadolu Grubu Holding Waste Management Procedure and encourage all group companies to comply with this approach throughout the entire value chain. We take the circular economy approach to waste management, attempt to reduce waste generation at the source, and reincorporate waste into the economy through R&D projects, investments in zero waste efforts, and waste reduction practices. Furthermore, as AG Anadolu Grubu Holding, we are certified for the zero waste legislation of our Group companies and our Zero Waste Management System, established in 2020 in compliance with the relevant regulation and the Zero Waste approach by the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change.

Companies Received the Zero Waste Certificate	Facilities Received the Zero Waste Certificate
AG Anadolu Grubu Holding	Headquarters
Anadolu Efes	All Plants in Türkiye and Headquarter
Coca-Cola İçecek	All Plants in Türkiye and Headquarter
Migros	Stores, shopping malls, distribution centers, fruit-vegetable warehouses, plants, headquarter and branch directorates
Anadolu Isuzu	Plant
Anadolu Medical Center	Gebze Hospital

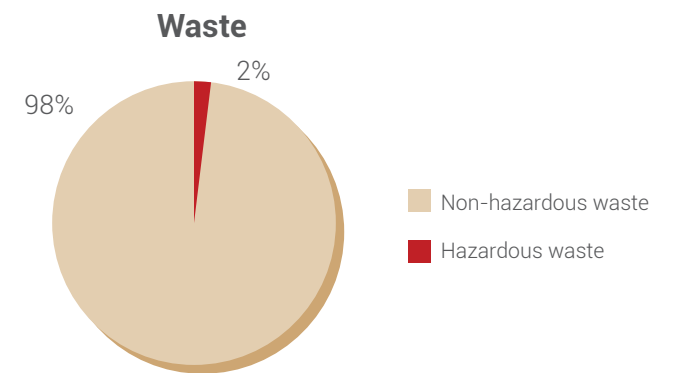
Within the scope of our activities as part of the Business Plastic Initiative, we are committed to reducing our plastic use as **AG Anadolu Grubu Holding and as our Group companies, **Anadolu Efes, CCI, and Migros.****

We adopt the innovational practices of the circular economy and invest in them to develop new methods to recycle and recover waste. In addition to attempting to prevent waste generation during manufacturing, we develop innovative practices with a holistic approach to reduce waste at the source. We further expand our impact area by establishing cooperation on packaging and food waste. We also develop joint solutions for choosing new suppliers and raising awareness among existing suppliers and stakeholders within our service area regarding the increased use of recycled plastics and biodegradable plastic raw materials. We undertake responsibility for our services and products and carry out necessary life cycle assessment to examine the environmental impacts and take strategic precautions. Life cycle assessment identify critical points where our impact is significant, and we plan developing processes for these points.

Of the waste our operations generate, 98% is non-hazardous, while 2% is hazardous. We implement different recycling procedures and research alternative recycling methods to recover waste in line with our waste management procedure.

In 2022, we recycled 3.5 times more hazardous waste for energy purposes. We composted non-hazardous waste approximately 2.5 times more than in 2021.

We recycled, revalued, or composted approximately **87% of non-hazardous and hazardous waste.**



CCI Sustainable Packaging Practices

CCI focuses on the packaging life cycle. CCI has long been working to increase the utilization of recycled materials in packaging production, going beyond the requirements of mandatory regulations. Within this scope, the company uses r-PET in the packaging of various beverages and 100% recyclable materials in the primary packaging. Returnable glass bottles can be reused up to eight times, reducing energy consumption and using fewer sources. The company encourages customers and consumers to opt for returnable glass bottles to further reduce its environmental impact. Furthermore, the company launched a project in 2008 in Türkiye to reduce the weight of PET bottles by reducing the neck length. As of 2010, the same bottle designs applied in Kazakhstan, Azerbaijan, and Kyrgyzstan operations. In 2015, the company expanded the scope of its efforts with the aim of spreading best practices to all countries where it operates. In 2022, the lightweight PET bottles allowed CCI to save 1,025 metric tons of resin in eight countries where the company does business. CCI aligned its packaging strategy with the 2018 TCCC program, "World Without Waste", which aims to cultivate a systematic change through a circular economy, grouping goals into three main categories: design, collect and partner. In 2022, the company announced its packaging and waste management goals within the scope of its 2030 Sustainability Pledge. The company aims to replace all packaging with recyclable continue to make 100 of their packaging recyclable by 2030 and use at least 50% recycled material in plastic packagings. The company also committed to collecting and recycling all packaging on markets in Türkiye, Pakistan, and Kazakhstan and to initiate packaging collection programs in other countries.



Migros #BagFreeShoppingMovement

The 2021 Bag-Free Shopping Movement in all Migros and Macrocenter stores encouraged all customers to give up plastic bags when shopping. In gratitude to all customers who supported the campaign, Migros planted 10,000 saplings on Manisa Yunt Mountain through the Aegean Forest Foundation. As part of the Bag-Free Shopping Movement in 2022, the raffle campaign gained a 21% reduction in the number of plastic bags used per transaction on a year-on-year basis.

The pilot application launched by the year-end offers online customers in select regions the option to go bag-free in their shopping and instead delivers orders in reusable, environmentally friendly bags. The application also takes back reusable bags to disinfect and prepare them for the next use. In 2022, with the support of the Republic of Türkiye Ministry of Environment, Urbanization, and Climate Change, the company gifted 750,000 reusable shopping bags to customers who shopped at physical stores at Migros Sanal Market or Migros Hemen on June 5, World Environment Day.



Kia Services Uses Reusable Fabric Seat Covers



Kia, since 2021, has been using fabric seat covers instead of single-use plastic ones in vehicles brought to service. The reusable fabric covers prevent the consumption of 400 plastic covers on a daily average. The fabric covers eventually contribute to a circular economy, reduce the amount of waste generated, and contribute to the European Green Deal goal to reduce plastic use.



Migros Project Fresh Leftovers to Our Four-Legged Friends

The Fresh Leftovers to Our Four-Legged Friends project has been ongoing since 2014. Unexpired and safe-to-consume food no longer preferred for human consumption donated to the Turkish Animal Rights Federation (HAYTAP) to deliver to stray and forest animals. In 2022, 1,530 metric tons of food collected from 897 stores in 76 provinces. The project has collected a total of 5,954 metric tons of food for animals so far.

Anadolu Efes Malty

Malty, the first start-up to be spin-offed from the Anadolu Efes Intrapreneurship Hub, was one of the fastestgrowing start-ups in its sector in 2022, introducing its products to consumers at over 1,000 sales points. As a "Sustainable Food Technologies" start-up, Malty started its second investment round, receiving an investment of 2.4 million Turkish Lira during the year. Malty's most significant R&D project, 'Türkiye's first upcycled malt fiber,' Malty Bites, was realized after the investment round. Malty, the first and only Turkish company member of the Upcycled Food Association in the United States, saves 19 liters of water with one package of Malty Bites (80 gr), which uses Malty upcycled malt fiber.

Kia Saves on Paper by Through Digitalization

The Kia warranty system launched full integration between GWMS and SAP and reduced paper consumption. Annual paper consumption across the dealership network declined by approximately 1 metric ton.



Migros and OMO Joined Up Forces to Install a Refilling Unit

Migros aims to mitigate plastic production and reduce plastic waste by encouraging reuse at the Refilling Unit set up in the Ataşehir MMM store in cooperation with OMO. The unit refills empty detergent bottles brought by customers for affordable prices to reintegrate them into the circular economy and helps reduce the plastic footprint. The Refilling Unit used over 7,000 times in 2022. The project scheduled to be upscaled.



Migros Sells Nuts at Jet Reyon

Jet Reyon developed as an Intrapreneurship Project. The system allows customers to purchase any amount of nuts without any weight limitation or contact. Migros customers can fill in the containers they bring to Jet Reyon. This idea reduces packaging waste and contributes to a circular economy.

Anadolu Etap Contributes to a Circular Economy

Dietary fibers have become a significant ingredient in many diet products and functional foods. They become increasingly prevalent in the food industry as their areas of use and consumption grow daily. The project aims to conduct R&D to produce dietary fibers from orange waste generated by the concentrated orange juice production process. The R&D will focus on producing dietary fibers from the orange waste generated at the production plant and create a new value out of a wasted product in line with the circular economy approach. It will also develop a process methodology to produce dietary fibers on an industrial scale. To this end, the project will develop a pilot-scale drying system and make the final product. The eventual goal is to produce dietary fibers for industrial production for the first time in Türkiye and to introduce a commercial product to the food industry.

Anadolu Etap researches alternative uses of concentrated Malt Must in various food products and develops new products in response to requests. The innovation efforts yielded a significant source, and the company introduced a new product to the market. The project, commercialized during the year, enabled the domestic production of a product that previously imported from abroad in the biscuits industry. The company also responded to domestic market requests and launched the Concentrated Malt 80 Brix product, used primarily in the biscuits industry as well as numerous others, to reduce the domestic market's foreign dependency and to provide advantage to the sector through innovative manufacturing methods.

Agriculture for the Future



Modern industrial agriculture affects soil health, acting a part of a major role in climate change. Being aware of the fact, we consciously adopt the agriculture for the future principle. We implement regenerative and restorative agricultural practices into our operations. We willingly and passionately contribute to the regeneration of the soil, increasing soil health and biological diversity, improving the water cycle and the ecosystems, increasing the carbon capacity of the soil and thus fighting against climate change. We preserve and nourish our resources today in order to build a better future.

Migros Implements Regenerative Agriculture Project

As 77% of products available at Migros stores rely on agriculture, Migros highly prioritizes sustenance of agricultural production in our country, access to safe food, tracking via blockchain technology, tracking geographical indication products, preserving agricultural biodiversity, and preventing food elimination. Taking the positive impact of regenerative agriculture on biodiversity and the ecosystem, the company works to spread regenerative agricultural practices. In line with its 2025 goal to expand its sustainable product range building on the regenerative agriculture project, Migros introduced M Life raw hazelnuts, its first Rainforest Alliance-certified product under its brand. Once included in the certification program, manufacturers evaluated periodically by independent auditors in terms of their production process and social, economic, and environmental compliance. The program supports the combat against deforestation and land management practices enhancing carbon sequestration.

CCI Agricultural Projects

CCI launched the Bursa Water Replenishment Project in 2022 to ensure water efficiency using smart irrigation, regenerative agriculture, and rainwater harvesting methods and offer capacity building and awareness training to farmers and track all efforts on digital platforms.



CCI also runs the Iraq Irrigation Channel Cleaning Project as part of the Irrigation Channel Cleaning and Dredging Agreement within the scope of the Iraqi Government's "Cleaner and Greener" vision. The CCI Iraq Hilla Plant pumps the water discharged from the treatment unit to be used in irrigating nearby farmlands belonging to the local communities.

Migros Good Agricultural Practices

Migros is the first food retailer to sell products compliant with Good Agricultural Practices (GAP) procedures and principles, for which the Republic of Türkiye Ministry of Agriculture and Forestry set the criteria. GAP aims for traceable and sustainable agriculture focusing on food security for quality and productive agriculture. Producers comply with the auditing, analysis, and traceability requirements within the scope of GAP and receive product certificates issued by authorized institutions. Within this scope, the impacts of processes on human and environmental health analyzed, and all stages, from product processing to distribution, recorded within a controlled and traceable production program. A priority goal within GAP is to limit the use of chemicals to preserve soil structure. To this end, a proper fertilizing chart drafted based on soil analyses. The chart determines the appropriate time for, amount of, and type of fertilizer for the soil structure, thus preventing excessive fertilizer use. Furthermore, in 2022, Migros launched the Agricultural Product Traceability Portal, the first agricultural digital software for the online tracing of GAP certificates and accelerating quality control procedures at distribution centers and fruit-vegetable production facilities.



The company also cooperated with the Ministry of Trade to organize training on GAP and product safety. The training organized with Migros Women's Academy in Çanakkale, Nevşehir, Isparta, and Adana face-to-face with 355 women's cooperatives members and online with 85 members. Migros Family Club organized GAP training for 110 participants in Izmir.

Migros Digital Agriculture Stations

Migros cooperates with Vodafone on Digital Agriculture Stations to support the digital transformation of farmers' production processes. The 12 weather stations established within the project scope measure soil moisture and air humidity to help farmers save on water and energy, contributing to the economy and environment.



Biodiversity for the Future



Biodiversity loss and ecosystem destruction are among the top global risks of today. Thus, we consciously place the biodiversity for the future principle at the heart of our business. We take solid steps to preserve biodiversity in alignment with the requirements of the United Nations Convention on Biological Diversity. We design and develop practices to secure all ecosystems and life forms by reducing the impact of our operations on natural habitats. We work consciously to reduce global risks today in order to build a better future.



The 2022 issue of the biennial Living Planet Report by the World Wide Fund for Nature and the Zoological Society of London (ZSL) concluded that vertebrate wildlife populations declined by 69% within a period shorter than the average human life⁹. A primary cause of this decline is humans' changing resource and land use patterns in line with industrial and technological developments. The same report also highlights that the significant stress we inflict on wildlife is triggering biodiversity loss and climate change and advises urgent action against these risks. In addition, UNDP claims that the degraded ecosystems may trigger a downward spiral of

\$2.7 trillion in the global gross domestic product by 2030¹⁰. Life on our planet will not be the only thing affected by biodiversity loss. The global economy is on a direct course of impact as well. During the 2022 United Nations Biodiversity Conference (COP 15), the 118 participant countries agreed to place, by 2030, a third of our planet under protection in terms of biodiversity. This decision is considered a significant step in protecting biodiversity, ecosystems, and local communities.

We know that our operational sectors are highly intensive regarding agricultural production and natural resource consumption. We take precautions and develop new and innovative practices



⁹ Living Planet Report 2022

¹⁰ COP15: The UN Biodiversity Conference | United Nations Development Programme (undp.org)

to reduce our operations' destructive impact on climate change, biodiversity, and natural life and to preserve biodiversity. To preserve biodiversity, we comply with the United Nations Convention on Biodiversity requirements across the group.

We cooperate with NGOs to improve local ecosystems with the awareness of our responsibility toward the future of nature. We cooperated with the Hatay Nature Conversation Foundation on a conservation project to save the Anatolian ground squirrel (*Spermophilus xanthoprimum*), which is listed as nearly endangered on the International Union for Conservation of Nature Red List of Threatened Species. Tracking in Karapınar, Konya identified approximately 350 individual Anatolian ground squirrels in 15 different areas. The primary threat to the Anatolian ground squirrels' survival was observed to be habitat loss in the region. We came up with suggestions for the preservation of this species.



1. Preserving the natural state of steppes
2. Taking necessary precautions to ensure the thorough planning of activities such as road construction, afforestation, and urbanization
3. Placing warning signs on roads to protect the squirrels from being run over, as Anatolian ground squirrels often explore roads in search of the food that people discard from their vehicles
4. Placing warning signs in areas deemed natural attractions to educate the public on the threat that domestic waste poses to Anatolian ground squirrels



Adel Kalemcilik Launches Anatolian Heritage Exclusive Pencil Sets

Offering long-lasting, durable, and ergonomic products under its Faber-Castell brand, Adel Kalemcilik launched new "Anatolian Heritage" pencil sets to raise awareness of biodiversity among schoolchildren in line with our diversity strategy. Endangered species of jungle cats, cranes, sea turtles, and Anatolian ground squirrels decorate the pencils in each set. Guided by the sustainable and environment-friendly production principle, Adel Kalemcilik manufactures these sets, including the Anatolian Ground Squirrel set, from FSC® certified trees specifically grown for industrial use. We contribute to the transfer of forests to future generations by investing in the future and nature with products that have this certificate.



Migros Tastes of Anatolia Project

Migros protects our traditional endangered seeds to help preserve the agricultural richness of Anatolia and encourages the use of traditional seeds in agricultural activities to reach younger generations. The company now offers 55 products grown from local seeds from 25 areas in the seven regions of Türkiye that stood out in local or cultural properties in 198 stores.



The project introduces consumers to non-hybrid, non-genetically modified, and unchanged seeds, including Amik Valley Karakılçık Wheat, Amik Valley Karakılçık Fine Bulgur, Amik Valley Karakılçık Coarse Bulgur, and Kastamonu Einkorn Bulgur. In 2022, the project expanded to include Ağin Roasted Chickpea and Kastamonu Einkorn Flour.

Anadolu Group Manages Forest Ecosystems and Carbon Sinks to Combat the Climate Crisis

Anadolu Group is one of the supporting companies of Turkish Industry and Business Association (TUSIAD) project in line with its corporate priorities to combat the climate crisis, preserve the ecosystem, and adopt a sustainable development perspective. Within the project's scope, Anadolu Group cooperates with TUSIAD and specialized academicians and researchers to prepare a report on "Management of Forest Ecosystems and Carbon Sinks to Combat the Climate Crisis in Türkiye".

The report studies the correlation between forest ecosystems and climate and biodiversity crises. The carbon sink functions of forest ecosystem services and land management practices are analyzed from a broader perspective. In contrast, the protection, improvement and spreading of carbon sinks are assessed. The report also discusses the role of carbon sinks in balancing carbon emissions. The report also advises on practices and policies within this context.

+1 Breath to the Sea from Anadolu Efes



Scientists point to the sea as the source of 2 out of every 3 breaths we take. They highlight the importance of protecting coral reefs, known as the "rainforests of the seas", for the planet's ecosystems. In partnership with the Marine Life Conservation Society and with the guidance of the Istanbul University Faculty of Aquatic Sciences, Anadolu Efes has transplanted corals to Tavşan Island, which has been declared a strictly

protected sensitive area by Presidential decree, establishing new coral gardens. The project contributed to biodiversity by conserving coral species in the Sea of Marmara.

Anadolu Motor Sets Off to Protect Tavşan Island

Tavşan Island Conservation Project launched in cooperation with Deniz Yaşamını Koruma Derneği (Marine Life Conservation Society) to observe and report on the changes in marine life and to run campaigns to prevent negative trends. The project aims to monitor Tavşan (Balıkçı) Island for any possible negative impacts of human activity. When the sea is calm, assigned staff from the society are to take an inflatable boat to check the island perimeter. According to the project, during the patrol, the team will record and share the imaging from the monitoring cameras and other equipment live on the internet and make underwater observations. They will also brief the local community and establish a complaint hotline to enable contact with the society in case of any mishaps.

Anadolu Efes Sports Club and Anadolu Efes Afforestation Initiatives

Anadolu Efes Sports Club values corporate social responsibility projects at least as much as sports achievements. Over the last two years, the club implemented the "Act for the Planet" project comprising three sub-projects. Anadolu Efes Sports Club and Anadolu Efes launched their joint project during the ASVEL Basket game to materialize each point in a tree. Each score by the club athletes counted as "One Tree Planted for Every Point", and they returned to nature in the form of seed balls. Furthermore, to the total count of scores, 10 tree seed balls were added per audience at the Sinan Erdem Sports Hall during the game, which then increased in correlation with the decibel of the audience cheering. The One Point, One Tree project collected nearly 600,000 seeds and afforested an area equivalent to 600 basketball courts. The project continues through the 2022–2023 season.



Adel Kalemcilik Tree of Goodness Forest

Adel Kalemcilik flies eco-drones to drop seed balls to start the Tree of Goodness Forest and help leave green forests for future generations. 105,000 seed balls dropped within the project's scope.



Migros Bee Conservation Initiatives

Given the vital role of bees in the agricultural ecosystem and preservation of biodiversity, Migros actively celebrates May 20, World Bee Day, every year. In 2022, the company organized "Apiculture" courses and gifted beginner beekeeper Ministry of National Education-issued certificates to graduates in cooperation with Family Clubs, Public Education Centers, and District Directorates of Agriculture and Forestry. It also organized workshops for children and families.



FROM ANADOLU TO THE FUTURE

The Future of Business



Digitalization & Innovation For the future

**“Those who
foresee
opportunities
design
the future.”**

We lead digital transformation and support entrepreneurship with our sustainable business approach.



Leading Brands For the future

**“Create value
to make a
difference.”**

We make a difference by offering unique experiences through customer-oriented solutions.



Responsible Manufacturing For the future

**“Let the value
you create
be the mark
you leave.”**

We contribute to the responsible value chain through responsible product and service development.



Inclusiveness For the future

**“Inclusivity
moves us
all forward.”**

We grow, prosper and get stronger together with our stakeholders.



Integrated Governance For the future

**“Be fair,
transparent,
responsible and
accountable.”**

We strengthen our governance approach through effective risk management.

We act today for the future of business.

The Future of Business

The right time to take action for the future of business is today. We consciously operate in a wide geography. As one of the major driving forces of the Turkish economy, establishing partnerships with global brands and multinational companies, we are aware of the scope our impact.

We provide tangible solutions to build a better future for business:

We make responsible and purposeful investments that provide benefits in environmental, social and governance areas to secure “the Future of Business” and to meet the expectations of business partners, suppliers, customers, investors and public institutions. We own the principle of digitalization and innovation for the future as we move forward by seeing opportunities. Following tech developments closely, we passionately integrate them into our business. We prioritize R&D and innovation studies. We lead digital transformation and support entrepreneurship. We believe in creating shared value and making a difference. Embracing the principle of creating leading brands for the future, we meet the fast-changing needs of our customers with customer-oriented solutions and with our leading consumer products.

In every single work we do, we intend that the only trace we leave for tomorrow is the value we create. Owning the principle of responsible manufacturing for the future, we prioritize environmental and social standards throughout the supply chain, ensuring that the products and services we offer meet the international quality standards. We acknowledge that being inclusive moves us all forward. Standing by the principle of inclusiveness for the future, we empower all our stakeholders, including the vulnerable segments along the value chain, increasing welfare and creating shared value. Embracing the principle of integrated governance for the future, we acknowledge environmental, social and governance risks and opportunities while managing our portfolio and making conscious investment decisions for a better future.

To be traceable in **50%** of operations by 2030
and **100%*** by 2050.

**Limited to private label products for Migros.*

Contribution to Sustainable Development Goals



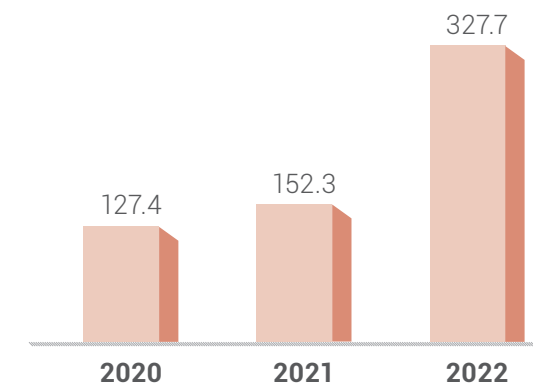
Digitalization and Innovation for the Future



Modern technological developments bring along risks and opportunities for the business world. Thus, we intentionally embrace the principle digitalization and innovation for the future, placing it at the core of our business. We develop innovative products and services that meet the expectations of our stakeholders and the future; we utilize opportunities with a business approach empowered by digitalization and innovation. We increase efficiency by integrating technological developments into our processes. We encourage entrepreneurship inside and outside our company. We keep going beyond boundaries and creating opportunities today in order to build a better future.

We invested **TRY 327.7 million** by allocating **112%¹¹** more budget for digitization, R&D and innovation.

R&D and Innovation Budget by Year (TRY Million)



We contributed 59.11 million Turkish Lira in investment, accounting for 18% of our total R&D and innovation investments to developing and improving environmentally friendly products and services.

Our sustainability-oriented R&D and innovation investments at **TRY 63.7 million** accounted for **19.4%** of total R&D and innovation investments.

¹¹ It is the rate compared to the previous year.

Digital Transformation and Innovative Solutions

Integrating rapidly developing digital technologies in product, service, and business processes plays an accelerating role in achieving strategic objectives. Operational efficiency boosts competitive advantage for companies. Today, technologies such as Big Data, IoT, artificial intelligence (AI), robotic technologies, cloud storage, machine learning, and blockchain continue to transform everyday life and business models. As digital transformation becomes a persisting global trend in the business world, incorporating innovative solutions and digital transformation steps in the production and supply chain becomes crucial for our business's continued and robust operation. The innovations enabled by digitization facilitate the development of world-class mobile, fast, and customer-oriented solutions and boost customer satisfaction.

We closely follow the innovations introduced by digitization and calculate the opportunities. We support the digital transformation of our operations to add value to our customers, employees, and environment. We develop projects on Operational Efficiency, Data Analytics, Cybersecurity, Infrastructure/Security, and Competency Development. These projects implemented on a pilot scale and tracked. We benefit from the AI and optimization-based efficiency opportunities digitization provides to cement our business transformation processes with technology. We offer innovations cooperating with ecosystem partners to cultivate more effective, efficient, and higher value-added business models, processes, and working environments.

We integrate digital technologies into our business processes and gain operational efficiency. We aim to gain a more agile structure by switching to cloud technology and are actively working toward this end. Our energy management processes ensure environmental and economic savings to reduce our environmental impact and costs. With that in mind, we align our environmentally friendly and financially stable group with a climate-risk-based perspective. Furthermore, the Virtual Work Force and robotic process automation practices have saved us time and workforce efficiency in our repetitive operations.

Migros Electric Vehicle Charging Stations

Migros aims to offer accessible, fast, and reliable electric vehicle charging services to customers at its store locations. Within this scope, the application for a "charging network operator's license" by the new subsidiary, Migen Energy, founded to provide electric vehicle charging services was approved by the Energy Market Regulatory Authority (EMRA).

Anadolu Efes Sports Club Digital Tickets

The 2016 electronic ticketing campaign by Anadolu Efes Sports Club sends purchased tickets in PDF format instead of paper tickets to basketball enthusiasts. The project, run in cooperation with the official ticketing partner Mobilet, prevents paper waste and contributes to environmental protection.

Digitization at Anadolu Group

We continuously improve our digitization and innovation solutions every year. In this setting, the Application Management Services project launched seamlessly with the cooperation of the Anadolu Group Information Technologies Department, Information Technologies leaders of group companies, NTT Data, and SAP to boost the service level of our Group companies and to support them on their digital transformation journey.

Digital Transformation Programs aim to monitor our Group companies' competencies in digital transformation closely. The program will also follow up with their digitization programs to watch and spread the outcome benefits across the group. We achieved 15% energy efficiency through digitization, consolidation, and other technological infrastructure transformations.

To apply digital technologies to Anadolu Group IT services to boost service quality and efficiency and to transform field operations for higher efficiency in services, we established the IT Digital Workforce Field Support & Call Center Project. The project built on virtual assistant, robot, and AI technologies. The project aims to push the satisfaction rate of user services above 80% and to employ digital workforce technologies to resolve 35% of IT notifications.

Anadolu Etap AI Systems

Anadolu Etap employs AI-powered and remote control irrigation systems to implement a specific irrigation regime that suits the various products in its gardens. The system aims to use water resources efficiently and properly to enhance productivity, reduce carbon emissions, boost product quality, and reduce the rate of waste to contribute to sustainability.



The application, operating based on integrated data collection from devices on the IoT and machine learning, consists of multiple layered systems. The multi-layer system processes data transferred from the smart sensors to make educated decisions based on data from the arable lands. The project uses irrometer sensors located at various depths in the soil to analyze the root structure. This system determines the best time for irrigation and saves up to 20% in water. The project also aims to preserve and boost tree health and productivity through quality irrigation.

Migros Digitization and Innovation Initiatives

Migros has consolidated its brands Migros Sanal Market, Migros Hemen, Migros Ekstra, Macroonline, and Tazedirekt brands under its new subsidiary called Dijital Platform Gıda Hizmetleri A.Ş. ("Migros One"). Under Migros One, through the initiatives in 2022, Migros diversified its online services to meet the evolving and growing demands of consumers in different commerce sectors by introducing Migros Yemek and Migros One Kitchen brands. Migros One Kitchen delivers the products manufactured in its own kitchens through various food ordering platforms, including Migros Yemek. Furthermore, in cooperation with BlindLook, Migros offers Türkiye's first visually impaired-friendly grocery shopping experience using voice simulation technology.

The company also developed the robot-powered product collection assistant TARO for higher speed and efficiency in the product collection step of online sales operations. TARO can receive three orders at once and collect products of online orders five times quicker with no mistakes. In 2022, the number of stores using TARO to collect orders increased to 50.



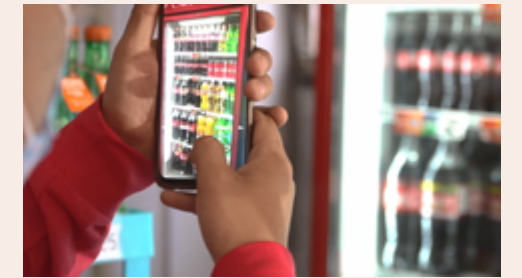
Migros took Migros Deniz Market to the next level by introducing Migros Sanal Market to enhance accessibility to its services further. Orders cannot be delivered directly to boats by pinning the location on the app or providing the name and location of the boat. In 2022, Migros Deniz Market became the first company in the world to deliver grocery and ready-meal orders to customers sailing on boats with unmanned delivery vehicles.

The AI-Powered Shelf/Aisle and Product Recognition and Fruit-Vegetable Image Processing project that merges technology and the retail industry identifies the products on shelves on a planogram and helps customers find the products they need when they arrive at the aisle. The system uses AI-powered image processing technology to identify products by on-shelf images. This helps find misplaced items or products in the store stocks but not on the correct shelves to boost efficiency and preserve product freshness.

Furthermore, as the self-service, fully automated store concept pioneer in Türkiye, Migros set a new global standard. Migros launched its first fully automated self-service store in Kadıköy, Istanbul, where customers can procure their grocery and warm meal requirements 24/7 with no interruptions in a fast and well-rounded shopping experience with no time limitations.

CCI Digital Transformation

Standard quality procedures require line system components to be cleaned during production at plants. However, the sanitation procedure's duration and performance may extend the planned production times and reduce the line use rates and the unnecessary use of sources that will have environmental impacts. The lack of practices for the holistic monitoring and analysis of problems and performance in sanitation procedures results in the insufficient calculation of loss, improvement opportunities, and actions. Therefore, to generate digital solutions to problems in the current system, CCI launched the Digital Twin Product in October 2020. The project collects data on each process from the respective equipment and enables monitoring and analyzing of real-time process statuses across the entire CIP system, process system components, process steps, and process parameters. This new system enabled identifying process performance problems and losses in production, time, or environmental sources to catch improvement opportunities and subsequently take improvement actions to reduce these losses. In 2021, the Digital Twin Product saved 27,030 kWh of electricity and 12,146 m³ of water at the Bursa plant and 46,793 kWh of electricity and 30,231 m³ of water in the Izmir plant. In 2022, these figures increased to 33,447 kWh of electricity savings and 13,768 m³ of water savings in the Bursa plant and 6,540 kWh of electricity and 27,303 m³ of water savings in the Izmir plant.



Kia Türkiye Digitally Transforms Customer Processes

Kia aligns its sales processes with the digital world by implementing a Machine-Learning Powered Opportunity Management system that calculates the time and possibility of any customer's vehicle purchase and advises on targeted campaigns.

The location-based marketing project tracks customers' movements and actions. When customers enter select areas (industrial zones, automotive showrooms), the system observes their activities and triggers responding actions. Through observing customer movements, Kia obtains data on preferred gas stations, shopping centers, and automotive industrial zones. The project follows the motto "Offer the right product to the right customer at the right time through the right channel". Further goals include reducing effort and costs, offering customized campaigns to customers through deeper analysis, and enhancing customer satisfaction. Estimations indicate that 1,000 Kia vehicles sold per year as well as 3,000 service arrivals.

Entrepreneurship Ecosystem

We are aware that encouraging innovative and high-value-added ideas is crucial, and we support entrepreneurship with our internal sources. We are acting today to save the Future of Business and are integrating innovative ideas and thoughts into our business processes. We value our employees' insights, perspectives, and innovative ideas. We support employee suggestions and working processes through our intrapreneurial culture. Our open innovation approach ensures active employee participation in R&D and innovation processes and mutual information exchange.

Our intrapreneurship platform, Bi-Fikir, has been cementing our corporate culture of innovative ideas and continuous learning since 2015. Employees, individually or in teams, share their innovative ideas on our platform or via our mobile application to add value to the future. We evaluate submitted project ideas regarding benefit, innovation, and feasibility. We encourage employees to interiorize work processes and contemplate improvement areas. Once they reveal their potential, we expand our impact ecosystem.

In Bi-Fikir's eight-year history, employees developed over 43,000 ideas on various subjects such as new products, services or technologies, digital transformation, sustainability, efficiency, cost reduction, stakeholder satisfaction, occupational health and safety, motivation, communication, and social responsibility. Within this scope, we implemented 6,526 quick applications and 2,355 projects by 2022. We used these projects to improve the processes and strategies of group companies and enhance employee engagement. We have implemented approximately one of every five ideas submitted to the program and generated over 860 million Turkish Lira in value over eight years.

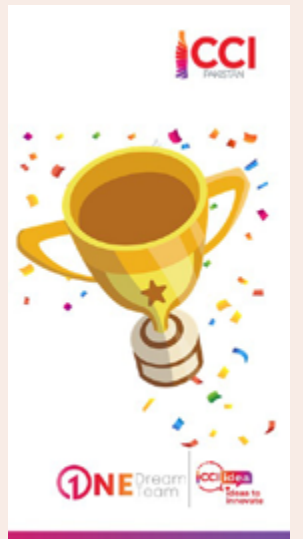
We implemented **6,526** quick applications and **2,355** projects developed within our "Bi-Fikir" innovation program. We have implemented approximately one of every five ideas submitted to the program and generated over **TRY 860 million** in value over **8** years.



In 2019, we took a substantial step forward to reposition Bi-Fikir as an open innovation platform rather than simply an intrapreneurship one. We merged the Bi-Fikir innovation platform with Anadolu Group's campus brand, "Plan Your Career at Anadolu Group" (KAP). Through this cooperation, we boosted the value we created and expanded the project's reach. Bi-Fikir KAP nurtures a supportive environment for university students' practical, innovative, and feasible ideas with potential, and we match suitable ideas collected through the platform with group companies. We support university students to achieve their dreams, realize their ideas, contribute to their projects, and produce prototypes. Those who succeed in the semi-finals are welcomed into the Anadolu Group Innovation Camp and mentoring process. We offer a monetary award to the last three finalists to contribute to their development. Successful projects implemented in relevant companies while the students behind these ideas are offered employment and internship opportunities. In 2022, we collected 907 project suggestions from students in 174 universities through Bi-Fikir KAP. We strengthened our advance as a stronger employer in support of innovation.

CCI Innovation Day

CCI Innovation Day allows employees to share their projects/ideas to cultivate an innovation culture. CCI encourages new ideas that will positively impact groups and business operations within its organization. CCI made Innovation Day accessible to all CCI countries as of 2020 and organized the third on October 10, 2022, digitally hosted by CCI Pakistan. The organization received 98 projects and 445 new idea submissions. Separate Innovation Day selections organized locally in countries. Then, among the 12 finalists from 8 CCI countries and CCI Group office the three best CCI projects selected at the CCI One Innovation Day 2022. As with last year, the 15 idea teams who qualified for the finals during country selections invited to the Digital Innovation Camp Program.



Anadolu Group Bi-Fikir Festival, which awards group companies for innovation, organized the 2022 semi-finals with the top five projects. The "SKU Optimization" project earned second place in the "Inventor" category, while "Distributor Sustainability" ranked third in the "Explorer" category, and CCI Türkiye awarded "Highest Number of Projects per Company".

The company also transformed the BÜDOTTEK Teknopark office into an innovation and incubation center to test, design, develop, and productize advanced technologies and data and AI-based sectoral solutions to add value to customers, the environment, and employees. The Teknopark office facilitates cooperation with startup communities, universities, and ecosystem partners to display solutions, cultivate, and develop innovations.

Anadolu Efes Intrapreneurship Activities

Open Innovation: Anadolu Efes runs open innovation activities with startups, universities, and suppliers to nurture innovation and technology. The company has been running intrapreneurship activities under Anadolu Efes Intrapreneurship Hub as part of its innovation approach since 2020. Established to spread the company's intrapreneurship culture and add value to its future, Anadolu Efes Intrapreneurship Hub has received over 250 applications since its first batch. The Hub supported 28 teams in three years and three projects received investment.



Intrapreneurship Hub's Third Investment (Neocortex): Following the 2020 investment in Malty, which produces malt-based healthy snacks, and the 2021 investment in Köpüürt, which works to develop beer culture, Neocortex got the investment in 2022. Neocortex is an Anadolu Efes intrapreneurship project that uses AI to analyze, within seconds, the photographs snapped on-site with mobile devices to verify the product availability, planogram accuracy, product freshness, field sales price, and displays to report meaningful data. Currently, at the pilot stage Neocortex team is developing a product that can analyze the shelf tracking much faster and also meets the needs of the FMCG industry and differentiates it from its competitors with additional features such as price tracking, SKT tracking, refrigerant tracking, and before-after. It takes a long time to collect this information, which is important for the sector, from the field in traditional ways. Neocortex focuses on this problem, makes all analyzes on photographs and provides real and visible data to FMCG companies.

Ecosystem Support Activities: We have been working to support external ventures since 2018. As before, Anadolu Efes gathered with entrepreneurs on different platforms in 2022 and continued to expand its social impact. The company continues to meet and support new entrepreneurs through the Big Bang Startup Challenge, organized by ITU Çekirdek. Anadolu Efes has been one of the primary sponsors of the event for five years and supports entrepreneurs with the Anadolu Efes Special Award at the event, which brings together the startups that have successfully completed the acceleration program of ITU Çekirdek with awards and investments. The smart energy management system Energyment and the health and fitness application Walkers won the Anadolu Efes Special Award in 2022.



For the past four years, Anadolu Efes has been supporting the Social Impact Award (SIA) carried out by Impact Hub Istanbul to encourage social entrepreneurs under 30. The company invested in 23 social startups over three years, enabling six of them to join SIA Summit to promote internationally. In 2022, Anadolu Efes widened its entrepreneurial activities to its overseas operations Kazakhstan, Moldova and Georgia. The company launched sustainability-oriented programs with Start Path and Go Green programs in Kazakhstan and Georgia.

Startup-friendly applications—Here2Next: The company added further value to entrepreneurial and intrapreneurial ecosystems and launched another startup-friendly application in 2022. Working with nine leading manufacturing and service industry companies to promote and spread corporate-startup cooperations, the company initiated the Here2Next platform, which has a "Startup-Friendly Company Manifesto".

Migros Innovation Day

Under its Migros Up program, Migros brings the specialists at Migros together with entrepreneurs on a shared innovation platform with the motto, "New Way of Innovation". These teams aim to add value to the entrepreneurial ecosystem in Türkiye by rapidly and efficiently generating innovative work and establishing strategic collaborations. In 2022, the Migros Up team evaluated nearly 200 ventures, and over 50 directed to relevant business units for new business opportunities. Again, in 2022, five new ventures admitted in nine joint innovation projects.

Joint innovation projects carried out in 2022 include the following:

◆ Varsapp aims to facilitate the leasing of products, rather than purchasing the products that

may be needed only a few times a year, enabling them to reach consumers in a way that contributes to the sharing economy.

- ◆ Optiyol allows companies to improve the delivery process of online sales channels.
- ◆ KolajeM is a joint project implemented with Bugamed to produce collagen from the non-edible parts of meat and fish generated while preparing these products for sale.

Migros Up also cultivates a shared culture by bringing entrepreneurs together with the specialists at Migros.

R&D Centers

R&D centers are essential in ensuring the sustainability and growth of the value-added we generate in our industries. At these centers, in order to respond to rapidly changing global trends, we are focusing our efforts on generating knowledge and technology that will facilitate the development of sectors in areas where they are subject to regulations. We aim to lead change and boost the value we generate by keeping in close contact with all stakeholders while creating products addressing consumer expectations, income generation, market competition, and rapid adaptation to change. We are conducting various R&D activities at the R&D Centers of Anadolu Isuzu, Anadolu Motor, Migros, Anadolu Etap, and Adel Kalemcilik to invest in the future of their respective industries.

- ◆ Anadolu Isuzu has been creating value-added in the automotive industry since 2009 with one of Türkiye's first accredited R&D centers. It contributes to sustainable transport solutions by developing innovative ideas in various fields, particularly for new transportation trends; unique solutions to satisfy the future needs of public transport systems; new designs; vehicles with low-emission and environmental impacts; electric and autonomous technologies; weight reduction in vehicles; system optimization; and passenger comfort and welfare. It also continues to work on cutting-edge technological vehicles through innovative and sustainable work in compliance with the European Green Deal.
- ◆ As Türkiye's first and only company to receive R&D center status in the retail food industry, Migros is developing next-generation retail practices through the collaborations it has established in Silicon Valley. The R&D projects enable cost reduction, turnover and efficiency boost, workforce and time efficiency, additional income generation, optimization, process improvement, digital transformation, and innovation.
- ◆ Anadolu Motor granted R&D center status in 2018 with the approval of the Republic of Türkiye Ministry of Science, Industry, and Technology. At its R&D center, Anadolu Motor works to design economical and innovative engines that will make life easier for farmers.

- ◆ Anadolu Etap pioneers the development of agriculture and agro-based industries through its two R&D centers in Mersin fruit juice factory and Balıkesir Tahirova Farm, respectively. These efforts introduce Industry 4.0 and Agriculture 4.0 practices to our country.
- ◆ With its R&D center, Adel Kalemcilik aims to bring innovation to the industry and pioneer its transformation and development.

Anadolu Efes Innovation and Experience Center

Anadolu Efes established an innovation center called Anadolu Efes Innovation and Experience Center at its factory in Izmir as the last link in its 40 years of R&D efforts. This innovation center, where studies are carried out on both the development of new products and production techniques platform is also a platform for industry professionals for comprehensive development and specialization opportunities. Entering the world beer literature its introduction as a third production technique the expected +1 Resting Technique that developed at the center. This technique, which was developed as a result of two years of R&D work and is completely unique to Anadolu Efes, was approved by VLB Berlin, the world's leading international beer standards institute. A patent application was then filed.



Leading Brands for the Future



Today, companies maintain their competitiveness through deeper understanding of their customers. Acknowledging this powerful truth of the modern world, we adopt the principle of leading brands for the future. We closely monitor the rapidly changing needs of customers through the operations of our leading brands. We provide customer-oriented solutions, utilizing the power of digitalization. We are committed to offering value-added products and services today in order to build a better future.

Anadolu Isuzu ProEye

Anadolu Isuzu aims to maximize after-sales customer satisfaction through the ProEye Remote online support service. ProEye, an after-sales service enables service support personnel to connect with mobile phones or virtual reality goggles at domestic or international service points to provide on-point consultancy as if on-site and guides the service to an accelerated solution. In 2022, the company prioritized digital transformation projects in After-Sales Services and initialized numerous projects. ProEye continued to support distributors from close quarters in 2022 and included improvements for easier use.

With the establishment of the SSH Technology Center in 2022, Anadolu Isuzu achieved faster and more accurate technical repairs compared to the methods used in the past. Remote technical support, remote training with active participation, technical solutions videos, and guaranteed remote examination of parts introduced.

Coca-Cola İçecek Responsible Marketing Commitment

Consistent with our industry colleagues at the International Food and Beverage Association and accordingly with our commitment to responsible marketing, we have further strengthened our guidelines and increased the age threshold regarding to children from 12 to 13. Our marketing activities are not placed in any medium where 30% or more of the target audience comprises children under the age of 13. In cases that local regulations or industry obligations set the age or audience threshold for children higher, we will continue to respect and comply with these and other requirements in all of our marketing and communications efforts.

Customer Experience and Digitization at Migros

Migros continues to improve system infrastructure for customer experience to closely monitor rapidly changing and evolving consumer habits and needs. The Migros Interaction Platform Project, launched in 2020, aims to integrate data analytics, AI, and voice technologies into after-sales processes to boost efficiency for a peerless customer experience. In 2022, the human-like self-service modules instantly resolved approximately 35% of customer messages. In 2022, Migros introduced the Migros Customer Experience Score to track customer satisfaction with in-store service, campaign effectiveness, and personnel behavior across its physical store network. As a result of the 26,091 surveys, Migros Customer Experience Score was 77 points out of 100.

In addition, Migros customers can order by phone through the Alo Migros hotline. Customers can call Order Hotline or submit their orders via WhatsApp/Text and pay for their items at the door during delivery by cash or credit. The corporate service model includes quickly responding to customer inquiries via WhatsApp Business and e-commerce Chatbot channels. The company employs live support on these channels and ensures that needs are fully met. The Social Media Monitoring Screens also effectively manage new developments in the industry, leading posts, and customer requests, questions, and needs. Thanks to the Screens, Migros followed and analyzed over 12 million pieces of content in 2022.

CCI at the International Customer Experience Awards

The Telsell Project, developed in collaboration between Coca-Cola İçecek and Turkcell Global Bilgi, won first place at the International Customer Experience Awards (ICXA 2022), one of the world's most prestigious competitions. Enabling access through digital channels to clients restricted in physical accessibility, the project won a gold award in the Best Customer Experience in the Business-to-Business (Best B2B CX) category.

ikinciye.com Leads "Car Sales Platform" Category

The online used car auctioning platform ikinciye.com redesigned its interface for more user-friendly and innovative service. Focusing on customer satisfaction to establish higher quality services, ikinciye.com launched a new website design that allows for taking more actions in a shorter time. The site took first prize in the "Car Sales Platform" by public voting at the ECHO Awards, organized by Marketing Türkiye and Akademetre cooperation.

Garenta Customer Experience

The innovative car rental brand Garenta has reached 80 locations in 37 provinces in daily rental operations. The company operates through dealership offices and a next-generation service approach. In 2022, it procured a variety of electric vehicle brands in its fleet. Accordingly, the company began operations to install charging stations at suitable Garenta offices to allow more flexible charging options for electric vehicle drivers. The company contacted 26 dealers within the exploration stage scope and currently has ongoing negotiations. The charging stations, scheduled to be installed by 2023, will provide easy access to electric vehicle users thanks to the widespread dealership network. The company will take action to install at least one charging station in all cities by 2023, with higher numbers of stations in larger cities. It also focuses on promoting the use of electric vehicles in all dealers by the end of 2025.

Garenta received a gold award in the car rental category at the Achievement in Customer Excellence (A.C.E.) Awards, organized by sikayetvar.com, showcasing its position as a most admired brand. sikayetvar.com is the first and only platform in Türkiye to measure customer satisfaction. Garenta won the second prize award in the car rental category at the ECHO Awards, organized in collaboration with Marketing Turkey and Akademetre.



Coca-Cola İçecek Management Systems Standards

CCI incorporate a culture of Operational Excellence (OE) into its organization to improve how it do business in the long run. The OE Model is based on Lean Six Sigma methodologies and applied to all company functions. Its targets with this model are reducing the environmental impact that may arise from our bottling operations, achieving the highest level of efficiency and quality and minimizing errors. Also, its management systems standards and principles which include KORE, ISO 9001, EFQM Business Excellence Model and Lean Six Sigma are in line with this methodology.

Anadolu Medical Center Home Care and Health Services

Anadolu Medical Center now provides Home Care and Health Services to respond to changing needs. Accredited by the Republic of Türkiye Ministry of Health, Anadolu Medical Center provides Home Care and Health Services 24 hours a day, seven days a week.

Responsible Manufacturing for the Future



It is urgent for the future business world that every step of supply and production processes must be traceable and responsibly managed. We acknowledge that the first step in responsible product and service development is responsible value chain management. Thus, we embrace the principle of responsible manufacturing for the future. We prioritize the suppliers' compliance with the environmental and social standards that are firmly set; we support their growth in environmental and social fields along with governance. We are eager to maintain the standards in the supply chain and expand responsible products and services. We contribute to the responsible value chain today in order to build a better future.

Responsible Value Chain

We know the due responsibility throughout the value chain from supply to the end user. Subsequently, we do our best to sustainably manage our environmental and social impacts throughout our value chain, and we set related goals.

We track our performance indicators toward our visionary goals within our corporate structure and report to senior management. We adopt a corporate governance approach to our goals and share our progress transparently with our stakeholders. We ensure that our entire value chain is traceable and auditable in line with our responsible production principles.

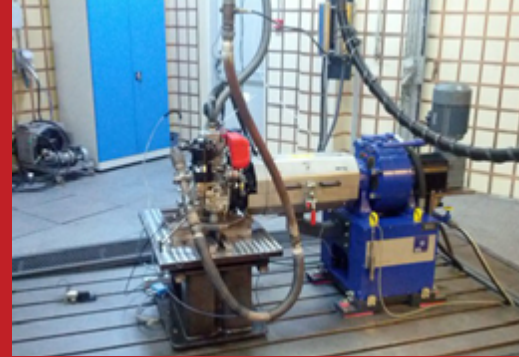


Responsible Products and Services

Our goods and services, compatible with the changing world dynamics, generate added value in society. We focus on enhancing that value and expanding our responsible goods and services. We encourage the transformation of our brands within the framework of sustainability and prioritize the environmental and social impacts of the products and services we produce. Accordingly, we conduct periodic inspections on product safety and quality in line with the quality standards we follow, and we comply with the international standards in our production. 60% of our plants have ISO 9001 certification.

TÜBİTAK Technology and Innovation Funding Programs Directorate Project at Anadolu Motor

Anadolu Motor continues to improve and expand its product portfolio in response to user requirements. The TÜBİTAK Technology and Innovation Funding Programs Directorate (TEYDEB) program, currently at the final stage, will improve the emission levels of diesel engines to comply with the Stage V emission standards acknowledged as part of harmonization efforts with the European Union. In the meantime, the engine test room reached sufficient technical competency to issue worldwide certification and became an approved facility for inspection firms.



Migros M Life's Healthy Lifestyle Products

Migros responds to the rapid global spread of healthy lifestyle trends and changing customer demands by designing products that support a healthy lifestyle, which brought together under the brand name M Life. M Life gathers organic, low-calorie, and gluten-free healthy products under a roof for easy access. In 2022, M Life expanded its product portfolio to 52 items. M Life currently offers over 100 types of fruits and vegetables.



Anadolu Isuzu's Big.e Supports Micro-mobility

Anadolu Isuzu invests in commercial vehicle micro-mobility by manufacturing midibuses, buses, and trucks. Developed and manufactured in Türkiye by the R&D and innovation departments of Anadolu Isuzu, the electric vehicle Big.e designed for last-kilometer transportation, particularly in big cities. The high-performance, zero-emission, and 100% electric minivan Big.e, developed from domestic sources and know-how in Türkiye, boasts a spacious interior volume and transportation capacity.



Carwizz Oto Ekspertiz by Çelik Motor and ikinciye.com

The brand new car appraisal brand of ikinciye.com, Carwizz Oto Ekspertiz, has launched operations. Building on the latest technology equipment and digital infrastructure of



ikinciye.com, the leading brand in the used car sector, Carwizz Oto Ekspertiz initiated operations in 2022 with ikinciye.com stakeholders and consumers looking for an appraisal. Developed on an internal budget without any additional expenses, the project conducted 3,499 appraisals in 2022. The operations saved 1.47 million Turkish Lira in appraisals, 567,881 Turkish Lira in parking, and 146,665 Turkish Lira in car washes, adding up to a total of 2.19 million Turkish Lira in savings.

Anadolu Efes Launched Gluten-Free Product

The gluten-free option is another innovation by the Anadolu Efes Innovation and Experience Center. Three years of R&D work by brewing masters and engineers culminated in Türkiye's first gluten-free beer. The product produced with buckwheat malt obtained the Association of European Coeliac Societies (AOECS) compliance certificate and received the internationally recognized Crossed Grain logo from Coeliac UK.

Anadolu Isuzu Develops Electric Buses

Anadolu Isuzu aims to promote the use of low-emission vehicles in bus transportation, while also striving to create livable and cleaner cities by reducing the increasing air pollution in urban areas. Anadolu Isuzu continues to develop and manufacture alternative fuel vehicles in line with its sustainable environment strategies. In 2021, the company completed the first export of the electric low-clearance urban public transportation vehicle Novociti Volt and continued to deliver too many European countries. Anadolu Isuzu received two awards for NovoCiti Volt at the German Design Awards, one of the world's most prestigious organizations. The innovative electric transportation solution Big.e received the "German Design Awards Gold 2023", while the 100% electric midibus Isuzu NovoCiti Volt merited the "German Design Awards Winner 2023".

Anadolu Isuzu's new 12-meter bus Isuzu CitiVolt draws attention with its stylish design that offers fully electric driving and zero emissions. In addition to its state-of-the-art features, rich equipment and the advantage of being emission-free, CitiVolt provides enhanced performance thanks to its powerful electric motor. The Isuzu Kendo CNG delivers low emissions and fuel efficiency with its fully biogas-compatible CNG engine. Developing projects to spread the use of alternative fuels, Anadolu Isuzu also works to set an example in the industry for the expertise it generates.

Migros Sustainable Distribution Systems

As of the end of 2022, Migros owns 53 distribution centers across Türkiye, including main distribution, wholesale, e-commerce, fruit-vegetable storage, and meat distribution centers.

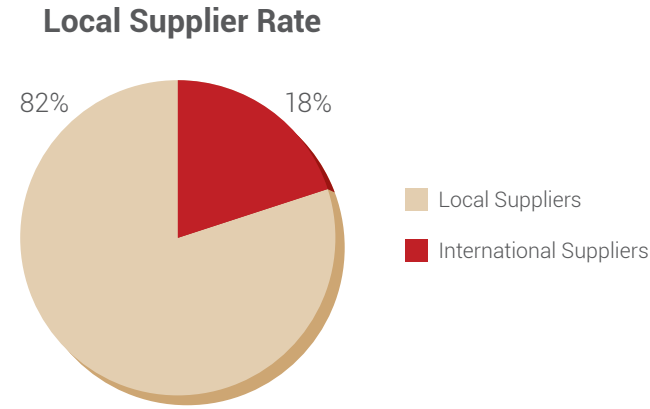
In 2022, the company inaugurated Edremit Hub, Döğüşbelen Hub, and Adana Sarıçam Distribution Center and expanded Erzurum Distribution Center to respond to the increasing capacity requirements. Furthermore, Izmir Fish Distribution Center, launched the same year, enabled switching to a central distribution system prompting direct transport from farms and the sea to stores in the Aegean. Subsequently, supply chain operations had end-to-end management, including 0–4 °C refrigeration. Fruit and vegetable transportation to stores reviewed and improved for efficiency.



Responsible Supply Chain

We work with a vast network of suppliers in countries where we do business. We identify any weak links and potential issues throughout our supply chain. To minimize all risks, we are working with more than 30,000 suppliers, 82% of which are local. We position our suppliers as business partners in our wide operation network, through which we contribute to local development and economy.

As part of our sustainability strategy and practices, we consider it our responsibility to monitor all links of our value chain, track our goals, and maintain our operations responsibly. We adopt a superior supplier management approach for operational excellence and consider our supply chain within our sustainability impact area. We identify critical suppliers in optimizing our supply chain, enhancing efficiency, and improving the quality process for our company and stakeholders.



To work with our suppliers in harmony in accordance with our business ethics and values is important to us. We evaluate the products and services we need within the quality and sustainability of the product and services by going beyond financial criteria in line with Anadolu Group's business value. In compliance with **AG Anadolu Grubu Holding Code of Business Ethics and Non-Compliance Notification Regulation**, we require our suppliers to formally declare that they will abide by these principles by signing a contract, and we obtain a declaration of compliance with our Code of Business Ethics. AG Anadolu Grubu Holding Procurement Procedure includes Compliance with the Code of Business Ethics under the Supplier Identification and Selection Criteria. Furthermore, certain Group companies integrated environmental and social compliance criteria into their supplier inspection systems. We work to spread this practice across other Group companies in the upcoming periods.

In 2022, we organized ethics and social compliance supplier training courses on ethics, legal requirements on social matters, working conditions, forced labor and child labor, occupational health and safety, and environmental management. We provided a total of 6,693 hours of training to 2,852 suppliers.

We apply contract purchasing models tailored to industry priorities and supplier needs and sign long-term contracts with specific suppliers. Our Group companies, particularly those involved in the procurement of agricultural products and services, aim to contribute to the development of rural life by engaging in contract procurement and supporting the advancement of regional agriculture. Suppliers have to comply with the prohibition of employing children as regulated by local legislation. As AG Anadolu Grubu Holding, while selecting the suppliers environmental criteria's are considered.

Digitalization in Anadolu Group Joint Procurement Tender Process Management

It is the project of realizing joint procurement and tender processes in our group companies in a digital environment. It was created to provide cost advantage by utilizing Group synergy in purchasing. Certain goods/service procurement tenders are carried out in a digital environment, under the management of Anadolu Group Human Resources Department, with the participation of our Group companies. With the platform that brings together many suppliers in the digital environment, tender processes are carried out faster and effective actions are taken.

Coca-Cola İçecek Supplier Guiding Principles (SGP)

Coca-Cola İçecek (CCI) requires its suppliers to comply with the Supplier Guiding Principles (SGP), which define the minimum environmental, social, economic, ethical, and governance conditions expected from them, and conducts audits within the scope of SGP compliance. The SGP covers various subjects, including child labor, forced labor, abuse, freedom of association, right to collective bargaining, and discrimination. The company delivers a copy of the SGP to the suppliers once their working relations are live, and it expects these principles to communicate to other stakeholders with particular urgency on employees. It attaches the SGP Policy to supplier contracts when necessary, develops company business processes to encourage compliance with the SGP requirements, and expects suppliers to implement them. It expects suppliers who fail to meet SGP requirements from any perspective to take corrective measures. Should the supplier fail to abide by the principles, CCI initiates sanctions that include contract termination. Furthermore, CCI requires suppliers to sign the "CCI Supplier Code of Business Conduct" in full commitment to the law and the CCI principles. In 2022, CCI material and primary packaging suppliers reached an 89% SGP compliance score.





Migros and CCI 10x20x30 Project

Migros is the first Türkiye-based global retailer to join the 10x20x30 project organized by the World Resources Institute (WRI) and followed by the Consumer Goods Forum (CGF). Within the project's scope, compliant with UN SDG 12.3, Migros aims to reduce food loss and waste stemming from its operations by 50%. While each retailer participates in this project with 20 suppliers, Migros is participating with 26 suppliers. Through continuous communication with the suppliers, training programs by the WRI are organized, and continuous feedback received on reporting and food waste reduction. At least four training programs organized each year. These training programs are free of charge, and they present an excellent opportunity to get in touch with the food loss and waste specialists at the WRI and follow the best practices of other companies during workshops.

As a stakeholder at Migros, our group company CCI invited by Migros to join the supplier network and had the opportunity to participate in the WRI project 10x20x30 to prevent food loss and waste in over 80 countries. All members of the initiative, led by the 12 leading global retail and food supply companies, invited their suppliers to develop an effective solution across the entire value chain.

To reduce food loss and waste by 50% by 2030, Migros organized a comprehensive measurement training in 2022 across all CCI Türkiye plants and CCI headquarter, where the project details explained to the catering company employees. CCI now measures waste type and amount daily in compliance with the WRI Food Loss and Waste Protocol. In addition, as part of the project, in addition to measurement training provided for reducing food waste and loss, an awareness campaign was developed with the main message of "Wipe Your Plates Clean", reversing a well-known idiom. CCI employees regularly informed on the matter through roll-ups, food service trays, digital screens, and other online communication tools.

The project run in collaboration with WRI and CCI's countrywide contract catering companies in Türkiye and will last until 2030. The project helps raise awareness among company employees regarding food loss and waste.

Migros Supplier Audits

Migros rigorously audits its suppliers annually through a stringent program, in cooperation with independent external auditing organizations, to ensure compliance with corporate policies, international food safety, and ethical, social, and environmental working standards. The program scrutinizes 468 criteria. The company also conducts product safety audits in line with the international standards of "IFS Food Global Market" and "IFS HPC Global Market", recognized by the GFSI, and carries out audits regarding "GC-Ethics Compliance". The audits include environment and occupational health and safety-related matters.

Having launched the Sustainable Business Partners Network, Migros now monitors environmental data and suppliers' carbon emissions. The company also conducts inspections to verify the carbon emissions reported by suppliers within the network and expects suppliers to set reduction goals.

Coca-Cola İçecek Principles for Sustainable Agriculture (PSA)

CCI believes that sustainable sourcing is only possible by purchasing from suppliers who meet TCCC-approved criteria. TCCC formulated the PSA not only to regulate accessibility, quality, and safety in agriculture but also to enhance the well-being of communities engaged in farming, aiming to increase their welfare level. TCCC's sustainable agriculture approach based on implementing responsible management, protecting the environment, and defending and supporting human and workplace rights in farming. Compliance with the PSA acknowledged in compliance with Bonsucro, the Rainforest Alliance, the Sustainable Agriculture Initiative (SAI), Fairtrade International (Fairtrade Labelling Organizations International e.V.) and other equivalent international third-party standards. Furthermore, in 2021, the company integrated the Supplier Score Card, a feature of the Supplier Management software, into our Ecovadis scoring platform to evaluate suppliers' corporate social responsibility and sustainability performances. In 2022, Sustainable Agriculture Certified sugar procurement accounted for 10.8% of company-wide purchases in CCI.



Anadolu Efes Supply Chain Sustainability Summit

Anadolu Efes organized a workshop summit gathering technical teams from all countries to work on the goal of zero emissions by 2030. The aim was to cultivate, prioritize, and, in the aftermath of the summit, turn into action projects/ideas on heat, electricity, renewable energy and biogas to reduce emissions induced by operations.

Under the leadership of Group Supply Chain, technical directors and senior engineers from Türkiye, Kazakhstan, Georgia, and Moldova gathered to discuss action plans to reduce the carbon footprint along the value chain. The Sustainability Summit discussed 29 projects and 53 ideas and cultivated an exchange of experiences between countries.

Migros Supplier Academy

As part of its localization strategy, Migros organizes periodic and free online training programs on product safety to contribute to developing SME-level local suppliers who would like to sell their products in Migros stores. This training covers many safe production topics for local suppliers, from legal regulations to labeling information, infrastructure conditions, personnel hygiene, and traceability practices. In 2022, Migros Supplier Academy trained 544 suppliers on product safety, employee rights, anti-bribery, environmental responsibility, IFS TR, and ethics.



Migros Environmental Supply Chain Management

Accompanied by independent external auditing firms, we carry out routine audits of our suppliers on their compliance with all Migros corporate policies and international food safety, ethical, social and environmental labor standards, particularly on responsible sourcing. If the expected success is not achieved after 3 follow-up audits, we terminate the commercial relationship based on the assessment made. We also assess all our suppliers regarding the environmental issues such as water consumption, waste management, energy use and resource use.

Anadolu Isuzu Technology Center

Anadolu Isuzu Technology Center offers fast and high-quality technical information and application support to company distributors, sales dealerships, and authorized services through its innovative and advanced facilities.

The Technological Center organized its first remote training program. The technical infrastructure of the center enables a specialized technical support team to establish visual communication with the technicians on-site to identify and resolve the issue rapidly.



Anadolu Motor Supplier Portal

Anadolu Motor updates the existing supplier portal for higher efficiency. The company aims to integrate efficient tracking of supplier orders and shipments and automated system tracking of orders and shipments for shipment and quality performance monitoring.

Adel Kalemcilik Supplier Audits

Adel Kalemcilik collects information from key suppliers inspected within the scope of the BSCI. The framework contract also includes a section on code of conduct, whereby companies commit to complying with these rules.

Anadolu Isuzu Ensures Supplier Compliance with the Environmental Actions

Anadolu Isuzu uses an EMS Portal where climate change-related questions uploaded to look into and take precautions against the environmental activities of suppliers. The EMS system is a data collection platform to share environmental data, and it is accessible to suppliers. Within this scope, the portal collects data on wastewater discharging licenses; hazardous waste temporary storage permits; emission permits; ISO 14001, ISO 50001 and ISO 14064 certificates; and data concerning EMSs such as electricity, water, and raw material consumption. The monitoring schemes and verification of greenhouse gas emissions based on access to this portal ensure supplier compliance with environmental and social criteria.

Inclusiveness for the Future



We are aware of the major role that today's business world plays in local socioeconomic development. We move forward embracing the principle of inclusiveness for the future. We aim to get stronger together with our stakeholders through inclusivity in our wide value chain. It is crucial for us to ensure that the vulnerable groups in our supply chain empowered and remain in the economic system through the economic value we create. We aim to get stronger together today in order to build a better future.

Accessible Migros

Migros launched the Accessible Migros project in 2017 to provide priority service to customers with disabilities and senior customers.

As of 2022, there are 280 Migros and Macrocenter stores transformed in line with the "Accessible Store" concept in 46 provinces. The accessible stores include a variety of additional services to improve the customer shopping experience:

- ◆ Assisting customers in shopping upon demand
- ◆ Employing at least one employee with a visible collar badge who can communicate in sign language
- ◆ Aisles that can accommodate a wheelchair
- ◆ Providing ramps and railings at store entrances
- ◆ Providing wheelchairs for senior customers if required

As part of the project, the Migros Sanal Market (Online Store) mobile application updated to full compatibility with screen readers for the visually impaired. Furthermore, the Migros Sanal Market website and mobile application rendered accessible for the visually impaired thanks to the voice simulation technology implemented in cooperation with BlindLook.



Anadolu Etap Children of Seasonal Agricultural Workers (MİÇO)

Thousands of families in Türkiye migrate to different regions nationwide to find jobs as seasonal workers. Migrant seasonal workers account for a substantial portion of Türkiye's



agricultural workforce. However, they are deprived of healthy living conditions and their children's education is disrupted as they relocate to different working destinations. Anadolu Etap's social responsibility project, MİÇO, helped 1,800 children realize their dreams since 2015. Anadolu Etap was the first agriculture company to provide free and continuous education to the children of seasonal agricultural workers who had to migrate with their parents. The company opened classes at its farms for various courses to contribute to children's education and development.

Anadolu Efes Contract Procurement Model

Anadolu Efes fosters sustainable agriculture to protect soil and safeguard the supply of raw materials. We encourage planned and efficient agricultural practices through the contract procurement model we offer to farmers, whom we consider our business partners. The contract procurement model enables farmers to model their production amount around the contracted procurement amount by Anadolu Efes. This establishes a continuous supply chain. The planned production and purchase guarantee also protects farmers' income.



Integrated Governance for the Future

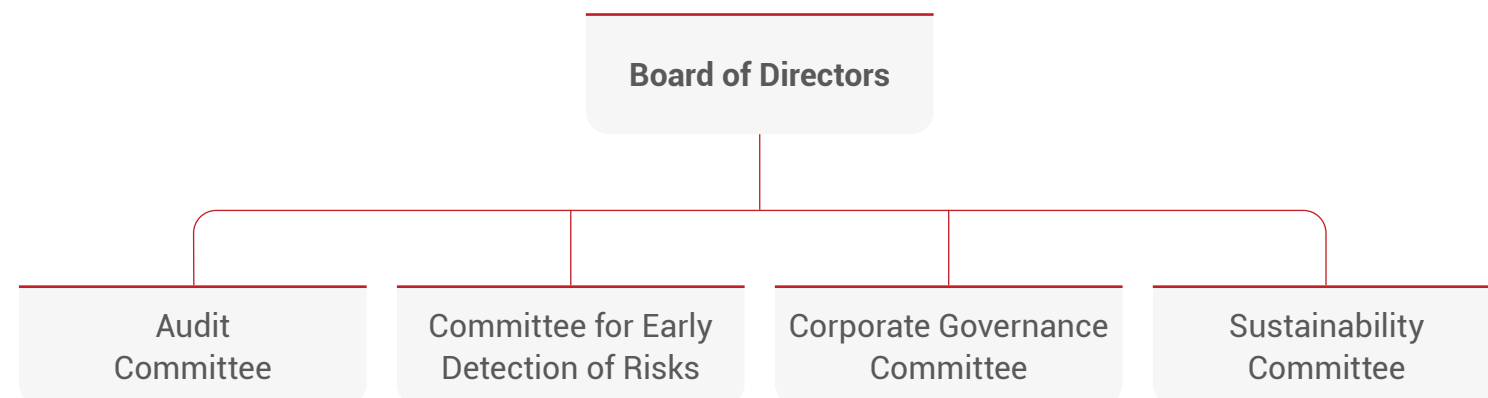


Today, corporations' ability to adapt to a fast-changing world depends primarily on adopting a strong governance approach. We embrace integrated governance through the principle of integrated governance for the future. We strengthen our governance approach through risk management, owning the foundational pillars of fairness, transparency, responsibility and accountability. We manage financial and non-financial risks in an integrated and proactive manner, making investments and new investment decisions accordingly. We keep strengthening our responsible governance approach today in order to build a better future.

The highest level of management is the Board of Directors. Pursuant to Corporate Governance Principles, the minimum number of independent members in our 12-seat Board of Directors must be four. One of our board members is a woman. Anadolu Group Board of Directors aims to maintain a minimum rate of 25% female members. We track our progress toward our goal within the framework of the **AG Anadolu Grubu Holding Board of Directors Policy on Diversity**.

Board of Directors members may be re-elected during the general assembly, and there are no privileged voting rights. Board of Directors elections carried out periodically.

The Board of Directors holds the final say in defining and executing the business strategy considering the sustainability priorities. The Board of Directors defines and monitors strategies, targets and audits harmonization and performance comprehensively for Anadolu Group and its companies. The Audit Committee, Committee for Early Detection of Risks, Corporate Governance Committee, and Sustainability Committee assist the Board of Directors in fulfilling its duties and responsibilities. The Corporate Governance Committee performs the duties of the Nomination and Remuneration Committees in accordance with the Corporate Governance Principles. The functions of the Chairman of the Board and the Chief Executive Officer exercised by different individuals. Corporate Management Committee members, who also act as the Nomination Committee, do not have executive duties.

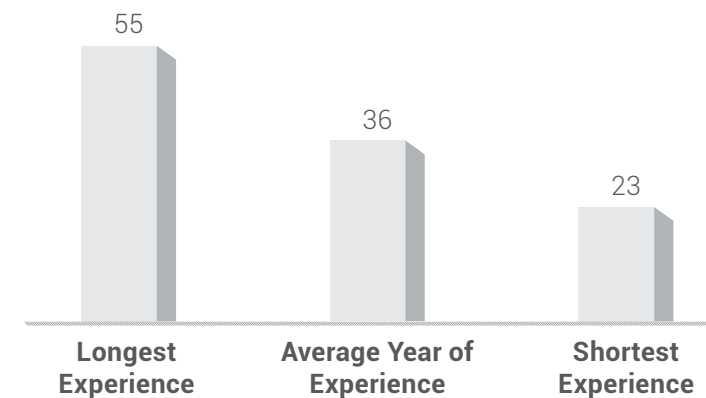


Committees of the Board of Directors	Rate of Non-Executive Managers	Rate of Independent Members in the Committee	Number of Physical Meetings by the Committee	Committee Members' Meeting Participation Rate	Number of Reports on Committee Activities Submitted to the Board
Audit Committee	100%	100%	4	100%	4
Committee for Early Detection of Risks	100%	33%	6	100%	6
Corporate Governance Committee	100%	50%	4	100%	4
Sustainability Committee	0%	0%	2	100%	2

Anadolu Group Board of Directors¹² Experience Composition Table

Working Area Related to Competencies	Number of Board Directors
Strategy	12
Risk Management & Internal Control	10
Economy & Finance	11
Sales, Marketing & Trade	8
Management Sciences & Human Resources	10
Humanitarian Sciences	5
Sustainability	5

Anadolu Group Board of Directors' Experience Level in Years



¹² Anadolu Group's Board of Directors consist of 12 members.

Risk Management

The 2023 Global Risks Report by the World Economic Forum (WEF) affirms that while medium and long-term environmental risks are gaining traction globally, climate-related risks accompanied by increasing costs, cybersecurity and social changes such as large-scale involuntary migrations and political polarization in the short term.¹³ As global risks induce ambiguity, managing financial and non-financial risks and opportunities from an integrated perspective gained importance. Companies that have adapted to risks with agility and speed now find themselves on a steadier and more successful path to growth. Corporate risk management allows companies to estimate risk before taking necessary precautions and taking advantage of opportunities. As we are active in different industries and regions, Holding adopts a comprehensive risk approach.

The Finance Department is responsible for coordinating the risk management process. The top senior executive on this matter is the CEO. The group's Finance Department defines existing and possible risks against the holding throughout the risk management process. It also develops actions to minimize the defined risks and ensures risk management by monitoring these actions. Anadolu Group CEO actively participates in the Committee for Early Detection of Risks led process.

Holding and Group companies conduct risk management processes under the ISO 31000 Risk Management standard. Our risk assessment and prioritization activities begin at the lowest holding level and advance and expand toward Group companies. Each group company employs a person responsible for risk management coordination, and the holding senior management directly guides the coordination. Group companies assess financial, operational, strategic and other risks in their strategic planning processes. Once they determine their priority risks, they formulate a risk map, follow action plans to manage them, and integrate investment decisions into their strategic business plans.

We annually update the risk inventories for Holding and Group companies following global and national developments and new regulations. As we prepared our 2023 risk map, we consulted with various unit managers, including Financial Affairs, Audit, Legal, Information Technologies, Human Resources, Corporate Relations, Communication and Sustainability, on their risk assessments before preparing the updated Anadolu Group risk map. We subsequently assessed the risks and formulated a priority list. We analyzed the primary risks and developed risk management strategies, keeping in mind the current controls on their root causes. Assigned risk officers regularly monitor actions against identified risks. We conduct periodic crisis management and business continuity simulations for different company risk scenarios.

During our year-round Committee for Early Detection of Risks meetings, we organize briefings on sustainability developments in the environment, society and governance, now with expanded content.

We also include emerging risks in the inventory, taking into account the risk surveys and assessments conducted both domestically and abroad. Climate change, included in our risk inventory in 2020, ranks as a long-term risk.

We assess climate risks under two categories. First, we assess the possible risks that may arise for each group company in case the fight against climate change fails. Then, we regularly monitor international agreements such as the European Green Deal and the Paris Climate Agreement. We formulate action plans to comply with these regulations. As in our current risk management processes, we reevaluate our risk inventory every year in light of global and local developments in managing climate risks. Within this scope, we define risks as non-compliance with legal regulations in the short or medium term, falling into competitive disadvantage, and increasing operational costs. On the other hand, we lead compliance and transformation efforts to succeed in competition and to grasp innovation opportunities in business models and manufacturing. The long-term climate risks include the degradation of agricultural lands, water scarcity, food scarcity, extreme weather events, and global warming. We conduct scenario analyses to identify possible financial implications of each risk on the group and calculate the economic consequences of likely risks.

In the upcoming period, we aim to include the climate risks in the risk map to formulate an action plan. On the other hand, we are closely following the Group companies in evaluating the escalating commodity risks triggered by global economic issues.

Coca-Cola İçecek Integrity Risk Management Program (IRM)

The IRM focuses on supporting SMEs in CCI's supply chain to ensure that CCI distributors adopt internationally recognized practices and improve their corporate governance skills. The program supports the SMEs to become even more integrated with the CCI supply chain, follow internationally recognized practices, set up a compliance program, conduct training and awareness programs on the Code of Business Ethics, and comply with CCI's Code of Business Ethics. In 2022, CCI reinitiated the "Ethical Risk Management Program", previously launched in cooperation with the European Bank for Reconstruction and Development (EBRD) toward CCI distributors to reduce third-party risks. The program's first stage completed in previous years, and CCI aims to complete the entire program in 2023. The company also aims to improve this initiative through different projects to align stakeholders with the CCI principles in managing third-party risks.

¹³ World Economic Forum (WEF), The Global Risks Report 2023. ↗

Risk Identification

Risk Category	Risk Definition and Impact on the Company	Management
Financial Risks	Asset liability risk, credibility, liquidity and interest risk, capital and debt relationship, foreign exchange risk and other risk factors that can directly affect the company's financial status	The Holding's asset liability risk is monitored regularly and measures are taken to resolve the maturity discrepancies of receivables and debts. By virtue of being a Holding company, we ensure maturity matching between future dividend incomes and borrowings. The exchange rate risk in foreign currency debt is hedged by derivative market transactions such as swaps or forwards. All current risks, including financial risks, are discussed by the Committee for Early Detection of Risks, which convenes six times a year and consists of at least two members, the majority of which are non-executive. Actions for improvement are shared with the Board of Directors pursuant to the Risk Committee Regulation approved by the Board of Directors. The Corporate Risk Committee works in accordance with international standards, particularly the ISO 31000 Risk Management System Standard and the COSO Corporate Risk Management Framework, to identify the risks in advance and ensure they are complied with. Subsequently, the risks of the Holding are prevented from affecting targets and strategies. The capital/debt balance is constantly monitored by taking into account the net debt-to-EBITDA ratio to utilize the leverage effect. When necessary, a sensitivity analysis is performed regarding macroeconomic and financial risks.
Strategic Risks	Risk factors arising from the country, region and competitive environment of the Holding with the potential to affect its existence and sustainable growth	The effective management of strategic risks at the Holding level is carried out with a balanced portfolio perspective by taking into account sustainability performance. Any risk factors arising from the country, region and competitive environment operated in with the potential to affect business continuity and profitability are continuously reviewed. These processes are reported to the Committee for Early Detection of Risks by the risk managers in the relevant countries to be evaluated and are reviewed at the Holding level through a bottom-up system.
Operational Risks	Risk factors that may affect the effectiveness, efficiency, profitability, reputation and business continuity of the operations in line with the Holding's objectives that can be managed through the control environment created by the management	Risk inventories are created using the three-year strategic plan and budget calendar announced annually. They are utilized in categories such as financial, strategic and operational risks at the unit, department and Holding levels as well as in extraordinary categories such as information security, talent management, regulatory compliance, ethics and technology. Additionally, risk maps are prepared according to importance and impact level. Risks are matched with strategies and a budget is determined for the projects and investments required for their prevention. Various sensitivity analyses are applied for different scenarios to determine the actions to be taken when a risk materializes. This study also raises awareness about corporate risk management in all of the Group companies, down to the smallest unit. The issues included in risk maps are compared at the Committee for Early Detection of Risks of the Group companies and the operating results are compared with a regular budget by the Boards of the companies where the causes of the deviations are identified and the necessary actions are taken. The Risk Committee meeting minutes are kept and maintained regularly. The measures taken are monitored through audits, which is the leading risk management tool. The control and assurance function is performed through practices featuring the involvement of independent audit firms, Holding Audit Presidency and internal audit units. Internal Audit regularly submits the relevant results and analyses of the audit to the Audit Committee. The Committee oversees the effectiveness of the systems and, when necessary, reports the problems and recommended solutions related to risk management and the internal control mechanism to the Board of Directors.
Extraordinary Operation Risks (Natural Risks)	Risk factors that may adversely affect the Holding's occupational health and safety, such as fires, earthquakes, floods, epidemics and pandemics, for which emergency action plans are created and tested	We utilize emergency management systems to prevent extraordinary operation risks. We also utilize backup systems to ensure that systems are unaffected and data is not lost in case of an emergency. Additionally, all our facilities are insured to the maximum extent to minimize the risks that may occur in extraordinary situations. Human health is prioritized in cases of epidemics and remote working principles are implemented. Business processes are then adjusted accordingly.
Information Security, Talent Management, Ethics, Regulatory Compliance and Technology Risks	Risk factors that may adversely affect the Holding's reputation, business continuity and financial status	<p>Information security: Information security systems protect the Holding's data and prevent it from being leaked or breached. In this way, measures are taken to protect against risks that may adversely affect the reputation and compliance management. Accordingly, information security and business continuity risks are included in the risk map. In addition, leak tests and data leakage prevention projects were implemented within the framework of the ISO 7001 Information Security Management System procedure.</p> <p>Talent management: The core of our talent management approach is to build a progress-driven, motivated and highly engaged, competent workforce that functions as a team with a focus on the Holding's future strategic objectives. We assess the potential of all Holding employees through talent and succession programs and build and update a talent succession map. We prioritize the diversification of training programs in line with our objective to provide employees with broader development opportunities.</p> <p>Ethics: The Code of Business Ethics and the Non-Compliance Notification Regulation forms the basis of our business approach and routine controls are performed to ensure compliance by all employees and stakeholders. Holding's Ethics Committee is responsible for supporting the development of a strong ethics culture throughout the Holding, ensuring that claims of non-compliance with the Code of Business Ethics and the Non-Compliance Notification Regulation are properly evaluated and investigated and, if the claims are found to be accurate, that the necessary rectifying measures are taken and the necessary penalties are enforced for the relevant persons. Members of Holding's Ethics Committee actively participate in the investigations of misconduct and support management efforts to establish a culture and raise awareness regarding this matter. Anadolu Group Audit Presidency identifies the vulnerabilities of Anadolu Group companies to fraud and abuse and defends ethical principles by evaluating the efficiency of their internal control systems, which are designed to mitigate risks in these areas. AG Anadolu Grubu Holding, Anadolu Efes, Coca-Cola İçecek, Migros, Anadolu Isuzu and Adel Kalemcilik are members of the Ethics and Reputation Society of Turkey (TEID).</p> <p>Regulatory compliance: In the event of a penalty for non-compliance with laws or regulations, risks pertaining to financial and reputational losses may arise. To prevent these risks, the Holding's relevant business units determine the actions to be taken with a proactive approach. We closely monitor laws and regulations and provide opinions on draft legislation by taking part in various organizations such as the Tax Council, Turkish Investor Relations Society (TUYİD) and TUSIAD.</p> <p>Technology: Technology risks are evaluated and assessed under topics such as data loss, business continuity, cyberattacks, unauthorized access and regulatory compliance. Actions to be taken based on the impact and probability assessments are determined and reviewed periodically. The effectiveness of the actions taken are measured by internal and external audits as well as periodic penetration tests, social engineering tests, cyber maturity self-evaluation studies, emergency tests and so on and reported. Information security training and information activities are organized to raise user awareness. The Risk Committee and the Board of Directors are regularly informed about this matter. Budgets are set for necessary investments. As Anadolu Group, we created a road map by identifying the current state of the risks associated with technology.</p>

Internal Control and Internal Audit

Internal Control

The internal control systems of AG Anadolu Grubu Holding monitored principally by the Chief Financial Officer and the CEO, as well as the Audit Committee. The internal control system aims to safeguard the company's assets, effectively and efficiently manage the operations in compliance with the law, legislations, internal policies, procedures, and general practices, and ensure the security, integrity and reliability of the financial and operational reporting system.

The Audit Reports prepared by the Audit Presidency are considered one of the most primary sources for the Audit Committee which consists entirely of independent members to evaluate the effectiveness of the internal control activities. The Audit Committee also evaluates ad hoc reports requested by the senior management and Ethics case reports submitted. Audit Committee shares its opinions and evaluations regarding due precautions to be taken to the Board of Directors.

The internal control review includes all routine audits, business processes providing the reliability of financial and operational reporting, activities ensuring asset protection, practices adherence to both laws and internal regulations, and the efficiency and effectiveness of operations. The Audit Committee evaluates ethics and corruption risks within the scope of internal control activities, and ensure proper compliance and internal control systems developed in this respect.

Internal Audit

Internal Audit Functions established in the Holding and Group companies, and internal audit activities are conducted in conformance with the International Standards for the Professional Practice of Internal Auditing. To ensure objectivity and independency of internal audit activities, these functions report to the Audit Committee, which entirely consists of independent members, and audit activity results including significant risk and control issues, fraud risks, governance issues are periodically shared with the committee members. The internal audit activities' purpose, authority and responsibilities, working method, and organizational structure defined in the Internal Audit Charter approved by the Audit Committees.

The audit engagements provide assurance to all stakeholders on internal controls, risk management, corporate governance, legal obligations and compliance with corporate policies and other commitments (ethic codes, anti-bribery, anti-corruption) as well as process audits support operational efficiency and effectiveness in Group Companies. Every year, operational and financial scope to be audited are determined using a risk-based planning methodology, and the Audit Committees approve the plans.

The audits' observations regularly are reported to the Senior Management and Audit Committees along with the company management's actions. The Audit Committees regularly monitor the implementation of the actions and escalate essential matters to the Board of Directors' agenda.

Code of Business Ethics and Compliance

As a reliable, ethical and responsible cooperation, we make adopting a fair and equitable approach in our operations a corporate value. The Code of Business Ethics and Non-Compliance Notification Regulation (Ethics Regulation) provides guidelines for enhancing transparency in stakeholder relations, supporting compliance with working principles, notifying the authorities of non-compliance and relations with our stakeholders. We expect all our product and service suppliers to abide by our Code of Business Ethics and include the Code of Business Ethics in our contracts.



The Holding's Ethics Committee reports to Anadolu Group CEO and is responsible for all processes related to the Code of Business Ethics. The Ethics Committee's primary objective is to make a robust ethical culture prevalent across the group. To this end, the committee reviews the reported cases of non-compliance and takes the necessary actions.

Any non-compliance cases to the Code of Business Ethics can be reported to Anadolu Group Ethics Hotline through various channels. Employees and all other stakeholders can report, anonymously if they so prefer, 24/7 through various communication channels such as our email address anadolugrubu@etikhat.com, phone line 0 (212) 401 30 66, and our website <http://www.anadolugrubuetikhat.com>. Our Group companies also provide English, Arabic and Russian language support in addition to Turkish. The Ethics Committee is responsible for evaluating and investigating of the notifications, taking corrective measures in case the non-compliance is verified and determination of necessary penalties for those who violate the Code of Business Ethics. During its meetings, the Ethics Committee makes decisions and takes action regarding of the non-compliance notifications it receives and evaluates the annual reports sent by the Ethics Committees of Anadolu Group companies. In 2022, AG Anadolu Grubu Holding received no notifications regarding code of business ethics violations.

In 2022, **12,033** person-hours of training provided to encourage the employees of Anadolu Group and its companies to comply with ethical principles and raise awareness on this subject.

There are no environmental or social non-compliance cases across AG Anadolu Grubu Holding. Thus, no sanctions applied to this cause.

Ethics-Oriented On-Site Visits at Anadolu Group Companies

We scheduled and set off company visits to determine the consciousness level of employees' regarding ethics and to learn general information about ethical processes. These visits also included a briefing on the group-wide ethics survey planned to be applied in 2023 and reporting on the best practices, awareness level, and information to gain from companies.

Migros Sharing Hotline and Orange Book

Established to resolve employees' problems, respond to their questions verbally or in writing, and address possible violations of the Code of Business Ethics effectively, Migros Sharing Hotline integrated into the ethics hotline.

Furthermore, all Migros employees can access all corporate policies and the Migros Orange Book through internal networks, created to explore Migros' Code of Business Ethics transparently and thoroughly.

Anti-Bribery and Anti-Corruption

It prohibited under any conditions to receive or offer bribes and to involve in corruption at AG Anadolu Grubu Holding. There will be zero tolerance in such cases. This prohibition includes all the activities of Anadolu Group. All employees and third persons acting on behalf of the group are obligated to follow the anti-bribery and anti-corruption rules and the relevant national and international laws and regulations.

At Anadolu Group, we progressively set new targets to cultivate corporate culture and instill awareness among stakeholders regarding the fight against bribery and corruption. We also organize stakeholder training to raise awareness.

AG Anadolu Grubu Holding organized **5,757** person*hours of anti-bribery and anti-corruption training in 2022.

Protection of Personal Data

The WEF's 2022 Global Risks Report considers cybersecurity breaches to steal personal data a major global threat. As digitization escalated during the pandemic, cyberattacks have become more aggressive and large-scale.

AG Anadolu Grubu Holding follows the regulations in effect while processing the personal data of Employees and real persons. We take all necessary administrative and technical precautions against cyber risks and for the security of personal data. It is a priority to protect the privacy of all stakeholder data.

The Protection of Personal Data (PPD) High Committee and the coordinating Law on the Protection of Personal Data (LPPD) Committee are responsible for compliance with the LPPD imposing the processing of personal data of real persons. Committees ensure that employees and stakeholders comply with the legal and in-house regulations and corporate policies on protecting personal data.

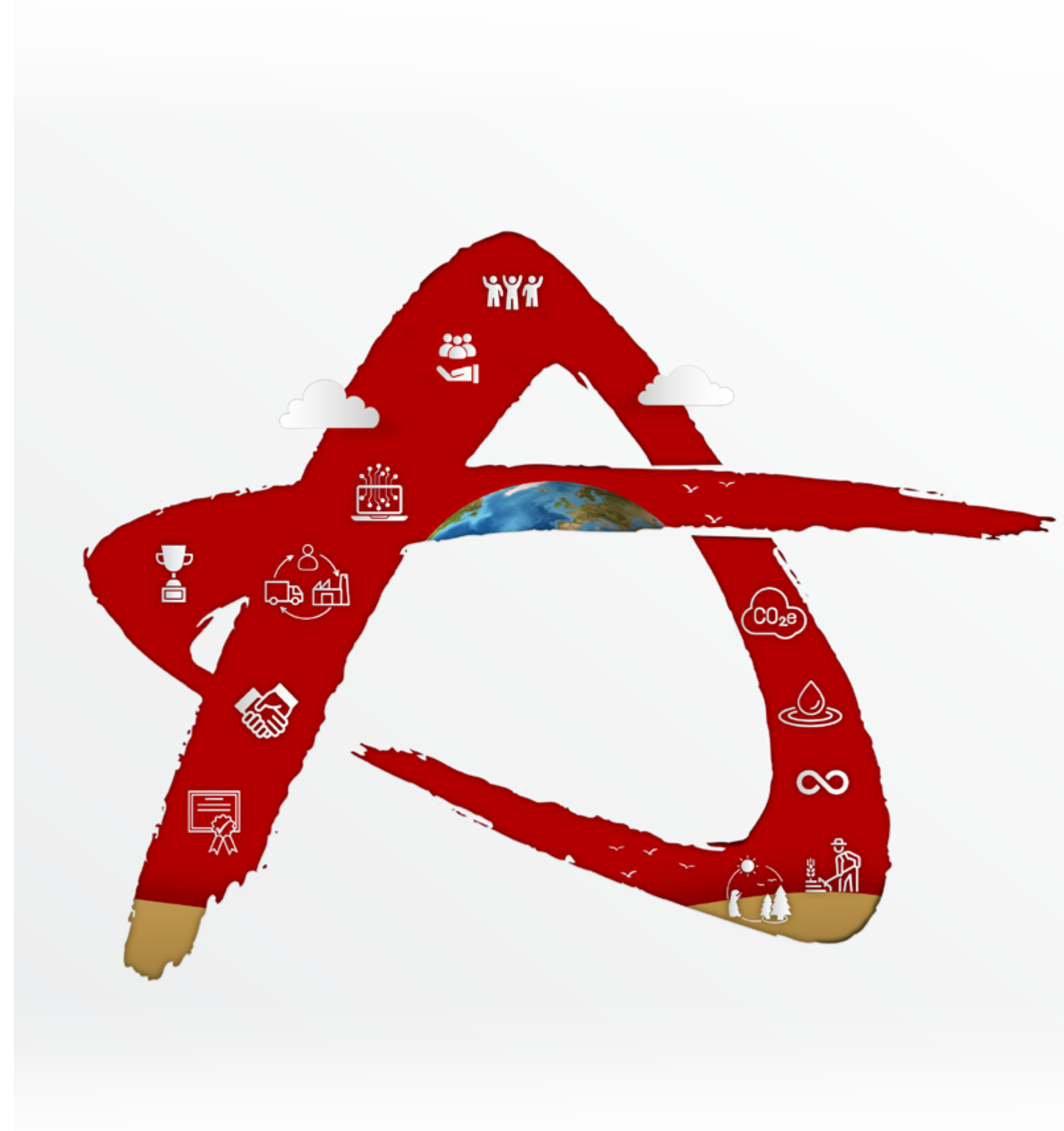
1. We determine PPD maturity levels to enforce technical and administrative precautions as part of our harmonization with the LPPD.
2. Our holding PPD Committee organizes awareness training programs for holding employees. As for employees at Group companies, the PPD Committee at each respective company organizes awareness training.
3. We disclose our LPPD Policies when first engaging in business and starting employment.
4. Accordingly, we took actions in the context of express consent; data processing conditions management; disclosure obligation management; audit management; data sharing management; PPD training management; personal data storage management; deletion, elimination, or anonymization processes; data subject application management; personal data inventory management; VERBiS application management; and personal data security management.
5. We have a mandatory cybersecurity awareness program in place for all employees. The program periodically reported to the senior management, including online and offline training courses, awareness posters on display at workplaces, corporate social network groups, and email notices on phishing, travel security, URL security, email security, and physical security.
6. We also organize LPPD inspections if required by the Internal Audit Department.



International Sanctions

AG Anadolu Grubu Holding is diligent in adherence to regulations regarding the economic and, in particular, commercial sanctions imposed by foreign countries and international authorities and in not transacting with parties included in the lists of sanctioned individuals/entities.

To this end, with the aim of ensuring that our employees comply with rules and regulations regarding sanctions in their activities and making it a routine part of their work, we published a Sanctions Compliance Policy across the Group in January 2023.



FROM ANADOLU TO THE FUTURE

The Future of People



**Human
Resources**
For the future

**“The only limitless
resource on Earth
is human potential.”**

We put people
at the heart of
what we do,
we unleash
the potential of
a better future.



**Empowered
Community**
For the future

**“Responsible and
purposeful acts
empower
communities.”**

We conduct
purpose-oriented,
measurable and
effective
social projects.

We act today for the future of people.

The Future of People

The right time to take action to build a better future for the people is today. Thus, we consciously place our human-oriented governance approach at the core of our relations with all our stakeholders, employees in particular and the communities we are connected to.

We provide tangible solutions to build a better future for the people:

For “the Future of People”, we get stronger together. As we embrace the principle of human resources for the future, we provide equal and fair working conditions through our people-oriented corporate culture. We support our employees in their growth and transformation, encouraging creative expression. We encourage new talents to join us. Standing by the principle of empowered community for the future, we conduct social investment programs for various stakeholder groups as we have been doing since many years. First and foremost, we utilize all our experience for creating shared value environmentally, socially and in terms of governance. With our core strategy “From Anadolu to the Future”, we conduct purpose-oriented projects in which our priorities and the needs of our stakeholders intersect. Our goal is to create higher shared value with purpose-oriented collaborations, products and services, aiming for the betterment of every single life we touch today.

The rate of women executives, which we have increased to **33.6%** in 2022, we aim to increase the rate to **35%** by 2030.

Visionary Goal	Progress
To increase the rate of women executives to 35% by 2030 and 50% by 2050.	We increased the rate of women executives from 32.3% in 2021 to 33.6% in 2022.

Contribution to Sustainable Development Goals



Human Resources for the Future



We believe that the greatest value that corporations have today is the people they work with. Thus, we passionately put people at the center of our business culture. We provide our employees an equal, fair, safe and free environment for new ideas. We support gender equality as we acknowledge that the diversity of employees is a true asset. We believe in the power of unleashing our true potential and we support the growth of our employees who play a key role in achieving our strategic goals. We enable our existing talents to adopt new and empowering skills aligned with the needs and expectations of the new age. We are proud to be an inspiring, visionary employer aspired by the new talents with whom we will walk our path. We unleash our highest potential together today in order to build a better future.

All senior management-approved regulations and codes on working conditions and employee rights are available on the company's internal portal, accessible by all employees.

Human Rights

Human rights lie at the heart of all business procedures. We strive to provide our employees with appropriate working conditions and secure human rights under the Code of Business Ethics and Non-Compliance Notification Regulation. We duly align our operations with human rights indicators, including discrimination, child labor, forced and coerced labor, and diversity of management organs and employees.



Equality and Diversity

Anadolu Group operates in 7 sectors across 19 countries, with over 80,000 employees with its social organizations. Guided by our vision "The star that links Anatolia to the world and the world to Anatolia", we draw strength from and shape our corporate culture on diversity. Our human resources practices and processes are available in a guiding format for Group companies in **AG Anadolu Grubu Holding Equal Opportunity Policy**. It is our principle to not discriminate against our employees based on their age; sex; race; religion; language; ethnic origin; sexual orientation; beliefs; marital, social, or economic status; disability; political opinion; participation in union activities and membership in unions; pregnancy status; or military service status during their working life and recruitment. We comply with our **Business Ethics Non-Compliance Notification Regulation**.

According to research¹⁴ by UN Women, only 28% of administrative positions filled by women and only 47 out of 151 countries exceed the 40% threshold. It estimated that these figures would improve within the next 140 years on our current course. We support the equal participation of all employees in the workforce and prioritize not only gender equality but also overall equality in all employee relations. 33% of our employees are women, while 67% are men, and we are working to improve the balance. In addition, while 40% of new recruited employees were women in 2021, 43% of new recruited employees were women in 2022. Following the Global Gender Gap report published in 2012 by the WEF in cooperation with the Republic of Türkiye Ministry of Family and Social Services, the Equality at Work Declaration issued to reduce the economic participation and opportunity gap cited in the report to approximately 10%. We have been named one of the holdings in Türkiye with the highest number of women in management in Capital Magazine's "Female-Friendly Companies" survey for nine years now. We act with that awareness and responsibility. To support women in their professional life, we implement facilitating practices before and after birth to help them balance their work and private lives. In addition to the legal obligations during maternal leave, we provide further financial support for birth and education costs. In addition, Anadolu Medical Center provides day care service to female employees with children aged 0-6.

We grant employees a variety of rights to enhance employee satisfaction. In addition to the private health insurance extending to the families of our employees, we also offer, through mobile channels, support in a range of areas, from family support lines to psychological support, legal consultancy, and healthcare consultancy. As for promotions, we take experience, knowledge, skills, and position-specific qualities as the main criteria while also considering organizational requirements. We do not discriminate against gender, religion, language, or race throughout all these processes.

Without limiting diversity to gender, we create a shared mind and governance approach, including contributions from different age groups. Our employees across the group consist of over 41 ethnicities and four generations. We draw strength from diversity and believe in adopting shared values. 39% of our employees are below 30, 57% are between 30 and 50, and 5% are over 50. We also launch activities to encourage new graduates and the younger generation to join our forces.

¹⁴ The Gender Snapshot ↗

Gender Equality at Anadolu Efes

Anadolu Efes places gender equality and strengthening the place of women in business life at the heart of its business principles. One of the company's three focuses in 2030 sustainability targets is to "Getting stronger through diversity and inclusion".

- ◆ Increase the representations of women in its organization from 30% to 51% by 2030.
- ◆ **2013:** The Company awarded the Equal Opportunities Model Certificate, developed by the Women Entrepreneurs Association of Türkiye under the technical assistance of the World Bank.
- ◆ **2015:** The Company became a signatory to the United Nations Women's Empowerment Principles (WEPs).
- ◆ **2019:** Anadolu Efes publishes the Gender Equality Guidelines to establish a roadmap for employees and business partners.
- ◆ **2020:** Anadolu Efes becomes the first company in the FMCG industry to receive the Equality for Women at Work Certificate for its operations in Türkiye.
- ◆ Anadolu Efes has been running projects for social benefit for 15 years and promotes women's empowerment in society. As part of its Future Is in Tourism activities, almost 500 women have been directly or indirectly employed so far.
- ◆ Anadolu Efes has fostered an entrepreneurship ecosystem with a particular emphasis on women entrepreneurs, regardless of their employment status within the company.
- ◆ **2022:** Anadolu Efes certified that there is no pay difference between genders by obtaining an independent assurance opinion for the Gender Pay Ratio by Compensation Policy in Türkiye, Moldova, Georgia, and Kazakhstan does not differentiate between genders.
- ◆ **2022:** In the '100 Leading Companies Breaking the Glass Ceiling' survey conducted by Inbusiness, Anadolu Efes was recognized in several categories among companies with 5,000 to 10,000 employees. These categories include the Ratio of Female Members on the Board of Directors, the Proportion of Women occupying roles in Senior Ranks, and Companies with the Highest Ratio of Female Executives at the Middle Level.

Gender Equality at Coca-Cola İçecek

CCI values gender equality and aims to achieve equal rights in terms of visibility, empowerment, and access to resources in all employee-related systems.

- ◆ **2015:** A Signatory of the WEPs, CCI strengthens women's financial and digital literacy skills through numerous women entrepreneurship programs in its operating countries and encourages them to participate in the economy.
- ◆ **2017:** As part of the Volunteering Program, over 1,500 volunteers carry out our different gender equality projects. CCI has established Women Employees' Platforms in its 11 countries of operation to provide representation to female employees. CCI's female employees gather on these platforms to create a strong professional network and participate in different leadership skills activities.
- ◆ **2019:** CCI united under a single roof all Women Employees' Platforms in different countries that work to encourage women to pursue leadership, provide female-friendly work environments, and contribute to women's empowerment.
- ◆ **2019:** CCI also participates in the Business Against Domestic Violence Project launched by the Sabancı University Corporate Governance Forum in cooperation with TUSIAD and with the support of the Sabancı Foundation and the United Nations Population Fund.
- ◆ **2020:** CCI published the CCI Domestic Violence Policy to reiterate its zero-tolerance stance against all kinds of violence and promised to provide its employees with a peaceful and safe work environment.
- ◆ **2020:** With the LEAD Network signed by company CEO Burak Başarır, CCI has committed to increasing the ratio of women in country-wide management and senior management

by 5% by 2025. CCI became a flagship in the FMCG industry by committing to the international NGO LEAD Network (Leading Executives Advancing Diversity), the purpose of which is to encourage female employees to join the retail and consumer goods industries and to increase the number of women in senior management and support their improvement.

- ◆ **2021:** The Gender Inclusive Language and Communication Guideline and its online training published in Turkish and English in cooperation with the Gender and Women's Studies Research Center at Kadir Has University.
- ◆ **2022:** On International Women's Day, CCI organized the "Break the Bias" campaign to highlight gender equality at work and highlight that professions are not gendered.
- ◆ **2022:** The Company created new employment opportunities for women through the "Forklift Operator Training Program". Having successfully passed the forklift training, 11 women assumed their positions in the CCI four factories in Türkiye and Kazakhstan.
- ◆ **2022:** Within the scope of the 2030 Sustainability Commitments, the company committed to ensuring that "35% of new recruits, 40% of management, and 50% of executive committee members will be women by 2030".



Anadolu Isuzu Million Women Mentors Program

With the Million Women Mentors program, Anadolu Isuzu targets young women aged 15–25 in STEM (Science, technology, engineering, and mathematics) and sector leaders to bring them together on a digital platform. In 2022, the company supported the Million Women Mentors Program, where 20 employees, experts and professionals in their respective fields, shared their experiences with 15 female STEM students to guide their careers. This scheme presents

an opportunity to touch the lives of young women studying, working, or navigating toward STEM and to make a difference in their lives toward a larger-scale transformation. Guided by their mentors, working women found a way to make a difference in the STEM world through their expertise, knowledge, and experience. On the other hand, Anadolu Isuzu encouraged employees to participate in the program as mentors to cement mentoring, development, and sharing culture within the company.

Gender Equality at Migros

Migros ranks near the top in the list of retail companies with the highest female employment rates. Gender equality is an integral part of the corporate culture, and the company takes numerous measures to increase the number of women in management.

- ◆ The company presents the "Value for Equality" online training series to employees and prohibits discriminatory and sexist questions during job interviews. The Happy Mother project offers short educational video content to pregnant employees concerning their legal rights, healthy nutrition, child development, and return to work after birth.
- ◆ The company increased the women's management rate to 32% in 2022 and aims to boost the rate further to 35% by 2027. Migros seeks to appoint at least one female manager at each store.
- ◆ The company is a signatory to LEAD Network Europe's CEO Pledge. It aims to increase the representation of women in management at and above the director level by 5% points by 2023. The company also aims to increase the rate of CEOs and senior management reporting directly to the CEO from 27 to 33% by 2026. In 2022, the ratio reached 27%.
- ◆ Migros was ranked 2nd among companies that continuously increase their women executives' ratio by Capital Magazine's "Top 100 Women-Friendly Companies" survey.



CCI Women in STEM (Science, Technology, Engineering, and Math)

CCI Türkiye launched the "Women in STEM (Science, Technology, Engineering, and Math)" Program under the CCI Women's Network to boost women employees' knowledge of technology and to gain them new professional competencies. 39 women employees from different departments of CCI Türkiye participated voluntarily in the program, scheduled for 300 hours over a year. In 2022, the number of women in STEM in Türkiye is 244, while the number rises to 651 in the CCI-wide assessment.

Talent Management

While supporting our employees' talent development, we emphasize gaining new skills in line with the prevalent global trends. The global acceleration of digital transformation has a transformative impact on employees and business processes. Companies must inevitably adapt to this current transformation. As such, we develop training programs to support our employees' development and focus on improving employees' digital competencies by offering online and offline hybrid tools. We are updating our employee development and performance management practices annually in compliance with the Career Management System Training and Development Procedure to meet changing employee expectations and needs. Through Anadolu Group Development Program, which we have established with the aim of supporting our employees in terms of personal awareness, strategic perspective and leadership qualities, we are bringing together our employees with expert trainers. The program encourages employees to develop new skills while providing 80 hours of training to widen their perspective and business network. Young Talent Management Program recruits employees who are not yet assigned managers but hold a progressive potential for an evaluation process. Since 2020, 168 young talents have been recruited into the program. Of the ongoing participants, 56% were included in their employer's succession plans, while 39% promoted. In addition, 57% of our employees who were promoted in 2022 are women (Migros excluded).

We are updating our employee development and performance management practices annually in compliance with the Career Management System Training and Development Procedure to meet changing employee expectations and needs. We conduct career planning aligning with their potential and back them with additional training to help them take steady steps up the career ladder. We restructured the performance assessment process to clearly and transparently define managers' and employees' roles, responsibilities, and expectations and to boost communication by prompting mutual feedback.

In line with the Performance Management Process, company senior management determines the primary strategies with guidance from the group. These strategies transformed into implementation plans at the employee level with shared wisdom. These plans and targets reviewed annually at meetings between employees and their managers. We consider this process a performance assessment, and in addition to tracking progress in shared goals, we establish a communication mechanism based on continuous feedback. We aim for a high-performance culture by aligning personal goals with corporate ones and establishing a feedback system between employees and managers. Within the career management framework, we first tailor goals to individuals in line with company priorities early in the year; then, we review the goals and achievements mid-year.

We protect the fundamental rights of our employees and implement fair compensation policies to encourage high performance. Each group company considers different market data to shape its remuneration structures and achieves effective remuneration management through business evaluation processes within the organization. The group applies total compensation management.

AG Anadolu Grubu Holding formulates the remuneration policy based on third-party consultancy, employee input, and legal consultancy. We always take into consideration legal minimum wage when deciding on standard entry level within the company. AG Anadolu Grubu Holding sets entry-level salaries above the local minimum wage to maximize employee satisfaction. We are correlating the salaries of decision-making employees at AG Anadolu Grubu Holding with sustainability headings such as human rights, environment, employee rights/decent work, and anti-corruption to boost our performance. We have adopted the equal pay for equal work approach at all management and employee levels across the group. In 2022, as before, we assigned and transparently reported men's and women's salaries at all levels in Anadolu Group. During the reporting period, we set the salary ratios for Anadolu Group at the group level. We highly prioritize gender equality and monitor our progress through performance indicators based on salary ratios. We work to boost our performance to that end and maximize the satisfaction of our employees regardless of gender.

Description*	2022
Ratio of women's salary at C level (executive) to men's salary at C level (executive) (basic salary only)	0.98
Ratio of women's salary at C level (executive) to men's salary at C level (executive) (basic salary and other bonus payments)	0.94
Ratio of women executives' salary to men executives' salary (basic salary only)	0.98
Ratio of women executives' salary to men executives' salary (basic salary and other bonus payments)	0.98
Ratio of salaries of non-managerial women to non-managerial men (basic salary only)	0.94

*This ratio covers approximately 86% of Anadolu Group employees. When calculating salary averages, we took in the weighted average based on the number of employees of each respective company. Minimal differences may be observed based on seniority, performance and seniority, regardless of gender.

To create more career management opportunities throughout the Group and ensure that talents continue to stay satisfied within our Group, we have been implementing the Open Positions program since 2010, offering our employees different opportunities. The system first issues an internal announcement for each open position to collect in-house applications. We aim to cultivate professional variety for our employees; employ rotation to boost skills, competencies, and experiences within the group; enhance our strong employer image as per our employees; and maintain employee engagement. In 2022, in-house candidates filled 45%** of all vacancies.

**Migros excluded.

Anadolu Efes I'M IN Short-Term Experience Program

Anadolu Efes's "I'M IN" program provides employees with short-term experience opportunities in different departments and projects. "I'M IN" facilitates in-house employee rotation for temporary vacancies due to maternity, health, or long-term military duty leaves; full or half-time vacancies at ongoing or new projects; or hard-to-fill or long-vacant roles. The program is an opportunity to develop new competencies and skills and a pathway toward different career branches, eventually strengthening the company's succession plans. So far, seven vacancies have been announced on I'M IN, which received 41 employee applications. Currently, 11 employees are exploring their new roles, and two have permanently switched to their newly discovered roles.

Adel Kalemcilik Newbees

Adel Kalemcilik launched Newbees as an MT program in 2022 to accelerate recruitment in the existing and potential vacancies while providing university students with a working environment to discover their talents. The comprehensive internship program at Newbees offers a working environment that encourages personal development and responsibility for young talents. In 2022, 12 Newbees interns began their journey, and Adel Kalemcilik recruited three. Our goal is to further increase these figures.



Migros Intrapreneurship Program

Migros, a group company, supports the implementation of innovative business ideas through cross-functional empowered teams and agile working methods building on the lean intrapreneurship model. Training programs and working methods strengthen the professional and personal competencies and knowledge in their current expertise areas while encouraging them to explore and improve in different fields. In turn, these projects present new income models. Three new priority projects, namely the Energy Generation Systems, Cooperatives' Union, and Jet Reyon, initiated in 2022 within the scope of the Corporate Intrapreneurship Program to encourage employee participation in digitization and business processes. So far, 28 projects carried out by 235 people added value to Migros.

Digital Work Environment

As the global impact of digital transformation escalates daily, we know that digitizing human resources processes is a crucial strategic step. The "AG People First" digital human resources platform enables the most efficient management of recruitment, learning, performance, succession planning, development activities, and operational activities of employees. The platform allowed employees to update their profiles to explore group-wide career opportunities that best address them.

Anadolu Isuzu Data Drivers Project

In 2020, Anadolu Isuzu launched the pilot Data Drivers program to equip company employees with data-oriented business problem-solving skills. Data usage and utilization are crucial skills in the modern world and will continue to be so in the future.



The project will help group employees acquire these skills to improve employee competencies. We provided 301 hours of training on Data Analysis, Digital Literacy, Digitization 101, Agile Approach, Industry 4.0, PowerBI, PowerApp, SharePoint, Microsoft Planner, and Microsoft Power Automate. 101 employees over three years received training on data analysis and digital competencies.

Anadolu Group Invests in Digital Talents

The Digital Talent and Cultural Development Program aims to improve Group-wide competency in creating value through digitization. Numerous Group-wide programs, including Data Drivers, Digital Transformation, and Leadership, invest in competency-based development.

We also implement the Information Technologies (IT) Talent Development Program to raise a competent workforce for the IT field. The project selects foundation scholarship students in IT-related fields and supports their development to increase the competent workforce for Anadolu Group. We have included over 90 scholarship students and over 10 interns in the IT Talent Development Program, which offers courses on social and technical skills. We also have the IT leaders at Anadolu Group mentor participants as an additional contribution. We provide long-term internship opportunities. In 2022, we recruited AG Anadolu Grubu Holding staff as long-term interns from our program.

Migros GETready

Migros launched the GETready training program to follow and track future skills and equip employees with them. In 2022, 77 programs reached 810 participants. The program teaches new skills through the GETready Tech catalog consisting of future digital skills. In 2022, 53 training programs reached 423 employees.

Training and Development Programs

We invest in training, development, and leadership programs to enhance our employees' personal and professional competencies, as we believe qualified employees help companies achieve their targets and make an impact. We establish comprehensive roadmaps to manage our employee development programs strategically. The first step of our employees' personal and professional development process begins with the Individual Development Plan within the scope of the Career Management System Training and Development Procedure. We enrich our employee development programs with different development tools, including coaching, rotation, class training, workshop training, and e-learning, to guide our employees and include their managers in the process.

The AG Development Dialogues for the senior management allow managers to apply to training courses to improve themselves further in line with their needs. So far, 393 senior managers participated in different development processes as part of the program.

In 2022, the total Anadolu Group investment in employee education reached 33.8 million Turkish Lira¹⁵, while the education expenses per employee were approximately 600 Turkish Lira. We organized approximately 4 million person-hour of training, corresponding to an average of 59 hours of training per person. By 2024, we will advance our talent management and employee development capacity to enable easier access to our basic and technical training, offer more in-class training, and enhance familiarity with our digital training courses to increase the completion rate.

We encourage our employees to formulate an Individual Development Plan to focus on their development. We analyze the assessments by each group company's respective Human Resources Department and interpret the findings group-wide. These analyses present input to the annual Career Meeting, and strategic decisions on the Development Plan and employees made and implemented under the responsibility of the human resources department. The Development Assessment Tools regularly monitor the efficiency of each development tool. Career management involves conducting company-, function-, sector-, and group-level meetings and factoring the results of the meetings into the creation of development plans. The career planning process occurs with a series of meetings held twice a year across our group. The meetings take place at each level to assess succession plans, high-potential employees, future risks and opportunities in talent management, individual development, and career plans.

Anadolu Group Young Talent Program



The Young Talent Program identifies employees with the potential to guide toward management positions. Selected employees are included in a modular development program to enhance their skills within the framework of three main competencies to strengthen their business network within the group, enhance their engagement, and understand the Group companies and industries better. The program focuses on three main competencies: personal awareness, strategic perspective, and effective talent development/leadership.

Participants who actively participate and succeed in the development programs on these three competencies are then provided a choice of mentors, consisting of group senior executives, to be matched for a year-long training program. Since 2020, 168 young talents have joined the program. Of the ongoing participants, 56% were included in their employer's succession plans, while 39% promoted.

¹⁵ CCI excluded.

Anadolu Group AG Academy



In line with the Anadolu Group Individual Development Plan, we offer training programs to contribute to employees' personal and professional development. Designed as a digital education platform, AG Academy has enabled many employees to participate in various education programs since 2015. We organize online tools, class training, and seminars through collaborations, particularly with leading universities worldwide, to support our employees in their improvement areas.

Plan Your Career at Anadolu Group (KAP)



We organize online and on-campus activities for students and young professionals through the KAP program, which established to introduce young talents to Anadolu Group. Our Chief Young Officer intern program has been ongoing since 2016 to offer participant students an opportunity to gain work experience and post-graduation recruitment. Between 2015–2022, our innovation activities generated 860 million Turkish Lira worth of value through over 43,000 ideas, 6,526 quick applications, and 2,355 projects. Moreover, Bi-Fikir KAP has been promoting the ideas of university students to help them realize their dreams since 2018. Since 2019, Bi-Fikir collected 907 project suggestions from 174 universities.

Anadolu Efes LABs



Anadolu Efes unites education and development activities under LABs Corporate Academy. Within the scope of the Anadolu Efes LABs are GrowLAB, which focuses on competency development; LeadershipLAB, which focuses on leadership development; ProfessionLAB, which focuses on functional development; and DigiLAB, which focuses on digital transformation and the efficient use of technology, to support the development of our employees using different content, sources, and tools. The academies have provided machine learning programs to raise Data Analytics Specialists for the last two years. All new recruit training sessions, which form part of our onboarding process, are within the scope of the Welcome LAB. In 2022, 39 people received 2,184 hours of training.

Anadolu Group's From Anadolu to the Future Sustainability Training Program

We implemented From Anadolu to the Future Sustainable Development Goals Training Program in 2021 in cooperation with Bahçeşehir University, the International Training Centers for Local Authorities and Local Actor (CIFAL) Istanbul, the United Nations Institute for Training and Research (UNITAR), and the Co-Op Directorate.

The educational activities within the scope of "From Anadolu to the Future" sustainability strategy switched to Anadolu Foundation My Dear Teacher program in 2022. Designed in compliance with the Education Vision of the Republic of Türkiye Ministry of National Education of the Republic of Türkiye, the "My Dear Teacher Program" by Anadolu Foundation offers "From Anadolu to the Future" sustainability training to teachers and administrators. The training programs focus on "Sustainability" and "Sustainability in Designing Social Ventures". Anadolu Group executives participate in the training sessions as guest speakers to elaborate on group sustainability activities. Furthermore, Anadolu Group sustainability leaders join sustainability-related conferences in universities as guest speakers and share their experiences on sustainability with the younger generation.

Migros Retail Academy

Migros Retail Academy (MRA) designed the most efficient models, methods, and tools for employee career development in line with company strategies. The numerous training schemes in its catalog reinforce personal and professional development with mixed learning methods.



The "Migros Retail Associate and Bachelor's Degree Program", held in cooperation with Anadolu University, enables our high school graduate employees to obtain their associate or bachelor's degrees. Five certificate programs equal an associate degree within the Migros ecosystem, and an additional three certificates correspond to a bachelor's degree. In 2022, MRA received 18 international awards. MRA offered training to 98% of employees in 2022, with 90% of this training covered by the company budget to cut training costs.

Anadolu Isuzu Vocational Development Program

The program designed to raise intermediate staff for Anadolu Isuzu through training courses tailored to each vocation and to help youth between 18–25 join the workforce by gaining a career. In 2022, 30 people joined the Anadolu Isuzu Vocational Development Program. Of these 30 participants, 10 women selected for the assembly team and seven for the painting workshop to contribute to gender equality.



CCI Next Talent

CCI's New Graduate Management Trainee Program aimed at university seniors, CCI Next Talent, has been live since 2019. In 2021, it launched in countries where CCI operates actively besides Türkiye. Currently, 36 young talents are participating half-time in the Next Talent program. Nearly a hundred young talents are heading up the ladder within CCI in Türkiye, Tajikistan, Kazakhstan, Pakistan, and Kyrgyzstan. CCI's Next Talent Program listed in the Top 100 Talent Programs. It also made it to the first place in the "Soft Drink" category.



Anadolu Isuzu Talent Pick Up

Anadolu Isuzu combines internship and communication efforts toward young talents under the Talent Pick-Up brand. In 2021, all program processes redesigned from an employee experience and talent acquisition perspective. The scheme utilizes internship programs to target university students on business experience, career processes management, business networking, strengthening employer brand perception, and talent acquisition.



Taking first place in the HCM Excellence Awards in 2021, the Talent Pick-Up program offers four-week internships to university students during the summer term. In addition to recruitment processes such as job interviews, personality inventories, and English language proficiency tests, the system introduces interns to online training courses, meetings with senior executives, and the implementation of projects in line with the Anadolu Isuzu business processes. Twenty university students participated in the internship program in 2022 and implemented 20 projects that developed business processes.

In addition to the summer program, the Talent Pick-Up Experience and Talent Pick-Up Plus programs also offer long-term internship and working experience opportunities to students during a six-month period over the fall or spring term.

Anadolu Efes Project Future

Designed to address university students and recent graduates, Project Future aims to promote Anadolu Efes as the most preferred employer among young talents and to select and recruit the best talents to retain them as full-time employees. In 2022, 12 of the young talents in the program joined the Anadolu Efes family. Within the same year, the long-term internship and education program Project Future received four significant awards:



Toptalent.co—Most Admired Talent Program of the Year, The International Business Awards Career Workforce Readiness Solution—Silver Award, The Stevie Awards—Golden Award, and Globe Business Awards “Achievement in Youth Employment Strategy”—Gold Globe.

Migros HRF5

In 2022, Migros launched numerous projects under the HRF5 program, including HR Support in Contractor & Operator Processes, Effective HR Management in Stores, Office Organization and Service Development, Multi-Dimensional and Tailored Talent Acquisition, Performance System Transformation, Value-Creating Internal Communication, Organizational Climate Transformation, Intrapreneurship, and We Are Different, We Are Equal.



Anadolu Isuzu Talent Academy

Talent Academy, by the university-industry cooperation of Anadolu Isuzu, launched in 2021. Anadolu Isuzu designed new experiences to boost the university campus campaign's efficiency, provide a glimpse of the “Anadolu Isuzu employee experience” to candidate students, and attract promising young talents to Anadolu Isuzu. All internships and youth campaigns are gathered and updated under the “Talent Pick-Up” brand within this scope. Talent Pick-Up is a 10-week summer internship program for university students.



Talent Pick-Up Experience is a six-month internship program offering real work experience at Anadolu Isuzu for university students who can organize their schedules accordingly. On the other hand, Talent Pick-Up Plus is a full-term internship for university students covering a full academic year (fall and spring).

Employee Engagement and Volunteerism

What makes a company strong and gives it a competitive advantage by becoming a leader in the industry is to have qualified employees and the connection it establishes with them. With that in mind, Anadolu Group continues to design human resources procedures to enhance employee engagement and satisfaction and promote a participatory culture. We place employee engagement and satisfaction at the heart of our corporate culture and closely follow the trends. Our Employee Engagement Survey affirmed that our engagement score is 79% in 2022. As AG Anadolu Group Holding, 100% of our female employees participated in the Employee Engagement survey. We also have a suggestion input mechanism available to all employees. We collect and evaluate employee suggestions and ideas through the Bi-Fikir platform, our mobile application, and suggestion boxes. Anadolu Group implemented 8,881 of the 43,000 ideas submitted in 2022. The Ethics Hotline allows employees to submit complaints anonymously or by including their usernames. In 2022, AG Anadolu Grubu Holding did not receive any notifications regarding a discrimination case.

We highly respect our employees' individual rights and freedoms, including their right to work under equal conditions. Accordingly, we support their right to unionize to safeguard their rights. As of 2022, 39,725 employees are unionized.

We include our employees in our volunteer activities to encourage them to look beyond their own lives, lend a hand to the community, and elevate our group's positive impact at the social level. We aim to create a nurturing working environment for our employees where they can create freely and color their ideas. Our intrapreneurship program Bi-Fikir, launched to this end to realize innovative projects and ideas, now celebrates its eighth year. Bi-Fikir promotes the company's entrepreneurship ecosystem and all Anadolu Group employees in Türkiye and abroad share their ideas on the platform.

Bi-Fikir KAP has been promoting the ideas of university students to help them realize their dreams. Since 2019, Bi-Fikir collected **907** project suggestions from **174** universities.

Anadolu Group Values Competition

Anadolu Group organized a competition to enhance the recognition and embracement of group values by the employees. The competition designed for Anadolu Group employees to express Anadolu Group Values visually or artistically. All employees from domestic and international locations of Group companies were invited to participate. The competition, which focused on enhancing familiarity with corporate culture and received over 150 applications. Anadolu Group employees received awards for 1st, 2nd and 3rd places with their individual work in the five value categories. There are plans for more internal communication campaigns related with the Anadolu Group Values.



CCI Volunteers

On World Cleanup Day, CCI volunteers in Türkiye, Iraq, Jordan, Kazakhstan, and Azerbaijan joined their forces and set off to collect waste and recyclable plastics in 21 locations. Nearly 400 CCI volunteers and their families gathered for this global movement.

Furthermore, over a hundred CCI volunteers participated in the 44th Istanbul Marathon and raised 415,430 Turkish Lira in donations for the benefit of the Koruncuk Foundation. The donations are to provide for a year of education for 34 young girls. In addition, 81,030



saplings planted in 2022 by overall effort in CCI.

In 2022, the number of employees participating in CSR projects and activities reached 1,000, while the total volunteer hours accumulated to 56,000.

Migros Family and Me Hobby Clubs

Migros organizes arts, culture, and sports activities under the Migros Family and Me Hobby Clubs to boost employee motivation, relieve work stress, strengthen mutual communication, and cultivate a sense of belonging. Hobby clubs enable employees to socialize, spend time together outside of work, get in touch with colleagues from different departments, pick up a new hobby, and spare time for existing hobbies. The Nature and Adventure Club organized two trips to Karagöl Highland in Taraklı, Sakarya, and to the Karaoluk Highland in Kartepe with the participation of 43 employees. Thanks to the contributions of Anadolu Efes Sports Club, 2,050 employees had the opportunity to enjoy 41 basketball games in the bleachers. Furthermore, Migros participated in the corporate category of the second 2,424-hour bicycle race within the scope of the European Mobility Week Car-Free Day. Racing in teams of four and six, the company won the first-place cup among the eight corporate teams.

Anadolu Efes Volunteers

Anadolu Efes volunteers strive to benefit society and the environment and to raise awareness. They also participate in local events in different cities through the regional volunteer ambassadors. Anadolu Efes volunteers gathered for World Cleanup Day on September 17, 2022, and cooperated with the Marine Life Conservation Society, the



Devidaim Institute, and Meet 2 Talk for a nature cleanup in Büyükada. During the awareness event, volunteers were equipped with gloves manufactured by Devidaim Institute entirely from upcycled waste fabric and reusable coffee bean sacks. Collected waste was recycled into various appliances on September 28 by the Devidaim team, who develops projects to prevent damage by the economy on nature and humans, in cooperation with Meet 2 Talk.

Anadolu Efes Let Me Hear You Program

The 2022 Performance Management at Anadolu Efes brings executives and employees face-to-face and records the resulting interviews on the system. Through this program, Anadolu Efes aims to cultivate an open and transparent communication and dialogue culture based on mutual trust and reciprocal communication. Business goals discussed and monitored throughout the process, any room for improvement identified, the employee reinforced on the subject, and goals updated when necessary. Thanks to the program, the company received 684 pieces of feedback in six months.

Anadolu Medical Center for Those Adding Value

Anadolu Medical Center appreciates dedicated and successful employees through the Those Adding Value project. The award system reflects the corporate values, including the Those Adding Value to Life, Outstanding Service, Person-Centered Care (Affection Ambassadors), Our Values, Efficiency, and Innovation categories. Through this system, all employees nominate their chosen candidates, whom they believe add positive value to the company, for appreciation and recognition under the related category. The Those Adding Value Executive Team, which consists of senior executives, evaluates nominations, and the candidates considered worthy of recognition are awarded. In addition, impromptu rewards can be made to department managers. In 2022, we received 62 success stories, and 47% of those were awarded.



Occupational Health and Safety

Providing a safe working environment for the health and safety of our employees form the basis of AG Anadolu Grubu Holding Occupational Health and Safety (OHS) Policy. We manage our OHS actions in line with local legislation and international standards. These actions include identifying OHS risks, tracking cases of non-compliance and near-miss incident and taking preventive measures against work accidents.

We value employee engagement in OHS-related matters and access to OHS-related information, services, and tools. We communicate holding workplace non-compliances and near-miss cases via email directly to the OHS specialist, workplace physician, and employer's representative. In 2022, we encountered one near-miss case at AG Anadolu Grubu Holding and took corrective action. As AG Anadolu Grubu Holding, number of lost working days of either the employees or contractors is zero. Also total injury rate of employees is 7.86 and total injury rate of subcontractors is 8.58. The total accident of employees is 2 and total accident of subcontractors is also 2.

AG Anadolu Grubu Holding, Anadolu Efes Türkiye, Coca-Cola İçecek, Migros, Anadolu Isuzu, Anadolu Motor, Anadolu Etap and Adel Kalemcilik are ISO 45001 certified.

Within our OHS governance structure, the Anadolu Group Human Resources President is the highest-level executive responsible for OHS and reports directly to the CEO. OHS-related issues managed through OHS boards. Boards consisting of employers, occupational safety experts, workplace physicians, human resources officers, and employee representatives have responsibilities such as establishing the OHS internal regulation, planning and issuing OHS training, determining risks and measures, and conducting investigations and inspections in the event of an accident. These boards convene on a member-majority basis once a month, once every two months, or once every three months, according to their fields of operation. They make decisions on workplace accidents, emergency action plans, risk assessments, and OHS training. In addition to the OHS Committee Meetings, as AG Anadolu Grubu Holding, we have been organizing Sub-Contractor Committee Coordination Meetings since the second quarter of 2020 to strengthen effective communication in the engagement and consultancy processes and to contribute therein.

We follow the national and international OHS requirements and map the relevant hazards and risks. We prioritize the mapped risks into three categories (operations, equipment, and chemicals) and take preventive precautions. We not only provide a safe working environment for our employees, but we also take action to protect their health. In addition to the healthcare practices and health risks included in legislation and standards, we also offer private health insurance and free-of-

charge flu vaccination. We are organizing informative seminars through Anadolu Medical Center. Within the scope of our healthcare practices, we also analyze the risk of occupational disease for all employees. AG Anadolu Grubu Holding currently runs no operations that present any risk of occupational disease for our employees.

In 2022, Anadolu Group allocated and invested TRY 173 million in OHS.

Our employees receive regular OHS training to further instill OHS culture within the company. In 2022, we provided 6.93 hours of OHS training per person, 451,912 person-hours, to our employees. 115,636 employees participated in the OHS training sessions. We also support our routine OHS training courses with awareness and emergency training. We continuously improve our OHS performance through emergency drills, evacuation drills, and field observations.

CCI Hand-in-Hand Safety Program

CCI's Hand-in-Hand Safety Program, embed into the Life-Saving Rules program, has been standardizing and systematizing OHS practices since 2016. It closely follows developments



in the expanding world and growing operations. Targeting "0" work accidents or occupational diseases for employees, contractors, and all the others within the ecosystem, the company abides by all legal legislation, CCI standards, and TCCC standards. Furthermore, the OHS performance in terms of Safety Maturity Index (SMI) score was rated at 73.59% in 2022.

Anadolu Efes OHS

Anadolu Efes continues to work on risk management and cultural transformation to enhance the OHS culture among employees and to expand the safety leadership perspective to reduce risks and accidents. Within the scope of risk management, working vehicles were equipped with tracking devices, the data from which analyzed into safe driving points. Subsequently, a smartphone application that reports driver errors activated. Further training was designed and scheduled for low safe-driving points while employees and sales teams with higher points were awarded. We carried out corporate culture measurement and analyses as part of the OHS cultural transformation. Corporate culture integration efforts continue with leadership development tools, leadership-based reporting, safety workshops, and leadership and coaching sessions

CCI Behavior Based Safety Program

The company included one location each in Türkiye and Pakistan in the pilot implementation of the Human Organisational Performance (HOP) program and organized training to this end. Following the pilot implementation, employees in engineering and higher positions in Türkiye and Pakistan received online training. The company elected HOP champions in each location and assigned the coaches to lead the incident cause analyses. It also created a HOP procedure and training documents.

Migros MSafe OHS Software

Within the scope of non-compliance management, Migros records, tracks, and reports on non-compliances via the "MSafe OHS" software. Updates in 2022 included automated registration on MSafe of non-compliances reported during the periodic checks on work equipment, non-compliances identified by occupational safety specialists during field inspections, and non-compliances noted during the workplace drills. The software feature to track organization-wide non-compliances on a single platform facilitated statistical analyses and improvement via software. Thus, the company has created safer work environments by eliminating non-compliances, preventing occupational accidents and near-miss incident, and avoiding potential administrative sanctions following official inspections.



CCI Care: Employee Wellbeing Program

CCI realizes that employee well-being is critical in shaping corporate culture, as further defined during the pandemic. To this end, the company considers applying the holistic health initiative to create an "employee well-being culture" that cultivates physically, mentally, and emotionally healthy and resilient employees to maximize their potential. Since 2021, the company has been raising employee awareness to develop such a culture and equip employees with tools and methods to improve their health. Within the program's scope, CCI Türkiye organized a Well-being Week, including online competitions, games, seminars, physical activities, exercises and workshops.



Anadolu Medical Center Patient Lift Carrier

A root cause analysis (RCA) conducted to investigate the musculoskeletal injuries in patient care staff. The RCA concluded that the healthcare personnel assigned to patient care received education on body mechanics—proper lifting techniques in their respective high school or university curricula and during the nurse/patient care technician orientation program by Anadolu Medical Center Education Department. The annual training program by the OHS Department of Anadolu Medical Center also includes relevant training under ergonomic risk factors. However, it also concluded that purchasing mechanical equipment to help lift-carry patients was necessary. Therefore, to reduce risk at the source and cultivate a safe working environment for the employees, a mechanical patient lift carrier purchased for Anadolu Medical Center and applied training provided.

Adel Kalemcilik Watercolor Facility Improvement

Adel Kalemcilik renovated its old watercolor facility thanks to the cooperation of the watercolor, auxiliary facilities and OHS departments. In addition to ergonomic improvements for employees, airborne dust, a priority risk identified in mapping substantially reduced.

Empowered Community for the Future



We acknowledge the importance of creating shared value in today's world. With our social investment approach, we carry out programs that create common value for our stakeholders. Thanks to our powerful product and service portfolio, we develop goal-oriented, measurable projects, which create value for the stakeholder groups within the scope of our field of activity. We wholeheartedly ensure that the positive impact of our projects is higher than the return on investment. We keep providing nourishing and responsible solutions today in order to build a better future.

The group focuses on various fields, including agriculture, education, healthcare, sports, tourism, culture, arts, and gender equality with Group companies, particularly our community organizations, Anadolu Foundation, Anadolu Medical Center and Anadolu Efes Sports Club.

Agriculture

The extreme weather conditions prompted by climate change and the irregular precipitations, though crucial in agriculture, present a vital threat to sustainable agriculture. We recognize that minimizing the impacts of adverse climate conditions is critical for ensuring sustainable and durable agricultural practices. Accordingly, we invest in and support initiatives in the agriculture industry through our Group companies.



Anadolu Efes and the Future Is in Agriculture Project

Anadolu Efes has been conducting the "Smart Agriculture" project in operations in Türkiye since 2018. The project aims to empower farmers and reduce agriculture's environmental impact. Innovative agriculture practices allow farmers to check on their farms using their smartphone applications without having to visit their fields.

The smart agriculture practices included in the program prevent farmers from redundant irrigation, spraying, and fertilization and facilitate the efficient and accurate use of sources. Smart practices ensure responsible exploitation of water sources while preventing excessive fertilizing and soil sterilization, subsequently relieving the impact on nature. They also boost farmer productivity, profitability, and natural resource efficiency and add value to the supply chain. In 2022, the project focused on barley farmers. The company also cooperated with the Konya Selçuk University to teach farmers sustainable agriculture and malted barley farming. The targeted 300 hours of training completed in online and face-to-face sessions. As a part of the project, the FieldView application was began to utilize to track the lifecycle of the seeds in the field.

Anadolu Etap AgroAcademy

Anadolu Etap established the educational platform AgroAcademy to disseminate sustainable agriculture principles, contribute to the training of a qualified agricultural workforce, and encourage the participation of women in the economy to contribute to gender equality and rural development. Anadolu Etap cooperated with different universities and chambers of agriculture as part of the AgroAcademy program. These include the 2012 cooperation agreement with the University of Florida; the Bilgi University Manager Development Center, at which administrative training has been offered since 2013; and various universities in technical training, particularly the Department of Horticulture of Ege University.



In addition to fruit growing and sustainable agriculture training, AgroAcademy also provides periodic programs to increase the number of qualified women farmers. As local communities are encouraged to participate in the training program, the ratio of women among 875 farmers hit 75%. The sustainable agriculture training aims to better equip women farmers, support women's employment in agriculture, upscale sustainable agriculture practices, and foster regional development. Anadolu Etap draws particular attention to its 70% female employment rate on its farms. Additionally, 50% of Agroburs scholarship holders are female students.

Migros Development and Acceleration Program for Women Entrepreneurs in Agriculture



The Development and Acceleration Program for Women Entrepreneurs in Agriculture provides women entrepreneurs with the knowledge that will accompany them on their career journeys while introducing products compliant with Migros standards throughout

Türkiye. Over the last year, the total number of women's cooperatives within the program reached eight. Furthermore, Family Clubs offer certified vocational training to the members of existing and recently established women's cooperatives. The program mentored 15 participants among the 60 women who joined in 2022. Over the last three years, 193 female entrepreneurs participated in the program. Geese raised by 100 women producers thanks to the initiative of Eylem Bozdoğan, a prior program participant from Mersin, are currently available to consumers in all Migros stores. Migros supported the business at all stages and eventually purchased 7,000 geese raised specifically for Migros under hygienic and efficient conditions in compliance with all quality standards.

Education

Education plays a critical role in constructing a sustainable social structure. Designing education to address contemporary needs and future possibilities to bolster social welfare has become increasingly vital. We contribute to sustainable development through our projects, which enforce high quality, comprehensive, equal education for all.

Anadolu Foundation Supports Education

Anadolu Foundation has been working for over 40 years in education and healthcare to contribute to sociocultural development and to give what has been earned from Anatolia back to society.

Anadolu Foundation seeks to create equal opportunity in education and to support the individual development of young people through numerous programs spanning over the years.

Scholarship Program: Anadolu Foundation has been in Turkey today to create equal opportunities in education. It has provided scholarship support to more than 30,000 young people and continues to provide support.

"Future with your Light" Scholarship Program: Pursuing the mission to cultivate equal education opportunities, the foundation aims to reach even further through the "Future with your Light Scholarship Donation Program". With our Light Scholarship Donation Program, Donors of the Future can contribute to the undergraduate studies of youth in need while helping them realize their dreams simply by donating whatever amount they desire.

Anadolu Foundation Academy: Besides providing financial support for the education of young people, the academy supports individual development and competencies through numerous projects. The academy provides education and training programs for young people early in their careers to explore what they want from the future. Anadolu Foundation Academy organizes competency-based online and video training and meetings with leaders. In 2022, 1,800 scholarship holders participated in 27 training sessions and events. We matched 90 mentor-mentee couples and 12 graduate-scholarship holder coaching duos. The youth carried out 24 volunteering activities through From Puzzle Pieces to Hope (BuKa) volunteering programs and began to take social responsibility.

Mentoring Program: The program aims to improve the current potential of Anadolu Foundation scholarship students while helping them discover their potential areas for improvement to accelerate their development process. Our Tenth Mentoring Program welcomed 90 mentors and mentees. Nearly a thousand people have taken part in the program over 10 years.

Our educational activities are led by our social organization Anadolu Foundation, established in 1979, and are supported by all other Group companies.

Coaching Program: The program aims to strengthen the cooperation of former scholarship students, boost their personal and professional performances, and raise awareness of individual and organizational development. To further support graduate scholarship students on their development journey, the program held in cooperation with PDR International Coaching and Mentoring Academy and organized the Coaching Program from June to November 2021. During the Coaching Programs in 2022, 12 former scholarship holders had one-on-one meetings with their coaches.

BuKa Project: Launched by Anadolu Foundation scholarship holders, BuKa aims to offer psychosocial support to the elderly and to instill positive impact and permanent values in society. The project organizes brain exercises to improve memory for the elderly and movie and music events to boost morale at the nursing home. BuKa Social Responsibility Club carried out 24 activities in 2022.

My Dear Teacher Program: The program aims to create social value through young generations by enhancing the skills and implementing the creative ideas of teachers, education administrators, and students. The program will improve skills across various areas, including the environment, disadvantaged groups, professional and economic development, and particularly women. Since 2013, the program reached over 190,000 teachers to enhance competencies to respond to social needs.



Migros Family Clubs

Migros launched Family Clubs with the cooperation of District Public Education Centers to improve the skills of women, men, and children of all ages further. Mainly consisting of women, Family Clubs encourage women to engage more actively in social life, invest in their personal development, have an occupation, and present a powerful role model for their children. After completing their training at the Family Club, 17,000 women began to earn an income for their households. In 2022, 367,745 people trained in 178 vocational and personal development courses. Furthermore, 488 people received Zero-Waste Kitchen training as part of the Culinary Arts certified program. The training courses on food waste prevention addressed 475 people through 27 events.



Migros Women's Academy

Migros implements numerous projects to support women's presence in work life and personal development. Migros Women's Academy, launched in 2021 to this end, helps women develop new skills and more actively engage in life. In cooperation with Migros Retail Academy and Family Clubs, the program offers a wide range of training from personal development to vocational training, family relations, and brand building. This training designed to raise awareness and motivation of women to strengthen their presence in various environments, ultimately inspiring others. Migros shares content to transform the Women's Academy into a platform where producing women join the workforce, establish their own businesses, and market their products. The platform offers over 70 subjects, from personal development to vocational training, family relations, and brand building. As part of the program, the company teams up with the Republic of Türkiye Ministry of Trade to organize annual Regional Women's Cooperatives meetings. So far, held in Kocaeli, Adana, Samsun, Ankara, Eskişehir, Çanakkale, Nevşehir, and most recently Isparta, these meetings include a briefing on Migros Women's Academy and in-class training on Quality, Quality Management Systems, Product Documents, Good Agricultural Practices, Fresh Fruit and Vegetable Tracking System, Farmer's Market Registration System and Legislation Training. The products of women cooperatives who participated in Women's Academy training sold on Migros Tazedirekt. Within this scope, produce by 600 producing women and 50 entrepreneurs from 7 women's cooperatives are already on sale for consumers. In line with its goal for the end of 2023 to reach a million people in vocational and personal development training at Family Clubs and Women's Academy, Migros already reached 2.8 people by late 2022.



Anadolu Isuzu Cevdet İnci Foundation Mobile Library Project

Anadolu Isuzu has been visiting underprivileged neighborhoods in Izmir since 2015 to bring books to primary school students in its mobile library, created in cooperation with the Cevdet İnci Foundation. The Mobile Library transfers books between schools and reaches over 130,000 people, particularly primary school students in underprivileged areas. In 2022, the Mobile Library reached 13 schools in Karabağlar with the support of the Karabağlar District Governorship, Provincial Directorate of Culture and Tourism, Karabağlar District Directorate of National Education and Karabağlar District Public Library.



Adel Kalemcilik Tree of Goodness



As part of its corporate social responsibility scheme, Tree of Goodness, Adel Kalemcilik provided stationery aids during the beginning of the academic year to 1,000 children in need in areas affected by recent disasters through numerous NGOs, including Make-A-Wish and TOÇEV. Tree of Goodness has provided school supplies for over 12,000 children since the onset of COVID-19. Tree of Goodness reached nearly 3,500 children in 2022.

Growing Healthy with Migros

Migros launched the Growing Healthy with Migros project in 2016 to instill a sense of healthy and good living in children. The project reached over 176,000 children through store visits and training sessions organized in 396 Migros stores in 70 provinces of Türkiye. Store visits as part of the project also broadcast on digital platforms. The company prepared an animated film upon approval by the Food and Agriculture Organization of the United Nations (FAO). The animated film broadcast on Migros TV and social media channels and viewed over 2 million times. The training program includes a range of information from the benefits of fruits and vegetables to the control processes they undergo until they make it to the shelves to GAP and how to read labels properly.



Adel Kalemcilik 1500Kelime Platform

Adel Kalemcilik launched the 1500Kelime.com Platform in April 2021 to broaden preschoolers' vocabularies and prepare them for a bright future. Pursuing its goal to become a company consulted in matters related to education, the company was awarded first place for this Quality Education project and the Önceliğimiz İnsan (Humans First) awards in the Inventors category on Bi-Fikir, the innovation platform of Anadolu Group. 1500Kelime.com Platform currently holds 11 awards from reputable national and international organizations.



Healthcare

We highly value healthcare and carry out our investments and activities in healthcare through Anadolu Medical Center within Anadolu Foundation. Since 2005, the center has offered world-class healthcare to local and foreign patients with its expert staff and cutting-edge equipment as part of its vision to become the heart of health. It also runs awareness activities to instill health consciousness in society. As an example of awareness activities, Anadolu Medical Center included World AIDS Day in its annual communication plan in order to raise social awareness about AIDS and reaches hundreds of thousands of people every year through its digital media channels.

Anadolu Foundation Social Responsibility Projects in Healthcare

Free Healthcare Project: Anadolu Foundation continues to reach out to those in need and to give back to society. We offer free healthcare services to citizens in need at Anadolu Healthcare Center as part of our efforts to advance social responsibility in healthcare. Since 2005, the center provided 482,186 consultations, 38,848 days of inpatient treatment, and 12,029 medical operations to 58,795 people.

Healthy Children, Happy Future Project: The project aims to identify illnesses that are treatable if diagnosed at an early stage to provide children with a healthy life. From 2014 to 2022, the project provided 14,751 children with 45,491 consultations, 8,385 medical operations, and 5,469 days of inpatient treatment.

Accessible Life Project: The project aims to provide complete and timely access to healthcare services for individuals with physical or mental disabilities. From 2015 to 2022, the project granted 5,215 individuals with disabilities 15,954 consultations, 30 medical operations, and 194 days of inpatient treatment.



Pink Ball on the Court with Anadolu Medical Center and Anadolu Efes Sports Club

Initiated by Anadolu Medical Center in cooperation with the Anadolu Efes Sports Club to highlight the importance of early diagnosis in breast cancer treatment, the project continues to make a difference as it navigates through its ninth year. In the ninth year of the project, 31 written covers published, reaching over 7 million people. Online platforms, on the other hand, reached nearly 6.5 million people with 289 news articles. Pink Ball made its way to key



profiles and show hosts on Türkiye's most-watched television programs. Covered by 30 television programs, the Pink Ball on the Court project was live for nearly an hour and a half. Boyner and Estée Lauder stores had campaigns up throughout October as well. The hashtag #pembetopsahada shared thousands of times on social media and reached 24 million people. These social media posts received over a million interactions.

Migros Well-Being Journey

The Migros Well-being Journey available on the Money Mobile and Migros Sanat Market—Hemen Online Shopping applications compares customers' food purchases with the advised consumption amounts. It supports building positive habits through messages on food groups for a balanced diet and discount product suggestions. Migros Well-being Journey reached nearly 5.4 million people so far. In 2022, nearly 30% of users gained positive changes in their behavioral patterns. Balanced Nutrition Index registered an improvement of 3.7 points in 2022. Within the same year, individual discounts worth 632,538 Turkish Lira granted for a more balanced diet in line with the healthy lifestyle suggestions. The Well-being Journey received seven international awards and presented as an example during world retail summits in Lisbon, Berlin, London, Tokyo, Warsaw, and Monaco.



Sports

Anadolu Efes Sports Club played a significant role in spreading and instilling enthusiasm for basketball in Türkiye. We have been contributing to the development of sports, a vital component of a healthy society, and Turkish basketball since 1976 through numerous sports events we organize as Anadolu Efes Sports Club. A flagship in the history of Turkish basketball, Anadolu Efes is proud to have won 2 EuroLeague titles, one Korać Cup, 16 championships in the Turkish Basketball League, 12 championships in the Turkish Basketball Cup, and 13 championships in the Turkish Basketball Presidential Cup as of the 2021–2022 season. As the team won the 13th Presidential Cup with 22 points, 5 rebounds, one assist, one steal, one block, and 25 efficiency points, the team's recent transfer, Ante Zizic, won the Most Valuable Player Award. The only Turkish team to hold two EuroLeague championships, Anadolu Efes has also won the Turkish Basketball League, Türkiye Cup, and Presidential Cup the greatest number of times.

Anadolu Efes Sports Club leads European basketball not only through its achievements in sports but also through its successful marketing projects. In 2022, the club received the Golden Award at the EuroLeague Devotion Marketing Awards. The only Turkish team recognized in the EuroLeague Devotion Marketing Awards, Anadolu Efes Sports Club holds the highest number of marketing awards among the European clubs, with five golds and two silvers.

Soon setting the milestones in Turkish basketball, Anadolu Efes Sports Club's primary objective is to advance Turkish athletics further and to successfully represent our country in the European leagues to instill enthusiasm for basketball in all young children. Anadolu Efes has raised countless stars in the youth team and introduces new talents in the sports arenas each year. As of the 2022–2023 season, the club holds 4 U20 Türkiye Championships, 22 U18 Türkiye Championships, 18 U16 Türkiye Champions, and 16 Juniors Türkiye Championships. The club holds the highest number of cups in all organizations.

Anadolu Efes Sports Club carries out infrastructure efforts to ensure active participation in sporting activities and the proper management of young sporting talents. It has thus far provided quality basketball training to thousands of athletes. On the other hand, İlk Adım (First Step) Basketball Schools introduced tens of thousands of young people across Türkiye and in the Turkish Republic of Northern Cyprus to basketball.

OUR ACHIEVEMENTS

- 2022 EUROLEAGUE CHAMPIONSHIPS**
- 2019 EUROLEAGUE RUNNER-UP**
- 1996 KORAC CUP**
- 1993 EUROPEAN CUP FOR CLUBS FINALIST**
- 2001 EUROLEAGUE THIRD PLACE**

- 16 TURKISH LEAGUE CHAMPIONSHIPS**
78/79 - 82/83 - 83/84 - 91/92 - 92/93
93/94 - 95/96 - 96/97 - 01/02 - 02/03
03/04 - 04/05 - 08/09 - 18/19 - 20/21
- 12 TURKISH CUP CHAMPIONSHIPS**
1984 - 1986 - 1993 - 1998 - 2001 - 2002
2006 - 2007 - 2009 - 2015 - 2016 - 2022
- 13 PRESIDENTIAL CUP CHAMPIONSHIPS**
1985 - 1992 - 1993 - 1996 - 1998 - 2000
2006 - 2009 - 2010 - 2015 - 2016 - 2019
2022

Anadolu Efes Sports Club One Team

Anadolu Efes Sports Club works on equality in sports and transferring the culture of sports to the younger generations as part of the One Team project, EuroLeague's corporate social responsibility project. The project contributes to the social development of young children who have never before played basketball. It focuses on a healthy and quality life, gender equality, equality in sports, and transferring sports culture to the younger generations. Elected as the "Best Social Responsibility Project of Europe" by EuroLeague in 2019 and 2020, the club is the only team to have won the Golden Award in the EuroLeague One Team Awards.



Little Athletes Project by Migros

Within the scope of the Little Athletes Project, a portion of the income generated from Procter & Gamble products sold in Migros stores donated to the Special Olympics Türkiye Committee to improve the coordination skills of 2-to-7-year-old children in need of special education to help them socialize with their peers. The project helped nearly 7,000 special youth and children participate in sports and donated many sports equipment. The project aims to reach more children in the upcoming years.

Arts and Culture

We continue to support arts and culture events to ensure they are accessible to all members of society. Our long history in arts and culture, led by Anadolu Efes, has allowed us to contribute to social development.

Anadolu Efes' Uninterrupted Support to Culture and Arts for 35 Years

35-Year Cooperation with Istanbul Foundation for Culture and Arts (IKSV): We have been closely cooperating with IKSV for 35 years, Türkiye's leading organization in arts and culture. In line with this cooperation, we support the International Istanbul Film Festival, Jazz Festival, Istanbul Biennial, and Design Biennial. Anadolu Efes is also the main sponsor of the Meetings on the Bridge, where international big-screen professionals, scriptwriters, producers, and budding directors gather to gain new members into the industry.

Support for More Than 1000 Theater Plays: Anadolu Efes has supported the leading well-established theatres of Türkiye since 1992 and helped over a thousand plays reach art enthusiasts. In 2018, it established the Blue Stage platform. Blue Stage founded to support alternative theatre companies struggling to find a stage for performances and to create art that all theatre enthusiasts could enjoy, particularly university students. Blue Stage plays performed on the Workshop stage of DasDas with affordable tickets. Blue Stage continued to perform on digital platforms during the pandemic lockdowns, and then moved on to the open-air stages. In 2022, the "Pub up Blue Stage" project offered a unique art experience with actor Berkay Ateş and his famous guests to audiences in restaurants and entertainment locations.



Migros Children's Theatre Festival and Migros Theatre Festival

"April 23 Traditional Migros Children's Theatre Festival" is one of Türkiye's longest-running social responsibility projects in theatre. Over 28 years, the project introduced over a million children to the theatre without any expenses at state theatres in 11 provinces across Türkiye.

On the other hand, Migros Theatre Festival, organized for the third time in 2022, performs family-friendly plays. Within the scope of the festival, 10 plays performed in 2022. Tickets to plays sold in Migros stores and on Migros Sanal Market and Biletix. One thousand six hundred people watched the plays in the theatre while 1,000 people watched online on Migros TV.

Tourism

We highly value Türkiye's natural treasures and cultural values and support all sustainable tourism efforts to this end. Acknowledging that Türkiye's tourism potential is a significant element in development, we work to transfer existing natural, historical and cultural richness to future generations. We establish cooperation to this end and take action to raise awareness. Instead of depleting the resources that are the sources of tourism, we choose to protect those resources and adopt the sustainable tourism approach.

Anadolu Efes Future Is In Tourism

Since 2007, Anadolu Efes has partnered with the Turkish Ministry of Culture and Tourism and the United Nations Development Programme (UNDP) to run The Future is in Tourism, the first program focused on sustainable tourism in Türkiye. Through this program, Anadolu Efes demonstrate that Türkiye is prosperous when it comes to resources, not only in terms of sea-sand-sun tourism but also in terms of sustainable tourism. With sustainable tourism models, the company aims to protect natural and cultural heritage, improve the quality of life of local people and visitors, contribute to the local economy, and economically empower the women of the region.



Over the past 16 years, Anadolu Efes have supported sustainable tourism in 17 regions through 19 different projects, ranging from ecotourism to gastronomy tourism. This program has positively impacted approximately 200,000 people, creating direct or indirect job opportunities for over 500 women. In addition, Anadolu Efes has collaborated with 600 NGOs and 23 universities and received 16 awards from various national and international institutions and organizations.







This program was also selected as Europe's best social responsibility project for three consecutive years. In 2022, the company shifted our focus to Muğla, an area adversely affected by forest fires. Anadolu Efes began working to create three new alternative tourism routes in Akyaka, Köyceğiz, and Taşlıca, providing sustainable tourism training to 500 people and offering grants, mentoring, and communication support to at least 50 female entrepreneurs interested in sustainable tourism. This program aims to establish disaster-resilient sustainable tourism infrastructure in Muğla by installing water reservoirs in high-risk locations, training locals and tourism businesses on forest fires, placing "be a responsible tourist" signs in Akyaka Forest Camp, and publishing our gender equality action plan in the region. The program will continue in Muğla until the end of 2024.







Corporate Memberships







- ◆ The Turkish Industry and Business Association (TÜSİAD)
- ◆ United Nations Global Compact (UNGC)
- ◆ The Business Plastics Initiative (IPG)
- ◆ The Turkish Investor Relations Society (TÜYİD)
- ◆ The Corporate Governance Association of Türkiye (TKYD)
- ◆ The Foreign Economic Relations Board of Türkiye (DEİK)
- ◆ The Ethics and Reputation Society (TEİD)
- ◆ The Quality Association of Türkiye (KALDER)
- ◆ The Association of Listed Partnership Managers (KOTODER)
- ◆ The Corporate Communicators Association (KİD)
- ◆ The Economic Development Foundation (İKV)
- ◆ The Informatics Industry Association (TÜBİSAD)







Performance Indicators







Social Performance Indicators







Employees by Gender and Category	2020		2021		2022	
	 Women	 Men	 Women	 Men	 Women	 Men
Total	20,824	41,400	21,625	42,257	22,566	42,610
White-collar	6,052	12,586	6,943	14,618	7,526	15,443
Blue-collar	14,772	28,814	14,682	27,639	15,040	27,167
Employees covered by the CBA	33,275		34,480		39,725	

Employees by Working Duration and Category	2020		2021		2022	
	 Full Time	 Part Time	 Full Time	 Part Time	 Full Time	 Part Time
Total	59,920	2,304	61,833	2,049	64,571	605
White-collar	18,189	449	21,348	213	22,680	289
Blue-collar	41,748	1,838	40,594	1,727	41,891	316

Number of Employees by Age	2020		2021		2022	
	 Women	 Men	 Women	 Men	 Women	 Men
Below 30	9,836	16,176	10,412	15,592	10,536	14,641
30–50 years old	10,420	23,375	10,654	24,651	11,407	25,549
Over 50	568	1,849	559	2,014	623	2,420

Employee Turnover by Gender and Age ¹⁹	2020		2021		2022	
	 Women	 Men	 Women	 Men	 Women	 Men
Total	1,274	4,295	9,694	15,126	6,979	9,856
Below 30	876	2,841	7,730	11,588	5,253	7,296
30–50 years old	357	1,290	1,884	3,243	1,675	2,310
Over 50	41	164	80	295	51	250

Employees by Year	2020		2021		2022	
	 Women	 Men	 Women	 Men	 Women	 Men
0-5 years	12,342	21,498	12,436	20,871	13,089	20,361
5-10 years	4,436	9,484	4,796	10,031	4,790	9,852
10 years and over	4,046	10,418	4,393	11,355	4,687	12,397

Executives by Gender and Age	2020		2021		2022	
	 Women	 Men	 Women	 Men	 Women	 Men
Total	3,007	6,557	3,380	7,063	3,761	7,419
Below 30	704	1,011	850	1,140	919	1,184
30–50 years old	2,169	5,136	2,388	5,484	2,679	5,746
Over 50	134	410	142	440	163	489

¹⁹ Not including Migros for the years of 2020.

Salary Rates by Level ²⁰	2022
Ratio of women's salary at C level (executive) to men's salary at C level (executive) (basic salary only)	0.98
Ratio of women's salary at C level (executive) to men's salary at C level (executive) (basic salary and other bonus payments)	0.94
Ratio of women executives' salary to men executives' salary (basic salary only)	0.98
Ratio of women executives' salary to men executives' salary (basic salary and other bonus payments)	0.98
Ratio of salaries of non-managerial women to non-managerial men (basic salary only)	0.94

Other Gender Equality Indicators	2021 ²¹		2022	
	Women	Men	Women	Men
Supervisors	2,692	5,676	3,053	6,018
Senior executives	672	1,373	708	1,401
Non-managerial employees	18,261	35,209	18,805	35,191
Employees in income-generating positions	2,296	6,993	2,727	6,888
Employees in the information technology (IT) workforce	846	504	432	406
Employees in the engineering workforce	366	4,412	578	5,705
Employees in STEM positions	1,232	4,984	1,045	6,190

²⁰ This ratio covers approximately 86% of Anadolu Group employees. When calculating salary averages, we took in the weighted average based on the number of employees of each respective company. Minimal differences may be observed based on seniority, performance and seniority, regardless of gender.

²¹ Indicators for 2021 have been recalculated.

Employees Granted Maternity/Parental Leave	2020		2021		2022	
	Women	Men	Women	Men	Women	Men
Number of employees granted maternity/parental leave	1,085	389	898	1,439	1,256	1,343
Number of employees who returned to work following maternity/parental leave	655	1,385	366	1,430	869	1,145
Employees who returned from parental leave and have worked for at least 12 months	-	-	689	1,232	520	1,166

Employees with Disabilities by Gender	2020		2021		2022	
	Women	Men	Women	Men	Women	Men
	371	1,031	369	1,070	411	1,102

Employees Subject to Regular Performance Appraisal	2020		2021		2022	
	Women	Men	Women	Men	Women	Men
	18,801	32,438	49,882	18,263	32,502	

Subcontracted Employees	2022
Number of full-time subcontractors	15,718
Number of part-time subcontractors	1,384

Training Hours by Year	2020	2021	2022
Total training hours	3,067,894	3,482,723	3,849,067
Training hours per employee	49.2	54.5	59

OHS Training Hours by Year	2020	2021	2022
Total training hours	292,934	180,184	451,912 ²²
Training hours per employee	4.71	2.76	6.93
Total training hours to subcontractors	46,478	40,399	88,886 ²³

OHS Performance of Employees	2020	2021	2022
Accident frequency rate ²⁴	16.80	35.74	19.38
Occupational disease rate ²⁵	0.09	0	0.0004
Number of fatal accidents	1	1	0

OHS Performance of Subcontractors	2020	2021	2022
Accident frequency rate ²⁴	30.35	42.76	29.54
Occupational disease rate ²⁵	0	0	0
Number of fatal accidents	4	0	0

Charity Expenses (TRY) ²⁶	2021	2022
	342,032,636	826,651,972

²² It increased compared to the previous year as a result of the increase in orientation and other training activities of new recruits employees.

²³ Due to the expansion of training activities for subcontractors, training hours increased compared to the previous year.

²⁴ Accident Frequency Rate= Total fatal accidents x 1,000,000 / Total work hours.

²⁵ Occupational Disease Rate= Total cases of occupational disease x 1,000,000 / Total work hours.

²⁶ This includes corporate social responsibility, donations and social sponsorship expenses as well as payments to charities and business ventures.

Environmental Performance Indicators

Energy Consumption	2020	2021	2022
Total energy consumption (MWh)	2,837,536	2,547,038	2,552,236
Energy intensity (kWh/TRY)	0.046	0.031	0.014

Purchased Renewable Energy (MWh)	2021	2022
Total (Hydroelectricity, wind, other)	69,671.7	230,369.34

Produced Renewable Energy (MWh)	2021	2022
Hydroelectricity	539,826.8	678,424.4
Solar	1.8	1,401.00
Biogas	-	23,194
Other	38,441.3	-
Total	578,269.9	703,019.4

Sold Renewable Energy (MWh)	2021	2022
Hydroelectricity	536,297.4	675,600.93
Solar	-	121.00
Total	536,297.4	675,721.93

Greenhouse Gas Emissions ²⁷	2020	2021	2022
Total greenhouse gas emissions (ton CO ₂ e)	2,458,365.41	20,825,172	18,799,545
Scope 1 (direct) emissions (ton CO ₂ e)	687,325.69	662,717	629,224
Scope 2 (indirect) emissions (ton CO ₂ e)	648,918.03	699,049	686,247
Scope 3 emissions (ton CO ₂ e) ²⁸	1,122,121.69	19,463,406	17,484,074
Scope 1-2 greenhouse gas intensity (kg CO ₂ e/TRY)	0.022	0.016	0.007
Scope 1-2-3 greenhouse gas intensity (kg CO ₂ e/TRY)	0.040	0.252	0.105

Air Emissions (kg) ²⁹	2020	2021	2022
NO _x	173,390.8	82,722	56,212.74
SO _x	43,360.6	5,697	1,896.32
Volatile organic compounds (VOC) ³⁰	79,333.9	95,527	112,647.75 ³¹
Particulate matter (PM)	9,304.6	35,343	25,830.75

Water Consumption (m³)	2020	2021	2022
Total	36,236,174	29,144,209	29,386,296
Water intensity (m ³ /thousand TRY)	0.584	0.352	0.165
Mains water	10,830,095	10,635,832	9,272,313.39
Surface water	641,106	1,675,479	1,285,576.70
Underground water	24,361,735	16,832,898	18,828,406.78
Other	403,238	0	0

²⁷ Greenhouse gas emissions were calculated according to the GHG protocol. The Global Warming Potential (GWP) coefficients were taken from the 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

²⁸ The increase in 2021 Scope 3 emissions data compared to 2020 is due to the expansion of calculations by Group companies Coca-Cola İçecek and Migros.

²⁹ Our companies, which are subject to the Industrial Air Pollution Control Regulation, have emission measurements made every two years.

³⁰ Volatile organic compounds (VOC) were recalculated for the years 2020 and 2021.

³¹ Anadolu Isuzu 2022 volatile organic compounds (VOC) data is in the process of third party verification.

Total Amount of Water Withdrawn in Water-Stressed Areas (m³)	2021	2022
Total	16,838,040	10,739,564.9
Surface water	1,002,610	977,038.29
Underground water	13,729,557	7,241,653.01
Third-party water providers	2,105,873	3,497,911.89

Recycled Water and Wastewater Quantity (m³)	2020	2021	2022
Amount of recycled/reused water	637,127	802,980	424,801
Amount of waste water	14,465,942	14,791,403	11,255,652

Hazardous Waste Amount (ton)	2020	2021	2022
Total hazardous waste	11,538.05	10,269	12,666.81
Disposed of at sanitary/solid waste landfill	203.13	2,317	232.79
Recovered for energy production	690.72	555	1,918.98
Reused	82.44	5,861	-
Electronic waste	4.15	-	-
Recycled/recovered	197	555	112.79
Incinerated (Not for energy generation purposes)	-	929	24.76
Other ³²	10,360.61	-	10,377.45
Other (destroyed)	-	52	-



³² The amount of hazardous waste sent to Anadolu Efes' landfill/solid waste site, recovered for energy purposes, reused, recycled/recovered, was considered together in the other category.

Amount of Non-Hazardous Waste (ton)	2020	2021	2022
Total non-hazardous waste	892,111.45	666,454	686,248
Disposed of at sanitary/solid waste landfill	13,667.63	67,541	61,225.46
Recycled/recovered	776,028.04	525,526	586,788.78
Recovered for energy production	614,35	4,313	3,334.73
Reused	11,569.11	55,972	586
Composted	4,254.95	5,801	13,764.36
Food waste	26,696.18	-	-
Other ³³	59,281.19	-	20,549.01
Other (destroyed)	-	2,803	-
Other (recycled)	-	4,498	-

³³ The amount of non-hazardous waste sent to Anadolu Efes' landfill/solid waste site, recovered for energy purposes, reused, recycled/recovered, was considered together in the other category.

GRI Standards Content Index



GRI Standards	Disclosures	Page Number(s) and/or URL(s)
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GRI 2: GENERAL DISCLOSURES 2021		
	2-1 Organizational details	About Anadolu Group, p.10
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.4
	2-3 Reporting period, frequency and contact point	About the Report, p.4
	2-4 Restatements of information	Group Companies, p.13 Material Issues, p.44
	2-5 External assurance	No external audit was conducted within the scope of the report.
	2-6 Activities, value chain and other business relationships	About Anadolu Group, p.10
	2-7 Employees	Equality and Diversity, p.126 Social Performance Indicators, p.164
	2-8 Workers who are not employees	Social Performance Indicators, p.164
	2-9 Governance structure and composition	Integrated Governance for the Future, p.110
	2-10 Nomination and selection of the highest governance body	Integrated Governance for the Future, p.110
	2-11 Chair of the highest governance body	Integrated Governance for the Future, p.110
	2-12 Role of the highest governance body in overseeing the management of impacts	Integrated Governance for the Future, p.110 Risk Management, p.112 Internal Control and Internal Audit, p.116
	2-13 Delegation of responsibility for managing impacts	Integrated Governance for the Future, p.110 Risk Management, p.112 Sustainability Management, p.42
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, p.42
	2-15 Conflicts of interest	Integrated Governance for the Future, p.110
	2-16 Communication of critical concerns	Integrated Governance for the Future, p.110 Internal Control and Internal Audit, p.116
	2-17 Collective knowledge of the highest governance body	Integrated Governance for the Future, p.110
	2-18 Evaluation of the performance of the highest governance body	Integrated Governance for the Future, p.110

GRI Standards	Disclosures	Page Number(s) and/or URL(s)
GRI 2: GENERAL DISCLOSURES 2021	2-19 Remuneration policies	Talent Management, p.131 The Compensation Principles of AG Anadolu Grubu Holding A.Ş. 
	2-20 Process to determine remuneration	Talent Management, p.131 The Compensation Principles of AG Anadolu Grubu Holding A.Ş. 
	2-21 Annual total compensation ratio	Omission: Confidentiality constraints. Anadolu Group does not share this information publicly in accordance with the privacy policies.
	2-22 Statement on sustainable development strategy	From Anadolu to the Future, p.32 Sustainability Management, p.42
	2-23 Policy commitments	The Future of Nature, p.52 Integrated Governance for the Future, p.110 Protection of Personal Data, p.119 Equality and Diversity, p.126 Talent Management, p.131 Occupational Health and Safety, p.146
	2-24 Embedding policy commitments	Internal Control and Internal Audit, p.116
	2-25 Processes to remediate negative impacts	Risk Management, p.112
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Communication, p.48 Code of Business Ethics and Compliance, p.117 Employee Engagement and Volunteerism, p.142
	2-27 Compliance with laws and regulations	Risk Management, p.112
	2-28 Membership associations	Corporate Memberships, p.163
2-29 Approach to stakeholder engagement	Stakeholder Communication, p.48 Empowered Community for the Future, p.150	
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MATERIAL TOPICS		
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	Material Issues, p.44
	3-2 List of material topics	Material Issues, p.44
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 Anti-Bribery and Anti-Corruption, p.119
GRI 205: ANTI CORRUPTION 2016	205-2 Communication and training about anti-corruption policies and procedures	Anti-Bribery and Anti-Corruption, p.119

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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 Risk Management, p.112 Risk Identification, p.114
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 Integrated Governance for the Future, p.110
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GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	Environmental Performance Indicators, p.169
	302-2 Energy consumption outside of the organization	Environmental Performance Indicators, p.169
	302-3 Energy intensity	Net-Zero for the Future, p.56
	302-4 Reduction of energy consumption	Net-Zero for the Future, p.56
	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators, p.169
GRI 305: EMISSIONS 2016	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance Indicators, p.169
	305-3 Other indirect (Scope 3) GHG emissions	Environmental Performance Indicators, p.169
	305-4 GHG emissions intensity	Environmental Performance Indicators, p.169
	305-5 Reduction of GHG emissions	Net-Zero for the Future, p.56
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Net-Zero for the Future, p.56 Environmental Performance Indicators, p.169
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	303-2 Management of water discharge-related impacts	Water Cycle for the Future, p.62
	303-3 Water withdrawal	Environmental Performance Indicators, p.169
	303-4 Water discharge	Water Cycle for the Future, p.62 Environmental Performance Indicators, p.169
BIODIVERSITY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of Nature, p.52
GRI 304: BIODIVERSITY 2016	304-3 Habitats protected or restored	Biodiversity for the Future, p.74
PACKAGING AND WASTE		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of Nature, p.52
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy for the Future, p.66
	306-2 Management of significant waste-related impacts	Circular Economy for the Future, p.66
	306-3 Waste generated	Circular Economy for the Future, p.66 Environmental Performance Indicators, p.169
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EMPLOYEE LOYALTY AND SATISFACTION		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of People, p.122
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	Social Performance Indicators, p.164
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Equality and Diversity, p.126 Talent Management, p.131 Employee Engagement and Volunteerism, p.142
	401-3 Parental leave	Social Performance Indicators, p.164

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GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.146
	403-2 Hazard identification, risk assessment, and incident investigation	Social Performance Indicators, p.164
	403-3 Occupational health services	Occupational Health and Safety, p.146
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p.146
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p.146
	403-6 Promotion of worker health	Occupational Health and Safety, p.146
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p.146
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GRI 202: MARKET PRESENCE 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Talent Management, p.131
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	Talent Management, p.131 Social Performance Indicators, p.164
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Management, p.131
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Management, p.131 Social Performance Indicators, p.164
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GRI 405: DIVERSITY AND EQUAL 2016	405-1 Diversity of governance bodies and employees	Equality and Diversity, p.126 Social Performance Indicators, p.164
	405-2 Ratio of basic salary and remuneration of women to men	Talent Management, p.131 Social Performance Indicators, p.164
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of People, p.122
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	Employee Engagement and Volunteerism, p.142
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of Business, p.80 Empowered Community for the Future, p.150
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1 Infrastructure investments and services supported	Empowered Community for the Future, p.150
	203-2 Infrastructure investments and services supported	Empowered Community for the Future, p.150
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Empowered Community for the Future, p.150
RESPONSIBLE RESOURCE MANAGEMENT AND PROCUREMENT		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of Business, p.80
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	Anadolu Group Annual Report 2022, Key Financial Indicators p.12 
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Management, p.42 Material Issues, p.44 Risk Management, p.112
	201-3 Defined benefit plan obligations and other retirement plans	Anadolu Group Annual Report 2022, Consolidated Statements of Financial Position p.150 
DATA PRIVACY AND CYBERSECURITY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 The Future of Business, p.80 Protection to Personal Data p.119

GRI Standards	Disclosures	Page Number(s) and/or URL(s)
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 Empowered Community for the Future, p.150
MULTI-STAKEHOLDER INITIATIVES AND COLLABORATIONS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 Corporate Memberships, p.163
CUSTOMER SATISFACTION AND COMMUNICATION		
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Sustainability Management, p.42 Material Issues, p.44 Responsible Manufacturing for the Future, p.97
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UN Global Compact (UNGC) Content Index

Topics	Global Principles	Location of Disclosure
Human Rights	Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights.	Human Rights, p.125 Code of Business Ethics and Compliance, p.117
	Principle 2 - Businesses should make sure that they are not complicit in human rights abuses.	Human Rights, p.125 Code of Business Ethics and Compliance, p.117
	Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Equality and Diversity, p.126 Employee Engagement and Volunteerism, p.142
	Principle 4 - All forms of forced and compulsory labor should be eliminated.	Human Rights, p.125
	Principle 5 - All forms of child labor should be eliminated.	Human Rights, p.125
Labor	Principle 6 - Discrimination in respect of employment and occupation should be eliminated.	Human Rights, p.125 Equality and Diversity, p.126
	Principle 7 - Businesses should support a precautionary approach to environmental challenges.	The Future of Nature, p.52
	Principle 8 - Businesses should undertake initiatives to promote greater environmental responsibility.	The Future of Nature, p.52
	Principle 9 - Businesses should encourage the development and diffusion of environmentally friendly technologies.	The Future of Nature, p.52
Anti-Corruption	Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.	Internal Control and Internal Audit, p.116 Anti-Bribery and Anti-Corruption, p.119

World Economic Forum (WEF) Stakeholder Capitalism Metrics

Theme	Description	Reference(s)
PRINCIPLES OF GOVERNANCE		
Governing Purpose	Setting Purpose: The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	From Anadolu to the Future, p.32
Quality of Governing Body	Governance body composition: It should be disclosed that composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	From Anadolu to the Future, p.32 Sustainability Management, p.42 Integrated Governance for the Future, p.110
Stakeholder Engagement	Material issues impacting stakeholders: A list of the topics that are material to key stakeholders and the company, how the topics were identified, and how the stakeholders were engaged should be disclosed.	From Anadolu to the Future, p.32 Sustainability Management, p.42 Stakeholder Communication, p.48
Ethical Behavior	Anti-corruption: 1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region should be disclosed. 2. (a) Total number and nature of incidents of corruption confirmed during the current year but related to previous years (b) Total number and nature of incidents of corruption confirmed during the current year, related to this year and 3. Initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption should be discussed.	Anti-Bribery and Anti-Corruption, p.119
	Protected ethics advice and reporting mechanisms: Internal and external mechanisms for seeking advice about ethical and lawful behavior and organizational integrity and reporting concerns about unethical or lawful behavior and organizational integrity should be described.	Code of Business Ethics and Compliance, p.117
Risk and Opportunity Oversight	Integrating risk and opportunity into business process: Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes should be discussed. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship.	Risk Management, p.112

Theme	Description	Reference(s)
PLANET		
	Greenhouse Gas (GHG) emissions: For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions should be reported. Material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate should be calculated and reported.	Net-Zero for the Future, p.56 Environmental Performance Indicators, p.169
Climate Change	TCFD implementation: Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	The Future of Nature, p.52 Risk Management, p.112
Nature Loss	Land use and ecological sensitivity: Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	Biodiversity for the Future, p.74
Fresh water availability	Water consumption and withdrawal in water-stressed areas: Report for operations where material, mega litres of water withdrawn, mega litres of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Water Cycle for the Future, p.62 Environmental Performance Indicators, p.169
PEOPLE		
	Diversity and inclusion: Percentage of employees should be disclosed per employee category, per age group, gender and other indicators of diversity (e.g. ethnicity).	Equality and Diversity, p.126 Social Performance Indicators, p.164
	Pay equality: Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality should be disclosed: women to men; minor to major ethnic groups; and other relevant equality areas	Talent Management, p.131 Social Performance Indicators, p.164
Dignity and equality	Risk for incidents of child, forced or compulsory labour: Operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour should be disclosed. Such risks could emerge in relation to type of operation (such as manufacturing plant) and type of supplier; or countries or geographic areas with operations and suppliers considered at risk should be explained.	AG Anadolu Grubu Holding Code of Business Ethics and Non Compliance Notification Regulation 
Health & well-being	Health and Safety: 1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries, main types of work-related injury; and the number of hours worked should be disclosed. 2. How the organization facilitates workers' access to non-occupational medical and healthcare services and the scope of access provided for employees and workers should be explained.	Occupational Health and Safety, p.146 Social Performance Indicators, p.164

Theme	Description	Reference(s)
Skills for the future	Training provided: Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees) and average training and development expenditure per full time employee should be disclosed.	Training and Development Programs, p.135 Social Performance Indicators, p.164
PROSPERITY		
	Absolute number and rate of employment: Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region and total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region should be explained.	Social Performance Indicators, p.164
	Economic Contribution: 1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations should be explained. Ideally split out by: • Revenues • Operating costs • Employee wages and benefits • Payments to providers of capital • Payments to government • Community investment 2. Financial assistance received from the government should be disclosed: total monetary value of financial assistance received by the organization from any government during the reporting period.	Anadolu Group Annual Report 2022, p.148 
Employment and wealth generation	Financial investment contribution disclosure: Total capital expenditures (CapEx) – Depreciation supported by narrative to describe the company's investment strategy and share buybacks + Dividend payments supported by narrative to describe the company's strategy for returns of capital to shareholders should be disclosed.	Anadolu Group Annual Report 2022, p.148  The Future of Business, p.80
Innovation in better products and services	Total R&D expenses: Total costs related to research and development should be disclosed.	Digitalization and Innovation for the Future, p.83
Community and social vitality	Total tax paid: The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes and other taxes that constitute costs to the company, by category of taxes should be disclosed.	Anadolu Group Annual Report 2022, p.148  Empowered Community for the Future, p.150

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Sustainability Report Graphic Design:

Grafidea Reklam ve Danışmanlık Hizmetleri

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TO THE FUTURE**

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