

# COCA-COLA İÇECEK 2021 INTEGRATED ANNUAL REPORT

*Coca-Cola*



#AsWeAre

#AsWeAre



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# 10,000

Employees

---

# 870,000

sales points

---

# 430

million consumers

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## AN OVERVIEW OF CCI

With CCI's vision of being the best FMCG company across our markets and growing our business in a sustainable way, we act responsibly as a corporate citizen while creating sustainable value for our different group of stakeholders along the value chain.

GRI: 102-45; 102-46; 102-49; 102-50

## ABOUT OUR REPORT

As CCI, we have discussed the current outputs of our activities with our sustainability and annual reports published to date within the framework of our plans and targets for the future and our approach to sustainability. In the 2021 reporting period, we present our second integrated annual report to our stakeholders, in which our strategy for the future is shared with a holistic assessment of our financial and non-financial performance.

In this report, we share our investments, targets, practices and performance results for the period between January 1 and December 31, 2021 within the scope of 10<sup>1</sup> of the 11 countries in which we operate (Turkey, Jordan, Azerbaijan, Kazakhstan, Pakistan, Kyrgyzstan, Tajikistan, Turkmenistan, Iraq and Uzbekistan).

✓ The scope of the 2021 integrated annual report covered 100% of CCI's total production volume<sup>2</sup>.

### REPORTING STANDARDS

This report has been prepared in line with GRI Standards: Core option and the International Integrated Reporting Framework. As recommended in the Integrated Reporting Framework published by the International Integrated Reporting Council (IIRC); the report also establishes the connections among prioritized matters, business strategy and 2021 performance.

The report also reflects our progress statements regarding the United Nations Global Compact Progress Statement (COP), the United Nations Women's Empowerment Principles (WEPs) and the Capital Markets Board Sustainability Principles Compliance Framework. The content development process of our report has been guided by the principles of importance, inclusion and sensitivity of the AA1000 Assurance Standard; and financial statements have been guided by the International Financial Reporting Standards (IFRS). We measure and report our social, environmental and ethical performance using the Greenhouse Gas Protocol developed by CDP, the International Labor Organization (ILO), the United Nations Anti-Corruption Convention (UNCAC) and the World Institute of Resources (WRI) as well as internationally recognized leading principles and frameworks.

### VERIFICATION

As with our sustainability reports published since 2009, the selected data was again independently audited in our second integrated annual report. 2021, Scope 1, 2 and 3 GHG emissions

of CCI Turkey Operation have been audited and verified by a third-party organization in line with ISO 14064-1:2018 standard. The independent financial audit was carried out in accordance with the Independent Audit Standards published by the Capital Market Board and the Independent Audit Standards which are part of the Turkish Audit Standards published by the Public Oversight, Accounting and Auditing Standards Authority (KGK). CCI Turkey Operation has successfully passed the inspections.

As required by articles 514 and 516 of the Turkish Commercial Code No. 6102 and the Capital Market Board's "Principles for Financial Reporting in the Capital Market Communiqué" numbered II-14.1; CCI Group management is responsible from preparing and presenting the integrated annual report to the general assembly within the first three months following the balance sheet date and reflecting the group's activities for that year and consolidated financial situation accurately, thoroughly, directly, truthful and honestly in every aspect. The Ethic Rules and other ethical responsibilities within the scope of the legislation have also been fulfilled by the independent audit company. The Independent Audit has provided opinion on whether the consolidated financial data in the annual report within the framework of the Turkish Commercial Code provisions and the Communiqué and the reviews made by the Board of Directors are consistent with the Group's audited consolidated financial charts and the information obtained during the independent audit and whether they reflect the truth and they have issued an integrated report including these opinions.

In this report, the consolidated financial situation is evaluated according to the consolidated financial charts. The report also clearly points to the development of the group and the potential risks. When preparing the report, the Board of Directors also takes into account the secondary regulatory arrangements made by the Ministry of Commerce and related institutions. The evaluation of the Board of Directors on these issues is also included in the report.

The independent audit was carried out in accordance with the Independent Audit Standards published by the Capital Market Board. These standards require compliance with ethical provisions and the planning of the independent audit to obtain reasonable assurance as to whether the consolidated financial data in the annual report and the reviews made by the Board of Directors are consistent with the consolidated financial charts and the information obtained during the audit and whether they reflect the truth.

As defined in the Independent Limited Assurance Report in the Sustainability Performance Indicators section of this report, independent limited assurance has been obtained for our operation in Turkey, Pakistan and Turkmenistan within the scope of the selected information. The selected information consists of total energy data energy usage per product, total water withdrawal and consumption data, water usage per product and waste data for Turkey, Pakistan and Turkmenistan.

<sup>1</sup> CCI currently has no operations in Syria and has not sold beverages since 2017.

<sup>2</sup> Uzbekistan joined CCI operations in the 4th quarter of 2021. Only financial assessment is included in the report.

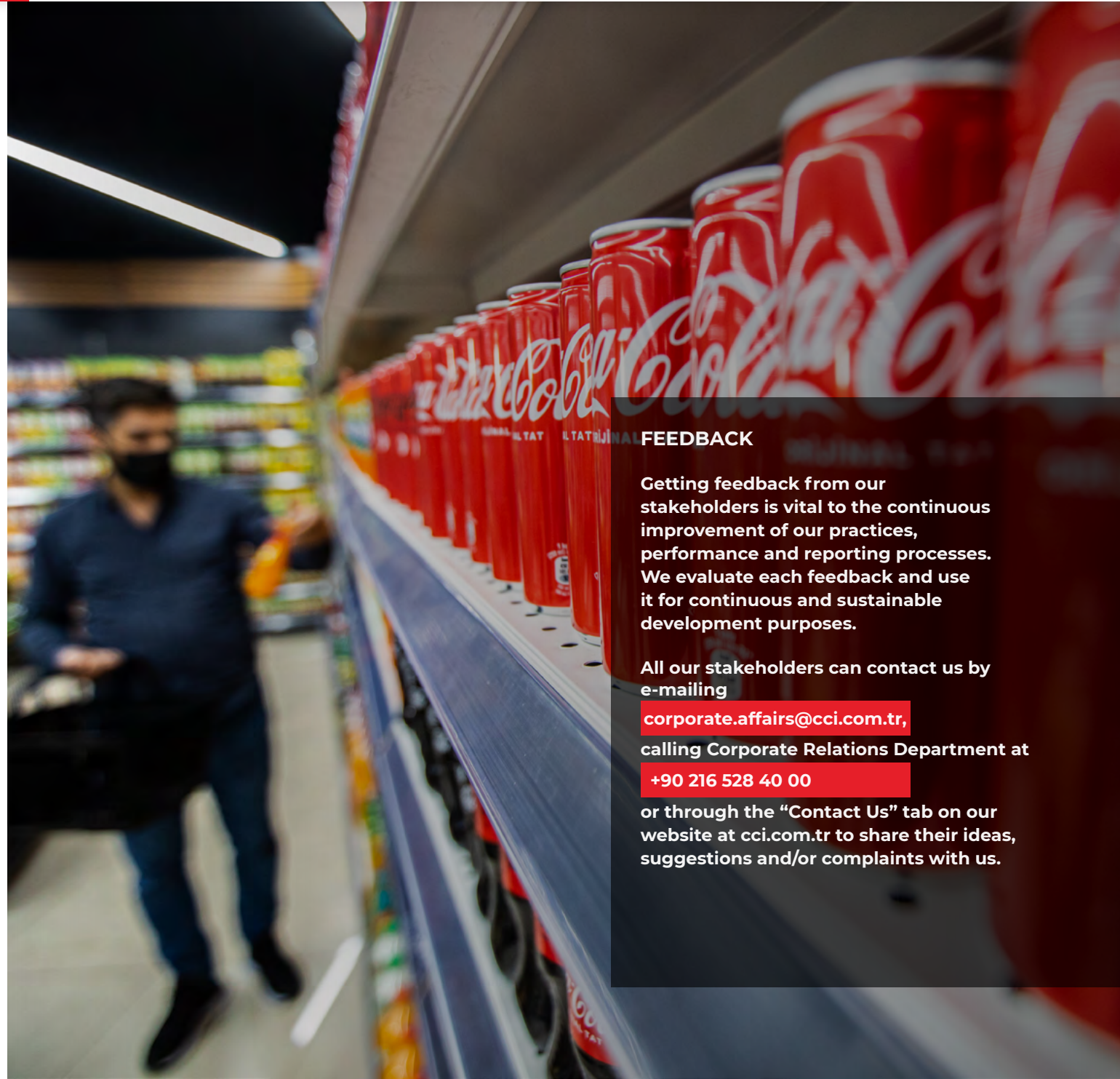
GRI: 102-46

In the context of this audit, 2021 data from CCI's facilities in Turkey, Pakistan, Turkmenistan were evaluated and Limited Assurance was obtained in accordance with Revised ISAE 3000 (International Assurance Agreements Standard) except for audits or reviews of historical financial charts.

*\*You can find the CCI Reporting Guide from the Annexes section of our report.*

## REPORT STRUCTURE

In our report, we cover the value we create for all our stakeholders around six capital factors (financial, manufactured, intellectual, human, social and relationship, natural). While doing so, our main priority has been understanding and meeting the expectations of our stakeholders. "An Overview of CCI", the first part of our five-part report; includes general information, highlights, interaction with our stakeholders and our integrated governance approach. In the second part titled "Future Outlook", we include our strategic priorities that we have shaped as a result of our interaction with our stakeholders and our comprehensive risk assessments, and in the third part called "Our Value Creation Approach", we summarize our programs and work aimed at creating value for our stakeholders. Under "Corporate Governance", we provide detailed information about our activities and corporate governance, along with detailed information about board members and senior executives, and finally, in the "Annexes" section, we provide details about our activities, operational and financial performance, and technical and quantitative information for the stakeholders.



## FEEDBACK

Getting feedback from our stakeholders is vital to the continuous improvement of our practices, performance and reporting processes. We evaluate each feedback and use it for continuous and sustainable development purposes.

All our stakeholders can contact us by e-mailing

[corporate.affairs@cci.com.tr](mailto:corporate.affairs@cci.com.tr),

calling Corporate Relations Department at

+90 216 528 40 00

or through the "Contact Us" tab on our website at [cci.com.tr](http://cci.com.tr) to share their ideas, suggestions and/or complaints with us.

GRI: 102-14

## CHAIRMAN'S MESSAGE



Tuncay ÖZİLHAN

Dear Stakeholders,

When we published our Integrated Annual Report for the first time last year, it also meant the start of a new era in Turkish FMCG industry. Combining our financial and non-financial performance with our business plan, the report has allowed us to both communicate our success, and share our vision for the future. Today, I am proud to announce our second Integrated Annual Report to share the value we created for all our stakeholders throughout 2021.

This report, at the same time, serves as a proof to reflect the true values of Coca-Cola İçecek. Taking its strength from teamwork and passion, the ultimate result of our work is revealed in this report, in line with the principles of accuracy and accountability. Our sustainability strategy is centered around the concept of “creating value” and it is the core of every step we take towards our vision of

“becoming the best FMCG company”. While we communicate our success and areas of improvement to each group of stakeholders in our value chain, we also disclose every step we take in full transparency as we continue to grow as a business through our environmental policy and sustainability reports, which were first published in 2002 and 2009, respectively. In all our industries and brands, we strive to create value for our stakeholders in every business activity and our ultimate goal is to extend our culture and values, the very core of our existence, into the future.

2021 saw major events such as different variants of the Covid-19, vaccination programs, challenges in the global supply chain, increased costs of energy and commodity, logistic issues, a global trend of inflation and the recovery of economic growth.

GRI: 102-14

Despite this challenging environment, CCI managed to achieve considerable financial and operational success in 2021. Along with such progress came historical milestones, such as addition of Uzbekistan to our operational geography to extend our reach to 11 countries and 430 million people. After acquiring the majority shares of The Coca-Cola Bottlers Uzbekistan during its privatization journey, we claimed full ownership by purchasing the remaining minority shares from The Coca-Cola Company. We were very quick to start with the integration process and have come a long way so far. This acquisition has both empowered our position in the specific geography and proved our successful collaboration with The Coca-Cola Company. As an important bottler as well as an integral partner of the Coca-Cola ecosystem, we will only reinforce the foundation of our strong collaboration in the future.

2022 has also started strong, thanks to our robust financial structure and the reassuring evaluation made for our company by international associations. In January, we issued the first sustainability-linked bond of the beverage industry in EMEA region. While the risk appetite towards developing countries shrank, we issued bond worth

500 million US dollars with a 7-year term of maturity at an interest rate of 4.75% as a part of our borrowing initiative. This allowed us to finalize Turkey's largest sustainability-linked bond issuance with a cost 300 basis points lower than the government's reference borrowing rate for foreign markets. Issuance of these bonds also demonstrated the strong alignment between our financial strategy and focus areas of sustainability.

As we close a challenging year, we proudly look back and see the success coming in the form of collective efforts and unity. Even though this difficult course has meant a transformation in our business plans, we managed to spend a successful year thanks to our highly disciplined financial management, profitable operations and sustainability-oriented business strategy. I expect 2022 to offer new and effective solutions for sustainable growth, especially with innovative technologies and R&D initiatives coming into play. Our biggest wish for the new year is, of course, to see the wheels of economy starting to re-function even more strongly, and to achieve a state of stability and predictability in our country.

It is essential that we all raise awareness of the requirements the future is holding for us

and focus on strategies that create value and benefits. The key here is to produce and to stay productive to step into the future with confidence, achieve stability in everything we do and sustain growth. I would like to take this opportunity to thank our employees for their passion and commitment. What made these achievements possible was also the contributions we received from our business partners, customers, dealers and distributors, as well as the support from our stakeholders. As our esteemed stakeholders, I would like to thank you all for your belief and support in CCI, and I hope you will enjoy reading our second Integrated Annual Report.

Best regards,

**Tuncay ÖZİLHAN**  
Chairman



GRI: 102-14

## MESSAGE FROM THE CEO



Burak BAŞARIR

Dear Stakeholders,

We have witnessed the whole world going through a challenging time for the last two years. As we followed the path of science, we have discovered our inner guide, that is our purpose. In that very purpose we have found the strength we need so desperately to guide us through each step towards a brighter future and the overall wellbeing of our planet. What made us different at CCI was our commitment to both each other and our business, as well as our strong belief in creating value. These difficult times have once again reminded us the importance of sharing, the greatest virtue of humanity. Looking back on the year 2020, we once again remember our motivation in consolidating our financial and non-financial performance into a single report: to communicate the value we create to our stakeholders in full transparency. Last year's report was also important in terms of being the first integrated annual report in Turkish FMCG market. This decision was affirmed by the positive comments we received from our stakeholders throughout the year. At CCI, we have a clear direction: to create value for our stakeholders, to maintain our focus of sustainability in everything we do and to disclose our activities in full transparency. With such motivation in our minds, we have found the inspiration for our 2021 annual report in one of the most famous thinkers to ever have lived in our geography, Mevlana, and have shaped our theme as: **"As we are"**. We wanted to communicate our financial and non-financial performance as clear, plain and

transparent as it gets. We are proud to share our achievements and industry-firsts as well as our areas of development and agendas **"as we are"** in harmony with our theme.

When selecting **"as we are"** in our theme, our starting point was our inclusion and diversity manifesto, which had its mark on 2021. At CCI, we are committed to maintaining a corporate culture that harbors an inclusive and diverse environment, where everyone is free to create value by staying "true to themselves". This approach is clearly communicated in our manifesto, which goes beyond cultural, gender and age stereotypes and encourages our employees to "create value as you are". 2021 was full of new initiatives aiming to reinforce our approach to inclusion and diversity. Knowing very well that words have the power to change the world, our manifesto was followed by the Gender Inclusive Language and Communication Guideline. The guideline was spread in all countries of operation through training programs and a language adaptation process was implemented. On the other hand, we did not forget to support UN Women in their campaign to combat violence against women, and established a zero-tolerance attitude towards violence.

As CCI, we claim responsibility in improving our entire ecosystem as much as we do for our own company. We ensure that the awareness we create within the company for any topic is translated into common contribution for our societies to benefit, together with our

GRI: 102-14

stakeholders. From this perspective, it is by no coincidence at all that we have received a rating of “A” in Carbon Disclosure Project’s (CDP) 2021 Supplier Engagement Ratings to claim our place among the top while outgrowing the “B-” ratings of both the European region and FMCG industry.

In 2021, we started to see the benefits of the diverse and inclusive corporate culture we have as a multi-regional company. As the world was going through a difficult time, we all witnessed how rewarding diversity is by going beyond the stereotypes on gender, generations and culture. Inspired by a cosmopolitan approach cultivated by diversity for our next steps, we have been a pioneer in our industry from several aspects. Driven by the experience of operating in a variety of cultures as well as our solution-oriented approach to local requirements, we have found courage in our long tradition of accomplishments. We finally claimed full coverage in Central Asia after getting into the Uzbek market, which previously was the only country where we did not have an operation in the region. This historical event has extended our operational geography to 11 countries hosting a total population of 430 million people. With the experience and know-how acquired through 30 years in the region, we look forward to create value in the Uzbek market, which harbors an enormous FMCG potential.

In addition to supporting national economies through successful business results, we continued to stand by our societies during difficult times. We did not hesitate to use all means available to us in order to combat forest fires and floods in Turkey during last summer. Via our employees, products, coolers and cooling trucks, we offered a helping hand to emergency teams in all disaster areas. In an effort to regenerate the lost flora, we collaborated with the Aegean Forest Foundation in our “Coca-Cola Turkey Memorial Forest” project to plant 50 thousand saplings.

We have also seen appreciation from international associations at another intersection point of our social contributions and environmental footprint. We managed to receive an upgraded rating of “A-” from Carbon Disclosure Project (CDP), an important platform to which we regularly report all our activities related to “water security” in full transparency since 2014, thereby becoming the only Turkey-based FMCG company to hold an “A-” rating in “Water Security” category. As for Climate Change Program, we managed to maintain last year’s rating of “B” as a proof of our above average performance, both in the world and the global industry. Our belief is that sustainable operation is closely linked to maintaining the sustainability of the societies and natural resources in our operational geography. We aim to minimize our impact on the environment through projects and process improvements for recycling water and preventing carbon emissions in our entire operational geography. We sincerely care about setting an example through our sustainability initiatives and turning these efforts into tangible gains for all our stakeholders. We are proud to announce that we have managed to bring down our water usage ratio in 2021 to 1.65 L/L, which was recorded as 1.69 L/L in 2020. We have also prevented 588,000 tons of CO<sub>2</sub> emissions in 2021 as a result of the good practices we implemented throughout the value chain. We have saved 128 tons of resin by employing lighter packaging materials and recycled 8% of the water we used in our operations in Turkey as well as 6% of the water used across CCI for secondary purposes. Furthermore, as a signatory of the United Nations Global Compact (UNCG) in accordance with our sustainability initiatives, CCI is committed to abide by the principles set forth in the UNCG principles.

On the other hand, we continue to disclose our financial performance in full transparency **as we are**. As suggested by the data we share in detail as a part of this report, we continue to achieve

successful business results through strict financial policies and Corporate Governance best practices focusing on quality growth for years. We are proud to announce that our net sales revenue has reached TRY 21.9 billion with a 52.4% increase and our EBITDA has reached TRY 4.7 billion with a 48.8% increase in 2021. Our consolidated sales volume, on the other hand, has reached 1.4 billion unit cases with a 16.2% increase. We are also excited to see our large portfolio, long-term performance of profitable growth and leading position in emerging markets also being confirmed by credit rating agencies. We have received a long-term business credit rating of “BBB-” from Standard & Poor’s initial credit assessment, which translates into an “investment grade”, making us one of the two companies to receive such grade from S&P in Turkey. Furthermore, Fitch has announced our long-term credit rating as “BBB-”, which is also an “investment grade”.

Looking back on the year 2021, we see a tremendous success with a lot of lessons learned and experienced gained, to be proudly shared and celebrated with our stakeholders. I would like to take this chance to thank our strong family at CCI, who made it possible to attain the results you will find in this report, and I sincerely hope you will enjoy reading our Integrated Annual Report inspired by the theme appear **"As We Are"**.

With my warmest regards,

**Burak Başarır**  
CEO

GRI: 102-16

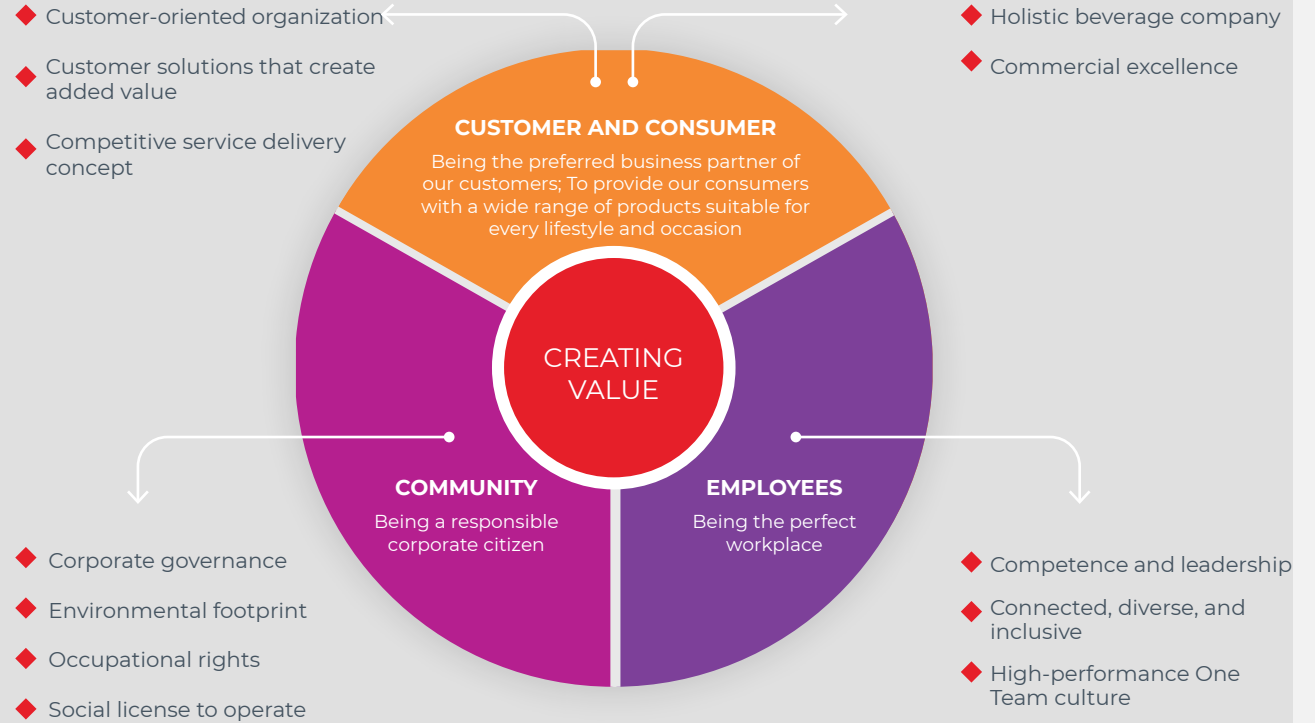
# CCI AT A GLANCE

## OUR VISION

"Be the best FMCG company in all countries where we operate."



## Our Value Creation Approach



## Our Corporate Values

### PASSION

We put our minds and hearts into everything we do.



### TEAMWORK

We work together for our collective success.



### ACCOUNTABILITY

We act with a great sense of responsibility and hold ourselves accountable.



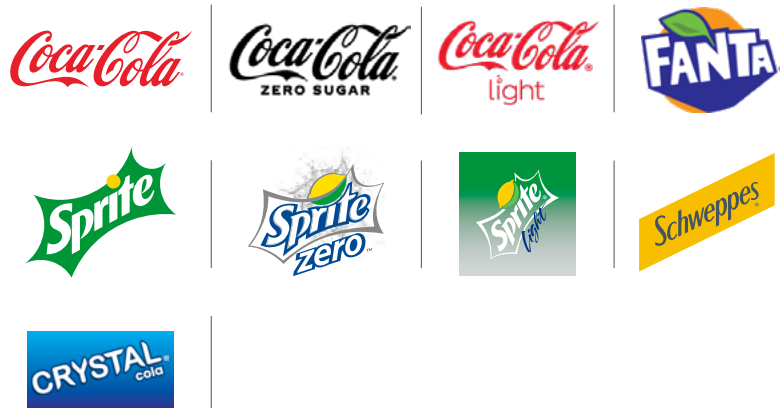
### INTEGRITY

We are open, honest and committed to ethical values; we trust and respect each other.

GRI: 102-2

# OUR BRANDS

## SPARKLING BEVERAGES



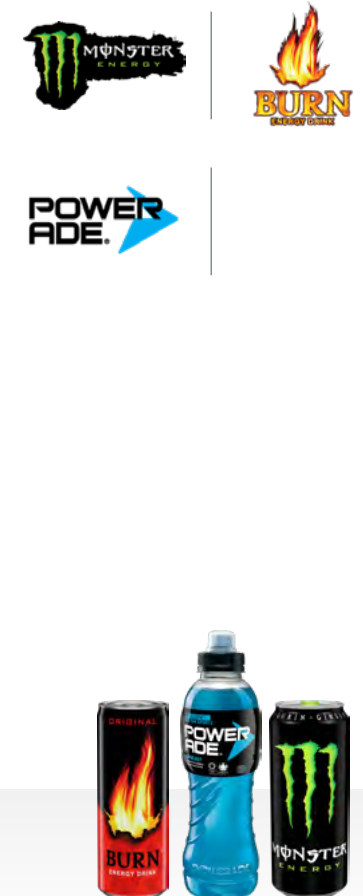
## JUICE & ICED TEA & COFFEE



## WATER & MINERAL WATER



## ENERGY DRINK & SPORTS DRINK



GRI: 102-2; 102-4; 102-6; 102-7

# OUR OPERATING GEOGRAPHY



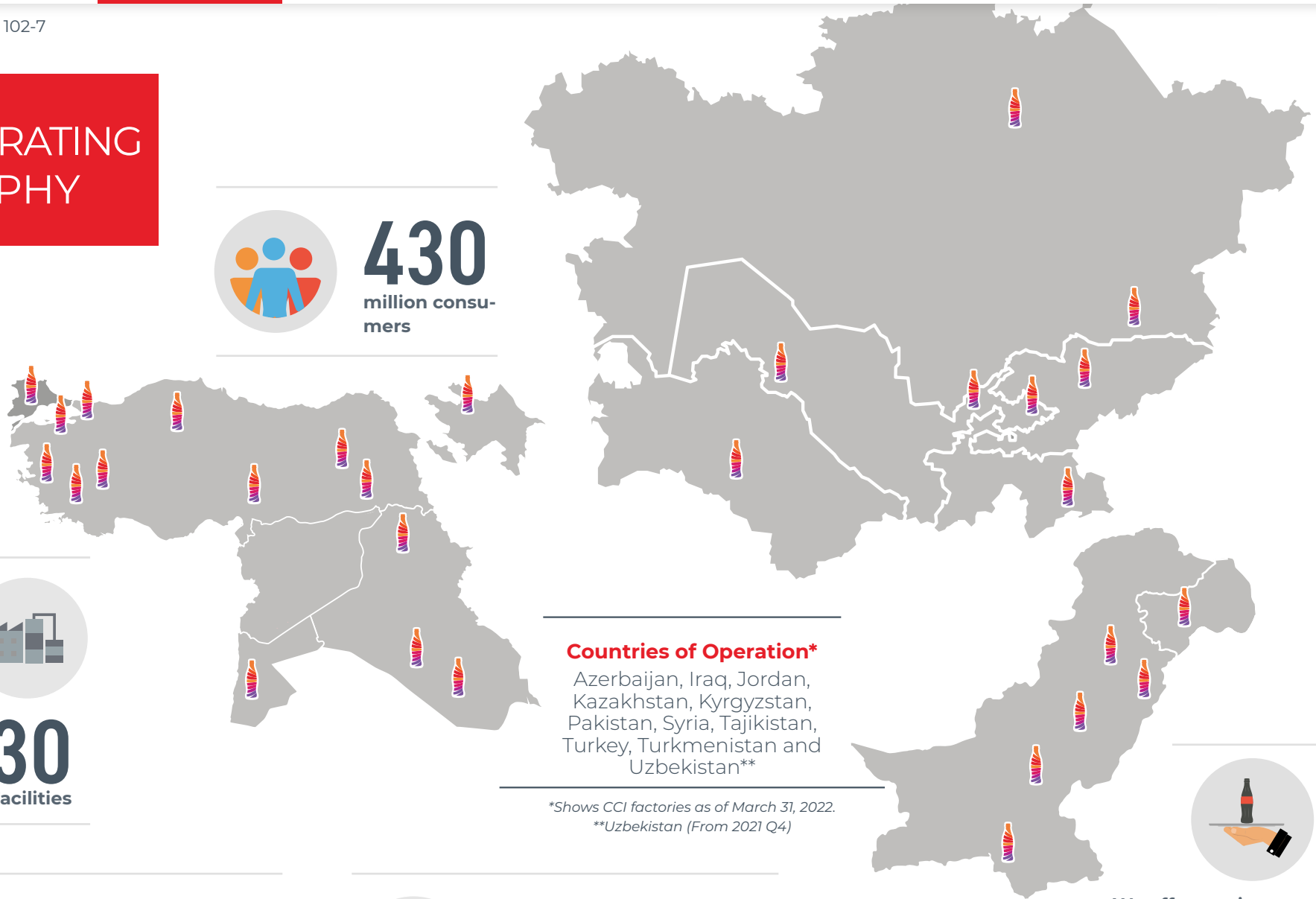
**430**  
million consumers



**11**  
Countries



**30**  
Facilities



### Countries of Operation\*

Azerbaijan, Iraq, Jordan, Kazakhstan, Kyrgyzstan, Pakistan, Syria, Tajikistan, Turkey, Turkmenistan and Uzbekistan\*\*

\*Shows CCI factories as of March 31, 2022.

\*\*Uzbekistan (From 2021 Q4)



We offer services  
**23**  
with brands



Approximately  
**10,000**  
employees



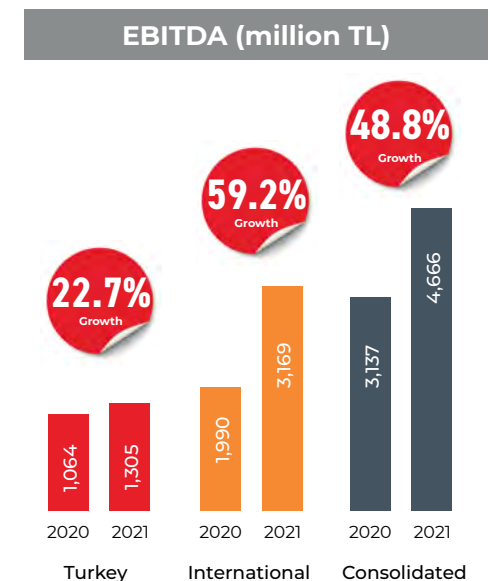
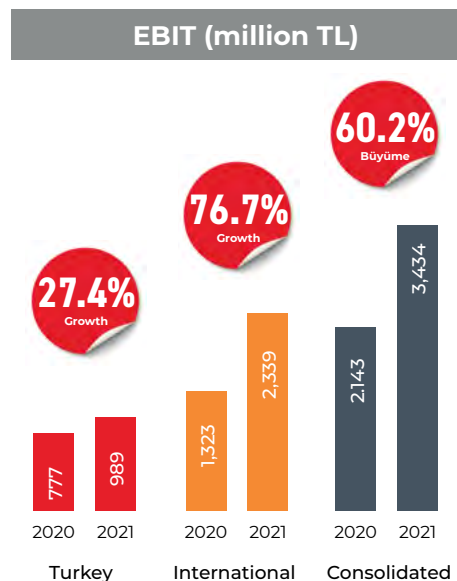
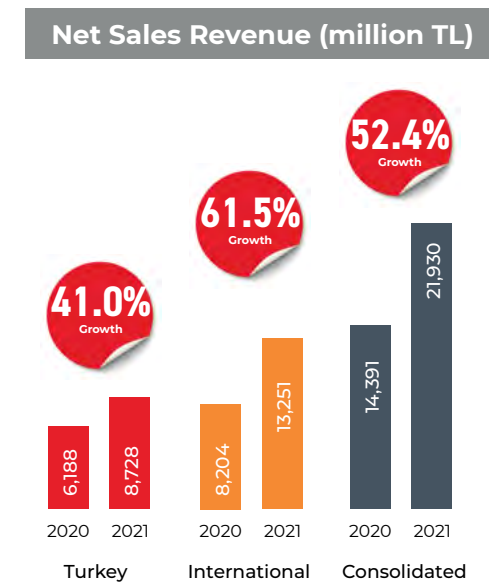
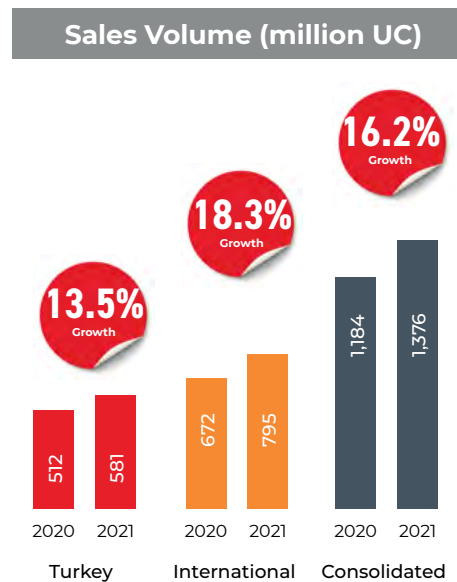
**870,000**  
sales points

GRI: 102-2

Countries of Operation*	Population (million) (1)	GDP Per Capita PPP (thousand \$) (2)	Consumption of Non-alcoholic Beverage Per Capita (L) (3)	CCI's Market Share in Sparkling Beverages (4)	CCI's Ranking in Sparkling Beverages (5)
Turkey	85.0	29.3	112.6	65.5%	1
Pakistan	225.2	4.6	28	49.5%	1
Kazakhstan	19.0	26.8	131.7	51.2%	1
Iraq	41.2	9.5	137.7	39.2%	2
Uzbekistan	33.9	7.2	58.9	51.6%	1
Azerbaijan	10.2	17.3	80.2	73.8%	1
Kyrgyzstan	6.6	4.4	70.8	65.1%	1
Jordan	11.0	9.2	85.6	19.1%	2
Tajikistan	9.7	3.5	35.6	54.3%	1
Turkmenistan	6.1	14.9	55.7	49.2%	1
Syria	18.3	3.7	-	-	-

**Source:** \*Countries are ranked by production volumes (CCI 2021 financial year internal volume) (1) & (2) IHS Markit, (3) GlobalData Industry Estimates & IHS Markit, (4) & (5) \* Nielsen / GlobalData / CCI Internal System - Data Source Details for (4) and (5); TR/KAZ: Nielsen Retail Panel, Full Year 2021; PAK/IQ/UZB/AZE/KYR/JOR/TAJ/TUM GlobalData Industry Estimates & CCI Internal Volume, FY'2021

Consolidated (million TL)	2020	2021
Sales Volume (million UC)	1,184	1,376
Net Sales Revenues	14,391	21,930
Operating Profit	2,143	3,434
Operating Profit Margin	14.9%	15.7%
EBITDA	3,137	4,666
EBITDA Margin	21.8%	21.3%
Net Profit	1,233	2,271
Net Profit Margin	8.6%	10.4%
Total Equity	8,737	14,970
Total Assets	19,147	32,786
Net Debt	1,477	5,176



\*Operating Profit and EBITDA figures of Turkey and International operations exclude other income/expenses.

**CCI is the market leader in most of the countries of operation.**

IN THE COUNTRIES OF CCI OPERATION, APPROXIMATELY

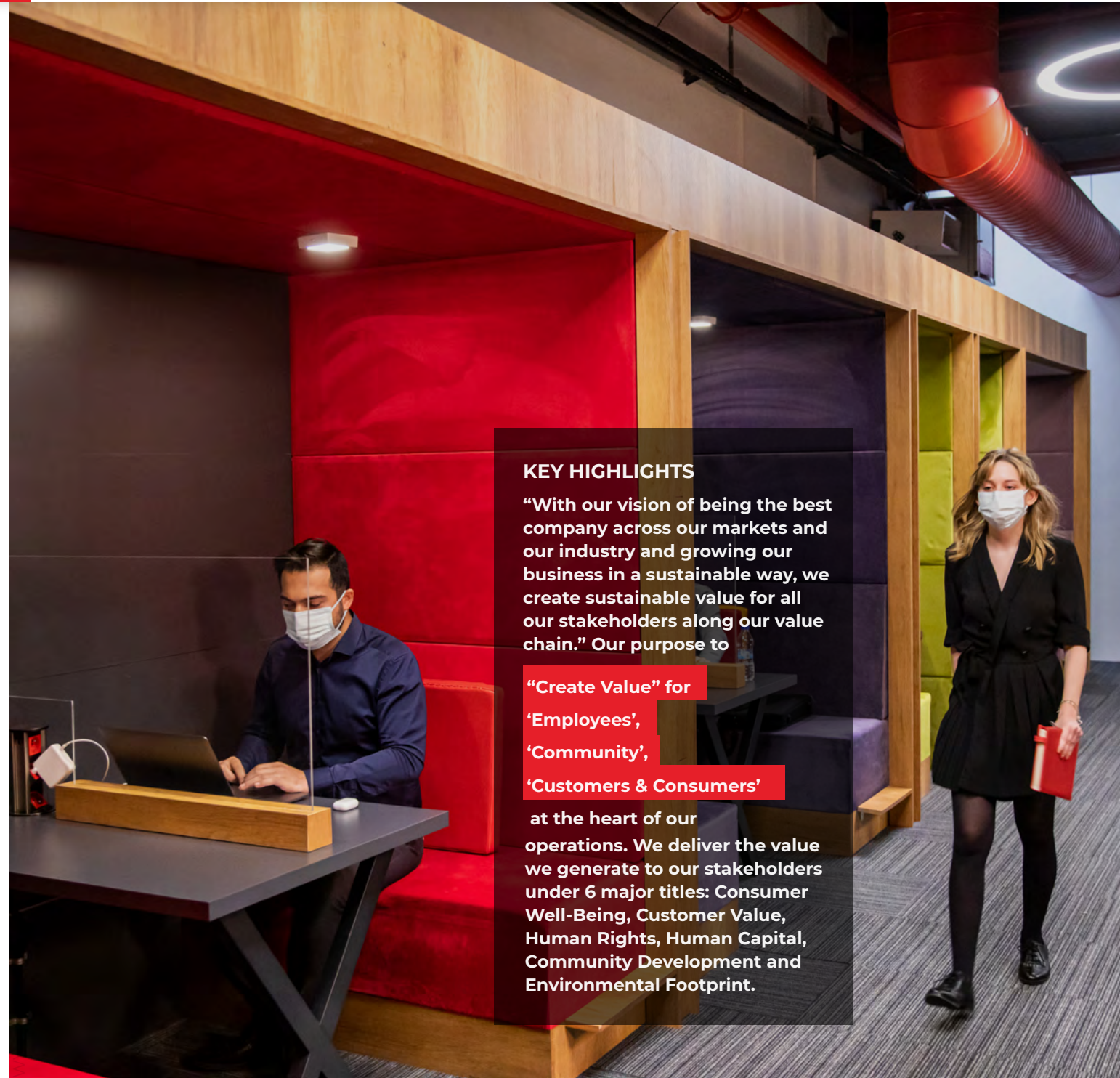
**60%**  
OF THE POPULATION IS UNDER 30 YEARS OLD.

CCI Employees by Location	2021 (number)	2021 (%)
Turkey Operations*	2097	27%
Turkey Group Office**	252	3%
Jordan	317	4%
Kazakhstan	733	10%
Azerbaijan	349	5%
Pakistan	2412	29%
Iraq	857	11%
NIQ HC	260	3%
SIQ HQ	597	7%
Turkmenistan	194	3%
Tajikistan	101	1%
Kyrgyzstan	318	4%
Syria	1	0
Uzbekistan		

\* Turkey operations include plants and sales offices.

\*\* Group Office includes employees responsible for all 10 companies.

\*\*\* CCI currently has no operations in Syria and has not sold beverages since 2017.



#### KEY HIGHLIGHTS

“With our vision of being the best company across our markets and our industry and growing our business in a sustainable way, we create sustainable value for all our stakeholders along our value chain.” Our purpose to

“Create Value” for

‘Employees’,

‘Community’,

‘Customers & Consumers’

at the heart of our operations. We deliver the value we generate to our stakeholders under 6 major titles: Consumer Well-Being, Customer Value, Human Rights, Human Capital, Community Development and Environmental Footprint.

## WELCOME UZBEKISTAN!

We are proud to welcome Uzbekistan to our operating geography in 2021 and thus, serving all Central Asia today with the addition of Uzbekistan which has great potential in the FMCG industry. Previously, Uzbekistan was the only country in Central Asia where we did not have operations.

This historic step is also one of the first examples of Uzbekistan's privatization process. The purchase agreement was signed at the 2021 Uzbekistan Economic Forum by CCI and Anadolu Group Chairman Tuncay Özilhan, CCI CEO Burak Başarır and Jamshid Kuchkarov, Republic of Uzbekistan Deputy Prime Minister and Akmalxon Ortikov, Republic of Uzbekistan Director of the State Assets Management Agency (UzSAMA).

We will continue to create value for all our stakeholders with our three plants in Tashkent, Namangan, Urgench in Uzbekistan, our competent employees and more than 30 years of experience in the region.



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# 3

Plants

---

More than

# 1.500

Employees

---

# 35

 million

Population

---

Approximately

# 120

 M/UC

Production Capacity

---



# KEY HIGHLIGHTS

## PEOPLE FIRST



We published the **CCI Diversity and Inclusion Manifesto**



We published a **Gender Inclusive Language and Communication Guideline** in English and Turkish.



CCI Senior Management and **more than 90 managers** received "From Bias To Inclusion" training consisting of three modules.



In 2021, we provided **78,261** hours of Occupational Health and Safety training to our employees.



We initiated the **CCI Care** program to create a "culture of well-being" in which our employees are physically, mentally and emotionally healthy and resilient.

We have increased our 2021 Talent Readiness Index (TRI) score from **62% to 66%**.



In 2021, we received the **Best Employer Brand** award from LinkedIn.



Our employees received a total of **88,453 hours** of training through classroom and online platforms.



We issued private health insurance covering our employees in Iraq and Tajikistan. In Jordan, we expanded the insurance of the employees to include spouses and children.



## CONSUMER SATISFACTION & RESPONSIBLE CONSUMPTION



In 2021, the plain version of Damla Minera was awarded with the **Taste Award** of the International Taste Institute.



In Jordan, we added the phrase "**Recycle Me**" to Coca-Cola and Coca-Cola Zero packaging.



In cooperation with Coca-Cola İçecek, Migros has implemented a pilot application that supports the recycling of metal, glass and plastic beverage packaging waste.

The **Guide to Reducing Sugar Consumption/Use in Turkey** was signed in cooperation with the Ministry of Health and the Federation of Food and Beverage Industry Associations of Turkey, where Coca-Cola Turkey is also a member.

We were among the signatories of **UNSTEREOTYPE ALLIANCE** in Turkey which was established to promote positive gender representation and diversity in marketing.



## WINNING TOGETHER WITH THE CUSTOMERS



In 2021, Open to Curiosity Platform was visited by **236,336** users.

We implemented Corporate Whatsapp service under the CCI Customer Interaction Center services. We started to provide service in English and Arabic languages as well.



## RESPONSIBLE SUPPLY AND PRODUCTION



We have carried out plant audits to ensure compliance with Supplier Guiding Principles (SGP). We achieved a **98%** compliance rate at plant SGP audits in 2021.



In 2021, we saved **12.5 Million** MJ of energy, **5,000 tons** of CO<sub>2</sub> emissions and **185 thousand** m<sup>3</sup> of water with the operational excellence (OE) projects across CCI.



Our Intercity Transportation Planning Optimization Project within the scope of our Digital Products helped us save **143,153** liters of fuel as a result of increased truck productivity and route optimization.



We used **8.3%** recycled plastic (r-PET) in Turkey in 2021.



In 2021, with our returnable glass bottle practices in Turkey, we prevented **67,302 tons** of CO<sub>2</sub> which is equal to the amount that **5.6 million** trees remove from the atmosphere.

We used **25%** recycled HDPE (high density polyethylene) in our plastic crates.



We saved **128 tons** of resin with the help of lightweight practices in packaging.



We recycled **8%** of the water we used in Turkey operations and **6%** of the water used across CCI for secondary purposes.



With electric forklifts, we reduced our carbon dioxide emissions by **68%**, preventing **521 tons** of carbon dioxide from leaking into the atmosphere.



As a result of best practices carried out throughout the value chain, we prevented **485,000 tons** of CO<sub>2</sub> emissions in 2021.



## RESPONSIBLE CORPORATE CITIZENSHIP



We partnered with Ability Pool and started to manage the **CCI Volunteering Program** through the digital platform.



At the Coca-Cola Turkey Memorial Forests, we planted **50 thousand** saplings which will prevent CO<sub>2</sub> emissions equivalent to **20,570 tons**.



Within the scope of the Tag for Good project we carried out with Dem Association, the annual hearing aid maintenance costs of 4 hearing impaired and deaf university students were covered.



**3.2.1 Start!** continued to be successfully implemented in Kazakhstan and Kyrgyzstan in 2021.



With My Sister Project, we have accessed more than **350,000** women throughout Turkey since 2015.

CCI Pakistan planted **50,000** saplings in cooperation with Pakistan Ministry of Environment.



In Kyrgyzstan, the **WasteNet** project was launched. The project aims to create a waste network for the recycling and collection of plastic packaging waste by collaborating between waste collectors and Horeca actors.



We established 2 more filtration plants under the PAANI Project reaching a total of 30 water filtration plants providing access to clean water for approximately **1.1 million** people.



We saved approximately **4 billion liters** of water with projects in Konya and Harran in 2021.



With CCI Azerbaijan, Ministry of Ecology and Natural Resources and ASAN Volunteers and the participation of **more than 1,000** volunteers, a total of **6.5 tons** of waste was collected from the coast of the Caspian Sea.



**+1000**

## OUR AWARDS IN 2021

Our CEO Burak Başarır awarded as the **“Best CEO”** in BIST all indices category by Turkey 2021 Investor Relations Awards of Institutional Investor. Also, he is among the top-scoring chief executives in the Emerging Europe, Middle East and Africa (EMEA) region.



**Institutional Investor**

CCI Investor Relations team was also **ranked in 3rd place** in EMEA Executive Team Survey.

Our Human Resources Director Ebru Özgen ranked among the **“Most Powerful 50 HR Leaders”** in the research conducted by the Economist Magazine for the year 2020.

**Ekonomist**



Our Human Resources Director Ebru Özgen is among the **“50 Most Effective CHROs in Turkey”** according to the Fortune Turkey magazine.

**FORTUNE TÜRKİYE**

Our Chief Information and Digital Officer Leyla Deliç has been recognized as one of the **“150 Most Influential Executives”** globally by Constellation's Business Transformation 150



We are the winner of **“Worldstar Global Packaging Awards”** in the category of Packaging Materials and Components with the wrap around label with recycled pet.



**WORLDSTAR  
GLOBAL  
PACKAGING  
AWARDS**

We became the only Turkey-based FMCG company to **receive an “A-”** Water Security score in the CDP 2021 results. We also performed above the world and global sector averages by maintaining last year's solid “B” in Climate Change score.

**Our CDP water security score upgraded from B to**



In the Fast Company Magazine's **"Corporate Culture 100"** research, CCI was among the top 100 companies in Turkey in terms of culture.

**FAST COMPANY**

CCI is the winner of the **"Best Employer Brand"** category at the 2021 LinkedIn Talent Award.



CCI Kazakhstan is recognized as the **"Most Attractive Employer"** by the Foreign Affairs Ministry for contribution to the socio-economic development of Kazakhstan.



Our CEO Burak **Başarır** and Group HRD Ebru Özgen are awarded as the **"Best CEO and Best CHRO"** by Golden Leaders Awards voted by more than 35 thousand employees.

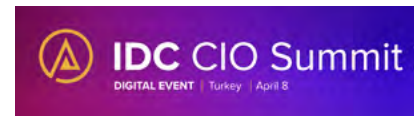


We are proud to announce that, CCI has been awarded with **The Ace Organization Adoption Award** from Zycus, a world leader procurement technology solution provider.

At CIO Summit 2021 and CCI won 5 awards in 5 categories.

OneCCI Program awarded as the **"Best Change Management Project of The Year"** by IDC CIO Awards 2021 Turkey Summit.

CCI also received **3rd** place with ASA-Artificial Sales Assistant, Digital Workforce Project, CCI Next Project and Digital Link-Connected Planning Project.



CCI Tajikistan is the "Best Taxpayer of the Republic" according of 2019 and 2020 results. Tax Committee under the Government of the Republic of Tajikistan recognized CCI Tajikistan the **"Best Taxpayer of the Republic"** according of 2020 results.

## OUR PREVIOUS AWARDS

### 2020

#### Owl Awards – Innovative and Global Owl Category Award winners in Turkey

“Understanding the Online Shopping Journey” Project  
 “Understanding the Price of Groceries” Project in Pakistan  
 CCI Turkey – Pakistan

#### U.S. Department of State Award

CCI Azerbaijan

#### MENA Stevie® Awards

Silver Award in the Category of “Innovation in Human Resources Management, Planning and Implementation”  
 CCI Turkey

#### Randstad Employer Brand Research

Best Employer Award in the Food Industry  
 CCI

#### 2020 LACP Spotlight Awards

With the Sustainability Report Website, And the Sustainability Report Content ‘Platinum’ Award in Website / Intranet Category  
 Silver Award Among Independent Companies  
 First Place among the Top 100 Companies  
 CCI

### 2020

#### “Sustainability Governance Score Card” of the Argüden Governance Academy

1. Only Turkish Company in the 1st Category  
 CCI

#### Best Business Awards

Outstanding Support Award  
 CCI

### 2019

#### International Taste Institute

Superior Taste Award  
 CCI Kyrgyzstan

#### TCCC

Best Marketing Performance Award Among TCCA Bottling Companies  
 CCI Kazakhstan

#### Excellence in Quality Award

Among TCCA Bottling Companies in Quality and Food Safety Programs  
 CCI Azerbaijan

#### HR Excellence Awards

Best Employer Award  
 CCI Kyrgyzstan

#### Stevie Middle East and North Africa

“Silver Award for Innovation in Human Resource Management, Planning and Implementation”  
 “Next Talent Program”  
 CCI Turkey

### 2019

#### The State Inspectorate for Environmental and Technical Safety under the Government of the Kyrgyz Republic

Certificate of Honor  
 CCI Kyrgyzstan

#### Awards for My Sister Project

- Golden Compass CSR-Education Category
- 11th Global CSR Awards Empowerment of Women
- Communitas Awards Excellence in Corporate Social Responsibility
- The International CSR Excellence Awards Corporate Social Responsibility
- Best Business Awards Best CSR
- IPRA Golden World Awards Corporate Communications  
 Coca-Cola Turkey

#### Investing in Community - Water Management Projects

Agriculture of the Future Project, Agriculture of the Future Awards  
 Coca-Cola Turkey

#### KALDER

“Declining Water Use-Ratio Project” “KAIZEN Award”  
 CCI Turkey Ankara Plant

#### Azerbaijan Ministry of Ecology and Natural Resources

Award for Environmental Protection Efforts  
 CCI Azerbaijan

### 2018

#### League of American Communications Professionals

10th Sustainability Report Silver Award “LACP Inspire Awards”  
 CCI

#### TCCC

Energy Efficiency Award  
 Köyceğiz and Sapanca Plants  
 Water Efficiency Award  
 Elaziğ Plant

#### LEED Gold Certificate

Energy Efficiency Initiatives  
 CCI Dudullu HQ

#### Kazakhstan President

“PARYZ Award” for CCI’s Contributions to a Sustainable Development  
 CCI Kazakhstan

#### Kyrgyz Republic Ministry of Economy

Certificate of Honor - For CCI’s Contributions to the National Economy  
 CCI Kyrgyzstan

## 2017

**Turkish Ministry of Environment and Urbanization**  
 “Recycling Award”  
 CCI Turkey

**4th Sustainable Business Awards in Turkey**  
 Grand Prize  
 “Water Efficiency”  
 CCI

**Kyrgyz Republic**  
 “Kyrgyzstan’s Best Taxpayer Award”  
 CCI Kyrgyzstan

**British Safety Council**  
 “International Safety Award”  
 CCI Turkey

**Turkish Ministry of Science, Industry and Technology**  
 “2nd Place in Efficiency Projects Competition”  
 Among Midsize Enterprises  
 CCI Mersin Plant

## 2016

**CDP Turkey**  
 “Climate Leadership Award”  
 CCI

**Pakistan Red Crescent**  
 “Plate of Appreciation”  
 for its cooperative approach during the times of crisis and natural disasters  
 CCI Pakistan

## 2015

**12th Stevie International Business Awards**  
 “3.2.1. Start! (CSR) Program”  
 “Bronze Award”  
 CCI

**KALDER EFQM Operation**  
 “Best Country Bottling Operation”  
 CCI Turkey  
 “Excellence Award”  
 Individual Well-Being Category

“Best Performing Plant for the Environment”  
 CCI İzmir Plant

“Excellence Award in the Developing Organizational Capability”  
 CCI Bursa Plant

“National Quality Excellence Grand Prize”  
 CCI Mahmudiye Plant

## 2014

**Green Business Platform**  
 “Water Management”  
 CCI İzmir Plant

**ÇEVKO**  
 Grand Prize  
 “Green Dot Industry Awards”  
 CCI

**TCCC EAG President’s Environment Awards**  
 “Best Performing Plant for Quality”  
 CCI Ankara Plant  
 “Best Performing Plant for the Environment”  
 CCI İzmir Plant

**KALDER EFQM**  
 “National Quality Excellence Awards”  
 CCI Bursa and Mahmudiye Plants

## 2013

**Ethical Values Center Association**  
 “Ethics Award”  
 AT A GLANCE

**TCCC EAG President’s Environment Awards**  
 “Best Country Bottling Operation”  
 AT A GLANCE  
 “Best Performing Plant for Quality”  
 “Best Performing Plant for the Environment”

## 2012

**KALDER EFQM**  
 “Taking Responsibility for a Sustainable Future Prize”  
 CCI Ankara Plant

**TCCC EAG President’s Environment Awards**  
 “Best Country Bottling Operation Grand Prize”  
 CCI Turkey  
 “Best Performing Plant for Quality”  
 CCI Ankara Plant  
 “Best Performing Plant for the Environment”  
 CCI İzmir Plant

## 2010

**TCCC EAG President’s Environment Awards**  
 “Best Performing Plant for the Environment Award”  
 CCI İzmir Plant  
 “Best Country Bottling Operation Grand Prize”  
 CCI Turkey

## OUR MILESTONES

### 2002

- » Published 1st Environmental Policy.

### 2009

- » Ranked in the 1st place in Turkey's Accountability Rating.
- » Signed the United Nations Global Compact (UNGC).
- » Published 1st Sustainability Report.

### 2011

- » Externally assured for ISAE 3000 (for the 1st time)
- » Became Charter Member of the Climate Change Leaders Group.
- » Listed as Turkey's 1st food and beverage company in CDP Global Disclosure Leaders.
- » Signed the "2°C Communiqué".

### 2014

- » Achieved the 2nd highest score in the disclosure category of CDP Turkey Climate Leadership Awards.
- » Became 1st company from Turkey in the CDP Global Water Program.
- » Increased Corporate Governance Rating from 8.8 to 9.25.

### 2013

- » CCI Operations became the first multi-country operation in TCCS among all bottlers to complete the "Top 10 Energy-Saving Challenge Program"
- » Became the 1st company from Turkey and within TCCS in the UNGC 100 Index.
- » Launched new "Code of Ethics", "Workplace Rights Policy" and "Ethics Service".
- » Received the 1st ISO 14064-3 Certificate in Turkey for its GHG inventory.
- » Listed among Carbon Disclosure and Performance Leaders in CDP Turkey 100 Climate Change Report.
- » Received "Gender Equality Certification" from KAGİDER in Turkey.

### 2012

- » Listed among top two companies in Turkey's CDP Carbon Performance Leaders.
- » Completed the "Top 10 Energy-Saving Challenge Program" of TCCC and the WWF (World Wildlife Fund) with İzmir and Mersin Plants in Turkey.
- » Represented Turkey in Rio+20 Conference among the best Green Economy Projects.
- » Signed the "Equality in Business" commitment as a result of the World Economic Forum Gender Equality Studies and participated in Turkey platform of this initiative.
- » Participated in the "Equal Opportunity Model", a joint venture of KAGİDER (Women Entrepreneurs Association of Turkey) and the World Bank, which evaluates corporate HR systems and practices and reports on women's friendship in terms of career development opportunities.

2015

- » Announced “2025 Vision and Strategic Framework”.
- » Joined the “BIST 50 Sustainability Index”.
- » Joined the “Euronext Vigeo Emerging 70 Index”.
- » Signed “UN Women’s Empowerment Principles”.
- » Increased Corporate Governance Rating from 9.25 to 9.40.

2016

- » Joined the “BIST 100 Sustainability Index”.
- » Joined “MSCI Global Sustainability Index”.
- » Joined “FTSE4Good Emerging Index”.
- » Listed among “Turkey’s CDP Climate Change Leaders”.

2017

- » Joined “ECPI Emerging Markets ESG Equity Index”.
- » Joined “Vigeo Eiris Best Emerging Markets Performers Ranking”.
- » Joined “30% Club’s Turkey Chapter”, initiated by Sabancı University’s Corporate Governance Forum and the Capital Markets Board of Turkey as part of the Independent Women Directors Project.

2018

- » Achieved a Corporate Governance Rating of 9.45.
- » Externally assured Turkey Operations’ waste data.
- » Updated “Workplace Rights Policy” as “Human Rights Policy”.
- » Received LEED Gold Certificate for CCI Dudullu HQ.

2021

- » We are the only company from Turkey and within TCCS in the UNGC 100 Index (Since 2013).
- » Received invitation for S&P Global’s 2021 Corporate Sustainability Assessment and increased our score by 19 points compared to the previous reporting period
- » Increased Our Corporate Governance Rating from 9.46 to 9.47.
- » Joined UNGC’s CFO Taskforce for the SDGs.

2020

- » Co-founded the CORE (Collect and Recycle) Alliance in Pakistan.
- » Signed the LEAD Network CEO Pledge.
- » Became a member of “Buyers Supporting VIVE”.
- » Issued CCI Turkey Domestic Violence policy within the scope of the Business Against Domestic Violence (BADV) project which is executed by Sabancı University Corporate Governance Forum in cooperation with TUSIAD and supported by Sabancı Foundation and United Nations Population Fund (UNFPA).

2019

- » Became a member of ERTA (Integrated Reporting Turkey Network).
- » Joined “Business Initiative for Plastic” in Turkey.
- » Achieved a Corporate Governance Rating of 9.46.



GRI: 102-12; 102-13

## EXTERNAL RECOGNITION

Our sustainable business practices and communication of our sustainability vision through transparent means has brought CCI a distinguished position in the national and global sustainability indices.



Since its launch by the United Nations Global Compact (UNGC) in 2013, CCI is still the only company in Turkey that was included in the UNGC 100 Index. The companies listed in the index are selected from among the eligible UNGC members around the world.

Members who meet the required criteria must demonstrate their commitment to the 10 UNGC principles, continuously improve and disclose their sustainability performance, and maintain consistent basic profitability.

CCI is the 1st and Still the Only Turkish Company in the UNGC 100 Index.



Based on the evaluation of our sustainability practice and performance in 2020-2021, CCI was included in Borsa Istanbul (BIST) Sustainability Index for the period between December 2020 and June 2022. In 2015, CCI became one of the first 29 companies to be included in the BIST Sustainability Index.

CCI is Listed in the BIST Sustainability Index.



Upon evaluation of our environmental, social and corporate governance performance for 2018-2019 by Morgan Stanley Capital International, CCI was included in the 2020 MSCI ESG Leaders Index with score BBB. The MSCI ESG score was confirmed as of November 19, 2021. CCI joined the MSCI Global Sustainability Index in 2016.

CCI is Listed in the MSCI ESG Leaders Index.

GRI: 102-12; 102-13



CCI voluntarily participates in CDP Climate Change and Water Programs. CCI was honored with the Climate Leadership Award by CDP Turkey in performance and transparency categories three times. In 2021, CCI increased its score of Water Program to A-, while maintaining the Climate Change Program score as B.

In 2021, CCI Increased its Water Security Program Score to A-.



In July 2020, CCI was once again included in Vigeo Eiris Best Emerging Markets Performers Ranking, selected as one of the 100 most advanced companies within the Equities Emerging Markets Universe consisting of 813 companies from 31 countries. Companies included in this index achieve the highest scores, as determined by a review based on 38 criteria, divided into six key areas of corporate environmental, social and governance matters, assessed by Vigeo Eiris.

CCI is Included in Vigeo Eiris Best Emerging Markets Performers Ranking



In 2016, CCI joined FTSE4Good Emerging Index owing to its high performance in the environmental, social and corporate governance matters and sustained its position in the 2020 list as well. The FTSE4Good Emerging Index was launched in 2016 by FTSE Russell, a global leader in indices and data, globally used by investors.

CCI is Listed in the FTSE4Good Emerging Index.



As of December 2017, CCI became a constituent of Emerging Markets ESG Equity index (ECPI). ECPI is a leading rating and index company dedicated to environmental, social and governance performance research.

CCI Joined the ECPI Emerging Markets ESG Equity Index.

# SUSTAINABILITY REPORTING

For our objective to make CCI the leader of sustainability, accountability and transparency, CCI's Sustainability Report is the most significant communication tool to share our sustainability performance with our stakeholders. As our sustainability reporting evolved, we have been included in global sustainability indices, developed positive relationships with stakeholder groups who appreciate transparency on environmental and social matters, and enhanced our corporate reputation.

Years	Report Standard	Scope	Independent Assurance	Verification
2007-2008	First GRI Checked Report in Turkey	Turkey	-	-
2008-2009	1st GRI B Level Report in Turkey, UNGC CoP	+Kazakhstan +Jordan	-	-
2010	GRI B Level Report, UNGC CoP	+Azerbaijan	-	-
2011	2nd A+ GRI Level Report in Turkey		Water and Energy Data of Turkey	-
2012	G3.1 Guidelines GRI A+ Level Report, UNGC CoP	+Best practices of Pakistan	Water, Energy and Waste Data (Azerbaijan, Kazakhstan, Jordan and Turkey) and GHG emissions in Turkey	-
2013	GRI G4 Guidelines, UNGC CoP		Water, Energy and Waste Data (Azerbaijan, Kazakhstan, Jordan and Turkey) and GHG emissions in Turkey	-
2014	GRI G4 Guidelines, UNGC CoP	+Pakistan	Water and Energy Data of Turkey and Pakistan	External Review
2015	New GRI Standards, UNGC CoP and WEP Reporting		Water and Energy Data of Turkey and Pakistan	GHG Inventory of Turkey
2016	New GRI Standards, UNGC CoP and WEP Reporting	+Kyrgyzstan	Water and Energy Data of Turkey	GHG Inventory of Turkey
2017	New GRI Standards, UNGC CoP and WEP Reporting		Water and Energy Data of Turkey	GHG Inventory of Turkey for Scope 1 & 2
2018	New GRI Standards, UNGC CoP and WEP Reporting		Water and Energy Data of Turkey	GHG Inventory of Turkey for Scope 1 & 2
2019	New GRI Standards, UNGC CoP and WEP Reporting	+Tajikistan	Water and Energy Data for Turkey and Tajikistan, Waste data for Turkey	GHG Inventory of Turkey for Scope 1 & 2
2020	GRI Standards: Basic Option, UNGC CoP, WEP and IIRC Framework	+Turkmenistan and Iraq	Water and Energy Data for Turkey and Iraq, Waste data for Turkey	GHG Inventory of Turkey for Scope 1 & 2
2021	GRI Standards: Key Option, UNGC CoP, WEP, IIRC and CMB Sustainability Principles Compliance Framework		Energy, water and waste data for Turkey+Pakistan+Turkmenistan	GHG Inventory of Turkey for Scope 1.2 & 3

## BCSD Turkey (Business Council for Sustainable Development Turkey) Reporting Matters Evaluates CCI Sustainability Reports

Since 2017, CCI's Sustainability Reports are reviewed by BSCD Turkey within the framework of "Reporting Matters" program of World Business Council for Sustainable Development (WBCSD). As part of the program, member companies' sustainability reports are analyzed on 18 comprehensive indicators in three main categories named principles, content and experience. CCI Sustainability Reports are regarded as best practices in the Balanced Content category, emphasizing our success in transparent communication of achievements as well as improvement areas. Since 2016, CCI raised its reporting score by 19 points.



GRI: 102-18

## OUR INTEGRATED GOVERNANCE APPROACH

CCI Board of Directors considers sustainability as an integral part of its business strategy, and aligns its approach with creating value for all stakeholders. The company is focused on making use of its financial, natural, relational, manufactured, human and intellectual resources in the most efficient way, thereby continuously improving its impact. In order to achieve this goal, the company regularly reviews the inputs and resources for each capital factor as well as all activities performed in accordance with the desired output and the value created for each group of stakeholders as a result of these activities, and updates them in line with any requirements. CCI aims to continuously improve its holistic approach to assessing risks and opportunities, developing strategies, and identifying short, medium and long-term goals for the future.

PLEASE USE THE FOLLOWING LINK FOR INFORMATION ON COMMITTEES:  
[HTTPS://WWW.CCI.COM.TR/EN/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE/MANAGEMENT-AND-BOD/BOARD-COMMITTEES](https://www.cci.com.tr/en/investor-relations/corporate-governance/management-and-bod/board-committees)



In all corporate activities, CCI is committed to comply with the applicable local regulations as well as the Corporate Governance Principles supervised by the Capital Markets Board of Turkey. We publish a Corporate Governance Compliance Report each year to communicate transparent performance information to our stakeholders. Performance of the Corporate Governance is managed by CCI Board of Directors in cooperation with Corporate Committees under Board of Directors. The duties of the Nomination and Remuneration Committee are also performed by the Corporate Governance Committee.

CCI's strong corporate governance structure plays a vital role in achieving our strategic objectives. The Corporate Governance Committee has the ultimate responsibility in identifying and implementing the business strategy by taking sustainability priorities into account. This responsibility is assumed by CCI's Executive Committee, which is comprised of a representative from senior management and steered by the CEO. Under the sponsorship of the CEO, general sustainability topics are

led by CCI Group's Sustainability Office. The Group Corporate Affairs Director, the Group Supply Chain Director, COO and country general managers act as sponsors for environmental sustainability topics. Separate task forces work in an integrated framework for 3 main focus areas: Climate Change, Water Leadership, and Sustainable Packaging & Waste Management. Transformation programs that we plan to adopt in our offices and the "Hand in Hand Environment Program" implemented in our production facilities act as complementary elements. A meeting is held by task forces 2-4 times a month, involving any relevant functions. They report to the Steering Committee on a quarterly basis.

When it comes to Social Sustainability, the Group HR Director acts as a sponsor. The Occupational Health and Safety Steering Committee and the Diversity and Inclusion Advisory Board are also involved. Location-based OHS committees meet every month and report to the Country Health and Safety committees on a quarterly basis. In cooperation with Country Committees across the entire CCI geography, the Group OHS team coordinates OHS-related issues and

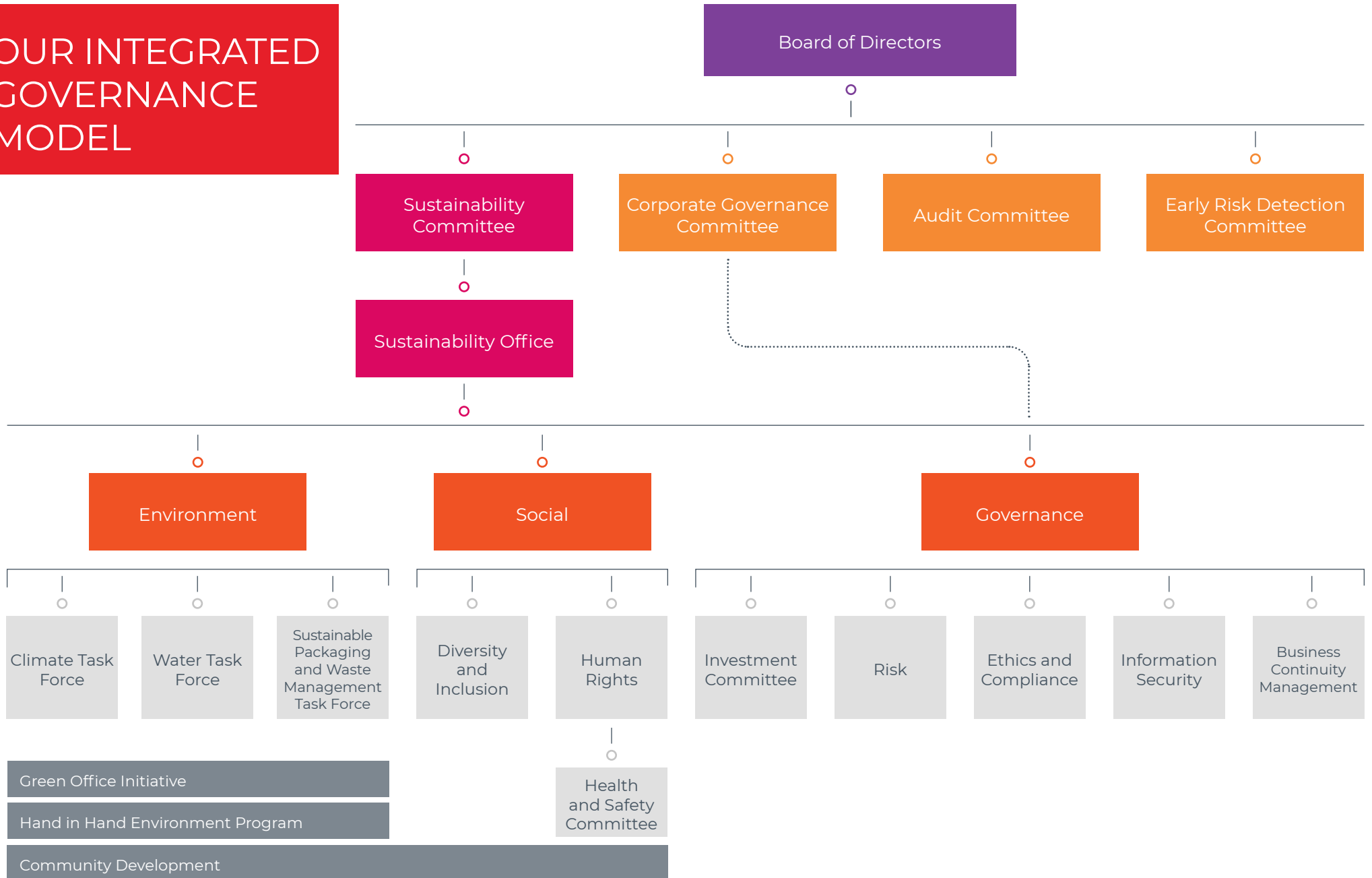
reports to the Occupational Health and Safety Steering Committee, which meets every six months. The Diversity and Inclusion Advisory Board focuses on 3 key areas: Gender Equality, Intergenerational Diversity, and Culture and Experience. On the governance side, Investment Committee, Risk Committee, Ethics and Compliance Committee, Information Security Steering Committee and Business Continuity Committee work separately in close connection with the relevant working groups around 6 capital factors through an integrated framework in order to achieve the objectives specified for each of the identified strategic issues, making group-level decisions and reporting to the Executive Committee. These committees convene at regular intervals throughout the year, as well as in a cases of urgency. Comprised of the CEO, COO, Chief Financial Officer and Group Supply Chain Director, the Investment Committee meets as deemed necessary prior to important investment decisions. In case of investment decisions on digital technology, the CIO also attends the meetings held by the Investment Committee.





GRI: 102-18

# OUR INTEGRATED GOVERNANCE MODEL



# RISK MANAGEMENT

## RISK MANAGEMENT GOVERNANCE STRUCTURE

The risk management is governed by Early Risk Detection Committee reporting to the Board. Enterprise Risk Management (ERM) Team, also reports directly to the CEO and the Early Risk Detection Committee and acts as the facilitator. ERM is also in charge of conducting risk assessments. ERM team members are the CEO, the Treasury and Investor Relations Director and the Regional Directors.

ERM conducts risk assessment on country and group levels using the input from the World Economic Forum, global surveys and The Coca-Cola System. The risks are prioritized based on their general likelihood, and the probability of occurrence in the short-term and impact.

Country General Managers of CCI are responsible for risk management and mitigation. They identify the prioritized threats and opportunities based on the risk assessment results, integrate them into their Strategic Business Plans and prepare the mitigation action plans. High-priority risks are reported to the Board's Risk Detection Committee. The results of the internal audits performed to track the risk mitigation plans are reported to the Audit Committee.



## Risk Management Trainings

CCI employees are regularly trained on risk management and informed via the ERM website that is accessible through the CCI internal portal. The website provides an ERM tool along with guidelines, leading articles, useful links and an awareness training presentation on ERM.

## BUSINESS CONTINUITY

CCI implements TCCC's Incident Management and Crisis Resolution (IMCR) program, which is designed to create and maintain an efficient, integrated structure for preventing and managing incidents. Implementation of the IMCR program is a key management activity and is everyone's responsibility at CCI. To ensure that we prevent or reduce the

impact of incidents on our business, we have incident management teams in all countries of operation. Each team joins our annual training sessions, and collectively work on simulations of complex incidents. As part of the IMCR program, each country conducts the IMCR Validation Program every three years, which aims to create readiness for crisis situations, build awareness, identify gaps and develop action plans for improvements.

The Incident Management and Crisis Resolution (IMCR) program within the CCI operation is managed by IMCR Country Coordinators together with the Group IMCR Group Coordinator. Additionally, there are two key teams responsible for the IMCR program:

1. Incident Analysis Team (IAT)
2. Incident Management Team (IMT)

## The Incident Management Team-Role and Responsibilities

In addition, there are two key teams responsible for the IMCR program – the Incident Analysis Team (IAT) and the Incident Management Team. The IAT comprises permanent members and meets regularly. The Incident Management Team is assembled to deal with a specific situation (incident, serious incident or crisis) once it has been identified by the IAT. Both the IAT and Incident Management Teams are joint TCCC/CCI teams.

For the incidents that happen in group level (incidents that include more than one CCI countries) Minutes meetings should be prepared immediately following the meeting and presented to CEO of CCI, with copies also being sent to the CCI IMCR Core Team.

## The Incident Management Team-Function

The Incident Management Team (IMT) consists of "expert" members co-opted by the IAT to assist in the management of a specific incident. Expert members are function heads or their representatives (External Affairs, Technical, Operations, Finance, HR, Marketing, IS, Distribution, Security, Planning, etc.) from either TCCC or local bottling partner that are not already on the IAT. The IMT can also include other key specialists either internal or external to the Coca-Cola system, whose expertise may be required from time to time depending upon the nature of the incident. They should be prepared to provide the IMT with expert advice and should be familiar with the IMCR process and plan.

The IMT does not generally include the COO's from CCI or the Region

General Managers from TCCC. During an incident, it is important to maintain business operations and have these senior managers focus on an incident may not be in the best interests of the business. These senior managers are provided regular briefings and recommendations for action and their decisions are implemented by the IMT.

## Our work

In 2019, we conducted the IMCR Validation Program in Azerbaijan, Kazakhstan, Kyrgyzstan and Pakistan. In 2020, we provided training to crisis teams in Jordan and Iraq and finalized the validation program. During the Covid-19 pandemic, crisis management teams have become a part of our daily business. In addition to prioritizing the health and safety of our employees, we have taken careful steps on the administrative side in terms of epidemic conditions in order to maintain uninterrupted production and distribution activities, with a sense of responsibility to our societies.

In 2021, we have revised our Crisis Management Guide for each country and Group Office (GO). We have provided online training to Azerbaijan IMCR team, and we continue to hold pandemic meetings on a regular basis with IMCR coordinators in all other countries.

## DATA SECURITY AND PRIVACY

Data security has become increasingly important in today's business world as business processes are increasingly digitalized. According to the Global Risk

Report of the World Economic Forum; data fraud or theft, cyber attacks and collapse of information infrastructure are among the top ten global risks in terms of possibility and impact. At the same time, according to the "Post Covid-19 Challenges and Opportunities Report" published by the WEF, the global increase in online communication with the Covid-19 pandemic has the potential to bring significant cybersecurity problems. To address this challenge and mitigate risks, CCI owns a robust information security and privacy program.



## Information Security Governance

CCI runs company-wide information security governance structure that enables the effective management of potential risks and incorporates security and privacy controls into our information systems and services. Information Security Steering Committee, which consists of the Executive Committee and the Security Management Team, acts as the governing body since 2009. CCI implements a comprehensive Information Security Management System (ISMS) based on the ISO 27001 ISMS standard to achieve its security objectives. CCI was certified with ISO 27001 in 2016 and completed the security audit every following year including 2021.

## Security

CCI has been running a mandatory cybersecurity awareness program for all employees since 2014, thereby promoting cybersecurity awareness across the company. The awareness program reports are submitted to top management to inform them of any risk. This awareness program includes online and offline trainings, awareness posters on displays at CCI workplaces, corporate social network groups as well as e-mail notifications on diverse topics such as phishing, travel security, URL security, e-mail security, physical security. Also, we are performing the cybersecurity contests with the prizes for most active employees.

In 2021, CCI has launched a tiered model for training and begun to manage the training model through three basic tiers. The main objectives of the tiered training include ensuring that principles such as "least privilege", "need to know" and "segregation of duties" are well understood throughout the organization and providing more detailed information on these topics to the leadership.

## Privacy and Data Protection

CCI takes precautionary measures to secure the personal information of its employees and customers. Our IT environment, security measures, policies and cyber security awareness program support compliance with the privacy and data protection requirements. CCI has complied with Turkish Personal Data Protection Law

by fulfilling the requirements and has been registered to the VERBIS system. In order to follow recent regulatory developments and sustain overall compliance, Data Protection and Digital Privacy Committee meets regularly, conducts on-spot audits and reports the results of on-spot audits to top management.

## Regulatory Compliance

CCI designed and implemented many initiatives aimed at ensuring compliance with the terms of the below legal requirements:

- Turkish Personal Data Protection Law no. 6698 (KVKK) and decisions of the Personal Data Protection Institution. Regulations of other countries for protecting personal data.
- Communiqués issued by the Capital Markets Board of Turkey
- Compliance with the Law on Regulation of Electronic Commerce and the Regulation on Commercial Communication and Commercial Electronic Messages as well as fulfilling the records requirement for Message Management System.
- Authorized Economic Operator program by the Ministry of Customs and Trade
- Law No. 5651 on Regulating Internet Publications and Combating Crimes Committed by Means of Such Publications.

2021 Targets:	Performance	Status	2022 Targets:
Implement a compliance check infrastructure for system security policy on corporate devices and infrastructure modules	<p>The renovation process is completed for CCI security technologies infrastructure through a comprehensive transformation in 2021.</p>	<p>All targeted activities are finalized.</p>	<p>Institutionalize the information security organization and operationalize the structures to enable the entire business to align under a common mind.</p>
Install an advanced platform to prevent cyber attacks on all web applications with Internet access to increase the security level of corporate web applications			<p>Identify possible process hazards through an in-depth examination on processes employed in all countries.</p>
Streamline cyber threat monitoring capabilities, integrate the MITRE ATT&CK framework into monitoring processes to monitor process maturity in more detail, ensure a healthier and faster security incident management			<p>Improve the governance methodology for information security risks.</p>
Keep the progress alive in data protection capabilities, incident detection definitions, continuous feedback and optimization			<p>Take advantage of possible development opportunities through an assessment of the XDR approach. Reduce attack detection and response times.</p>
Continue to develop trainings on cyber attacks, password security, web browsing security, e-mail security, mobile device security and other related topics as a part of information security awareness			<p>Increase the maturity level of all newly installed and build security infrastructures, complete necessary activities to achieve maximum efficiency.</p>
Perform testing on CCI's security maturity against complex attacks by simulating attackers using advanced tactics, techniques and procedures, and identify and mitigate immediate critical risks and vulnerabilities to prevent loss of privacy, integrity, accessibility and security			<p>Continue to perform testing on CCI's security maturity against complex attacks by simulating attackers using advanced tactics, techniques and procedures. Assess organization's resilience to different types of attacks by increasing the number of test scenarios.</p>
Continue to assess security, compliance and ethical requirements and gaps in CCI data and analytics operations			



GRI: 102-16; 102-17

# ETHICS MANAGEMENT

As CCI, our core values are accountability and integrity. It is our wholehearted obligation to protect our most valuable asset; the Coca-Cola brand and CCI.

The CCI Code of Ethics guides our employees to live by our values and “do the right thing”. The scope applies to all CCI operating countries and all employees. CCI also developed the mechanisms for employees and stakeholders to report any illegal or unethical practice within the company to the CCI Ethics and Compliance Officer or the external ethics helpline.

## GOVERNANCE OF ETHICS

CCI’s Corporate Governance Committee ensures full implementation and enforcement of the Code of Ethics. Implementation of the Code is among the duties of the CCI Ethics and Compliance Manager and the Local Ethics and Compliance Managers. CCI Group Office Ethics and Compliance Committee meets with the participation of all senior management, including CFO, Human Resources Director, the General Counsel, the Corporate Affairs Director and Internal Audit Director.

CCI Ethics and Compliance Manager keep records of all noncompliance incidents across CCI and monitors the review processes and ensures they are completed. Investigations concerning Code of Ethics violations are generally handled by CCI Internal Audit Department handles. In cases of violations of Human Rights Policy, the Human Resources Department conducts investigations and the CCI Ethics and Compliance Committee makes decisions based on the findings of the investigations and its own evaluations. Decision-making authorities may be delegated to Local Ethics and Compliance Committees in accordance with the Guidelines for Handling Code of Ethics Matters.

We impose disciplinary measures that fit the nature and circumstances of each ethic rule violation in accordance with the local legislation of each country. While letters of reprimand are issued for less significant, first-time offenses, violations of a more serious nature may result in suspension without pay, loss of progress payments and bonuses or termination of employment.



For details on Bribery and Corruption management, please see Section 5 – Additional Disclosures for BIST .

**Please click here for details on CCI Code of Ethics.**

[https://www.cci.com.tr/Portals/3/Documents/PDF/CCI\\_code\\_of\\_ethics\\_main.pdf](https://www.cci.com.tr/Portals/3/Documents/PDF/CCI_code_of_ethics_main.pdf)

**Please click here for details on CCI Code of Ethics Handbook.**

[https://www.cci.com.tr/Portals/3/Documents/PDF/code\\_of\\_ethics\\_handbook.pdf](https://www.cci.com.tr/Portals/3/Documents/PDF/code_of_ethics_handbook.pdf)

**We offer many channels for our employees to express their concerns on ethical issues.**

### CCI Ethics Service



Website



E-mail



Phone

» Is available 24/7 and run by a completely independent third party.

» Can be accessed through website (in Turkish, English, Russian and Arabic) at [www.cciethicsline.com](http://www.cciethicsline.com) or a dedicated phone number.

» Online translation services in Arabic, English, Russian and Turkish are available covering most of the languages used by our employees. For other languages, we receive the notifications which are then translated and recorded.

» Depending on the employee's preference, name and e-mail address are kept anonymous and confidential.

### Face-to-Face Notification



Employees may direct their concerns to;

- » Their managers
- » Local Ethics and Compliance Managers.

Depending on the employee's preference, name and information are kept confidential.

## OUR WORK IN 2021

In 2021, we engaged ourselves in new studies on our policies on relations with third-party stakeholders, gifts and hospitality, and conflicts of interest. Our target in 2022 is to complete the implementation phase for these updated policies and to ensure uniformity in practice across all operating countries.

On the other hand, we continued with the “Integrity Risk Management Program” in collaboration with the European Bank for Reconstruction and Development (EBRD) to mitigate third-party risks to CCI distributors. The second phase of the ethics and compliance management program had already been completed for beneficiary distributors until the break-out of the Covid-19 pandemic. Due to the lingering effects of the pandemic in 2021, the program could not be fully completed; however, we aim to finalize the program in 2022 and extend this initiative by providing an online training catalog with continuous access for businesses, so that they can ensure continuity of their activities.

The legal action to investigate the breach of Law No. 4054 on the Protection of Competition as initiated by the Turkish Competition Authority on Coca-Cola Satış ve Dağıtım A.Ş. has been terminated upon submission of reassuring pledges, which eliminate competitive concerns, by our company to the Authority and acceptance of such

pledges. CCI is committed to operating in full compliance with all applicable competition laws and covenants, as it has been until now.

## TRAINING ON ETHICS

In 2020, we completed our first online Ethics Training accessible to all CCI employees with full participation, which consisted of five different sections from EtikTV, a platform providing integrated information on Code of Ethics to all employees and covering all aspects of Ethics along with case analyses. We implemented EtikTV in 11 different languages so that each company could excel in Code of Ethics using their own language. Furthermore, EtikTV has now become a part of the orientation program to ensure new hires adopt compliant business processes in terms of CCI Code of Ethics from day one. This year, we are in the process of developing a new refresher to include an overview to ethics concept along with general rules, which should be completed by all employees within the next year.

In 2021, all countries continued with their in-class trainings on ethics. In addition, we organized 20 meetings titled “Compliance Conversations” with participants from all functions and levels, which followed a free format to enable our employees to evaluate ethical processes and share their own opinions on ethical issues, and identified action points for 2022 using the output from these meetings as a guide. We

continued to train all employees on Code of Ethics and anti-bribery rules in all CCI countries by using digital boards, internal social media platform to raise awareness. In alignment with TCCC practices, we continued to review and update our Code of Ethics and anti-bribery policy.

## AWARENESS RAISING ON ETHICS

Since 2013, our employees are trained on the revised Code of Ethics, the Code of Ethics Handbook and procedural provisions. The Code of Ethics Handbook and all relevant procedures are made available to our employees. All newly recruited employees are obliged to sign an acknowledgment form confirming that they have read the Code of Ethics and agree to abide by its provisions. All employees are required to periodically make this acknowledgment. Furthermore, we provide all business associates with a document titled “Basic Principles for Suppliers And Business Management Code of Ethics”, which includes the basic principles of CCI’s Code of Ethics, in order to ensure their compliance with our established principles while providing services and supplies so that a uniform approach is employed across all stakeholders in terms of ethics.

## CCI INTEGRITY RISK MANAGEMENT PROGRAM (IRM)

IRM, launched in 2019 focuses on supporting SMEs in CCI’s supply chain in order to ensure that CCI distributors adopt internationally recognized practices and continue to improve their corporate governance skills. The Program is supporting the SMEs to become even more integrated in the CCI supply chain, to follow internationally recognized practices, to set up a compliance program, to conduct trainings and awareness programs on Code of Ethics and comply with CCI’s Code of Ethics. CCI plans to extend the Program in the near future to make it available to more distributors.



GRI: 102-42; 102-43

# STAKEHOLDER ENGAGEMENT

Building an effective and strong stakeholder dialogue is the core of keeping our business sustainable and engaging them in our sustainability strategy.

Since 2013, we have been prioritizing our stakeholders and the means of communication through a comprehensive stakeholder mapping study pursuant to AccountAbility's AA1000 SES Standard and the EFQM Business Excellence Model.

We engage with each stakeholder group on a regular basis not only to share our sustainability efforts but also to evaluate both our financial issues and to consolidate their opinions and feedbacks. The various means of communication with different stakeholder groups are provided on the following tables.



## Stakeholder Day Series

CCI and TCCC envisioned the Stakeholder Day series as a local engagement platform to further improve relations with key local stakeholders, and to raise awareness on our sustainability efforts and manufacturing capabilities of CCI's operating countries.

Stakeholder Day series was more systematically structured since 2017, when CCI and TCCC representatives came together with the local stakeholders and shared information about the operations and CSR efforts in the region, and CCI's sustainability vision. 2021 Stakeholder Days had to be postponed to a later date in Bursa, Isparta and Köyceğiz due to Covid-19 measures.

## TCCC Reputation Survey

Within TCCC, we plan and implement our actions based on the opinions and feedback of our stakeholders. For this reason, we value the opinions of our stakeholders and conduct a corporate reputation survey periodically with our stakeholders, including our consumers.

In 2021, we held two reputation surveys through a third-party institution using an exemplary group representing a socially and publicly active influential consumer population in Turkey in accordance with EFQM and AA1000 standards. With these surveys, our aim was to examine opinions and attitudes towards Coca-Cola Turkey in an audience segment which drives consumer perception, in terms of issues such as transparency, accountability, financial stability, corporate social responsibility, product and service quality, working conditions, campaigns and advertisements, communication, innovation, environment and company performance.







## Anadolu Group's Corporate Reputation Study

In 2021, Anadolu Group had a corporate reputation study performed involving all Anadolu Group companies, in order to understand the perception and reputation of Anadolu Group as an organization.







The study was performed through a third-party institution and aimed to collect feedback from all our stakeholders about their perspectives and attitudes towards Anadolu Group companies on issues such as reputation index, general corporate perception, criteria-based corporate perception, information resources and communication success. During the study, opinions were collected from a group of stakeholders involving institutional investors and financial circles, media professionals, NGOs and professional organizations, dealerships, university students (scholars), university students (general), bureaucrats, local authorities and members of the parliament, academics, individual investors and the general public.

GRI: 102-40; 102-43; 102-44








## COMMUNICATION PLATFORMS WITH KEY STAKEHOLDERS

Stakeholder Groups	Dialogue Platform	Frequency of Engagement	Key Topics	2021 Highlights
 <b>EMPLOYEES</b>	Employee Engagement and Satisfaction Survey, Workplace, CokePort, Digital Info Boards, Townhall Meetings, CCIdea Platform and Innovation Day, CCI training programs, leadership development trainings, sales incentive programs, reputation surveys, press reports, volunteer programs	Regular	Business results, environmental performance, community projects, awards and recognitions, compensation and benefits topics	<p>In 2021, Climate Research continued across CCI to understand employee thoughts and feelings in cases of crisis or difficult situations, and focus group studies were performed using the output as a guide.</p> <p>In 2021, we also pioneered in exemplary practices across our operating geography. For example, in Jordan, we expanded the insurance coverage from employees-only to include spouses and children as well.</p> <p> <i>For further details, see “Section 3: PEOPLE FIRST”.</i></p>
 <b>SUPPLIERS</b>	Training programs, improvement audits, plant visits, supplier days Supplier performance scores, supplier surveys, cooperation portal, industrial development and pilot activities.	Regular	Quality of materials and services, future plans, strategic initiatives, business performance, sustainability, workplace rights, innovation in cooling equipment	<p>“Sustainable Sugar Beet Production” Project</p> <p>In 2021, a number of sugar suppliers we do business with were awarded sustainable agriculture certificates, some of which were issued by the Sustainable Agriculture Initiative (SAI).</p> <p>Buyers Supporting VIVE</p> <p>VIVE is a voluntary sustainability program based on continuous improvement for beverage supply chains, and involves all sustainability-related operations and activities, from manufacturers to end users. “Buyers Supporting VIVE” is an open platform for companies dedicated to supplying sustainable materials.</p> <p> <i>For further details, see “Section 3: RESPONSIBLE PROCUREMENT”.</i></p>
 <b>DISTRIBUTORS</b>	Distributor meetings, process improvement studies, regular visits, training programs, plant visits, distributor satisfaction questionnaire, distributor portal, CCI Call Center	Periodic	Business performance, commercial plans, satisfaction scores	<p>We continued our work towards improving CCI's female distributors in terms of leadership and corporate capacity and building up stronger business relationships with them.</p> <p>In November 2021, CCI Kazakhstan launched their ASA, the artificial sales assistant system.</p> <p>The Distributor Business Development Book (Big BOOK) was prepared in order to compile the processes employed by our distributors, the largest part of the CCI system, and to assess these processes from a distributor point of view to create a useful resource for our distributors and their employees as a reference.</p> <p> <i>For further details, see “Section 3: WINNIG TOGETHER WITH THE CUSTOMERS”.</i></p>







GRI: 102-40; 102-43; 102-44

Stakeholder Groups	Dialogue Platform	Frequency of Engagement	Key Topics	2021 Highlights
 <b>CUSTOMERS</b>	Coca-Cola Customer Road Show, Customer Satisfaction Survey, CCI Call Center, trainings, support programs, regular visits, plant visits, focus group studies, business planning meetings	Periodic	Business performance, commercial plans, products, marketing plans	<p>CCI joined the 10x20x30 initiative by World Resources Institute, which calls for a 50% reduction in food loss and waste by 2030, as the priority supplier of Migros.</p> <p>In October, CCI Kazakhstan launched its CCI Next/Red Box online platform. The platform allows those customers using traditional channels to participate in promotions and place online orders.</p> <p>In 2021, Customer Interaction Center was updated to improve service quality and now allows our customers to use English and Arabic in addition to Turkish in their communication with us. We also commissioned Video Technical Service and offered live support to our customers who had problems with coolant failure. We extended our accessibility through our WhatsApp service as a supplementary channel to our Customer Interaction Center voice service.</p> <p> <i>For further details, see “Section 3: WINNING TOGETGER WITH THE CUSTOMERS”.</i></p>
 <b>CONSUMERS</b>	Coca-Cola Call Center, Coca-Cola Open to Curiosity Platform, Coca-Cola Social Interaction Center, website, informative publications, plant visits, product labels	Regular	Product quality, consumer satisfaction, low-and no-calorie product alternatives, nutritional labeling, product ingredients	<p>Sugar Reduction/Consumption Guide in Turkey was signed in cooperation with the Ministry of Health and the Federation of Food and Beverage Industry Associations of Turkey where Coca-Cola Turkey is also a member.</p> <p>On December 13, 2021, the “Unstereotype Alliance” was announced in Turkey as a part of the collaboration between the UN Women and marketing industry with the support from the Board of Gender Equality in Advertising (RTCEK), which was launched by the Association of Turkish Advertisers (RVD).</p> <p> <i>For further details, see “Section 3: CONSUMER SATISFACTION &amp; RESPONSIBLE CONSUMPTION”.</i></p>
 <b>PUBLIC INSTITUTIONS AND ORGANIZATIONS</b>	Reputation surveys, conferences, industry meetings, stakeholder days, plant visits	Regular	CCI's operational, environmental, quality and community-related performance; compliance with regulations	<p>We participated in Deposit Management System workshops organized by the Turkish Environment Agency and shared our views on establishing the most suitable deposit model in terms of the conditions present in our country.</p> <p>We participated in the Water Council workshops organized by the Ministry of Agriculture and Forestry. Workshop results were announced to the public by Turkish Presidency on October 21, 2021. As a part of the Water Council workshops, we communicated the industrial water management practices employed in our factories to ministry officials, academicians and representatives from other companies.</p> <p>We participated in preparatory activities and workshops under the National Sugar Master Plan organized in coordination with the Turkish Management Sciences Institute (TÜSSIDE)</p> <p> <i>For further details, see “Section 5: ANNEXES – Memberships”.</i></p>

GRI: 102-40; 102-43; 102-44

Stakeholder Groups	Dialogue Platform	Frequency of Engagement	Key Topics	2021 Highlights
 <b>NGOs</b>	Project partnerships, corporate and individual employee memberships, participation in conferences and presentations, reputation surveys, Stakeholder Day	Regular	CCI's operational, environmental, quality and community-related performance; transparency and reporting	<p>CCI is a founding member of ÇEVKO and the CCI Public Relations Leader is a member of the Board of Directors. Thanks to our strategic cooperation with ÇEVKO, we have managed to continuously increase our rate of post-consumer packaging waste collection and raised consumer awareness about recycling.</p> <p>CCI invests in community projects to combat waste pollution and promote recovery. CCI is also a co-founder of the Collect and Recycle (CoRE) Alliance in Pakistan.</p> <p>In 2021, Coca-Cola Turkey built a "Waste Trap System" in Karabucak Stream as a part of the Clean Mediterranean Community Based Recycling Project – Kollekt, a collaborative initiative with UNDP.</p> <p> <i>For further details, see "Section 3: RESPONSIBLE CORPORATE CITIZENSHIP".</i></p>
 <b>UNION</b>	Union representation, collective labor agreements, representative meetings, plant visits	Regular	Human and workplace rights	<p>In 2021, our union relations were harmonious and constructive in both Turkey and Pakistan. Established on a basis of mutual good faith, our effective relationships with stakeholders had positive impact on business continuity and well-being of our employees after the pandemic. Furthermore, the negotiations were finalized in Pakistan, and a two-year collective agreement was signed.</p> <p> <i>For more information, see "Section 5: ANNEXES – Employees Under Collective Labor Agreements".</i></p>
 <b>MEDIA</b>	Website, press releases, exclusive interviews, regular visits, reputation surveys, social media	Regular	Products, marketing and promotion campaigns, financial results, important events, sustainability content, social responsibility projects, innovations, awards, etc.	<p>In 2021, we shared important events with the media such as stakeholder and CEO meetings through press releases and exclusive interviews.</p>
 <b>SOCIETY AND ENVIRONMENT</b>	Coca-Cola Open to Curiosity Platform, donations, website, plant visits, support programs, voluntary work, Coca-Cola Call Center, mass communications, product labels, advertising and marketing activities, environmental training meetings, social participation projects, field studies, meetings, surveys and opinion checks, reputation surveys, annual reports, sustainability reports	Regular	Product quality, product ingredients, marketing and promotion campaigns, sports tournaments	<p>In cooperation with AbilityPool, a digital platform that enables organizations to manage volunteering more effectively, our volunteers meet in a single environment in the projects of more than 100 Non-Governmental Organizations and in their own projects.</p> <p>In 2020-2021 season, as part of a collaboration between CCI and social innovation platform ImeceLAB, we sought sustainable, innovative and viable solutions to the question "How can we improve packaging waste recycling rates from a circular economy perspective?"</p> <p>We planted a total of 100,000 saplings in Turkey and Pakistan.</p> <p> <i>For further details, see "Section 3: RESPONSIBLE CORPORATE CITIZENSHIP".</i></p>

GRI: 102-40; 102-43; 102-44

Stakeholder Groups	Dialogue Platform	Frequency of Engagement	Key Topics	2021 Highlights
 <b>SECTOR GROUPS</b>	<p>Corporate memberships, joint projects, participation in meetings and conferences</p> <p>In alignment with our commitment to Sustainable Development Goals, CCI actively participates in Climate Change, Diversity &amp; Inclusion, and Gender Equality &amp; Women Empowerment workshops by TÜSIAD, UNGC and SDG, as well as the "Business Initiative for Plastic".</p>	Regular	<p>Industry-wide issues, regulations, legal compliance, speaking engagements at conferences, benchmark visits to plants</p>	<p>Together with the industry associations we are involved in, we made contributions to various public institution activities, especially the Deposit Management System. In this context, in addition to our active participation in meetings and workshops in 2021, we also communicated our good practices stakeholders who visited our factories.</p> <p>CCI is a member of the Union of Chambers and Commodity Exchanges of Turkey (TOBB) Beverage Industry Sector Assembly, and a member of the Turkish Industry and Business Association (TUSIAD) and CCI's Corporate Affairs department is a member of the Board of Directors of Global Compact Turkey.</p> <p>CCI's Corporate Affairs Director and Public Relations Leader are on the Board of Directors of MEDER, which was established in 1994 to support the growth of the beverage industry, improve industry contribution to Turkish economy and lead sustainability efforts across the industry.</p> <p> For further details, see "Section 5: ANNEXES – Memberships".</p>
 <b>SHAREHOLDERS</b>	<p>General Assemblies, CCI website, Public Disclosure Platform (PDP), conferences, online and in-person meetings</p>	Regular	<p>Financial and operational performance and reporting</p>	<p>In 2021, we hosted 334 interviews with investors and analysts through a total of 165 meetings, including 15 online conferences, 2 ESG conferences, as well as 1 face-to-face and 1 online roadshow.</p> <p>In 2021, we made 48 material disclosures on the Public Disclosure Platform (PDP) to inform our investors of the important events related to our company.</p> <p> For further details, see "Section 4: ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE".</p>
 <b>INVESTORS</b>	<p>Annual reports, investor conferences, analyst meetings, investor presentations, sustainability reports, integrated annual report, social media accounts, webcast, e-mail distributions, special case announcements, Public Disclosure Platform, direct feedback forms through CCI's corporate website, ESG Index reports</p>	Every year	<p>Operational and financial performance</p> <p>Future expectations</p> <p>Investments made and planned</p> <p>Macroeconomic and political developments in our operating countries and their potential impact on CCI</p>	<p>We participated in investor conferences on ESG and communicated company's work and development in ESG to investors, and shared investor feedback with the relevant departments.</p> <p>On November 26, 2021, our Group Sustainability and Communication Leader participated as a speaker in a webinar titled "How Can ESG External Assurance Build Trust?" which was organized by Sustainable Finance.</p> <p>Our International Foreign Currency Issuer Rating was determined as "BBB-" by S&amp;P.</p> <p>Our International Foreign Currency Issuer Rating was confirmed as "BBB-" by Fitch.</p> <p>We managed to increase our Water Security score from "B" to "A-" in CDP 2021 results. We maintained last year's score of "B" in the Climate Change Program.</p> <p> For more information, see "Section 1: RECOGNITION IN SUSTAINABILITY INDICES", "Section 3: OPERATIONAL PERFORMANCE" and "Section 3: FINANCIAL PERFORMANCE".</p>

GRI: 102-47

# MATERIALITY ANALYSIS

Materiality analysis is significant to continuously review our performance on issues that are important to us, especially our sustainability priorities, and assess the results annually.

We are aware of the importance of stakeholder participation within the scope of materiality analysis, thus we engage with each stakeholder group on a regular basis considering their ideas and feedback.

We analyze the material topics under four main titles;

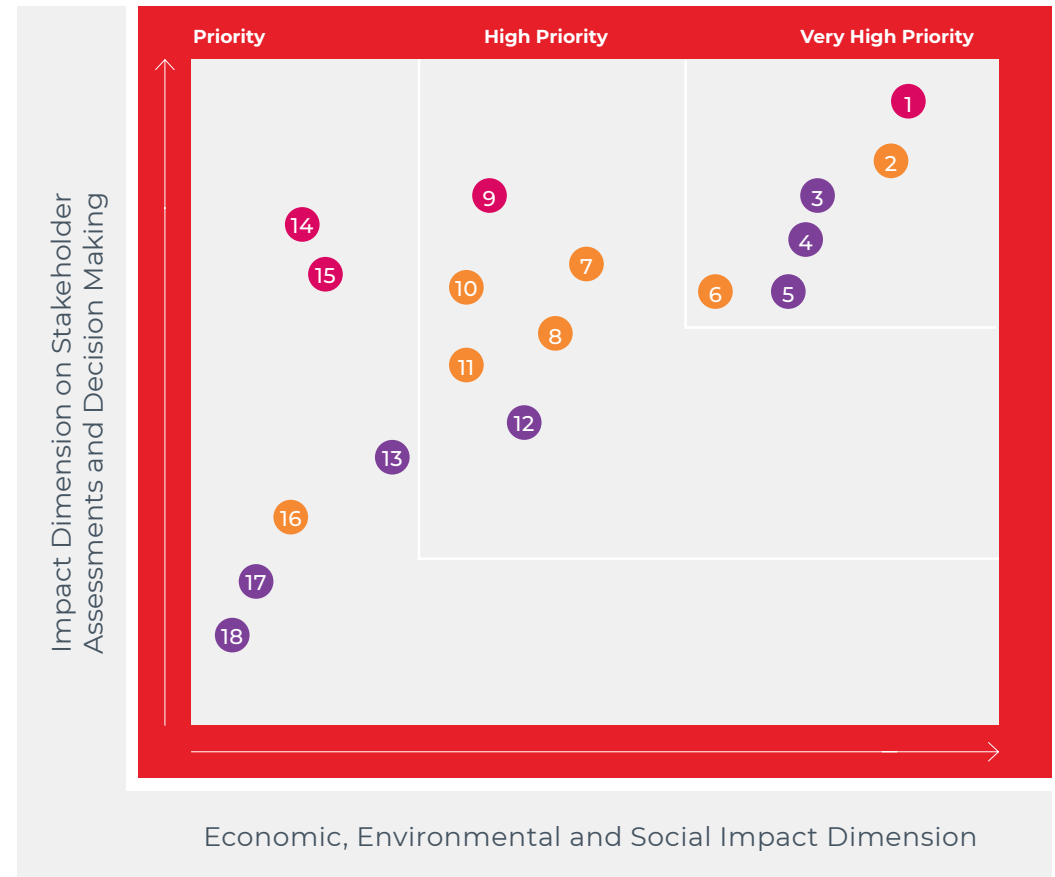
- Global and sectoral risks and opportunities,
- Strategic priorities of CCI and TCCC,
- CCI's activities and their social, economic and environmental impacts on the value chain,
- Stakeholder concerns and expectations.

Our current materiality matrix, created as a result of our reviews and analyses, is under Executive Committee's assessment and approval.

In 2020, we organized meetings with our external stakeholders in Turkey, Pakistan and Kazakhstan regarding our targets and commitments for 2030, and received their opinions and feedback. In parallel with the changing and transforming world conditions during the reporting period, our stakeholders' impact on evaluation and decision processes as well as the impact dimension for CCI became more prioritized. We reviewed the topics of our 2030 targets and commitments and conducted an online survey with our report advisor at the end of 2021 on our priority topics that would shape the scope of our Integrated Annual Report. After the surveys were filled out and finalized, we analyzed the results and created a list of priority topics. During our reviews and analyses, we classified important topics into three groups: priority, high priority and very high priority. After that, we positioned those topics in a matrix from low to high order by considering the percentage distribution of priority levels for key stakeholders and CCI.

- |                                        |                                           |                                          |
|----------------------------------------|-------------------------------------------|------------------------------------------|
| 1 Product Safety and Quality           | 7 Information Security and Digitalization | 13 Community Investments                 |
| 2 Health, Safety and Well-being        | 8 Employee Engagement                     | 14 Rich and Innovative Product Portfolio |
| 3 Sustainable Packaging                | 9 Excellence in Supply Chain              | 15 Superior Supplier Management          |
| 4 Water Management                     | 10 New Workforce and Talent Management    | 16 Sustainable Agriculture               |
| 5 Energy Management and Climate Crisis | 11 Diversity and Inclusion                | 17 Biodiversity                          |
| 6 Human Rights Along the Value Chain   | 12 Economic Impact                        | 18 Volunteering                          |

## CCI 2021 MATERIALITY MATRIX



● Customers & Consumers ● Employees ● Society and Environment



## MATERIAL SUSTAINABILITY TOPICS



### CONSUMER WELL-BEING

We offer a wide beverage portfolio to our consumers that fit in their preferences and at high product quality and safety standards, which has a crucially important place in our business model.



### CUSTOMER VALUE

We are determined to continuously increase customer satisfaction with our customer-focused approach and for operational excellence across our geographies with superior supplier management approach.



### HUMAN RIGHTS

With our pioneering policies and practices, we are committed to creating an excellent, safe, diverse, equal opportunity workplace that has a positive impact for all employees along our operational value chain.



### HUMAN CAPITAL

We listen to the expectations of our employees over various engagement platforms, aim to create a workplace that completely meets their expectations and invest in their development through talent development programs.



### COMMUNITY DEVELOPMENT

We are committed to be a responsible corporate citizen, proudly serving the community with our projects focusing on recruitment of youth, women empowerment, water and zero waste issues supported with employee volunteerism and creating positive economic impacts through our investments.



### ENVIRONMENTAL FOOTPRINT

We aim to minimize our impacts on the environment by using fewer natural resources, operating efficiently and generating less waste, intensively focusing on 'energy management and climate change', 'water' and 'sustainable packaging' practices.



## FUTURE OUTLOOK

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# 236,336

Open to Curiosity Platform  
Number of visitors in 2021

---

# 485,000

amount of CO<sub>2</sub> (tons) emissions  
we prevented with good practices

---

# 3,897

environmental training we  
provided to our employees (hours)

---

Operational excellence is an important factor in operational sustainability. Operating with 30 factories in 11 countries, we offer a wide range of products to our consumers without compromising product quality and safety.

GRI: 102-11

## OUR OPERATING ENVIRONMENT

### ECONOMIC AND POLITICAL ENVIRONMENT

CCI is a regional beverage company operating in developing countries that are subject to political instability, macroeconomic challenges and security issues from time to time.

Furthermore, the Covid-19 pandemic in 2020 has brought a significant impact on CCI's operating region, slowing down the economic flow as a result of the extended shutdowns, just like the rest of the world. After a period of economic constriction, uncertainty, and a decreasing trend in consumer confidence and purchasing power, a gradual normalization and economic recovery phase has begun as a result of supportive monetary policies implemented by central banks, prevalent Covid-19 vaccination programs and resumption of social mobility despite the fluctuating nature of the pandemic due to new variants. We have seen a variation in recovery rate across our countries of operation, directly proportional with financial support policies by governments and vaccination rate. On the other hand, the rapid economic recovery and broad elimination of shutdowns around the world in 2021 along with a shortage in supply due to the rapid rise in demand and deterioration of the supply-demand balance have caused a significant increase in raw material and energy prices, leading

to a high rate of inflation. While Iraq and Central Asian countries have seen positive outcomes from rising oil and gas prices since their economies highly rely on natural resources, the regime shift in Afghanistan have increased political and economic uncertainty in the Middle East and Central Asia. On the other hand, while issues with currency exchange still remains in Turkmenistan, developing country currencies have continued their erosive trend against the US dollar. Despite these challenging conditions and uncertainties, CCI has significantly increased its sales volume both in Turkey and international markets thanks to the company's skilled workforce, rapid adaptation and excellent execution capability, cautious expense management and strong structure of partnerships, and maintained its quality growth algorithm with a high rate of profitability. As a result, the company has achieved a strong balance sheet and high liquidity, and continued to create a healthy free cash flow.

### INTERNATIONAL DEVELOPMENTS IN 2021

**COP26:** During the 26th UN Climate Change Conference (COP26) organized in Glasgow on 31 October - 12 November 2021, participating countries discussed the progress achieved towards the commitments undertaken with the Paris Agreement and the United Nations Framework Convention on Climate Change. The four key focus areas of the summit were combating climate change/greenhouse gas reduction, adaptation, financial matters and collaborations. The participants agreed on international carbon trade, methane emission and fossil fuel breakthrough issues, as well as achieving a 45% drop in emissions by 2030.



Furthermore, Glasgow Breakthrough Agenda was introduced as an international plan. More than 40 countries, including Turkey, pledged to work together to position clean energy technologies and sustainable solutions as the most affordable, accessible and attractive option in all carbon-intensive industries (5 industries producing more than 50% of the global emissions: energy,

transportation, steel, hydrogen and agriculture) before 2030.

Turkey had ratified the Paris Agreement prior to COP26 and announced its goal of achieving a net zero status by 2053. Other CCI countries are also expected to prepare their road maps in accordance with the international declarations signed at COP26.

#### Commitments signed by the governments of CCI's countries of operation at the COP26 summit

Country	End Deforestation	Net Zero Target Date	Coal Phase Out	Cut Methane Emissions
Turkey*	✓	2053	✗	✗
Pakistan	✓	2050	✗	✓
Iraq	✗	No Target Specified	✗	✓
Jordan	✗	No Target Specified	✗	✓
Kazakhstan	✓	2050	✓	✗
Azerbaijan	✓	No Target Specified	✓	✗
Kyrgyzstan	✓	No Target Specified	✗	✓
Tajikistan	✗	No Target Specified	✗	✗
Turkmenistan	✓	No Target Specified	✗	✗
Uzbekistan	✓	No Target Specified	✗	✗

## REGULATORY ENVIRONMENT

As CCI, we operate in a volatile environment in terms of the regulations imposed on us. The regulatory authorities have made some changes during the reporting period.

**GEKAP:** Recycling Participation Share (GEKAP) is published on Official Gazette in 2019 and became effective as of 2020. GEKAP requires the legal entities to declare the recycling contribution fee for the primary and secondary packaging of the products they have imported or the products they supply to the market. Our company is liable to GEKAP.

**DEPOSIT RETURN SCHEME FOR ONE-WAY PACKAGING (DRS):** DRS is expected to be implemented for one-way beverage packaging in 2022 as a part of circular economy transformation. The material types to be involved in the system are expected to be specified in the second half of 2022. We work in collaboration with all relevant stakeholders in order to implement the deposit system. Our goal is to increase consumer awareness about packaging waste pollution and to reduce our environmental impact, and we continuously work on increasing our recycling rates as we transition into a circular economy. With the introduction of DRS, GEKAP liabilities are expected to be exempted for those products covered by DRS.

**TURKISH ENVIRONMENT AGENCY:** The Law on “Establishment of Turkish Environment Agency and Amendments to Various Laws” was passed in the Turkish Parliament and published in the Official Gazette on 30.12.2020. With the establishment of Turkish Environment Agency under the Ministry of Environment, Urbanization and Climate Change, some responsibilities related to environmental protection were transferred by the Ministry to the Agency, such as the Deposit Management System.



## International Regulations

**Excise Taxes and Sales Taxes:** In our operation geography, in addition to regular taxation, our products might be subject to taxes like an excise tax in each jurisdiction. Indirect taxes for specific beverages can be seen in different countries under the name of excise tax or other terms. As a result of excise and other indirect taxes, the price of soft drinks charged to customers may increase. In Turkey, an excise tax applies to all carbonated and non-carbonated soft drinks and Coca-Cola drinks are differentiated from other sparkling beverages in this framework. In Pakistan, an excise tax applies to the sales of sparkling beverages in addition to Value-Added Tax (VAT). In Jordan, an excise tax applies to carbonated products only. In Tajikistan, the excise tax applies to carbonated drinks, carbonated soft drink (CSD) and teas.

**Traceability Labelling:** Track and Trace (T&T) labelling is an initiative approved on the level of Eurasia Economic Union and water and beverages were included into the mandatory list of products subject to T&T. Every country member may implement this regulation, but not earlier than March 2022. Main objective of the initiative is to control and monitor illicit trade and counterfeited products. However, the inclusion of the non-alcoholic beverages in the mandatory label tracking system (or traceability labeling) would bring the unnecessary extra cost to the producers since the risk of forgery and smuggling is almost non-existent for the non-alcoholic beverages, unlike the tobacco, alcohol, and pharmaceutical industries.

## TECHNOLOGICAL ENVIRONMENT

We invest in technology to drive change in the “Digital Age” and achieve our vision as a company. We use technology for:

- ✓ **Customer Experience:** Improving customer experience through use of data and digital competencies.
- ✓ **Asset Optimization:** Improving our use of assets and achieving higher levels of efficiency, quality and environmental sustainability.
- ✓ **Human Experience:** Allowing the required time for our employees to regain or improve their skills and make life easier.
- ✓ **Innovation:** Innovating continuously and creating new business opportunities



In order to achieve better optimization and efficiency, we continue to form key building-block solutions such as Enterprise Resource Planning, Customer Relations Management, Contract Management, Purchasing Management, Warehouse Management and Transportation Management, as well as increasing our momentum in automation. We create a digital twin of our organization, production lines and customer experience by combining our capabilities in API and microservices-based technologies, cloud, artificial intelligence/machine learning (such as dialog-based artificial intelligence, image processing, deep neural networks), industrial IoT, edge computing and robotic process automation. As a result, we can use agile business models and consistently adapt to changing market conditions.

We aim to play a pioneering role in change and continue to create value by staying in constant interaction with our stakeholders. To further develop our innovative work and to create a culture of innovation, we strive to position our BÜDOTEK Teknopark office as our innovation and incubation center. In order to create value for our customers, environment and employees; we design, develop, test and produce advanced technologies as well as industry solutions based on data and artificial intelligence. Our Teknopark office allows us to collaborate with start-up communities, universities and ecosystem partners to showcase solutions, co-innovate and co-develop.

GRI: 102-11

# RISKS AND OPPORTUNITIES

At CCI, we closely monitor global risks while managing our business across our operating geography. In addition to the data we receive from the Coca-Cola System, we also evaluate the opinions raised by the World Economic Forum, as well as the results from global surveys. We address risks and opportunities both at the regional and country level, and every year, we create and review business plans for the next 3 years.

## GLOBAL RISKS LANDSCAPE

In 2021, the Covid-19 pandemic continued to show its impact on the whole world and pose various threats in a number of different regions. Along with the Covid-19 pandemic, climate change also shows its impact even more rapidly and harshly. Global Risks Report prepared by the 2022 World Economic Forum (WEF) highlights the importance of preparing robust ecosystems against possible COVID-19 crises in the future and places the climate crisis, growing social segregation, cyber threats and unequal global recovery among the most important risks. According to the report, the most important long-term risks are related to climate while the most important short-term global concerns include social segregation, livelihood crises and deterioration in mental health. According to the Global Risk Perception Survey, the following 10 risks await the world in the next 10 years:

1. Climate action failure
2. Extreme weather events
3. Biodiversity Loss
4. Erosion of social cohesion
5. Crises related to obtaining necessary conditions for life
6. Infectious diseases
7. Human-made environmental damage
8. Natural resource crises
9. Debt crises
10. Geo-economic challenges

Source: World Economic Forum's (WEF) 2022 Global Risks Report

## Climate Action

According to World Economic Forum's 2022 Global Risks Report, the biggest global risk is the lack of climate action.

In 2021, we reached record temperatures all around the world, experienced extreme weather, and felt the effects of drought, especially in the agricultural industry. The urgency of climate action was demonstrated once again in COP26, and all countries and organizations were asked to create concrete action plans to achieve "net zero" target. Even though a certain level of climate action have been taken by initiatives with wide influence, such as the European Green Deal and the Paris Agreement, fossil fuel-based industries continue their growing trend. Green transformation does not show an equal progress in all regions across the world.

Countries and organization that fall behind the transformation are having difficulty accessing financing sources, losing their competitive advantage and cannot meet customer and employee demands.

At CCI, we are committed to fulfilling our responsibilities regarding green transformation. We constantly review the risks and opportunities that climate change poses to our operations, and shape our processes and products in alignment with these analyses.



You can find more information on our work for climate action in "Section 3: RESPONSIBLE SUPPLY AND PRODUCTION".



## Digital Transformation

Increasing dependence on digital systems due to the pandemic has brought new risks and opportunities.

We have witnessed rapid digitalization in many industries, remote working models becoming a new norm and proliferation of platforms and devices that facilitate digital transformation. Digitalization has meant 24/7 uninterrupted operation, availability and speed for many industries.

With the increasing trend in digitalization, cyber security threats are also growing. In 2020, organizations have faced a 358% increase in malware along with a 435% increase in ransomware attacks. The low costs of cyber attacks, more aggressive attacking methods, the

limited number of cyber security experts and isolated governance mechanisms tend to increase the risks associated with these attacks. Organizations who fail to secure data are losing confidence from their stakeholders.

At CCI, we aim to create an advantageous ground for our customers, employees and operational efficiency through digital transformation. Cyber security expenditures comprise a significant part of our digitalization investments and we manage the two issues in alignment.



Please see “Data Security and Privacy” section for our performance in digitalization and information security.

## Global Immigration

Economic challenges, growing effects of climate change and political instability force millions of people to emigrate. In 2020, 34 million people were subjected to forced migration, which is a historic record. On the other hand, the effects of the pandemic, increased protectionism and new job market dynamics create obstacles for immigrants in many countries. These barriers lead to financial problems as well as a decrease in purchasing power in many countries, where economies depend on immigrant fees.

This wave of immigration also has an impact on CCI’s operating regions. Immigration leads to economic and political instability, as well as security problems. We implement comprehensive plans for risk management and operational continuity across our operating regions and develop social responsibility projects to increase well-being of the local communities.

## Emerging Risks and Compliance

In today’s world, companies face an increasingly complex, interconnected and dynamic risk environment. Topics such as cloud technologies, artificial intelligence, climate change, development in distributed ledgers, cyber security and digital assets require a new approach to risk. Deficiencies in existing risk quantification methodologies and lack of qualified human resources have the potential of nonconformity and inability in risk management for companies.

A number of factors such as the European Green Deal, adaptation to Paris Agreement outputs and transition to a circular economy pose significant compliance risks. Company risk matrices need to assess these new risks as comprehensively as matured risks.

At CCI, we manage financial and non-financial risks together through our agile culture of corporate risk management and compliance.



Please see “Risk Management” section for more detailed information on our performance in risk management and compliance.



## Access to Talent

Changing expectations of new generation employees and remote working trends becoming widespread during the pandemic have led to a redefinition of work life in all industries. Research shows that young employees prefer purpose-oriented, social and environmental benefits as well as working environments where employees can be themselves and make a difference.

Cyber security, big data and artificial intelligence/machine learning experts are among those talents who see the biggest demand from companies. However, there is competition for access to talent in these fields since the number of qualified experts is limited. In our industry, qualified employees create a significant competitive advantage and the inability of companies to access and retain talent poses a key operational risk.

Across our operating regions, we strive to maintain our position as a preferred employer. We provide our employees with an inclusive and innovative work environment which supports learning new things. We listen to their opinions and expectations, and strive to build future-proof competencies.



Please see “Talent Acquisition” section for our detailed performance and goals in the field of accessing talent.



## Purpose Driven Brands

Changing consumer and employee expectations result in an increasing demand for purpose driven companies. In today’s world, stakeholders judge companies not only by the products and services they offer, but also by their values, missions and the world issues they try to solve. For multi-national companies who interact with many different stakeholder groups, such as CCI, such expectation comes with both risks and opportunities.

At CCI, we implement numerous social investment projects to increase social well-being in our operating regions in addition to employment opportunities created, purchasing activities conducted and taxes paid.



Please see “Investing in Community” section for our detailed performance and goals in this field.





GRI: 102-15

## CCI CONSOLIDATED PRIORITY RISKS

Risk Priority	Description	Action
1	Macro-economic Volatility	<p>Globally high inflation, emergence of new variants of Corona virus limiting mobility of people, unemployment, changes in consumer spending levels and expectation for the end of abundant liquidity already put a lot of pressure on economies. This exposes us to the risk of an adverse impact on our business in the form of reduced demand for our products, affordability, customer and supplier financial problems, political and other conditions, among others.</p> <ul style="list-style-type: none"> <li>» Disciplined &amp; Optimized Discount management</li> <li>» OBPPC management to drive affordability and value generation</li> <li>» Close profitability monitoring at customer and SKU level via advanced analytics</li> <li>» Hedging</li> <li>» Selective investments with severe pay back analysis</li> <li>» Continuous Efficiency/ Effectiveness initiatives, standardization/automation projects</li> <li>» Optimum headcount and asset utilization</li> <li>» Close follow up of working capital</li> <li>» System alignment and governance to keep Quality Growth Algorithm</li> </ul>
2	Supply Chain Interruptions & Cost Inflation	<p>Rising demand and fragile supply create critical raw material shortages. Apart from strong and sustained economic growth, the recent boom was fueled by numerous factors, including tougher environmental regulations, low past investment in extractive commodities, weak dollar, high long positioning of global funds. Inflation is visible at the manufacturer level, commodity level and shipping level. Transportation costs are expected to remain elevated through at least 2022 and possibly in 2023. The rotation from goods to services spending will alleviate some pricing pressures, but the risk of COVID related shutdowns is keeping supply chain disruption risk high.</p> <ul style="list-style-type: none"> <li>» Pre-buy</li> <li>» Long term contracts</li> <li>» Financial hedging Alternative suppliers</li> <li>» Localized procurement to the extent possible</li> <li>» Lightweight</li> <li>» Supporting supply chain operations</li> <li>» Inventory buildup for key SKU pre-season for strategic supplier</li> <li>» Alternative packaging alternatives</li> </ul>
3	People Well-being & Talent Management	<p>Well-being: The risk of health and safety and occupational workplace incidents. Elevated health concerns with Covid-19 pandemic, Need for work place re-organization, Increasing concerns on emotional &amp; mental well-being, Talent Management: Inability to attract, retain and engage qualified and experienced employees in highly competitive talent markets.</p> <p><b>Health, Safety &amp; Well-being:</b></p> <ul style="list-style-type: none"> <li>» Safety protocols standardization</li> <li>» Precautionary measures against COVID-19</li> <li>» Continuous education and open communication</li> <li>» Offline training sessions in local languages for blue-collar workers at all locations</li> <li>» KPI monitoring</li> <li>» Commitment to zero fatalities</li> <li>» Life Saving Rules</li> <li>» Transferring information &amp; Know-how to business partners</li> <li>» Physical, emotional, social and financial well-being plan</li> </ul> <p><b>Talent Management:</b></p> <ul style="list-style-type: none"> <li>» Agile &amp; Strategic Talent Acquisition &amp; Evolving Employer Branding</li> <li>» Cultivate talents and teams to grow personally &amp; professionally</li> <li>» Retain &amp; engage employees with people centric approach</li> <li>» Prioritization of Diversity &amp; Inclusion Agenda</li> </ul>

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Risk Priority	Description	Action	
4	Change in Consumer Preferences, Retail Landscape and New Digital Business Model	Consumer preferences, purchase drivers, and consumption habits might change rapidly. In addition consumers' health trends and misconception about the health impact of our products might generate variability in the demand for some of our products. Failure to adapt to these changes may have severe impact on our business.	<ul style="list-style-type: none"> <li>» Total Beverage Company with Winning Portfolio</li> <li>» Fit for purpose service solutions</li> <li>» No Sugar Strategy</li> <li>» Introduction of smaller packs</li> <li>» E-RGM Strategy</li> <li>» Digitalization</li> </ul>
5	Ethics, Compliance, Regulatory and Taxes	Our operations are subject to broad range of regulation and taxes that varies from country to country. These include regulations on production, sales and distribution, packaging, the use of certain ingredients and labelling requirements. This exposes us to the risk of legal, regulatory or tax changes that may adversely impact our business. In addition, the countries we are operating in have low ranking in corruption perception index. Misconduct risks may increase due to economic challenges and pandemic conditions. Growing tendency of governments to control data within borders and focus on protection of personal data may create adverse impact on our business. In addition	<ul style="list-style-type: none"> <li>» Constant communication and trainings to all employees to prevent any anti-bribery and anti-corruption risk</li> <li>» Increasing «speak up» awareness</li> <li>» Continuous monitoring of new or changing regulations in all countries and appropriate implementation of adequate mitigations</li> <li>» Stakeholder management</li> <li>» Industry coalitions and economic impact studies</li> </ul>
6	Cyber Security	A cyber attack or data center failure, breach of data confidentiality and over regulation. This could in turn result in: <ul style="list-style-type: none"> <li>» Financial loss</li> <li>» Interruption of operations</li> <li>» Reputation loss</li> </ul>	<ul style="list-style-type: none"> <li>» Proactive monitoring of cyber threats and implementing preventive measures</li> <li>» Re-organized &amp; improved vulnerability management process</li> <li>» Security responsibility as a shared responsibility within whole organization</li> <li>» Continuous security awareness education</li> <li>» An early-warning capability to address the increasing regulatory pressures proactively, prioritizing stakeholder outreach and communication</li> <li>» Access control, security operations center (SOC-7/24 monitoring), vulnerability Management, source code review</li> </ul>
7	Instability in Domestic & International Politics and Security	Volatile and challenging geopolitical conditions can affect consumer demand and create security risks across our markets.	<ul style="list-style-type: none"> <li>» Engage with our stakeholders to protect our business from regulatory and reputational challenges</li> <li>» IMCR readiness</li> <li>» Physical and electronic security</li> <li>» Travel Security</li> </ul>

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Risk Priority	Description	Action
8	Natural Disaster & Business Continuity	Adverse weather conditions, natural disasters, and public health crises may adversely affect our business, financial <ul style="list-style-type: none"> <li>» Proactive readiness</li> <li>» Emergency response plans and teams in place.</li> <li>» Regular drills to keep people adequately updated with actions to be taken in case of emergency.</li> <li>» Structure stability/integrity certificates from a competent parties for all locations</li> </ul>
9	ESG: Packaging, Water, Climate Change	There is increasing concerns related to packaging waste and plastic pollution. Sufficient quantity of safe, accessible water is not only essential to the welfare and good health of the communities in which we operate, but it is also key to our business success. Not only from the point of having a disruption to our production, but also from scarcity /price impact on agricultural raw materials such as sugar and fruits as well as indirect impacts such as regulations and higher taxes. Climate change may have long-term direct and indirect implications for our business and supply chain. <ul style="list-style-type: none"> <li>» Reduce-reuse-renew-recycle</li> <li>» Partnerships with local communities, NGOs, start-ups and academia to manage packaging recovery and minimize environmental impacts</li> <li>» Continue to active engagements with different stakeholders for best-fit collection model</li> <li>» Improving the overall water usage efficiency in our plants</li> <li>» Implementing Source Vulnerability Assessment (SVA) and Source Water Protection (SWP) studies</li> <li>» Replenishing the water, we use, back to the nature by implementing locally relevant programs</li> <li>» Energy efficiency programs</li> <li>» Reducing logistics-based direct emissions with effective fleet and fuel management and optimization practices;</li> <li>» Reducing indirect emissions by concentrating on climate friendly refrigeration programs;</li> <li>» Increasing awareness on climate protection by collaborating with distributors, dealers, suppliers and other stakeholders</li> <li>» Mitigating risk for communities and for our business by partnering with governments, NGOs and communities to assess, understand and generate effective, long-term water stress solutions and implement source water protection plans</li> <li>» Researching and investing in new technologies to reduce water consumption</li> <li>» Investigating opportunities and conducting feasibility study to supply sustainable sources</li> </ul>
10	Relationship with TCCC	Our business model is based on agreements with TCCC as franchisor in our existing operations. Termination of agreements or unfavourable renewal terms could adversely affect profitability. <ul style="list-style-type: none"> <li>» Clear agreements govern the relationships</li> <li>» Aligned long range planning and annual business planning</li> <li>» Participation in 'Top to Top' senior management meetings</li> <li>» Regular contact and best practice sharing across the Coca-Cola system</li> <li>» Engagement in joint projects with a focus on strategic issues</li> <li>» Excellence in execution and market investments</li> </ul>

## OUR STRATEGIC PRIORITIES FOR 2021-2023

During 2021-2023 period, we are working in alignment with our vision of “Being the best company in FMCG sector in our entire operating region” through strategic priorities guiding us in five key areas when making business decisions to create value for all our stakeholders.

### ACCELERATING “QUALITY” GROWTH

We sustain profitable growth by providing high quality services to our consumers through our ever-growing portfolio of diverse and innovative products.



- We promote growth in strategic categories
- We use a balanced portfolio and Occasion, Brand, Package, Price and Channel (OBPPC) strategy.
- We exceed previous years' values by extending our scale of volume.
- We well-manage product costs and operational expenses.
- We prioritize creating profitable demand in our investments and optimize the use of asset base.
- We employ a net working capital protection program.

### BEING THE TOP COMPANY IN FAST MOVING CONSUMER GOODS

In order to grow together, we implement best practices for customer & supplier management and business development through our business-connected teams closely interacting with customers.



- We perceive, steer and meet the demand.
- We enhance digital customer and digital employee experiences in market penetration management. We expand our culture of “one-team”.
- We develop long-term strategies for revenue growth management, conduct precise analyses, and expand competencies for revenue growth across the entire company.

### WINNING TOGETHER WITH OUR PEOPLE

We create a diverse and inclusive work environment where all employees are valued and have equal opportunities for growth.



- We maintain our talent management process through “Fit for Purpose” and “Future-Proof” talent development practices and career path guidance for our employees.
- We support leadership development through growth programs and succession planning for critical positions.
- We apply our core values and policies for all employees, promote our culture at CCI, and focus on diversity and inclusion.
- We employ a number of processes, systems and policies to improve team performance, create compliant work environments and maintain strong communication with employees.

### DIGITALIZATION FOR INDUSTRY LEADERSHIP

We become digitalized and incorporate innovative practices into our business model to increase productivity and boost our operations in order to maintain our leadership in the industry.



- We create a digital twin of our organization from an inside-out point of view.
- We monitor and interact with customer approach through our business-to-business (B2B) platform from an outside-in point of view.
- We optimize our assets using digital technology.
- We enhance employee experience to make life easier for them.

### WINNING TOGETHER WITH OUR STAKEHOLDERS

Together with all stakeholders in our value chain, we focus on winning and create value for our societies and planet.



- Thanks to our integrated governance approach and our forward-looking targets, we focus on the sustainable development of the community, as well as our business.
- We create social value through social programs.
- We reduce risks related to statutory regulations with our effective management practices.
- We tell CCI's story better by using internal and external communication channels, and focus on improving our reputation.

## OUR 2022 EXPECTATIONS

CCI closed out a solid 2021, delivering results ahead of our guidance. Every country in the CCI portfolio positively contributed to growth in 2021. The underlying fundamentals of our business are strong. However, short-term headwinds continue to weigh. We remain cautiously optimistic for the year ahead.

New variants of Covid-19 create uncertainties regarding the operating environment, while macroeconomic volatilities and supply chain challenges pressure margins.

As we strive to create value for our shareholders, we will continue driving growth with excellent execution, effective revenue growth management, a frugal expense mindset, and a tight fiscal policy.

Our company's expectations for 2022 are as follows (on a reported basis unless specified otherwise):

### Sales Volume:

High single-digit to low-teens volume growth; mid-single-digit growth on a proforma basis (100% consolidation of CCBU for FY2021 and FY2022)

- Flattish in Turkey
- High teens growth in the international segment; high single-digit growth on a proforma basis

### Net Sales Revenue:

Low to mid 40s percentage FX-neutral NSR growth

### EBITDA Margin:

Flat to 100 bps contraction compared to 2021, including Uzbekistan's dilution impact and commodity price pressures

### Capex/Sales:

8-10% of consolidated net sales

revenue

### Net Working Capital and Free Cash Flow:

Low single-digit Net Working Capital/Net Sales Revenues

Absolute growth in Free Cash Flow vs. 2021 despite higher capex spending





# 98%

Supplier Guiding Principles (SGP) audit success rate

# 78,261

hours Occupational Health and Safety training

# 350,000

Number of women reached out through My Sister Project since 2015

## OUR VALUE CREATION APPROACH

We work with passion to achieve sustainability of the value we create through our work. Our efforts focus on disseminating our sustainability approach across our value chain.

GRI: 102-9

# OUR VALUE CHAIN

In order to provide a wide range of safe and high-quality products to our consumers, we perform our job with great passion. We choose the best partners to achieve teamwork and work accurately while prioritizing accountability at every stage of our value chain.



## OUR PARTNERSHIP WITH THE COCA-COLA COMPANY (TCCC)

We are among TCCC's leading bottling partners in beverage production, sales and distribution in our 11 countries of operation. TCCC is the owner of brands and the company develops these brands and markets them to the end consumer.

As the partner, CCI shares the same visions and values with TCCC, meets its standards, contributes to its global targets and we make joint plans for marketing strategies. Overall, TCCC provides oversight and supervision to CCI.



## PRODUCTION

We consume less while we produce more. In order to provide better sustainability in production, we are constantly innovating to improve our resource efficiency and packaging at our 30 plants in 11 countries. We have reached recycling rates of up to 99% and we are moving fast to achieve our zero waste target. While we comply with international standards and work with approved excellence programs, our factories are audited annually as per the Coca-Cola System Operating Requirements (KORE).



## SALES AND MARKETING

At our organization, we focus on winning together with our customers. In order to ensure sustainable growth through social and environmental practices, we work closely with our customers at more than 870,000 sales points and develop joint business plans with them. We also comply with the TCCC Responsible Marketing Policy when implementing our marketing and advertising strategy.

## LOGISTICS

We use digital technologies to plan our warehouse operations in line with the customer and distributor demands. We grow with our distributors and spread CCI values across our value chain. In order to achieve optimal Market Entry performance, we also invest in the talent development of our distributors. We make sure that our distributors increasingly adopt our practices that contribute to creating environmental and social value.



## CONSUMPTION

We reach 430 million consumers with 23 brands. Product safety and quality remain our priority while providing our consumers a wide range of products to suit every lifestyle and occasion.



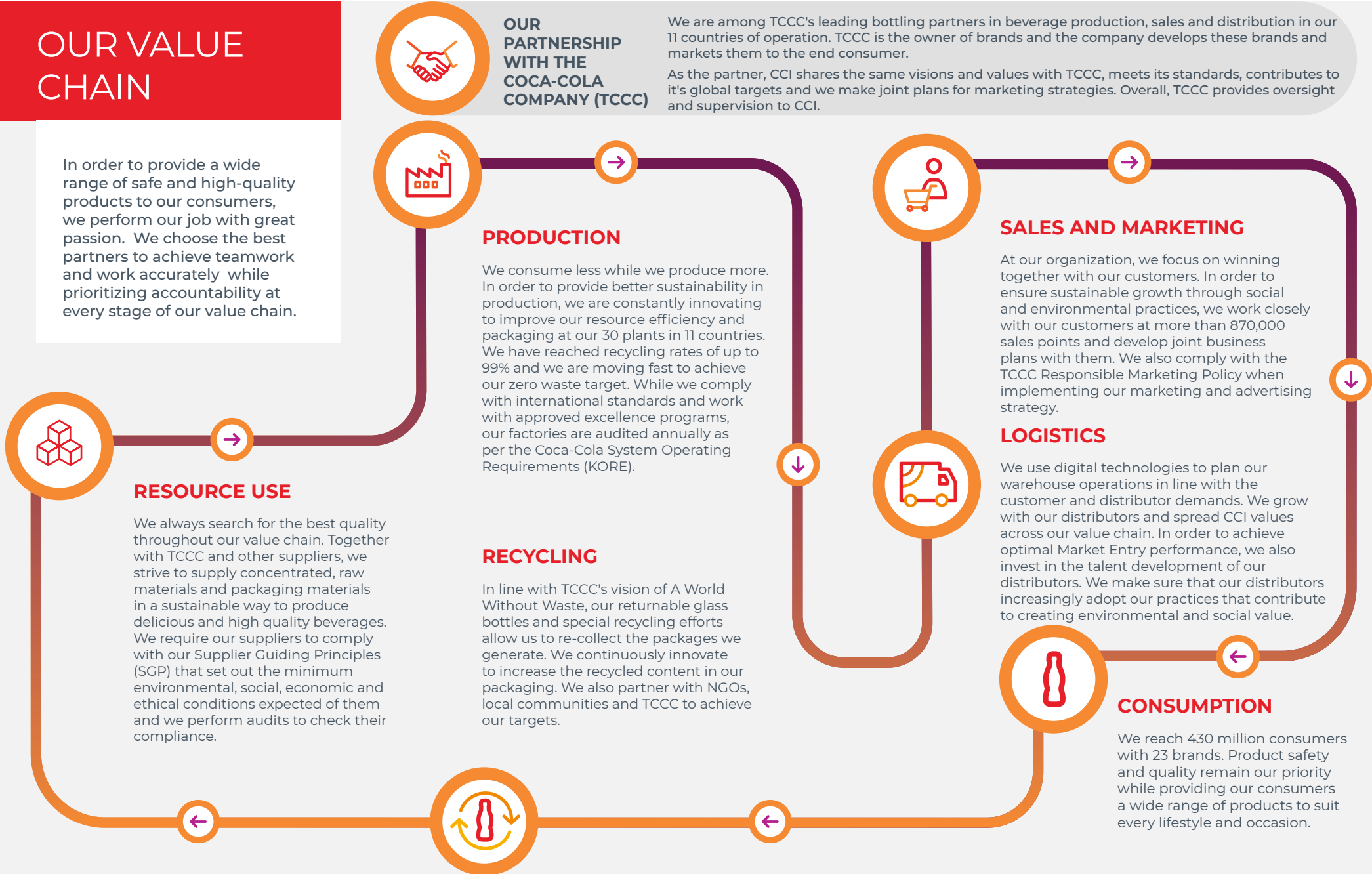
## RESOURCE USE

We always search for the best quality throughout our value chain. Together with TCCC and other suppliers, we strive to supply concentrated, raw materials and packaging materials in a sustainable way to produce delicious and high quality beverages. We require our suppliers to comply with our Supplier Guiding Principles (SGP) that set out the minimum environmental, social, economic and ethical conditions expected of them and we perform audits to check their compliance.



## RECYCLING

In line with TCCC's vision of A World Without Waste, our returnable glass bottles and special recycling efforts allow us to re-collect the packages we generate. We continuously innovate to increase the recycled content in our packaging. We also partner with NGOs, local communities and TCCC to achieve our targets.



OUR VALUE CREATION APPROACH

	INPUT AND RESOURCES	BUSINESS OPERATIONS		OUTPUTS	OUTCOMES		
FINANCIAL CAPITAL	Investments Sales revenues Financial income	Financial risk management Working capital management Marketing Revenue growth management Pricing Promotion			Achieving optimum corporate value Increasing transparency Investor relations (bilateral) 21,930 Million TL Net Sales Revenue; 3,434 Million TL Operation Profit	Better corporate governance Brand reputation Diversifying the investor base	FINANCIAL CAPITAL
SOCIAL AND RELATIONSHIP	Stakeholder expectations Company principles and values Regulations and laws External trends Changes in the work environment Interaction platforms	Active participation in NGOs, trade interest groups, industry association meetings, conferences, workshops, panels and projects Supplier, distributor and customer support and development programs Supplier, distributor and customer audits and surveys Health, safety and well-being programs Communication campaigns CSR Programs Interaction with local and national authorities Investor promotional trips			SOCIAL AND RELATIONSHIP		
NATURAL CAPITAL	Water Energy Concentrate and drink base Sugar Packaging raw materials Supplier Guiding Principles Sustainable Agriculture Guiding Principles	Energy and water efficiency programs Sustainable packaging initiatives Sustainable purchasing practices (cold beverage equipment, agriculture, forklifts) Partnerships with NGOs for environmental issues Supplier trainings based on SGP and SAGP Audits in terms of company policies Internal and external awareness campaigns Source water vulnerability assessment (SVA) with third-party companies			NATURAL CAPITAL		
MANUFACTURED CAPITAL	Buildings Infrastructure Equipment	Purchase of machinery and equipment Maintenance and repair Quality management Logistics			MANUFACTURED CAPITAL		
HUMAN CAPITAL	8,378 employees Management systems and programs Company principles and values Volunteering Leadership team and company culture	Talent and performance management Learning and development Health, safety and well-being practices Human rights, diversity and inclusion Employee communication and interaction			HUMAN CAPITAL		
INTELLECTUAL CAPITAL	R&D and innovation investments Management systems and certificates Information technologies infrastructure	Project development Establishing partnerships for R&D and innovation Protection of intellectual property			INTELLECTUAL CAPITAL		
				<p>Productivity and productivity growth Improving the supply chain 1,376 Million UC Sales Volume Capacity utilization and efficiency Security</p> <p>Employee loyalty Productivity and productivity growth Improving the supply chain Advancement in knowledge and skills Business efficiency 1,593 Operational Excellence Project</p>	<p>Comfortable working environment Business efficiency</p> <p>employee Equal opportunity Career development of employees Continuous development of competence Improvement of community life quality</p> <p>between 2008 and 2021 Employee experience Customer Satisfaction Consumer satisfaction Building trust Innovation</p>		





# PEOPLE FIRST

Our people are the most important factor for the sustainability of our operations. Our policies and practices are designed to provide a safe and equal working environment for everyone and we are committed to making a positive impact on every individual in our value chain.

## HUMAN RIGHTS ALONG THE VALUE CHAIN

Respecting human rights is a fundamental CCI value. We reassert this value in all geographies and business processes of CCI. We are determined to provide a work environment that respects universal human rights and offers an open, diverse and engaging workplace. We value each of our employees and work to provide an inclusive and fair environment. We aim to inspire our employees to perform their best to achieve their occupational targets. One of our main purposes is to make sure this approach is adopted all throughout our value chain.



### CCI HUMAN RIGHTS POLICY

The CCI Human Rights Policy was created using "principles of the Coca-Cola System" as well as the Universal Declaration of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights.

CCI HUMAN RIGHTS POLICY  
[HTTPS://WWW.CCI.COM.TR/PORTALS/3/DOCUMENTS/PDF/HUMANRIGHTS-ENGLISH.PDF](https://www.cci.com.tr/PORTALS/3/DOCUMENTS/PDF/HUMANRIGHTS-ENGLISH.PDF)



#### CCI HUMAN RIGHTS POLICY INCLUDES:

- Community and Stakeholder Engagement
- Diversity and inclusion
- Arbitrary discrimination
- Freedom of association and collective bargaining
- Safe and healthy workplace
- Workplace security
- Forced labor and human trafficking
- Commitment for not employing child labor
- Fair working hours, wages and benefits
- Protection of Land Rights and Water Resources

### Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Achieving a 98% compliance rate in SGP Audits of CCI plants.	We have passed all audits successfully with an evaluation score in GREEN category.	Realized.	Maintaining the 98% compliance rate at CCI plants in SGP Audits.

## CCI'M HUMAN

At CCI, we are human beings and we have rights. We respect human rights.

We strive to create workplaces where open and honest communication is valued and respected among all employees. CCI is committed to comply with all applicable employment and recruitment laws in all our locations. The company also regularly implements training programs to enable that the Human Rights Policy is internalized by the employees.

There may be times when an employee believes the principles of our policy is inconsistent with the laws, traditions and company practices of their region. We encourage such employees to report a potential breach by submitting their questions and concerns to the local management, Human Resources, Group Employee Relations, Local Ethics Manager or Group Ethics Manager. Also, they can contact the CCI Ethics Hotline secure website at <http://www.cciethicsline.com/>, call +90 212 371 07 32 or send an email to [cci@cciethicsline.com](mailto:cci@cciethicsline.com) to report

suspicious policy violations either anonymously or using their names.

Our company assures that no retaliation or counteraction will be taken against an employee who expresses concerns under this policy. The company will investigate, address and respond to employees' concerns and take appropriate corrective actions in response to any violations.

Ethics Line notifications in 2021 regarding Human Rights Policy: We received 56 notifications and they were checked by the Group Employee Relations and investigated by Human Rights Policy experts before being recorded in the system to be submitted to the decision of the Ethics and Compliance Committee. We regularly repeated trainings on Human Rights Policy to prevent nonconformities. Also "Human Rights" training was given to our 245 subcontractors in Pakistan.

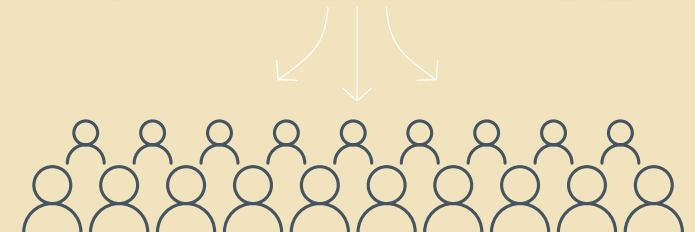
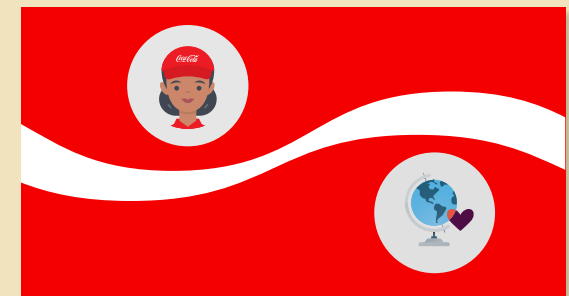
## Human Rights Trainings

	Number of Participants (2019-2020)	Total Hours (2019-2020)	Number of Participants (2021)	Total Hours (2021)
Azerbaijan	351	377	182	182
Iraq	907	1,723	28	47
Jordan	560	307	65	53.5
Kyrgyzstan	89	88	58	58
Kazakhstan	745	1,122	92	133
Pakistan	2,229	2,229	356	534
Tajikistan	182	275	9	1.5
Turkey	2,530	2,530	200	200

In Pakistan

# 245

subcontractors were given "HUMAN RIGHTS" training.



# CCI'M HUMAN

# DIVERSITY AND INCLUSION

## CCI DIVERSITY AND INCLUSION MANIFESTO

At CCI, our systems are based on the understanding of equal opportunities and inclusion for all. We have clearly set this framework with our principles in the CCI Workplace Rights Policy prepared in 2013 which later turned into Human Rights Policy in 2019. In our 2021 manifesto, our commitment is to achieve an open, inclusive and reliable company culture and to be an inclusive company that embraces diversity. We are determined to provide a work environment where our employees can create value by being who they are.

Our commitment is to be a diverse and inclusive company with an **open, embracing and trusting** culture in which you **Create Value AS YOU ARE**

#AsYouAre #CreateValueAsYouAre



We are committed to creating a diverse and inclusive work environment with an open and reassuring culture by focusing on 3 priority areas:

### INTERGENERATIONAL DIVERSITY



Our goal is to make employees feel valuable and empowered to share their opinions regardless of their age, experience and personal or professional influence.



### CULTURE



At CCI, an inclusive culture means embracing different views when employees are expressing opinions and ensuring that they work together with trust and respect. As a company representing 11 countries, 15 languages and more than 30 ethnicities, we believe that our success is strongly linked to the authenticity and diverse backgrounds of each employee.



### GENDER EQUALITY

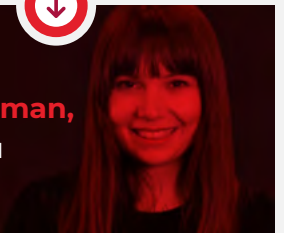


In all our systems regarding employees at CCI; we aim for equal rights in terms of visibility, empowerment and access to resources, and we work for gender equality in society.

At CCI, we believe words can change the world. We set out our work on gender equality by taking the power of words behind us and started with the transformation in the use of language. Accordingly, we have partnered with Kadir Has University Gender and Women's Studies Research Center and published Gender Inclusive Language and Communication Guideline and online education in Turkish and English languages.



CCI'm Woman,  
CCI'm Asli

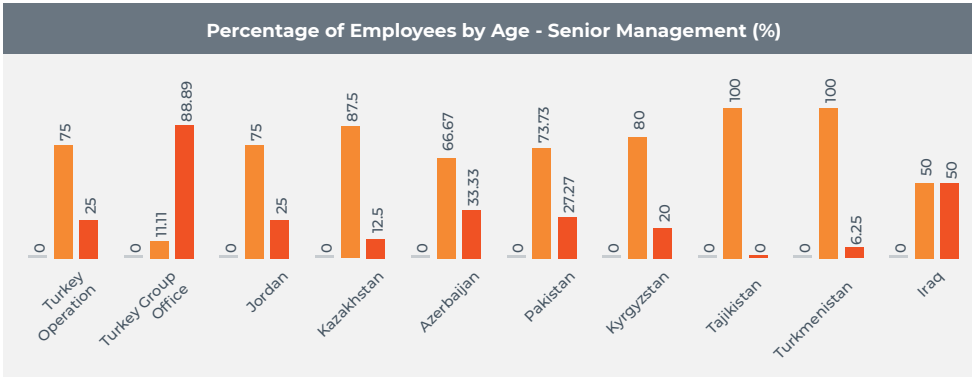


## Targets and Achievements

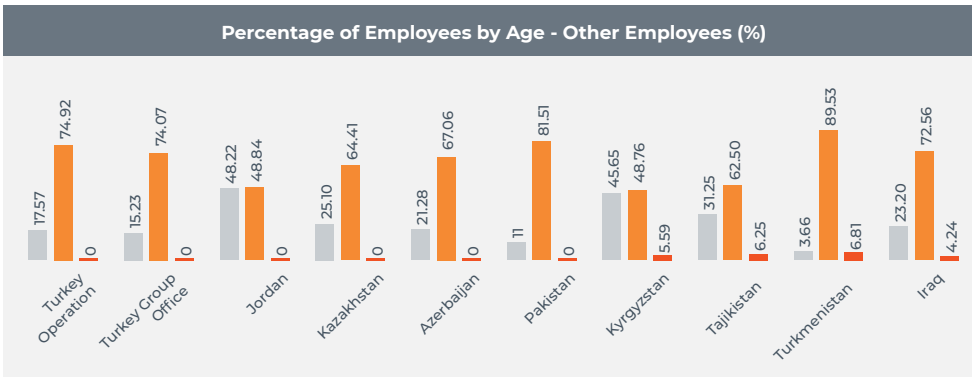
2021 Targets	Performance	Status	2022 Targets
Focusing 20% of General Manager (GM) business goals on diversity and inclusion	» 15% of the business objectives of the Country General Managers were allocated to Diversity and Inclusion.	» Action plans were created in line with business objectives of CCI Country General Managers.	» Diversity and Inclusion will continue to be part of the business targets of country general managers.
Diversity and Inclusion Communication Series	<ul style="list-style-type: none"> <li>» An online meeting was held where the CCI HR Director addressed all CCI employees and explained the Manifesto.</li> <li>» The manifesto was translated and published in the languages of all CCI countries.</li> <li>» Gender Inclusive Language and Communication Guideline and virtual training were published in English and Turkish. The guideline was introduced through digital platforms and posts were shared to raise awareness. A workshop was held with CCI country officials on how to prepare such guidelines.</li> </ul>	» CCI's HR systems and countries were integrated in terms of Inclusion and Diversity, and strategies and focus points were aligned.	<ul style="list-style-type: none"> <li>» We believe that we are at the beginning of the road towards Diversity and Inclusion, and we are taking this issue to our priorities. In 2022, periodical training and communication campaigns will be organized.</li> <li>» Gender Inclusive Language and Communication Guidelines and virtual training will be published in the languages of CCI countries.</li> </ul>
Establishing a Work Group of Diversity and Inclusion Countries	» Work groups were established in all countries and plans were consolidated and followed by the head office.	» At the 2022 Business Plan meeting, each country conveyed its performance and plans for Diversity and Inclusion in a special session.	» Working groups in all countries will create local action plans in line with CCI's common objectives.
Human Rights Policy Reinforcement Trainings	» Human Rights Policy training was repeated for reinforcement and continued to be a part of orientation for new recruits.	» Human Rights Policy trainings continued online.	» While the CCI Human Rights Policy remains part of orientations, communication plans will be made to raise the awareness of employees in this regard.
CCI Domestic Violence Policy Awareness	<ul style="list-style-type: none"> <li>» Participation in the #RaiseYourVoice awareness campaign of United Nations Women Department (UNWomen) between November 25 to December 10. Call was made for participation in the campaign in Turkey and all countries and events were organized.</li> <li>» An awareness campaign was carried out within the scope of the UN Women Department campaign and CCI TR Women's Network.</li> <li>» Women Support Application (KADES) of Turkish Interior Ministry Security General Directorate was introduced by the official authorities with a meeting for CCI Turkey employees. KADES application is still being promoted and reminded in our information boards.</li> </ul>	Realized.	» CCI will continue to work on Domestic Violence awareness. The Company will be actively involved in building a platform by the Business World Against Domestic Violence group where it is among the founders. The plans are in place to expand the policy to four CCI countries.

## Targets and Achievements

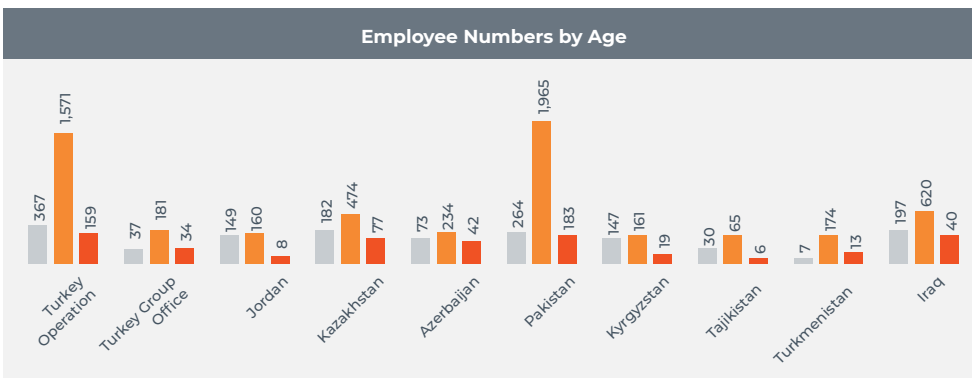
2021 Targets	Performance	Status	2022 Targets
Workshop on Diversity and Inclusion and Unconscious Bias Awareness & Inclusive Leadership Trainings	<ul style="list-style-type: none"> <li>» CCI does not remove domestic violence from its priority and informs its employees about the issue at regular intervals. The company used its communication power to raise awareness of this issue not only within the company but also outside the company by participating in the "Raise Your Voice" campaigns carried out with the UN Women.</li> <li>» CCI Senior Management and more than 90 managements received "From Bias to Inclusion" training consisting of three modules.</li> </ul>	Realized.	» We will continue to provide "From Bias to Inclusion" trainings.
Segmented recruitment programs (women in sales department and engineering-specific roles at entry-medium management level)	<ul style="list-style-type: none"> <li>» Specific recruitment targets have been set for supply chain and sales.</li> </ul>	Realized.	» Categorized recruitment programs will be continued until gender balance is achieved in the number of employees.
SC operator recruitment program (in cooperation with vocational schools)	<ul style="list-style-type: none"> <li>» A project will be implemented in 2022 with Vocational High Schools and Vocational School of Higher Education, an important candidate pool for departments to achieve the goal of gender equality.</li> </ul>	<ul style="list-style-type: none"> <li>» Needs analysis processes were completed, target cities were determined, stakeholder meetings were held with the Turkish Union of Chambers and Commodity Exchanges (TOBB) and provincial Directorates of National Education.</li> </ul>	» Within this framework, the process will be carried out with the Turkish Union of Chambers and Commodity Exchanges (TOBB), provincial directorates of national education and target schools in the targeted cities.
Maturity Assessment of Countries in terms of Diversity and Inclusion	<ul style="list-style-type: none"> <li>» An assessment was made within the scope of the United Nations Global Compact Turkey Targeted Gender Equality Program.</li> <li>» Participated in the UN Women's assessment on Gender.</li> </ul>	<ul style="list-style-type: none"> <li>» International certificate programs and their contents were analyzed.</li> <li>» Within the scope of the 2022 budget preparations, an analysis was performed on what is needed to make our plants an "accessible workplace". Accordingly, a budget dedicated to this issue is allocated for each country.</li> </ul>	» We are planning to participate in assessments and/or certification programs on accessible workplace, sexual orientation and "equal pay for equal work" issues which we defined as priority areas of Inclusion and Diversity.
Women in Leadership Program	<ul style="list-style-type: none"> <li>» A needs analysis was made for the leadership program which is based on the CCI woman employees' competency analysis.</li> </ul>	<ul style="list-style-type: none"> <li>» An evaluation process was performed regarding content, program and supplier selection.</li> </ul>	» The Leadership Program targeting CCI Women Leaders will be held in 2022.
Joining the LEAD Network CEO Roundtable	<ul style="list-style-type: none"> <li>» On April 29, 2021, CCI CEO Burak Başarır participated in the CEO Roundtable organized by LEAD Network.</li> </ul>	<ul style="list-style-type: none"> <li>» CEOs of major brands in the retail industry came together and contributed to common sense about the lessons we can learn from the pandemic and how we can achieve gender equality in retail industry and make it more inclusive.</li> </ul>	» The CCI CEO will continue to participate in national and international roundtables and the Coca-Cola System panels discussions.



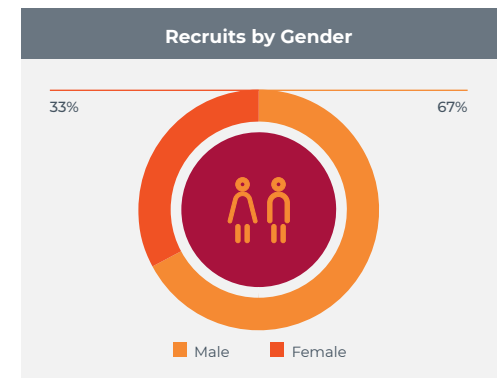
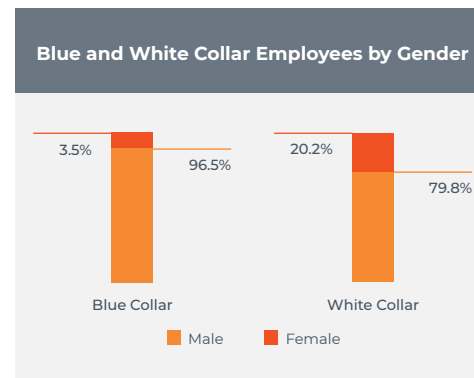
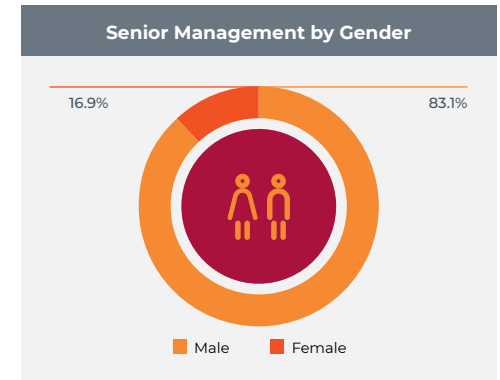
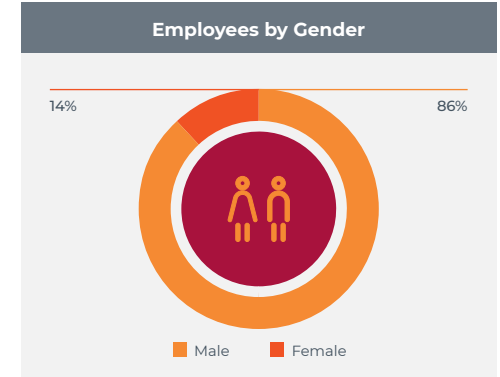
■ Under 30 Years Old ■ 30-50 Years Old ■ Over 50 Years Old



■ Under 30 Years Old ■ 30-50 Years Old ■ Over 50 Years Old



■ Under 30 Years Old ■ 30-50 Years Old ■ Over 50 Years Old



## LEAD NETWORK

Coca-Cola İçecek's CEO Burak Başarır had signed the lead network commitment in 2020 which is followed by the senior management team and the country general managers. The commitment means taking responsibility for increasing the number of women working in managerial positions by 2025.

**"COCA-COLA İÇEÇEK'S SENIOR MANAGEMENT HAS SIGNED THE LEAD NETWORK CEO PLEDGE TO INCREASE THE NUMBER OF WOMEN IN MANAGERIAL POSITIONS."**



## "From Bias to Inclusion" training

In 2021, "From Bias to Inclusion" training was carried out.



**Employee Resource Groups:**  
CCI Women's Network and 2022 Presidential Elections

» There is no doubt that CCI Women's Network is the longest-running one among Employee Resource Groups. The most important feature of these platforms established by our Female Employees is that they elect their own presidents, the presidents are chosen from outside the Human Resources Department, and their management includes at least one female employee representing each department. It is important for us that this issue is not perceived as a Human Resources project, and we believe that change and development will only happen if all employees, men and women, in all functions own it.

## CCI AGAINST VIOLENCE TOWARDS WOMEN

We are uncomfortable even when using the words 'woman' and 'violence' in the same sentence. As the CCI Women's Network, we did not stay indifferent to violence against women. On the occasion of Human Rights Day on December 10, we supported the Fireflies project of the UN Women to once again reject all forms of violence against women and girls. We have raised our voices in all the languages we speak within CCI to increase the distance between the words women and violence.



Gender-Inclusive  
Language and  
Communication  
Guideline

## GENDER SENSITIVE LANGUAGE

A Gender Inclusive Language and Communication Guideline was published in English and Turkish. We also carried out communication campaigns to raise awareness within the company. Simultaneously, Gender Sensitive Language and Communication Virtual Training was prepared in English and Turkish in all our countries of operation.

# OCCUPATIONAL HEALTH AND SAFETY

## OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

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

Location-based cross-functional H&S committees meet on a monthly basis and report to the Country Health and Safety committees on a quarterly basis. The Group H&S Manager coordinates H&S issues in collaboration with the Country Committees throughout all CCI countries, and reports to the Health & Safety Steering Committee that meets once every 3 months. The CEO is the highest ranking executive and assumes the ultimate responsibility, while the Group HR Director heads up the chain-of command for H&S. All of our operating plants received OHSAS 18001 Management System Certification up to 2019. The plan to transition all of our plants to the new ISO 45001 standard was 95% complete (Only the transition of Turkmenistan factories remained) due to delays caused by Covid-19. This transition will be fully completed in Q1-2022.

## Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Passing all kinds of independent audits successfully again in the following 3 years.	All our plants have successfully completed the audit.	Completed.	Completing all audits without major nonconformity.
Continuing to reduce vehicle accidents by 10%.	The rate of vehicle accidents has increased.	Not achieved.	Reducing vehicle accidents by 10%.
In all countries continuing to carry out risk assessments on the journey route for fleet vehicles.	Travel route risk assessment was carried out in the countries.	In progress.	To make travel route risk assessments for all routes in all countries.
Reducing LTIR score by 10%.	Our LTIR score has increased.	Not achieved.	Reducing LTIR score by 30%.
Reducing contractor vehicle accidents by 30%.	The rate of contractor vehicle accidents has increased.	Not achieved	Reducing contractor vehicle accidents by 30%.





## TCCC OCCUPATIONAL HEALTH AND SAFETY CULTURE

Most incidents that occurred at production plants occur due to employees' failure to act carefully and conscientiously with respect to occupational health and safety requirements. Therefore, The Life Saving Rules And Behaviour-Oriented Safety Culture Program that is being implemented focuses on employees and the hazardous behaviour that is frequently observed during routine and/or non-routine operations. Our cultural transformation program consists of two phases. The first step is to identify the most common hazardous practices, and the second step is to transform these into safe practices to protect our employees and develop a regulatory and preventive plan to provide them with safe work environments.

The program uses both conventional methods, such as reward and recognition procedures, disciplinary action and training, and new tools, such as the Safety Olympics (H&S awareness competition) and drama performances based on themes of occupational safety. H&S culture will be further strengthened by introducing Human Organizational Performance (HOP) Program in 2022.

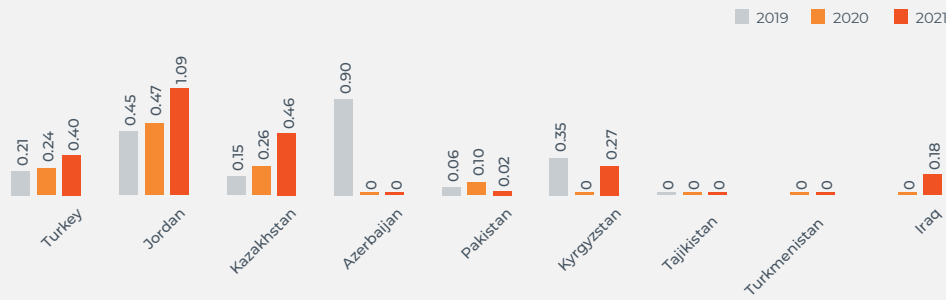
### OHS Trainings

	2016	2017	2018	2019	2020	2021
Turkey*	16,159	21,284	25,407	33,241	25,149	35,222
Jordan	992	1,096	1,698	1,595	3,792	2,747
Kazakhstan	4,525	2,996	1,772	5,176	4,233	5,842
Azerbaijan	4,392	2,902	3,202	2,782	1,388	3,392
Pakistan	18,557	10,271	15,610	15,117	13,972	14,520
Kyrgyzstan	6,603	6,843	5,540	8,340	1,849	4,172
Tajikistan	-	-	N/A	1,255	661	1,324
Turkmenistan	-	-	-	-	501	2,078
Iraq	-	-	-	-	7,177	8,964
<b>GENERAL</b>	<b>51,228</b>	<b>45,392</b>	<b>53,229</b>	<b>67,506</b>	<b>58,722</b>	<b>78,261</b>

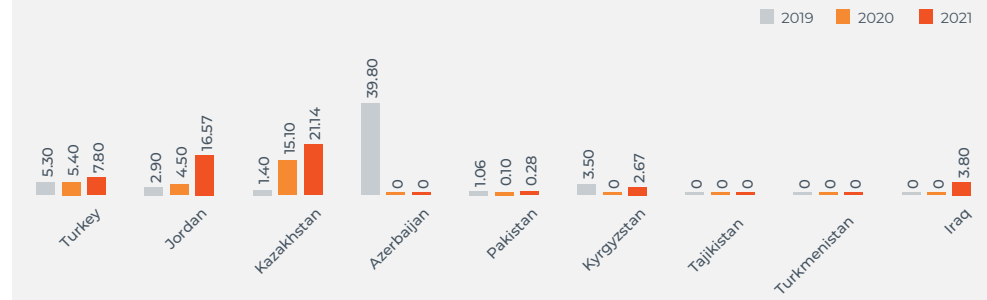
\*Turkey (Operation and Group Office)



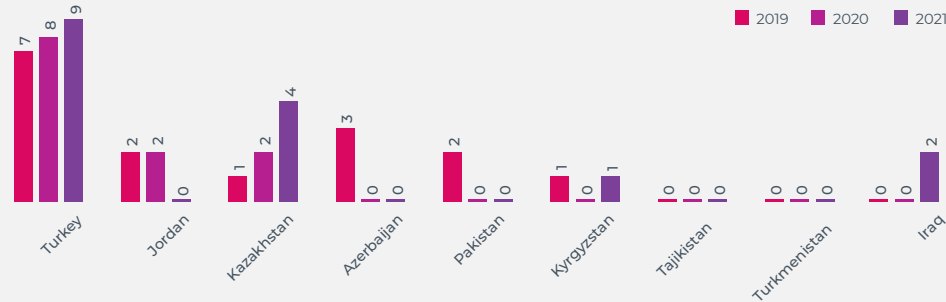
### LTIR - Lost Time Incident Rate (Per 100 Employees Annually)



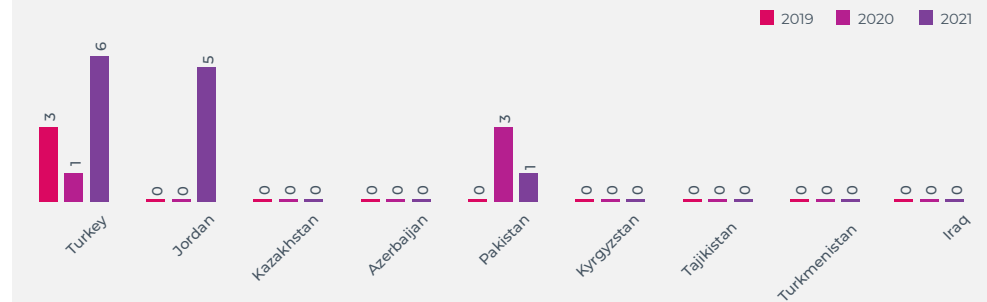
### LTISR - Lost Time Incident Severity Rate (Per 100 Employees Annually)



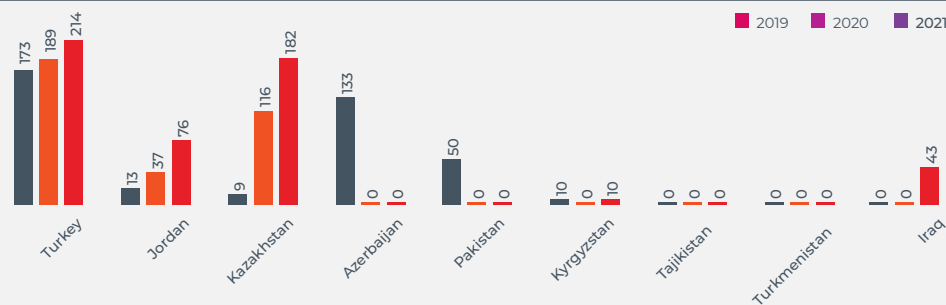
### Number of Lost Time Incidents - Employee



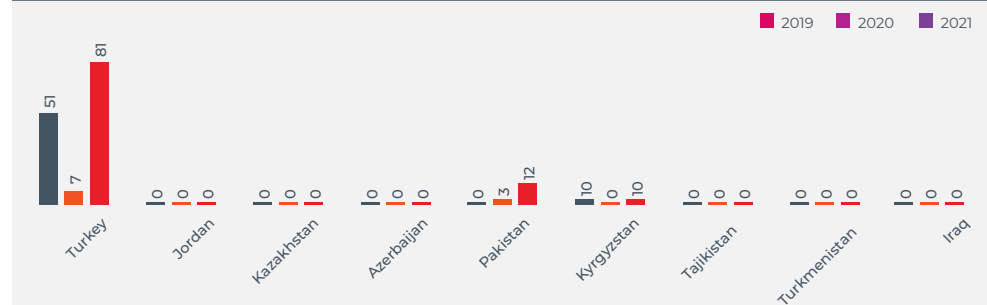
### Number of Lost Time Incidents - Contractor



### Lost Time Incidents - Employees (Workdays Lost)



### Lost Time Incidents - Contractors (Workdays Lost)

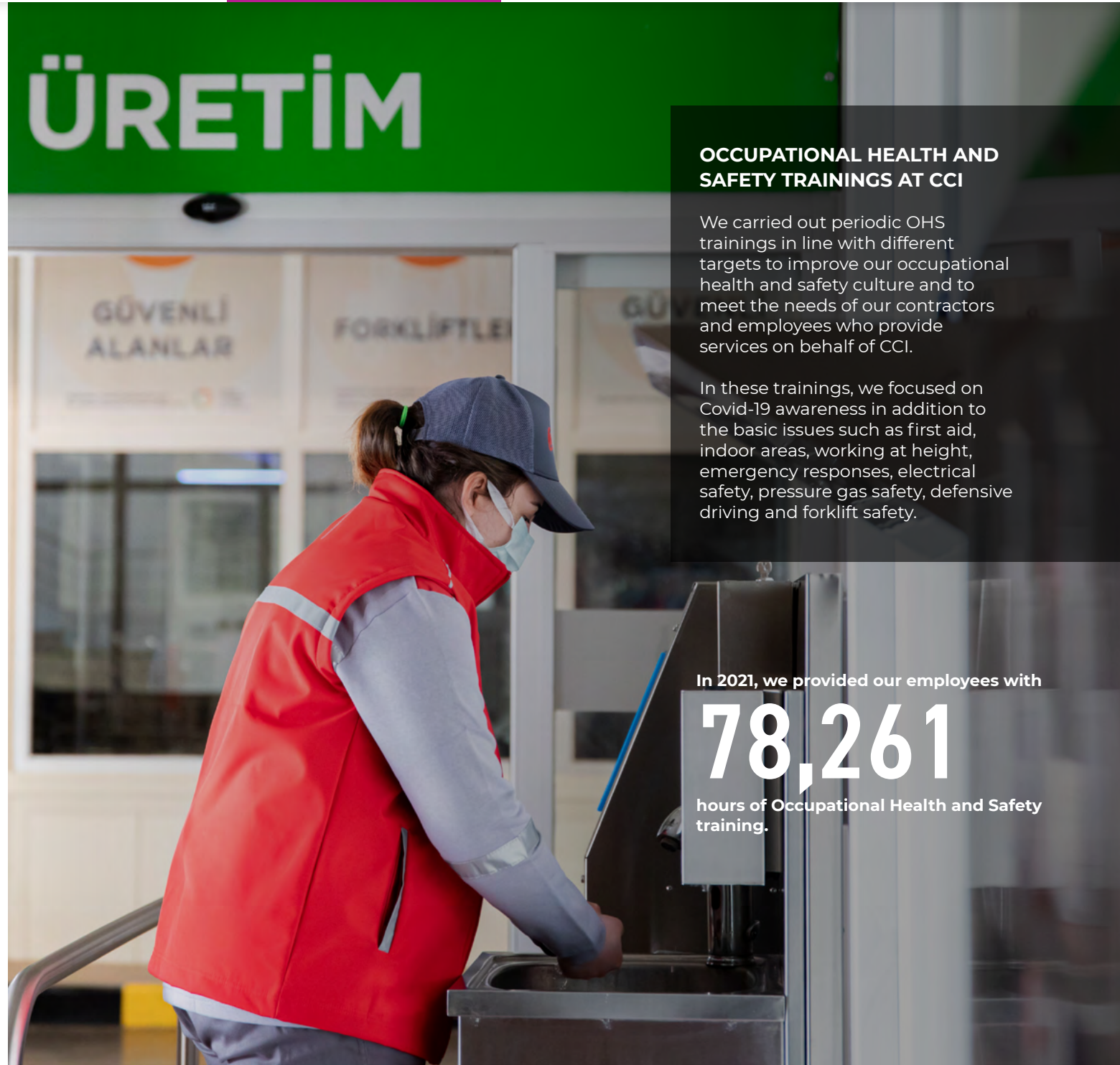


For more information about our 2021 OHS Performance, please refer to Section 5: Sustainability Performance Indicators.

## MAIN HEALTH & SAFETY OBJECTIVES

It is our primary responsibility to provide our employees with a safe and healthy work environment, in order to improve their work/ life balance and positively influence their motivation, productivity and business performance. Accordingly, our main H&S targets are:

- » Protect the most valuable and important resource of our company – our human capital – from occupational health and safety risks or hazards,
- » Ensure that H&S remains an integral part of our business, and is actively supported through management, leadership and commitment,
- » Protect the company from any legal challenges by complying with local legal requirements and applying industry best practices to set standards above those requirements,
- » Protect all other resources and assets from any losses that may arise due to work-related risks and hazards.



## OCCUPATIONAL HEALTH AND SAFETY TRAININGS AT CCI

We carried out periodic OHS trainings in line with different targets to improve our occupational health and safety culture and to meet the needs of our contractors and employees who provide services on behalf of CCI.

In these trainings, we focused on Covid-19 awareness in addition to the basic issues such as first aid, indoor areas, working at height, emergency responses, electrical safety, pressure gas safety, defensive driving and forklift safety.

In 2021, we provided our employees with

# 78,261

hours of Occupational Health and Safety training.

## HAND IN HAND SAFETY PROGRAM

In order to strengthen our periodic controls, we have been carrying out Hand-in-Hand Safety Program since 2016 which helps us to standardize and systematize occupational health and safety practices at CCI.

In 2021, our OHS performance increased by 5.2% in terms of Safety Maturity Index (SMI) score and our score was reflected as 80%.

While still fighting the Covid-19 pandemic in 2021, the focus was on safety culture and we implemented the Behavior-Based Safety (BBS) practice. The new Global Accident and Death Prevention Program, delivered by TCCC in 2021, has been completed in all countries.

While Lifesaving Rules (LSR) form the basis of this program, the practices will focus on unsafe behaviors of frontline employees and the accountability of managers.

## EMPLOYEE WELLBEING PROGRAM (CCI CARE)

Employee Wellbeing is becoming the central pillar in shaping the culture of companies and pandemic have emphasised the importance of employee wellbeing even more. In CCI, we were already doing some employee wellbeing initiatives and in 2021, Employee Wellbeing was one of three main pillars under the broader engagement plan and broader wellbeing framework was launched.

As CCI we believe, by tapping into wellbeing initiative, we have a huge opportunity to unleash more potential of our employees. It will directly improve Health, Productivity and Engagement

In order to “create value” for our employees, we want to create a “wellbeing culture” in which our employees are physically, mentally and emotionally healthy and resilient. We will build this culture by “raising awareness” of our employees regarding wellbeing and equip them with tools and techniques they can learn to improve their wellbeing.

### Wellbeing framework will have 4 key Pillars

**Physical:** Focusing on employee physical health and working conditions

**Emotional:** Psychological safety, stress levels of employees and employee assistance programs

**Social:** Focussed on recognition culture, diversity, inclusion, CCI Sports Clubs/Teams, CSR and volunteering

**Financial:** Financial Literacy Awareness sessions with experts

### Under each pillar we will have three dimensions

**Awareness:** Communications, trainings, webinars and e-learnings etc

**Engagement Activities:** Activities in which people will engage with each other and compete.

**Measurement:** Each pillar will have its own KPIs to measure the impact of the activities and initiatives.



## COVID-19 OUTBREAK MEASURES WE HAVE TAKEN FOR OUR EMPLOYEES

While the world continue to face the Covid-19 pandemic, a global emergency of a scale hitherto unseen, CCI identified 'Human Health and Safety' as our priority under the motto 'Stay Strong and Stay Healthy' from the first day of the pandemic, making public health the focal point of all of our planning and work. We actively followed, and continue to follow, all information and measures published by both national and international authorities.

At CCI, the health and wellbeing of our employees has always been our top priority, and will remain so. While adapting to this fast change, we quickly took all steps necessary for protecting the health, safety and wellbeing of our employees, customers and the community. We have made mental health, along with physical health, a priority in respect to the health and safety of our people.

The precautions and actions which started in 2020 were continued in 2021 in line with CCI pandemic phase strategy. Throughout the year, we continued to regularly provide our employees with updates relating to the pandemic, as well as the measures taken by various countries. IMT (Crisis Management Team) to followed up regulations published by local authorities regularly and monitor the number of Covid-19 cases on a country-by-country basis, and continued working on possible crisis scenarios.

Hygiene and cleaning applications continued. Office, canteen and vehicle disinfections were done daily. We shared our Occupational Health and Safety Guide and our accumulated knowledge on preventive measures against Covid-19

with CCI's business partners. We increased the frequency of PAA and ozone air disinfection practices in all production, storage and common areas at the plants. We implemented practices such as social distancing in common areas, ground and seat markings, disposable servings at the canteen, temperature-taking at entrances, and automatic touch-free sliding door systems.





# HUMAN CAPITAL

We believe that the value we create for all our stakeholders begins with creating value for our employees; we work as a single, committed, diverse and inclusive team. We listen to the expectations of our employees and contribute to their development through talent development and performance management programs.

## Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Increasing the Talent Readiness Index (TRI) from 62% to a minimum of 65% in 2021 and reaching 70% in 2022	2021 Talent Readiness Index (TRI) increased to 66%.	Completed.	Increasing the Talent Readiness Index to a minimum of 70%
Continuously improving the Talent Development Forum (TDF) Process across CCI and keeping the TDF Based Actions success level at a minimum of 80%	TDF-Based Actions success rate across CCI has been increased to 83% in 2021.	Completed.	Increasing the TDF Based Actions success level to a minimum of 85%
Designing career maps with the necessary responsibilities, competencies, experiences and technical skills for all roles in CCI and enabling potential career movements within and among functions	Approximately 420 success profiles were created by grouping business families for up to 1,050 job descriptions across CCI.	Completed.	Creating success profiles in the same format based on the needs for emerging roles and job descriptions, uploading the generated success profiles over positions on the One People Platform (OPP) to ensure system integration and reflecting them on career maps
Validating the potential of all CCI Future Leaders with a global and reliable scientific tool and continuing our work towards defining and attracting future talent	The potential of all designated Future Leaders was measured by a global, reliable and scientific tool.	Completed.	Increasing the number of candidates for Future Leaders across the company, keeping a complete, accurate and consistent Future Leaders list and extending communication with the group's senior management

2021 Targets	Performance	Status	2022 Targets
Creating a career development platform with a new "career path guidance" project for all CCI employees and enabling the employees to achieve their career goals in line with versatile career paths and Individual Development Plans (IDPs)	The Success Profiles were used as a basis to create "Career Maps" that displayed career opportunities within the company. Integrating Career Maps into the OPP system has been completed.	Completed.	Going live on the Career Maps integrated into the OPP system and making them available to employees, communicating them with employees, creating the necessary guides for efficient use and to follow up on their usage and development
Integrating the 3C Leadership Competency Framework into talent management systems, tools and processes across CCI	The evaluation processes and tools used across CCI, the interview forms used in the processes and the Individual Development Plans (IDP) of the employees were aligned with the 3C Leadership Competency Model (Competencies/ Capabilities, Potential, Culture & Values).	In progress.	Continuing Recruitment processes & Talent Management and Development and Training programs to be designed and measured over the 3C Leadership Competency Model
Improving performance management calibration process to apply consistent standards to all employees and ensure a fair and objective performance assessment for every employee at CCI.	The calibration process was implemented in all countries while focusing on differentiating high performance and underperforming employees in a fair and objective assessment. The outputs were reviewed and evaluated by the Senior Management. As the results did not fully reflect the expected percentages parallel to the ideal expected average distributions, the countries were given calibration distribution targets, so we expect an ideal distribution and more effective performance evaluation management this year.	In progress.	For an objective evaluation of our employees, continuing to develop solutions towards improvement areas
Implementing Accelerate 3.0 for LT and ELTs of all countries. (Countries: Group Office, Kazakhstan, Pakistan and Turkey)	Not executed in 2021.	Incomplete.	Implementing the Accelerate Master Class (For Leaders of Leaders) and Accelerate Essentials (For Leaders of Others) programs across the company
Implementing an improved version of the "U30+ Preparing Future Leaders Program" for new participants.	Online versions have been launched.	Completed.	Adding the New High Potential Young Talents to the "U30+ Future Leaders Preparation Program"
Reinforcing coaching culture by continuing coaching skills trainings, reminder trainings and making it a continuously living perspective at CCI.	A group of management level employees were prioritized and given regular coaching through an online coaching platform.	In progress.	Improving its scope and efficiency
Implementing the main module of the Leader Women Program.	Not executed in 2021.	Incomplete.	Implementing the Leader Women Program for 40 female leaders across CCI

## CCI TALENT MANAGEMENT STRATEGY

We work towards creating a skilled workforce to achieve a high-performing one-team culture. In order to realize our goal of creating value and delivering sustainable business outcomes, we continue to implement an innovative set of consistent systems and processes. These are designed to attract, develop, include and retain talents in line with the 3C Leadership Competency Model which means demonstrating IMPACT leadership behaviors, having high potential, being compatible with our culture and carrying our values.

All our employees are committed to improving CCI culture as well as their current and future skills to sustain business outcomes and future growth.

They also display a willingness to overtake various functional roles and/or responsibilities in different geographies of our operation.

We create value and grow together with our talented and committed human capital. We make sure that all our employees are involved in talent and performance management processes and these cover the entire path from talent acquisition to leadership development. The one-team culture is a standard throughout CCI and offers all employees the opportunity for improvement.

We support employees and managers by communicating the CCI Talent Management Principles through our company's intranet platform, thereby ensuring that these principles become

standard throughout CCI. In the geographies in which we operate, our employees assume various functional roles and responsibilities with a commitment to CCI values. They unlock their potential and display IMPACT leadership attitude to sustain business outcomes and future growth.

**I - Impact and Influence,**

**M - Motivate and Inspire,**

**P - Partner with Customers,**

**A - Appreciate Others,**

**C - Continuously Raise the Bar,**

**T - Think About Tomorrow**

In 2022, we will continue to focus on our recognition and rewarding platform (Recognize App) as we did in 2021. By the end of this year, we will start implementing our Rewards & Recognition program and use this platform more often for this purpose. In 2022 and later years, we will experience its implementation and functioning.

In 2020, we focused on Cultural Elements in addition to IMPACT – Our Values and Leadership Behaviors. Activities towards Cultural Elements, which started in 2019 and accelerated in 2020 continued in 2021 as well. We have set goals for embracing, maintaining and developing cultural elements. In 2022, we will continue using various platforms to achieve these goals and to create an environment where all our employees can experience these Cultural Elements.

**3 EASY STEPS**

To start recognizing your colleagues, follow the steps below.

- 1 Press in your Outlook application.
- 2 Click the button below and enter Outlook user information.
- 3 After sending your online appreciation, share it on Workspace TR All group.

If you will use the **Recognize** - Online Recognition application for the first time, you can access the app through this link: [recognizeapp.com/cci.com.tr](https://recognizeapp.com/cci.com.tr)





## FUTURE LEADERS – DEFINING POTENTIAL

In 2021, our target was to measure the CCI Future Leaders potential with a global, reliable and objective tool and we completed an assessment study to understand the potential of all Future Leaders. We evaluated "talents" according to personality traits, interests and motivations and the tool enabled us to achieve scientific results. As a result, we were able to accurately understand Future Leaders, identify the triggering factors for development and increase awareness for our definition of potential and talent. We will continue our assessments of potentials in 2022.

## TALENT DEVELOPMENT FORUM

We continued the Talent Development Forum (TDF) meetings in 2021, the most important step in our Talent Management System and one of our most powerful and internalized processes in CCI. During the meetings held twice a year, in April and October, we review the redundancy plans for critical positions, discuss our replacements and capabilities, identify development needs in line with the current role and subsequent career plans, and review actions based on these decisions. In line with our improvement targets in 2021, we continued to use the Talent Readiness Index (TRI). TRI allows us to see the depth, adequacy and readiness rate of the in-house talent pool and it is one of our main success criteria for senior positions across CCI. In 2021, we managed to increase our TRI score by four points, reaching one point above our target and we aim to continue our upward trend in 2022.

## SUCCESS PROFILES AND CAREER MAPS PROJECT

In 2021, we created approximately 420 success profiles across CCI and grouped business families for up to 1,050 roles. By integrating these success profiles with One People Platform, we aim to create resources for our processes such as recruitment, talent management, career development, individual development, leadership development, appointments and assignments between functions.

We launched the Career Maps project to guide CCI employees based on their success profiles and created their career maps. The project targets that the employees are aware of different career opportunities within the company, determine their career goals with their managers and Human Resources partners, create Individual Development Plans (IDP) focused on individual development in line with these goals and prepare themselves for their target role. We also completed our preparations to integrate these career maps into the One People Platform. In 2022, we aim to communicate the use of career maps and system details with employees.

## INDIVIDUAL DEVELOPMENT PLANS

In 2021, we continued to monitor Individual Development Plans (IDP) of all our employees in critical positions, their successors and future leaders in line with their short- and long-term career goals, their needs towards future talent and competency development. In 2021, we integrated Individual Development Plans with the 3C Leadership Model which is a change from the previous year. We continued to measure development processes using the 360 Degree Feedback Assessment Survey which was restructured in line with IMPACT Leadership Behaviors, and the Executive Feedback Survey which aims to promote a culture of "feedback" by providing direct feedback to employees' managers. Both surveys were used with the start of the Performance Management System cycle in 2021. We have launched the Continuous Feedback module through One People Platform to provide more frequent, instant and flexible feedback and to promote the feedback culture. In 2022, we aim to increase the effective use of this module and surveys and to continuously measure the development.

## 2022 PLANS

In 2022, we will continue to benefit from data-driven decisions through objective tools, systems and assessments and improve our TDF Meetings and processes. We will continue our commitment to develop talents who are best-in-their-fields to provide redundancy planning, resource utilization and a strong successor workforce. We will continue to develop Future Leaders verified through global and scientific tools across the company and invest in young talents who are the future of CCI. We will further encourage the feedback culture at CCI by leveraging tools and processes such as "Executive Feedback Survey", "360 Degree Assessment Survey", and "Continuous Feedback Module". In our Performance Management System, we will focus on setting accurate, SMART goals and we will improve the evaluation and calibration processes. We will continue to guide our employees for the successful implementation of the Career Guidance Project with CCI Career Maps, which was created to enable talent development through a variety of experiences throughout CCI.

## TALENT ACQUISITION

We have launched the CCI "Recruitment Project" to improve our talent acquisition process and to fulfill our commitment to "the right election and recruitment decisions" through data-driven and objective tools. Our goal was to standardize CCI's recruitment process in all geographies where we operate, to provide innovative and digital recruitment solutions, to raise awareness within talent teams and to use HR capabilities and knowledge for the required systems and competencies. For this purpose, we started workshops and included different HR teams throughout CCI in the project team. Global trends were reviewed during these workshops. The main focus of the workshops was to leverage technology in all processes and to automate the end-to-end talent acquisition process throughout CCI. In 2021, we reorganized all our recruitment systems and processes and aligned all guidelines and evaluation tools we use in our systems and processes with our 3C (Capability; Capacity-Potential; Cultural Fit) Competency Model recruitment processes. In order to be lean, automated and effective, we renewed our Recruitment Policy in line with our

recruitment process which was also reviewed. We have informed HR teams and managers involved in recruitment processes throughout the company about accurate and fair candidate evaluation methods. We have reviewed our key performance indicators to measure the efficiency of these processes. In 2022, we aim to accurately measure and track these indicators so that it provides more data for the decisions we will make.

While continuing to focus on recruitment towards our "Fit for Purpose and Future" perspective, we have also made our recruitment principles, that consider diversity, more comprehensive and systematic in line with CCI's Women Empowerment Principles (WEPs) and sustainability goals. In 2021, we continued to implement CCI Employee Value Proposal (EVP) and Employee Branding as standard in all our regions. We continued to use career and social media platforms such as LinkedIn, Facebook, Instagram to expand our access to young talent network, while further strengthening our presence and influence on social media. In line with these efforts, we received the "Best Employer Brand" award by LinkedIn in 2021.

We have successfully carried out our participation and internship programs

in the recruitment and career days of distinguished universities which were made online this year in all CCI countries. The Executive Training for new graduates, CCI NEXT TALENT Program, which we started in 2019 for students in the final year of undergraduate education at the best universities was expanded also to the other countries of operation. The program again achieved the expected success in 2021 and we recruited 15 young talents from the 21 people we hired part-time in 2020 for different functions in the company. In 2021, we added 32 people to our part-time team and in 2022 we will continue to recruit those who have successfully completed the program in different functions. We started the Next Talent program in our Kazakhstan operation as well and participated in 10 events at 10 universities and reached 800 applications. We recruited 9 young talents as interns from the 32 who made it to the final step. We have carried out our internship program again digitally this year and provided internship opportunities to 42 university students during the summer season. As we pay attention to the integrity of our processes, we have added 4 young talents from our Summer Fest participants to the Next Talent team. We will continue to strengthen our communication with young talents and provide them with experience opportunities while creating value for them.



Among the 32 who made it to the final step

9

of the young talents were recruited as part of NEXT TALENT program.

## LEARNING AND LEADERSHIP DEVELOPMENT

We aim to strengthen the leadership skills of our employees to continue our operational sustainability, growth and success. Accordingly, we provide our employees with learning and development platforms where they can improve themselves, and we develop trainings and tools to develop them in this direction.

In 2021, In line with Employee Strategic Priorities, our focus in the field of education and development has been to win together with our employees under all circumstances. In this framework, it was important to create the platforms where our employees would continue to acquire the skills they need on their own initiative, and by which they can stay ahead of the curve. This year, we continued to implement our leadership development programs, which have always been among our priorities, and to which we attach great importance. Adapting to the circumstances of the world that has changed and transformed along with the pandemic, we continued the training we offered for our employees' development over online platforms, as well as keeping human interaction and have physical events. Through the exclusive learning opportunities we offered, we continued to learn not only from external sources, but also from each other.

During this period we collaborated with **LinkedIn Learning**, and created opportunities for our employees to try out the new generation learning platforms. We offered LinkedIn Learning licences for our 1000+ employees, and only in 2021, employees spent 3386 hours of learning via this tool. We increased our employees' skills

thanks to content curation specific to our company, which may be used any time and at any place with a focus on development. The number of our employees activating the platform reached to 67%, and our employees had the opportunity to prepare for the present and future of their personal and career development thanks to this opportunity.

**CCI e-library** is a platform that was established to render learning more accessible and develop and restructure CCI's manpower based on the idea that the means of learning may be different for, and specific to, each individual. The CCI e-library, which included online audio-books, e-books, online courses and learning pathways, has been opened to all CCI employees in 2021. The platform has been visited by 2,521 people since it has been

established. While the number of contents on the platform is over 2,000, the number of contents downloaded to date has been identified as 20,832. In 2021 alone, 2,699 e-books and audio-books were downloaded from the platform.

In 2021, we kept cooperating with **Harvard Business School** for our senior managers and future leaders, and amongst the 100+ candidates identified, 60 of them volunteered to learn more and started to actively use the Harvard Manage Mentor & HMM Spark online tools.

As part of **Building Coaching Culture Project**, we expanded the usage Coaching skills with Internal Coaching, Executive Coaching and Digital Coaching sub-projects. In Internal Coaching, participants of accelerate 2.0 and Women in Leadership

programs volunteered for being internal coaches and become part of internal coaching program. In total, 40 internal coaches gave coaching to our 80 U30+ Building Leaders of Tomorrow Program participants. Additionally, we kept giving Executive Coaching support for our selected 15 senior leaders. Finally, we initiated Digital coaching for our 35 employees who are in critical roles, succession pipeline and future leaders, in collaboration with **CoachHub**, which is a technology and coaching service platform based in Berlin.

We offered 75 employees free online training support for the purpose of developing their **Business English** competence, which is a key priority for us, as well as taking action in the fields of Englishspeaking communities and online training suggestions.



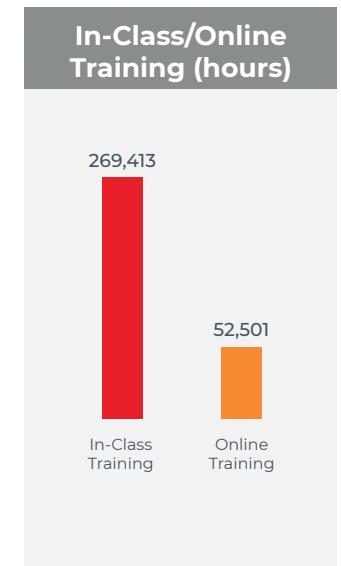
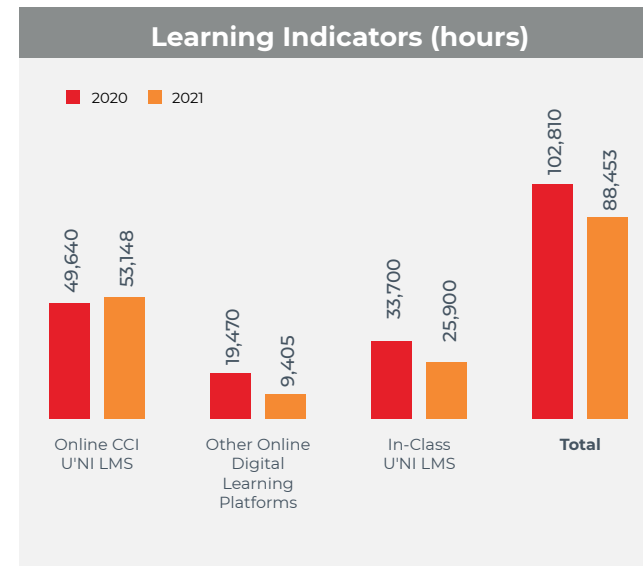
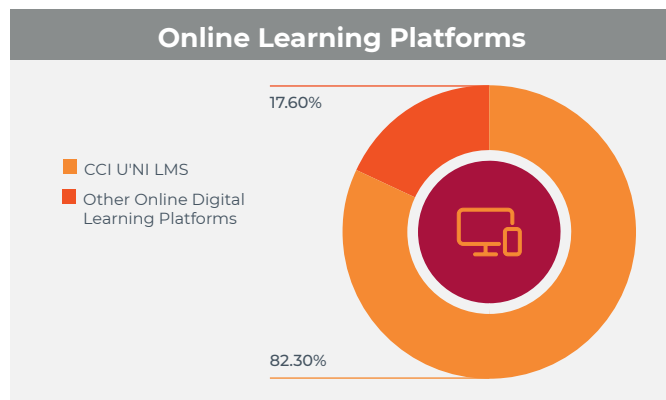
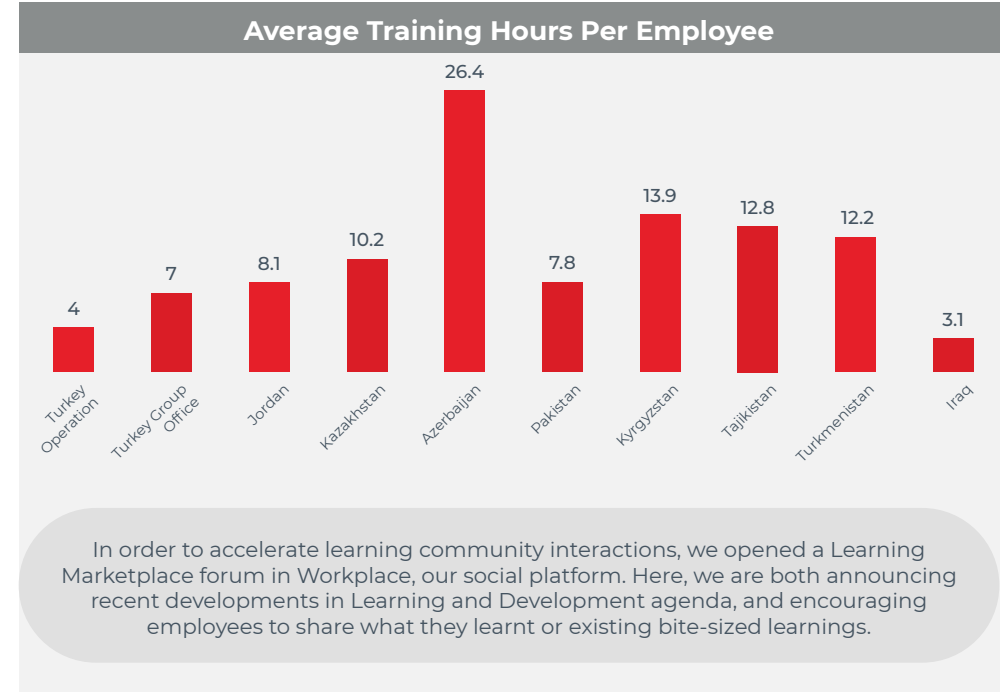
Through different tools and resources, we continued the development of the participants of the “U30+ Building Tomorrow’s Leaders Program”, the group of young talents we describe as ‘future leaders’, chosen via a special selection process from all CCI countries. The program we designed in partnership with the IMD business school became a special program attended by senior managers during all trainings. In the end of the journey, program participants were given to find a real-time business challenge in their respective countries, in alignment with United Nations Sustainable Development Goals. After 1-month preparation, including sponsorships, coaching and mentoring, 9 team projects had been presented, and “Empowering Women in Tajikistan” Project had been selected as winner and has been put into business KPIs of the Country GM.

In order to create Inclusive Leaders, we initiated “From Bias to Inclusion Workshops” for 100+ CCI leaders in all CCI countries in 3 languages (Turkish, English and Russian) between March to December in 2021. Program has been highly recommended by the participants to their colleagues, and 55% described their experience as Very good, while, 36% of them said it was an excellent experience. Program continued with workshop with

ExCom members and also included action plans in the end, upon learnings and awareness created via the program.

During this period, we kept organizing online activities for our employees, as part of our Digital Learning Catalogue, which included virtual classes, CCI UNI LMS content sharings, IMPACT Leadership Behavior crash courses, competitions, selected speakers, and webinars from well-known trainers.

Initiated by CCI Pakistan, we conducted our first Learn Fest in 2021. The 6-day spanned over 6 weeks extensive agenda featuring motivational talks of social celebrities, moderated panel discussions, Leadership Team’s involvement from across CCI network, interactive games, talent-show, Masterclasses, Interactive webinars, networking opportunities and much more covered all domains of CCI IMPACT behaviors in a festivity mode. Over 3200 employees from across CCI countries went through this Digital Learning Fest, experiencing a range of learning and engagement interventions. The event featured local industry business stalwarts, influential media personalities, star sportsmen, showbiz legends from Pakistan and CCI PKLT along with EXCOM members from the internal circle.

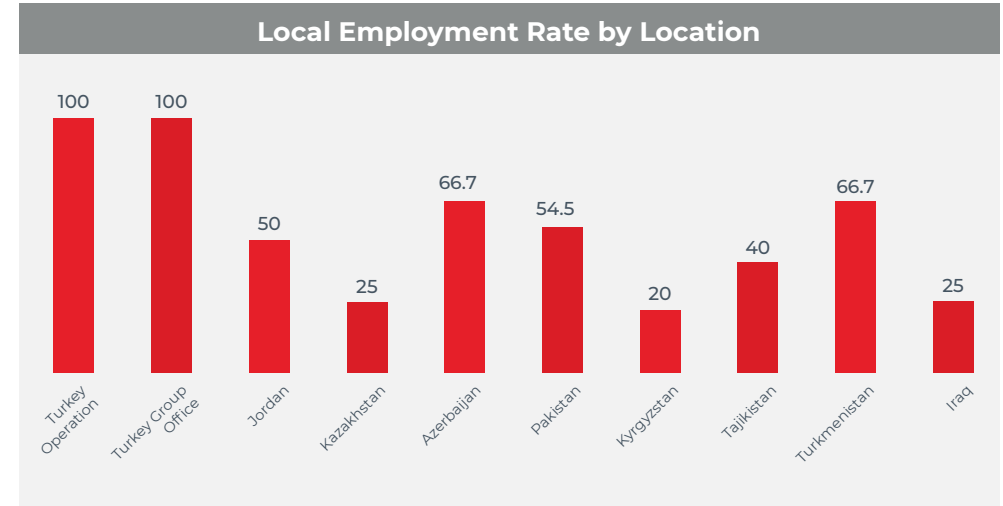


## COMMUNICATION WITH EMPLOYEES AND EMPLOYEE ENGAGEMENT

Employee engagement is a key focus area for managing our human capital effectively and creating value.

As CCI, we are committed to our goal of making CCI an "Excellent Workplace". This involves supporting our employees in all areas they need, adopting the systems, processes, programs and practices to improve their skills, knowledge, competencies, and providing resources and working environment aimed at improving their working and living standards.

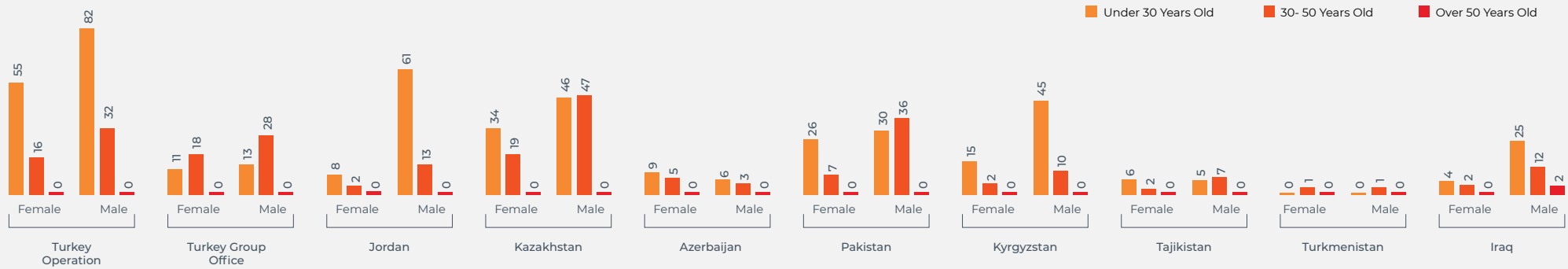
In 2021, our CEO met with our employees in all CCI countries in routine live broadcasts, shared the developments in our company and answered the questions of the employees. General Managers in all countries also organized live broadcasts. Our leadership team continued to inform our employees with their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



### Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Continuing to conduct Climate Research across CCI to understand the thoughts and feelings of employees in crises or difficult situations	In 2021, Climate Surveys were continued throughout CCI and focus group studies were carried out in line with the results.	In progress.	Taking relevant actions taking into account survey results and focus group outcomes, renewing employee loyalty research work across CCI in line with needs
After the introduction of career development maps at CCI, applying a pulse measurement survey to measure the immediate impact based on the results of the CCI 2019 loyalty survey.	As a result of the studies carried out with the functions, CCI Career Maps were created and system integration was achieved.	In progress.	Ensuring the use of Career Maps by 2022 and incorporating them into the employee loyalty process to measure the impact on career management

### Number of New Hires by Age



### Age Distribution of Employees Who Left the Company (2021/Issue-%)

Region	Gender	Under 30 Years Old	30-50 Years Old	Over 50 Years Old	Under 30 Years Old	30-50 Years Old	Over 50 Years Old
Turkey Operation	Female	34	23	1	58.6%	39.7%	1.7%
	Male	74	76	9	46.5%	47.8%	5.7%
Turkey Group Office	Female	5	17	0	22.7%	77.3%	0.0%
	Male	15	26	4	33.3%	57.8%	8.9%
Jordan	Female	5	1	0	83.3%	16.7%	0.0%
	Male	32	22	6	53.3%	36.7%	10.0%
Kazakhstan	Female	8	22	0	26.7%	73.3%	0.0%
	Male	35	42	6	42.2%	50.6%	7.2%
Azerbaijan	Female	1	3	1	20.0%	60.0%	20.0%
	Male	3	9	2	21.4%	64.3%	14.3%
Pakistan	Female	15	7	0	68.2%	31.8%	0.0%
	Male	15	75	9	15.2%	75.8%	9.1%
Kyrgyzstan	Female	9	7	0	56.3%	43.8%	0.0%
	Male	39	17	1	68.4%	29.8%	1.8%
Tajikistan	Female	9	4	0	69.2%	30.8%	0.0%
	Male	9	15	1	36.0%	60.0%	4.0%
Turkmenistan	Female	0	3	0	0.0%	100.0%	0.0%
	Male	1	2	0	33.3%	66.7%	0.0%
Iraq	Female	2	7	0	22.2%	77.8%	0.0%
	Male	38	47	2	43.7%	54.0%	2.3%



## TOTAL REWARDS

Our vision is to be the best company in the fast-moving consumer goods industry in all our countries that we are operating in and we support this vision with Compensation and benefits strategy that rewards competitive and high performance. At CCI, we ensure that our employees receive high standards in return for the value they create and based on their performance. Therefore we offer different plans to embrace all our employees regardless of gender, race, language, etc., and support both short- and long-term success. Based on our equality and fairness values, we focus entirely on the roles and responsibilities of employees when defining their level.

Towards this end, we completed the "Grading Project" in 2021 and revisited the responsibilities of all roles and analyzed business responsibilities. We will maintain our leading position by rapidly adapting to the changing world through regularly reviewing our roles within a defined systematic framework.

We constantly observe the economic conditions so that our employees maintain their position in the market and their compensation packages in a balanced and competitive manner. We make salary increases in line with company strategies, as per their job descriptions of targets management

process by also considering the internal balance between different positions as well as market conditions. Similarly, we take into account the social needs of the employees and offer a wide range of benefits such as private health insurance, life insurance, individual pension plan with employer contribution and service awards in order to increase their working and living standards. In addition to the health of our employees, we also consider the financial difficulties they may experience if they encounter illness and death. We are by their side in difficult times as well offering the employee loan mechanism, which is quickly activated upon demand of our employees. In addition to these, we also make sure to celebrate the special days of our employees together and give gifts as a company on special occasions such as marriage or having a baby. We have also promoted equality among CCI countries by aligning this policy as per the conditions of each CCI country. In 2022 and afterwards, we will continue to check the pulse of our policies and procedures in a dynamic and up-to-date manner that adapts to current needs.

During 2021, we standardized our incentive premium practices in order to increase productivity and efficiency in our sales and production staff. In 2022, we will continue to reward outstanding success and the value created to the company by closely following the targets in accordance with changing market conditions.

One of our biggest focuses this year has been the health of our employees and their families. For this reason, we have made significant improvements by examining health insurance coverage, limits and contents in all CCI countries. We have also pioneered in some examples that set a precedent in some countries; for example, we have initiated private health insurance covering our employees in Iraq and Tajikistan. In Jordan, we expanded the insurance of the employee to include spouses and children. These new practices implemented in the Middle East geography represented examples in their respective markets. In 2022 and afterwards, our goal will be to include the spouses and children of our employees in all our countries that we are operating in. Additionally, we have expanded the scope of the international SOS program in 2021 and made improvements so that our employees traveling abroad for a business trip or on assignment can receive health care at international standards.

In addition to compensation and benefits, "Rewards and Recognition" programs aim to increase the motivation, engagement and performance of the employees and allows them to further improve themselves. Therefore, we aim to evaluate our programs as a whole and implement them under a single umbrella in 2022.



## CCIDEA - CCI INNOVATION DAY

The Innovation Day organized by CCI Turkey Operation allows all employees to present their projects and ideas which have been implemented within the framework of innovation culture. Innovation Day was inspired by CCI's vision to be the best in the fast moving consumer goods industry and the EFQM Model's goal of "leveraging creativity and innovation".

Our employees have the opportunity to develop an innovation culture by sharing their projects and ideas through this interactive event; it offers an opportunity to promote new ideas that can have a positive impact on our communities and business operations within CCI Innovation Day brings together CCIDEA, OE projects and the Innovation Competition.

Starting from 2020, we opened the innovation day to the participation of all CCI countries and held the second innovation day on October 07, 2021 on the digital platform. This year's event differentiated from previous years with its approach of hearing new ideas as well, identifying the best among them and taking our idea teams to a digital innovation camp where we support them with powerful innovation tools.

Within the scope of 2021 CCI Innovation Day, we received applications for a total of 152 projects and 528 new ideas. All our countries organized their own local innovation days and chose their best projects and ideas. Following the local innovation day elections of the countries, we selected the top 3 projects of our company at CCI One Innovation Day 2021 with the participation of a total of 13 finalist projects from 7 CCI countries. After the elections of our countries, we launched our Innovation Camp Program with our 12 idea teams who qualified for the final step.

## Anadolu Group Bi' Fikir Festivali (An Idea Festival) (AG-BFF 2021)

Bi' Fikir Festivali is open to group companies and those who are successful in the field of innovation are rewarded.

In 2021, we participated in the AG-BFF semi-final with our top 4 projects. CAT (Crowdsourcing AI Tutor), "Artificial Intelligence Applications in Supply Chain", "Coke Club (CCI Pakistan) and "Combi Line Conversion of PET Water Line - CCI Iraq".

Representing CCI, our CAT (Crowdsourcing AI Tutor) project was elected for the finals in explorer category and "Combi Line Conversion of PET Water Line - CCI Iraq" project was elected in inventor category of AG-BFF 2021. As CCI Turkey, we received the "Highest Number of Projects" achievement award in AG BFF organization.

### Explorers

- » Adel Kalemcilik > 1500kelime.com Platform
- » Anadolu Efes Türkiye > Our Nature Is Special
- » Coca-Cola İçecek Türkiye > CAT

### Inventors

- » Anadolu Isuzu > Smart Factory
- » Migros > Migros-Up
- » Anadolu Isuzu > Auto-Guided Vehicle
- » Anadolu Efes Türkiye > Girişim Kimya
- » Coca-Cola İçecek Iraq > Conversion of Pet Bottled Water Line to Combi Boiler Line







# CONSUMER SATISFACTION & RESPONSIBLE CONSUMPTION

## 2021 Targets

Continuing to adapt the product portfolio in detail in a changing consumer environment; for example, evaluating the RGB (returnable glass bottle), low calorie portfolio to maintain affordability and profitability

## Performance

FuseTea Pet 330ml, Coca-Cola Zero Sugar, Coca-Cola Zero Sugar Lime, Monster Mango Loco were launched.

## Status

Realized.

## 2022 Targets

Continuing to adapt the product portfolio in detail as per the changing consumer trends by understanding the needs of the consumer (for example, evaluating the RGB (returnable glass bottle) line extension to maintain affordability and profitability and evaluating improved low calorie portfolio)

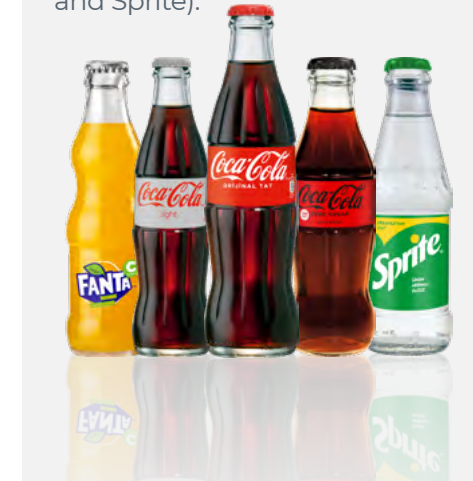
## TOTAL BEVERAGE PORTFOLIO

We continue to offer consumer-oriented portfolio options with diverse brands and work to maximize consumer satisfaction in order to meet and better serve the ever-changing preferences of our consumers.

Our goal is to provide affordable, easily accessible, innovative products for all lifestyles and needs. We achieve our goals with our strategy of lean production and transformation into a digital business. The main driving

force of this new strategy is our agile operations, including processes, tools, and trainings that enable us to respond quickly to customer needs and market changes.

Our current RGB (returnable glass bottle) range includes RGB 200 and RGB 300 SKUs in sparkling beverage brands (Coca-Cola, Coca-Cola Light, Coca-Cola Zero Sugar, Fanta and Sprite).



## TURKEY

### WE CONTINUE TO CREATE VALUE BY INCREASING OUR SHOPPER AND CUSTOMER FOCUS IN THE E-COMMERCE CHANNEL.

During the Covid-19 pandemic, we increased our focus on the rapidly growing e-commerce channel and created marketing activities as per our

shopper, customer and brand strategies. We have strengthened our insights and increased our activity efficiency through research aimed at understanding the needs of e-commerce shoppers. We continued to create value for both our customers and consumers by investing in occasion-oriented opportunities and strengthening our portfolio with new product listings.



### DAMLA MINERA IS STRONGER NOW WITH NEW FLAVORS!

In 2021, we expanded our portfolio with our new flavors Watermelon-Strawberry, Mango-Pineapple and Pear-Kiwi and reflected the vibrant colors of fruits on the labels and caps of our new bottles. While we broadcasted the first TV commercial in Damla Minera's history with the motto "İçinde Dünya Varmış,

İçince Dünya Varmış" (It has the World Inside, and It is Relaxing to Drink), we have increased the awareness of our brand with our digital communication and commercial plans that continued all-year-round. Additionally, the plain version of Damla Minera was awarded with the Taste Award of the International Taste Institute. With this transformation we created in the Mineral Water category, we have improved our business results significantly in 2021.

### DAMLA BRAND AMBASSADOR PROGRAM ADDING VALUE TO THE BRAND!

Our "Journey to Damla's Natural Source" webinar took place as a digital resource visit with the participation of 90 customers and sales team. Following Damla's journey from source to consumer, we once again demonstrated the natural and pure characteristics of our water.



## TURKEY

**IN 2021, WE CONTINUED TO BENEFIT FROM OPPORTUNITIES BY INCREASING THE DIVERSITY OF OUR DIGITAL PROMOTIONS!**

As of January 2021, we started the TOPLAKAZAN (Collect and Win) promotion for the first time in our 330ml cans in the Traditional Channel. We aimed to meet the needs of consumers with gifts in many areas such as internet, game points, fuel vouchers or food checks with points from each ring pull. Later in the year, we announced our private brands' communication, specific to the occasion of each, to our consumers in 330ml cans and offered them the chance to win special gifts.

In order to participate in the game world occasion, we made a promotion where we offered gift options of both internet and Microsoft XBOX from

our Coca-Cola Lime product.

Through the Traditional Channel, we have been to our consumers' Ramadan Tables with 1 L Coca-Cola Zero Sugar, Fanta or Sprite BOŞYOK gifts from our 2.5 L bottles for the Ramadan period. In the summer period, we offered a free Coca-Cola Zero Sugar for 2 caps of our 2.5 L bottles to address the consumption at home.

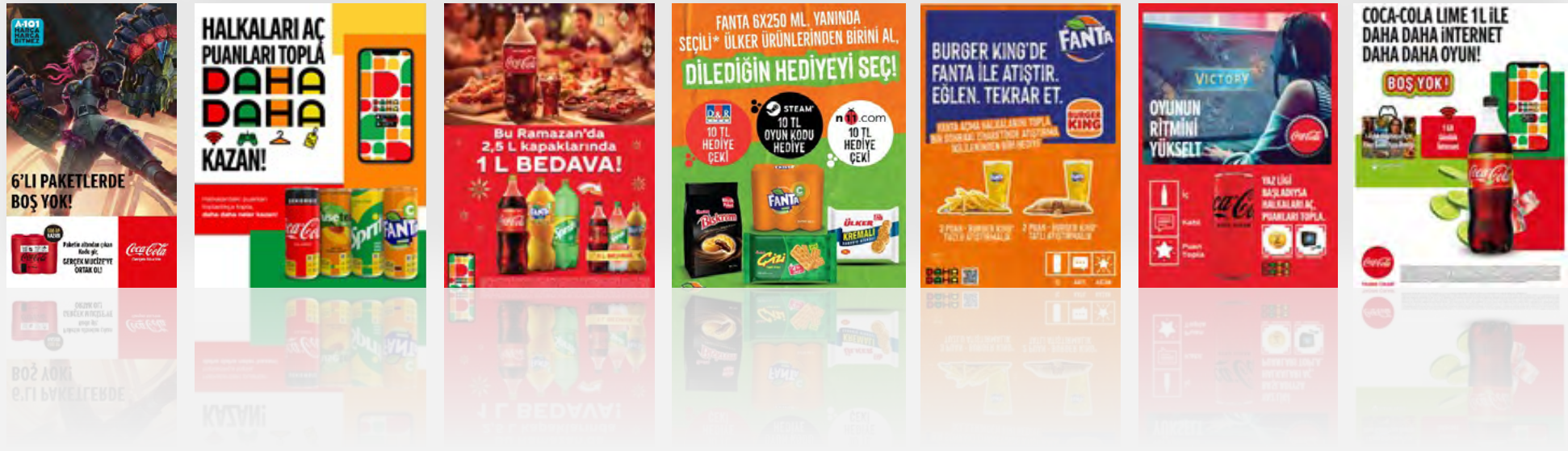
We carried out our promotion to support our Fusetea brand in the summer period by giving 1 L gift under Fusetea 1.5 L that keeps our consumers cool in the summer.

While continuing to support Home Consumption, Back to School and Summer period occasions with many activities throughout the year in the Modern Channel; we also continued our promotions over

our DahaDaha application. We supported both our 1L PET bottle and multi-can package separately at CarrefourSA and Local Chain Markets in the "Snack with Fanta" communication. We have partnered with Burger King and Ülker to offer their products to our consumers.

In cooperation with the Discount Markets Channel and On-Premise Consumption Channel, which continues to grow rapidly with Covid19, we offered our digital promotion to our consumers in our can packages.

Discount Markets ŞOK, A101 and BIM carried out our promotions in both IC and FC packages which supported our occasion communications throughout the year and added value to our consumers.



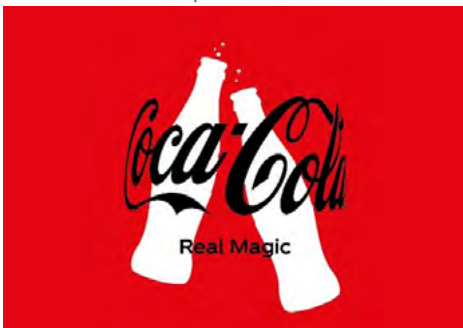
## PAKISTAN

### COCA-COLA & MEALS

In order to elevate Coke's Association in meals with brand values to drive further penetration, a campaign was activated across 150,000 Traditional Trade Outlets with 100% Communication Revamp and Incremental Visibility via secondary display tools on Modern Trade across top 1000 outlets nationally.

### REAL MAGIC

Coca-Cola unveiled a new global brand philosophy and platform called 'Real Magic', which invites everyone to celebrate the real magic of humanity. This initiative was launched with highest ever outlet reach of 200,000 Outlets- first time in the history of CCI-Pakistan along with revamp of more than 1000 Modern Trade Outlets to provide magical experience to our shoppers with more than 2000 Touchpoints.



### SPRITE X RAHO CLEAR CAMPAING

As a part of an exciting restage campaign aimed at making Sprite more youth relevant, CCI Pakistan reached to 15 million people with a complete digital takeover including TVC airing nationally across top 20 channels with more than 350 spots per day. Largest ever Sprite POSM drive was launched across 100K Traditional Trade outlets.



ADAM SMITH AWARDS ASIA 2021:  
Winner: **Best AR Solution**

CCI ONE INNOVATION DAY 2021:  
**3rd Best Executed Program across CCI "Coke Club"**

CCI & TCCC EME RGM PERFORMANCE AWARDS:  
**Winner: All Around Category;**  
**Finalist: Discount Management Category**



### COKE CLUB:

Retailer engagement is part of our channel strategy to remain a preferred beverage partner. In competitive market like Pakistan, Grocery is the biggest channel.

In order to drive Share In Shop Handling within the Grocery channel, Coke Club was kicked-off on 30k weighted outlets. Key focus areas were Single Serve & Flavors volume, Cooler Purity and Fullness and in-store display.

During the journey, we were able to scale up the program to ~60k outlets. Throughout the program, Coke Club outlets grew ahead of national growth numbers (24% vs. 18%).

10. **CUSTOMER APPRECIATION**  
Appreciation Certificates & Recognition Tokens for Top Performing Customers
9. **CUSTOMER #1**  
Be the First One to Get Information on & Benefit from all Promos
8. **MEGA LUCKY DRAWS**  
Mega Lucky Draw for Consecutive Winners
7. **MONTHLY REWARDS**  
Increasing Sprite and Dasani Penetration in Coke Club outlets
6. **#STAYSAFE**  
Get Access to the Authentic COVID-19 Updates in your Area & Safety Tool Kits for All CC Retailers
5. **WHATSAPP BROADCAST GROUPS**  
Become a Part of CCI Family; Campaign Announcements, Promo Communication etc
4. **WEEKLY SMS**  
Receive Weekly SMS about your volume target achievement
3. **0800-COKE**  
Robotic Calls through IVR Technology; Outbound Calls to all Retailers
2. **ACTIVATION SUPPORT**  
Starter Tool Kit Including POSM material, +10,000 Carton Racks
1. **PROFIT STORIES**  
Sell More, Earn More, Grow More Effective Profit Stories for Customers

IRAQ

**UTC CONSUMER PROMOTION**

In order to recruit consumers and enhance our reach, we continued with UTC promotions across the year by targeting different occasions mainly at home and Azeema Occasion (Family/ Friends gathering over food feast). Thousands of 750ml coke bottles were gifted under the cap of PET 1.75lt. It is supported by Outdoor Out Of Home advertising, digital media, TVs, and point of sale.

**1. RAMADAN PROMOTION**

Continuing to build meals ritual and drive transactions via festive Ramadan iftars, launched UTC promo on PET 1.75lt (Coke, Fanta, and Sprite).

**2. UNDER THE CAP PROMOTION**

The marketing campaign was carried out for CAN 250ml and NRB 250ml packages in Northern Iraq, and CAN 330ml and NRB 250ml packages in Southern Iraq. Under the flip promotion and 5.6M Cans were redeemed. For CAN

150ml, CAN 185ml and 170 by mobile phones giveaway as prizes to winners.

**3. FC UTC PROMOTION**

To keep the agenda live to recruit & drive transaction to strengthen brand association, FC UTC launched and supported Digital & POSM, with amazing prizes such as free drinks of PET 1.75Lt for Coca-Cola, Fanta and Sprite, and Tablets.

**NEW PACKAGES AND DESIGNS**

We innovated our current pack line by offering different pack sizes to meet all the consumers needs which ultimately drive transaction and address affordability with PET 1.25Lt and PET 300ml. Innovated by launching Printed Shrink Multi Pack Portfolio in order to capitalize the 2nd biggest occasion Treat Meals which is part of the “Azeema”



**WE INCREASED OUR FOOTPRINT IN THE ECOMMERCE CHANNEL, PARTNERING WITH ALL EMERGING PLATFORMS**

We are building our products in e-commerce channels, which is growing rapidly. We are available in 6 B2C platforms and 2 B2B platforms. Our strategy is to grow in 2 aspects:

- Case Sales to cosumers & customers pushing campaigns with partners to grow case sales
- Drive Transacations and combo meals with Food delivery Apps

**Channel Priorities:**

- Enhancing Brand Presence On The ‘Virtual Aisle’
- Increase Channel Customers
- Focus On Consumers Activities To Drive Transactions

**LAUNCHING DASANI MINERA**

Dasani Minera portfolio has been expanded with apple and lemon flavors. The new launch was made in 200 ml packages.



**JORDAN**

**COKE AND MEAL CAMPAIGNS**

CCI Jordan Kicked off 2021 with the 2L promotion on core brands to increase household penetration, and Cascading into Q2 and Q3 with a Ramadan promotion for 3L to further push FC and gain market share. The promotion supported communication to raise awareness of the promotions.



**NEW PRODUCT LAUNCH: SPRITE ZERO**

CCI Jordan expanded its portfolio by accelerating its no sugar offerings and launched another core brand in another flavour.



**LOCAL 'THE REAL MAGIC' LAUNCH:**

In order to introduce the new branding to the commercial team, an intercorporate event was held at our factory in Madaba.



**YEARLONG OUT OF HOME COMMUNICATION (360):**

On a mission to increase brand awareness levels in Jordan (especially Top of mind awareness), and elevate brand image, CCI Jordan was present with Out door Out Of Home advertising in the most populated spots nationally. CCI Jordan undertook a big bang summer campaign that covered Jordan with billboards and Mupis across high traffic areas, and ended the year with a Real Magic campaign to further emphasize Coca-Cola's presence in consumers' minds.



**BUILDING CATEGORY RECRUITMENT & ENCOURAGING TRIAL LEVELS THROUGH MS OFFERS:**

Introducing the 5+1 (6 pack) in the modern trade channel as a way to enhance occasions that are usually accompanied with Coca-Cola.



**CCI JORDAN IS PRO-GREEN WITH 'RECYCLE ME' CAN:**

As a way of contributing positively to the community and as part of CCI's CSR, CCI Jordan included the phrase 'recycle me' on the packaging of its flagship product—Coca-Cola and Coca-Cola Zero.





## AZERBAIJAN

### COCA-COLA NO SUGAR LEMON-LIME LAUNCH

Developing new products provides a tool to target new markets, increase market share and revenue flows. Coca-Cola No Sugar Lemon-lime launch aimed to strengthen the image of the Coca-Cola brand and offer consumers more options in the sugar-free segment.



### NOVRUZ CAMPAIGN

To strengthen the strategy of Coca-Cola and meals, Coca-Cola was offered to consumers with a special family package of 2.5 L. Phosphorus glasses were distributed as gifts to consumers in exchange for 2 gold caps from promotional beverages to implement the idea of incorporating Coca-Cola into family meals. Additionally, national celebratory messages were added on the labels in other packages.



### FANTA EXOTIC LAUNCH

Due to the great opportunity in the flavored segment and the successful commercial history of citrus aroma, Fanta Exotic was launched in April with a strong communication strategy. In a very short time, it contributed to Fanta's sales volume and Category's market share.



### MULTIPACK LAUNCH

Coca-Cola 6x300 ml and 4x1 L multipacks were launched for the first time in Azerbaijan in order to respond to the increasing need for stocking during the Covid-19 pandemic.



### BONAQUA RELAUNCH

As part of the Bonaqua relaunch, the package, logo and communication strategy were changed and the brand was presented to consumers with a more modern image.



### EURO2020 PROMOTION

As one of the countries where EURO matches took place, EURO 2020 promotion was organized nationally in Coca-Cola 500ml packages in Azerbaijan. Consumers were offered the chance to win various gifts for 8 weeks by sending codes that under the cap. A very successful result was achieved with a total of 665,060 entries.



### DIGITAL FOOD FESTIVAL

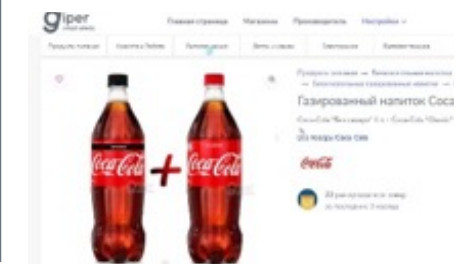
Within the scope of the digital food festival organized by Wolt, the leading e-commerce platform in Central Asia, consumers navigated around a special website designed in the style of a festival and accompanied by Coca-Cola, and they experienced an online food festival in Azerbaijan for the first time.



## TURKMENISTAN

### CCI TURKMENISTAN E-COMMERCE ACTIVATION

During the Covid-19 pandemic, CCI Turkmenistan continued to expand its sales channels and worked with the country's most popular online sales platforms: [www.gipertm.com](http://www.gipertm.com), [www.sanlybazar.com](http://www.sanlybazar.com), [www.ynamdar.com](http://www.ynamdar.com) and [www.100haryt.com](http://www.100haryt.com).





## KYRGYZSTAN

### FC UTC PROMOTION

To support volume growth, Coca-Cola launched FC UTC promo included only Dream Gifts: 3 cars, 100 Smartphones and 100 bicycles. This promo became very popular and successful and paid back with volume Increase +23% vs PY. 3 awarding ceremonies were conducted in Bishkek and Osh cities.



### NEW LAUNCHES IN SSD

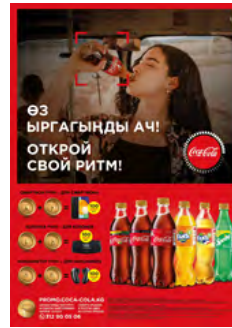
Innovations are very critical for volume growth & user base increase. This year we focus on our CORE SSD portfolio.

2 new launches, Coca-Cola Lemon-Lime & Fanta Apple, with their amazing tastes, were warmly welcomed by consumers, and brought incremental volume of 300K UC.



### COKE AND MUSIC IC UTC

Another successful story of UTC experience is IC UTC promo, targeted to own Coke & Music occasion, attract teens with music gifts like smartphones, headphones and Bluetooth speakers. The results of the promo is +39% volume growth during the promo period.



### PRE-PRICED LABEL - RGM AWARD

Recruitment and affordability are the main focus for CCI Kyrgyzstan. First time in a history of Kyrgyzstan, Pre-priced Labels were launched, and for it we choose our entry affordable pack 300 ml. This initiative turned into significant volume growth of 300 ml +30% vs PY and was awarded by RGM Award among CCAR countries.



## TAJIKISTAN

### UTC FC SPRING PROMO

In the spring, an UTC FC Spring promo was launched. Dates April 10 - June 30. As drinking at home increases, the promotion offered the following prizes: iPhones, E-scooters, PlayStation, caps, t-shirts and Sprite 1 L.



### COCA-COLA NO SUGAR LEMON-LIME

The launch of Coca-Cola No-Sugar Lemon Lime began in the month of May. The portfolio includes 300 ml, 500 ml and 1.25 L products. These products have contributed to the diversification of the sugar-free product portfolio.



### NEW FLAVOR: FANTA APPLE

The new flavor is used for 300ml, 500ml, and 1.25L bottles.



### FANTA APPLE PROMOTION ON E-COMMERCE

Fanta Apple promotion was launched with the food aggregator Dostavka.tj in honor of the 30th anniversary of the Independence of the Republic of Tajikistan.



### RAMADAN PROMOTION WITH BONAQUA

Bonaqua promotion was promoted during Ramadan month, April-May.



### PET 1,25L & IC ACCELERATION WINNER RGM PERFORMANCE AWARD

We launched a new 1.25 liter bottle, saying "another 250 ml at the same price". Thus, our product differs from competitors (CCI's competitive position in the market) + the consumer has received more benefit from the same cost (taking into account availability). We won this category.



# RESPONSIBLE CONSUMPTION

## PRODUCT LABELING AND RESPONSIBLE MARKETING

Transparency is important for us in our consumer communications; we provide the nutritional value of our products transparently on the labels so that our consumers can make their choices according to their life style and preferences.

Our labels include nutritional content such as energy (kilocalorie, calorie, kilojoule), protein, carbohydrates, fats, total sugar and sodium.

One of the important points in our communication with the consumers is our responsible marketing and advertising approach. Accordingly, for our responsible marketing commitments, we strengthened our

TCCC RESPONSIBLE MARKETING POLICY

[HTTPS://WWW.COCA-COLACOMPANY.COM/POLICIES-AND-PRACTICES/RESPONSIBLE-MARKETING-POLICY](https://www.coca-colacompany.com/policies-and-practices/responsible-marketing-policy)



policy in line with our colleagues in the industry as the members of International Food and Beverage Association (IFBA) and increased our age threshold from 12 to 13. Our marketing activities are not placed in any environment where 30% or more of the audience includes children below 13 years old. In cases where the local legislations or industry commitments define an older age of the children or target audience, we will continue to respect these with other requirements and comply with them in all our marketing and communication activities.

We have simplified and our existing policy and made it easier so that we can align it with our company's total beverage portfolio. Selected beverage categories are now allowed to be sold in primary schools directly or through contracted third-party distribution. As a global organization operating as a local business, we comply with all local regulations and voluntary commitments of the industry regarding primary and secondary schools.

Water, 100% fruit/vegetable juice and smoothies (including diluted juices), dairy products and plant-based beverages are the only beverage categories that will be allowed for sale in primary and secondary schools. These beverages and nutritional criteria comply with public health and nutrition advice and comply with school guidelines worldwide. No vending machines/coolers in primary schools will bear a brand on them except for the selection button.

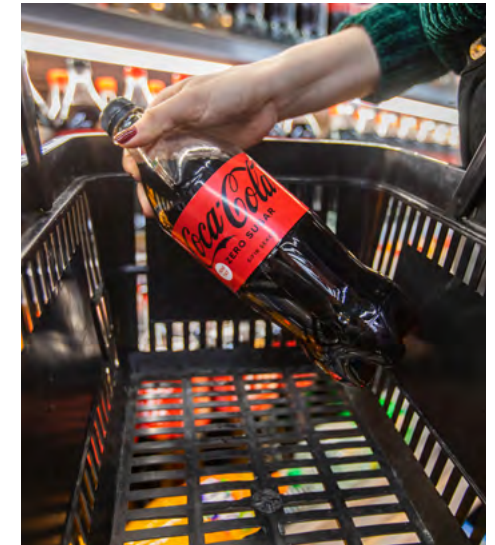
## COLLABORATION TO REDUCE SUGAR CONSUMPTION

The Guide to Reducing Sugar Consumption/Use in Turkey was signed in cooperation with the Ministry of Health and the Federation of Food and Beverage Industry Associations of Turkey where Coca-Cola Turkey is also a member. The guideline is expected to contribute to efforts to reduce sugar consumption under the Ministry of Health's "Healthy Eating and Active Living Program and Action Plan" to promote healthy eating and prevent non-transmissible diseases.

## COMMUNICATION WITH OUR CONSUMERS

In order to ensure sustainable and effective communication with our customers and consumers, we have defined the "Management of Customer and Consumer Communication" process and the organization who will manage it. We continuously review and improve our process according to the feedback of the relevant stakeholders.

Our consumer communication is guided by the process we designed together with TCCC. In case we receive a consumer complaint sent to either TCCC or CCI about products, we visit the consumer on site, take the product and collect



## UNSTEREOTYPE ALLIANCE

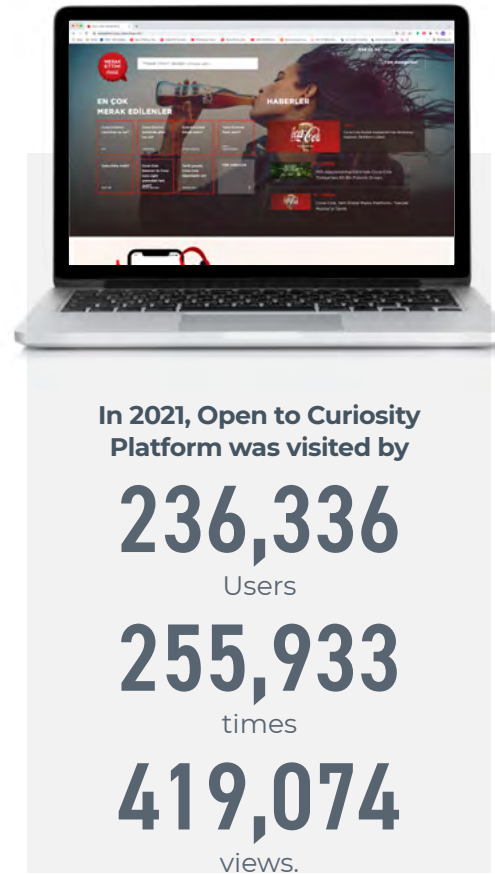
On December 13, the Unstereotype Alliance announced that it would open a local section in Turkey at an event in Istanbul with the support of the Gender Equality in Advertising Board (RTCEK) launched by the Turkish Advertisers Association (RVD). Unstereotype Alliance Turkey brings together brand owners, agencies, media owners and other industry stakeholders to promote positive gender representation and diversity in marketing. Coca-Cola Turkey is among the first signatories to this initiative, including WPP.

information and deliver a new product to the customer. The products we receive accordingly are analyzed at CCI plants and if necessary, we take action with the relevant departments. If requested, we also provide feedback to the consumer regarding the process.

Our "Management of Consumer Complaints" procedure explains the management processes of consumer feedback and complaints.

Our communication with customers are made over the Coca-Cola Call Center, Consumer Complaints System and website communication platform in addition to conducting surveys and organizing plant visits at certain periods.

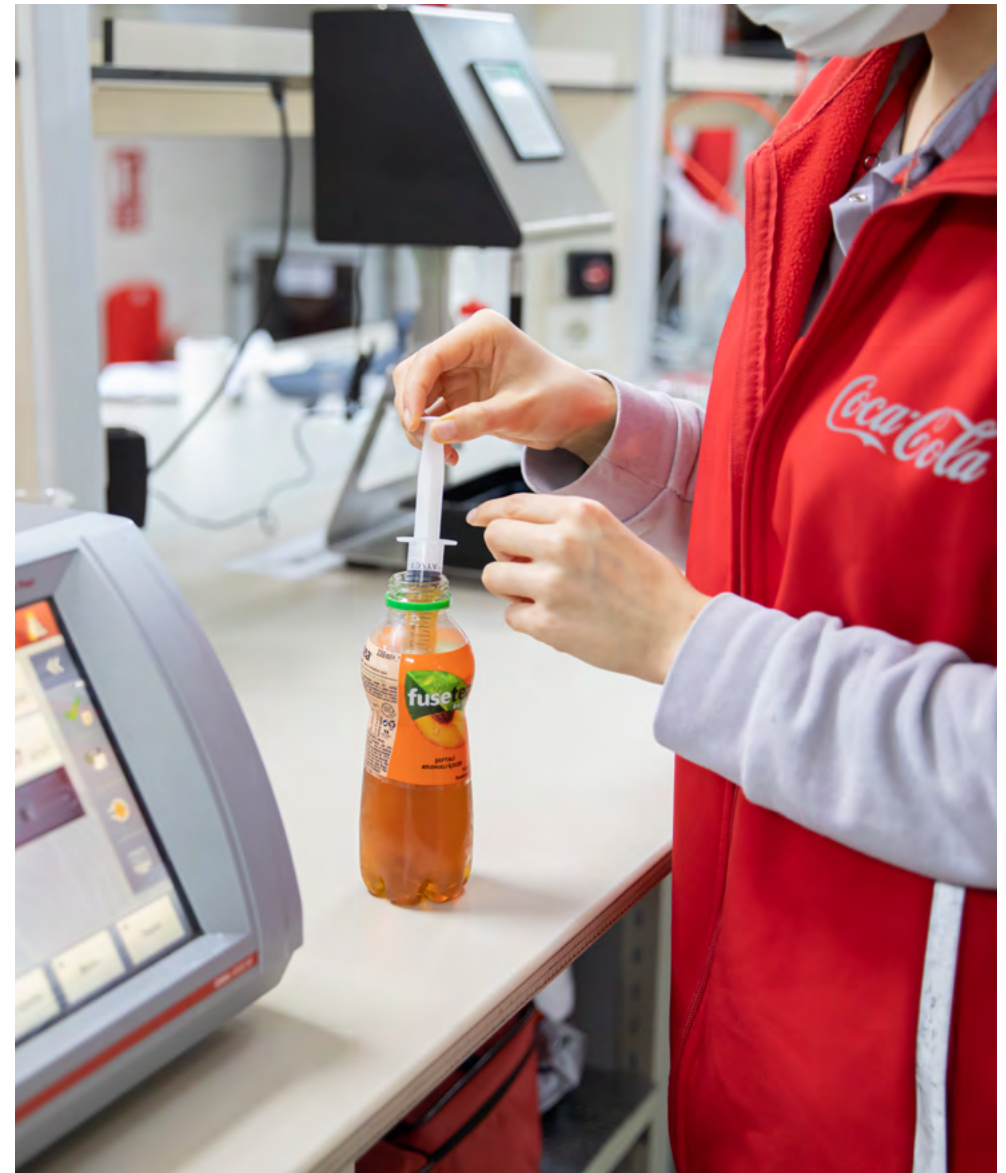
Additionally, we have created the "Coca-Cola Open to Curiosity" platform in Turkey to answer our consumers' questions about our products, corporate identity and marketing activities in line with our approach to consumer interaction and transparency. With this platform, we provide our consumers clear, understandable, reliable and transparent information about our corporate identity and products. Thus, the platform serves as a communication channel between us and our consumers.



## PLANT VISIT REQUEST

Our stakeholders who want to observe our production processes on site can create plant visit requests and participate in our tours to receive information about the production stages of Coca-Cola products.

At the moment, our plant visits organized for our stakeholders have been suspended due to the global Covid-19 pandemic.



## POST-CONSUMER PACKAGING WASTE RECYCLING

At CCI, we believe in the importance of circular economy and accordingly we make sure to pay due attention to our recycling efforts.

Our efforts here focus on encouraging our customers and consumers to use returnable glass bottles and increasing our recycling rates in cooperation with our authorized partners. Accordingly, a cross-functional Sustainable Packaging Task Force has been founded to shape CCI's long-term recycling strategy and achieve a circular economy by setting a road map. The Task Force analyzed the waste infrastructure, legal background and stakeholder expectations regarding "recycling of packaging materials" in our countries of operation. The details of new regulations issued in Turkey are provided under the title Our Operating Environment.

Following the amendment to the Environmental Law in 2020, we fulfilled our Extended Producer's Responsibility through GEKAP regarding the packaging we offered to market in Turkey. On this subject, we aim to establish the most effective and efficient collection and recycling infrastructure by going beyond the relevant regulations in our countries of operation. In line with this goal, we carry out pilot projects by working with the governments, non-governmental organizations (NGOs) and the private sector.

We continue our work to involve stakeholders in the process to create a common vision for recycling and to determine recycling models on the basis of cases. We will continue to work with TCCC, local communities, NGOs, industry peers and consumers to help make recycling easier and more accessible to everyone by guiding policy changes that improve local recycling systems and support the circular economy.

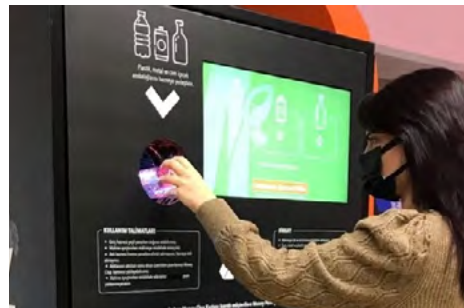


### COLLECT & RECYCLE ALLIANCE (CORE)

CCI is among the founders of the Alliance which was established in Pakistan in order to eliminate packaging waste through official collection and recycling systems and to raise awareness at a mass level. Accordingly, all members of CORE (The Collect and Recycle Alliance) contribute to the circular economy and strive to create value for society by reducing the packaging footprint through sustainable and innovative applications.

### PILOT RECYCLING PROJECT WITH MIGROS

In cooperation with Coca-Cola İçecek, Migros has implemented a pilot application that supports the recycling of metal, glass and plastic beverage packaging waste.





# WINNING WITH THE CUSTOMERS

At CCI, our primary motivation is to 'win together' along with our customers. With this objective in mind, we operate a customer oriented organization through our joint ventures and superior supplier management practices. In line with our vision, our target is to become a company that creates value for our shareholders and ensures long-term sustainable growth, while being the preferred business partner of our customers.

To ensure that our consumers are satisfied every time they visit our sales points, we prepare joint business plans with our customers and create best-in-class commercial strategies and solutions. We use the "Right Execution Daily (RED)" system to provide our products to our customers and consumers in the most effective way. We strengthen our technological infrastructure to provide easy access to cold beverages and continue with cooler investments every year and switch to more environment-friendly coolers. Thus, we reduce our carbon footprint in line with the changing environmental conditions. With these activities, we aim to strengthen our relationship with our customers and increase our sales

## Targets and Achievements

Targets for 2021	Performance	Status	2022 Targets
Conduct customer satisfaction and distributor satisfaction surveys in all CCI countries	Customer Satisfaction and Distributor Satisfaction surveys were conducted across all CCI countries during 2021. For Customer Satisfaction, a standard & consistent methodology/approach was employed across the board. For Distributor Satisfaction, both external & internal sources were employed to conduct the surveys.	Completed.	Continue to conduct Customer Satisfaction and Distributor Satisfaction surveys in all CCI countries to monitor & track performance vs. previous year.

volume and profitability. Also, we try to reach our consumers with the most efficient and affordable sales and distribution vehicles.

We also optimize our commercial investments in addition to the strong value we create for our customers. With all these activities, we meet consumer needs with every crate of products and generate revenue increase.

In the Customer Satisfaction Surveys we conduct to measure customer satisfaction regularly in geographies of CCI operation, the questions are designed to evaluate both our performance and our competition's performance to see the satisfaction levels from the eyes of our customers.



## Joint Business Plan Meetings

Modern Channel Joint Business Plan (JBP) meetings are among the top priorities of the local and national account to improve customer cooperation in Turkey. Within the scope of these meetings, cross-functional teams from both the customer and CCI come together every year to ensure that the joint marketing and operational plans of both parties are compatible.

## Customer Focus Groups

As a reflection of our customers' importance for us, we organize Customer Focus Groups occasionally to the benefit of our Local Key Accounts (LKA). The main goal is to create value for our LKAs by helping them internalize their identity, abilities and values better.

## Demand Planning Management

Following the Covid-19 pandemic, we have added scenario planning capability to our operation to better manage potential crises in the future.

Observing the requirements of this period, the sales and operation planning (S&OP) process has been redesigned and turned into dynamic S&OP. Accordingly, a platform has been established to respond quickly to demands by providing understanding of market dynamics, defining customer priorities, identifying operational risks and possible constraints, and monitoring performance criteria with the coordination of all functions. Also, "Digital Link" initiative was started to achieve real-time demand forecasting, optimizing inventory and supply management and increasing end-to-end visibility. The initiative aims

for system installation with the support of artificial intelligence software and covers the management of end-to-end forecast-demand-sourcing processes. The first phase has been commissioned in December.

## Route to Market (RTM)

With our innovative and excellent field applications, we aim to be a sustainable business partner that provides the best service in the fast moving consumer goods industry. After our experience with Turkey and Pakistan operations, we have activated the use of this digital platform which enables the optimization

of sales team and distribution team routes in all CCI countries. Thanks to this system, which allows the routes to be visited quickly and in shortest distance, we are reducing our carbon footprint by shortening the daily trips of sales and distribution vehicles and increasing efficiency by saving time.

Our CCI Next Mobile Application for traditional channel and on-premise consumption channel in Turkey enables our customers to enter their own orders from their mobile devices at any time.

This allows optimization of customer visit frequency for our sales representatives

and the decrease in the number of physical visits enables more efficient field applications to be performed.

With our innovative and excellent field applications, we aim to be a sustainable business partner that provides the best service in the fast moving consumer goods industry.

We continue to monitor the performance improvements of our countries with One Number Execution Score reporting that includes 10 criteria under four main headings: availability, field application success, cold availability and efficiency.



## Right Execution Daily (RED)

We use the "Right Execution Daily (RED)" system to provide our products to our customers and consumers in the most effective way. The RED system contributes to company growth by following 4 basic steps. These steps consist of "Best Practices at Outlets", "Merchandising", "Reporting and Analysis" and "Coaching".

In order to turn our company strategy into reality at the sales points and prioritize the sales point when creating our strategy, we continued to successfully implement our "Right Execution Daily" (RED) project in 2020 in all our operations. While we increased the capacity and performance of RED project every year, we effectively followed the organization and display standards and practices at our sales points, thus bringing our customers and consumers together with our products in the most effective way.

In 2016, we initiated digital transformation in RED processes



and started to follow and develop our in-store applications with photo recognition technology. Thus, we provide instant access to our in-store applications through field photos taken by the sales team and quickly capture visibility and availability opportunities that will increase our sales. This technology has enabled us to increase our sales coverage with more than 95% accurate reporting. At the same time, thanks to this technology, we get more accurate data in less time compared to data collection by survey method carried out by agencies and as a low-cost option, it allows us to cover more customers. Therefore we are able to balance quality and efficiency in our processes.

After successfully implementing this technology in Turkey in 2016, we started to use it in Iraq in 2017, Azerbaijan, Kazakhstan and Kyrgyzstan in 2018, Jordan and Pakistan in 2019 and Tajikistan in 2021. This means that we have moved the photo recognition tool with excellent applications to our sales points in almost every region of CCI for the purpose of increasing sales.

## COMMUNICATION WITH OUR CUSTOMERS

We use communication platforms such as CCI Customer Interaction Center, Corporate Whatsapp Line and company website to offer a close communication for our customers. We also conduct surveys and organize customer visits at certain periods.

## Customer Trainings

14 customer development training meetings were held for 250 participants in Turkey.

## CCI Customer Interaction Center

The mission of the CCI Customer Interaction Center is to understand and meet the expectations of customers and distributors across CCI geography. Within the scope of Customer Feedback, customer complaints and suggestions submitted to our center are recorded and evaluated by our employees and analyzed after escalation to the relevant units. Here, actions are defined and implemented to solve the problem and permanent solutions are developed for the future.

### Some examples:

- We manage the new customer process with the various flexible work flows we developed. We follow all new customers through the Customer Interaction Center.
- In order to ensure customer satisfaction and continuity, we make a follow-up call to check the satisfaction of all customers who called the Customer Interaction Center (except for cases of cooler failures) once the problem is resolved.
- We analyze all calls instantly, prepare solution-oriented reports according to subject groups and we try to solve the issues in the first contact.
- We monitor our service and quality level on a daily basis and keep customer satisfaction at a high level by intervening as necessary.

The service performance of the Customer Interaction Center is reported to senior management on a monthly basis, a the budget is allocated towards the planning of resources (technology, human resources investment) for improving performance and process.

In 2021, we improved the Customer Interaction Center in order to provide better service quality. We implemented changes that will allow our customers who do not speak Turkish to reach us with English and Arabic language options. We also commissioned Video Technical Service and offered live support to our customers who had problems with cold drink equipment failure. Additional developments include offering the customers who call us the opportunity to score us systematically.

In order to create an additional channel to our Customer Interaction Center that provides voice service, we also started service over the Corporate Whatsapp which also allowed our customers to transfer images and photos. We made automated calls (IVR) to update the customers that the records opened upon their call are being followed up and that the process continues, therefore it became easier for our customers to keep track of their records.

In summary, 340,000 service requests were received for different topics such as customers (both existing customers and leads), distributors, fleet, finance, etc. in Turkey. In addition, our Customer Interaction Center made 120,000 outbound calls to check the satisfaction with service levels and cooperated with the relevant functions to take the necessary actions as a result of feedback and surveys.

## Customer and Distributor Satisfaction

Through the Customer Engagement Surveys (CES) that we regularly conduct to gauge customer satisfaction within CCI's area of operations, we ask our customers to assess both our performance and that of our competitors, by means of which we can see our customers' satisfaction level through their eyes. These surveys help us compare the service that customers expect from us with the adequacy of our existing services, and identify the elements that give rise to satisfaction, as well as those that lead to dissatisfaction. We have been performing our Customer Engagement Surveys annually in Turkey and once every two years in Pakistan and Kazakhstan while other CCI countries have been conducting the survey less frequently. 2021 marked a paradigm shift in how we conduct the Customer Engagement Surveys wherein we conducted CES across most CCI markets (8 countries) at the same time with a standard methodology, approach and processes. We conducted personal interviews with +11,000 customers from 3 channels across Turkey, Pakistan, Kazakhstan, Iraq, Azerbaijan, Kyrgyzstan, Jordan and Tajikistan.

In total, +280,000 hours of interviewing were done to listen to the voice of our customers to ensure that the necessary steps are taken to further develop our customer services.

We expand and develop joint business plans with our distributors. We provide training to help them understand the TCCS and CCI business processes. Distributor Satisfaction Surveys are conducted each year through a third-party service provider to evaluate the

satisfaction levels of our distributors. As a measure of our corporate reputation, surveys inform us of our strengths and weaknesses in terms of our partnerships with our distributors and our ability to manage distribution networks.

**We conducted one-to-one interviews with +11,000 customers from 3 channels in Turkey, Pakistan, Kazakhstan, Iraq, Azerbaijan, Kyrgyzstan, Jordan and Tajikistan.**

### Distributor Business Development Book (Big BOOK)

Big BOOK will be a guide in which we provide our new distributors the information they may need, from company establishment stage to the operational processes and it will also allow existing distributors to review and improve their processes.



## Customer Satisfaction Survey

	2021 Relationship Health Score (%)	Leadership Index to FMCG
Turkey	71	101
Pakistan	48	117
Kazakhstan	83	105
Iraq	76	146
Uzbekistan	-	-
Azerbaijan	66	114
Kyrgyzstan	75	110
Jordan	56	98
Tajikistan	69	119
Turkmenistan	-	-
Syria	-	-

## Distributor Satisfaction Survey (Turkey)

	2016	2017	2018	2019	2020	2021
Distributor Satisfaction Score	84.3	86.0	91.0	89.0	87.0	86.0

*Source: Distributor Satisfaction Survey conducted with an external party through online methodology Distributor and Pre-Sales Training*

## Distributor and Sales Representative Trainings

We help our distributors develop sales capabilities to contribute to their sustainable improvement. We provide CCI distributors and sales representatives both in-class and online trainings to help them improve their sales capability.

An online training system was launched in 2018 for our sales representatives to enable the newcomers to better understand the TCCS and CCI business processes and responsibilities. The content of online training is "Basics of the Coca-Cola System", "A Day of a Seller", "Merchandising and RED", "Trade Math" and "Dealing with Complaints".



**IRAQ****CHANNEL PRIORITIZATION**

Since 2020 we continually monitored the market dynamics channel/ Sub-channel performance to identify the growth opportunities.

**COKE CLUB FOR TRADITIONAL RETAIL**

Main purpose is to Excellence the Execution, focusing on Cooler/ display/ & Sales performance. Launched Pilot in Baghdad. The plan is to expand to cover all regions in 2022

Modern trade channel has grown significantly in terms of outlet count and volume, mainly due to shifting in consumer habit. We continue to work on being available in every outlet, and prioritizing multi packs.

For On-Premise Channel, we are targeting High Traffic Fine Dinning restaurants, e-commerce platforms, and combo meals to drive frequency and build loyalty.

**KYRGYZSTAN****HORECA SUMMIT**

Jointly with HORECA Club organization, we initiated HORECA Summit, where we gathered 90+ top customers.

With the help of interesting program and special speakers, such as representative of Burger King Turkey, Glovo food aggregator and others, relevant and important themes, from e-commerce development to green technologies innovation in OP sector were discussed

**E-BLITZ AND RED CUP PROJECT**

Execution is very important for CCI Kyrgyzstan, and in order to support it further we initiated 2 projects: E-blitz and Red Cup.

RED cup is voluntary competition between our pre-sellers, to share their best practices from the field and increase RED KPIs.

E-Blitz project was initiated as an e-version of regular blitz in COVID19 environment, for other functions employees. Volunteers were equipped by POP materials, and after working day they executed neighborhood traditional outlets. This project was a tool to engage and motivate non-sales employees to feel a part of ONE Team and add their contribution.

Both projects positively impacted RED KPIs, increasing RED Score up to 81% as a result.

**CUSTOMER LOYALTY PROGRAM**

Customer Loyalty is the one of most important priority of our company. In 2021 we organized Customer Loyalty Program for conventional channel and on-premise consumption channel customers across Kyrgyzstan.

**DISTRIBUTOR DEVELOPMENT PROGRAM**

Development of our Distributors are extremely important for our company.

In 2021, jointly with Manas University, we organized special development program for our 23 Distributors, which took place in Bishkek Manas University.

During 3 days, university professors shared many useful information related Finance, Sales and Marketing topics.

**JORDAN****Key Account Visibility: Excellence in Special Execution:**

With the new branding of Coca-Cola in mind, CCI Jordan invested in high-end presence with premium on ground material installed as a main attraction for B2C, mainly to improve visibility at POS, drive trial, increase TOM awareness.

**JORDAN****CCI Jordan Establishes Digital Presence by Partnering with Big Key Accounts:**

As a way of utilizing customer resources efficiently, and with the rise in demand when it comes to E-commerce, CCI Jordan signed mutually beneficial partnerships with multiple big key accounts including Cozmo, T-Mart and more. Hence, increasing sales and brand salience and relevance by expanding into the digital

**talabat**

**JORDAN****CCI Jordan takes part in HORECA JO 2021:**

HORECA is the largest exhibition for the Hospitality and Food & Beverages Service industry in the area. The exhibition takes place annually—CCI Jordan occupied a large central booth amongst many big brands.

**KAZAKHSTAN****CCI NEXT/RED BOX**

CCI Next/Red Box online platform was launched in KZ in October. The platform enables traditional trade customers participate in promos and make online orders. Currently CCI Next/Red Box works in 5 cities: Almaty, Shymkent, Nur-Sultan, Karaganda and Atyrau.

**KAZAKHSTAN****ASA (ARTIFICIAL SALES ASSISTANT)**

ASA launched in CCI Kazakhstan as of November 2021. It is a suggested order system that works with respect to the defined rules for every outlet pre-seller visits.



GRI: 102-9

# RESPONSIBLE PROCUREMENT AND PRODUCTION

## SUPERIOR SUPPLIER MANAGEMENT

### SUPPLIER GUIDING PRINCIPLES (SGP)

#### Supplier Guiding Principles (SGP) Audits for CCI Plants managed by TCCC

Audits were carried out by an independent auditing firm in 2020 to determine the degree that our operations comply with the CCI Human Rights Policy and TCCC Supplier Guiding Principles (SGP). 9 CCI plants in Kazakhstan, Kyrgyzstan, Pakistan, Turkey and Jordan have successfully passed these inspections.

We received an A score in the Supplier Participation Rating in CDP 2021 results.

SUPPLIER GUIDING PRINCIPLES (SGP)

[HTTPS://WWW.COCA-COLACOMPANY.COM/OUR-COMPANY/SUPPLIERGUIDING-PRINCIPLES](https://www.coca-colacompany.com/our-company/supplierguiding-principles)



### Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Increasing the number of OE (Operational Excellence) projects and expanding the savings OE approach to all operations in CCI countries.	CCI Pakistan OE Wave /13 Green Belt Candidate CCI Iraq OE Wave / 17 Green Belt Candidates	In progress.	CCI Kazakhstan/ Two OE Wave realizations, CCI Azerbaijan /One OE Wave realization, Realization of CCI Pakistan and CCI Iraq / Second OE Wave, new Wave realization at CCI Turkey.

### SGP Audits at CCI Factories

Multan, Gujranwala, Lahore, Rahim Yar Khan and Karachi Plants from CCI Pakistan, Mersin Plant from CCI Turkey, Madaba Plant from CCI Jordan, Bishkek Plant from CCI Kyrgyzstan received "GREEN" results from their inspections.

#### SGP Audit Results for CCI Plants

2018	2019	2020	2021	2022 Target
93%	92%	96%	98%	98%

#### SGP Audit Results of CCI Suppliers

2018	2019	2020	2021
85%	89%	90%	85%*

\*For CCI's material and primary packaging suppliers.

We are constantly in contact with our suppliers and carry out audits and proactive actions to ensure they comply with our principles.



## Local Procurement (%)

	2016	2017	2018	2019	2020	2021
Turkey*	95	99	99	95	95	98
Jordan	95	95	94	95	95	87
Kazakhstan**	-	-	-	36	59	51
Azerbaijan**	47	49	35	53	49	54
Pakistan	97	97	90	81	94	95
Kyrgyzstan**	41	32	33	36	41	31
Tajikistan	-	-	-	23	21	53

\* Concentrate is not included.

\*\* There is no approved supplier for certain product and service categories in these local markets.

\*\* There is no local supplier for certain high-priced product categories. The suppliers are selected and approved by TCCC.

Our suppliers receive a copy of our SGP at the beginning of the business relationship and they are expected to pass these principles on to their stakeholders, in particular, their employees. We attach the SGP Policy to our supplier contracts when applicable, with the expectation that they will develop and implement appropriate internal business processes to guarantee their compliance with the SGP requirements. Supplier audits are conducted by TCCC and CCI's trained personnel internally as well as by third parties. For our direct material and cold drink equipment suppliers, it is obligatory to undergo SGP audit and comply with SGP standards before signing contracts.

Third-party audits include confidential interviews both with employees and on-site contract workers. A supplier

who fails to meet any aspect of the SGP requirements is expected to implement corrective actions. If a supplier fails to adhere to our principles, sanctions that include termination of the contract are applicable. The calibration of the SGP score was reverted to existing model in 2019 encompassing Raw Materials, Primary Packaging & Co-packers. With the revised logic, we were able to achieve 89% despite the expansion of supply base. For CCI's ingredient and primary packaging suppliers, we reached 85% in 2021. As a result of the SGP audit, a remediation action plan that covers specific matters such as working hours (especially night shifts), rest day violation, overtime and health and safety, were sent to the relevant suppliers and supplementary audits were organized. In the last three years, TCCC audited all of CCI's ingredient and packaging suppliers.



## PRINCIPLES OF SUSTAINABLE AGRICULTURE (PSA)

Sourcing of CCI's raw ingredients accounts for a large portion of our economic, social and environmental footprint. For CCI, sustainable sourcing is purchasing ingredients from farm locations and suppliers that meet TCCC-approved standards. Sustainable agriculture is critical for us to meet the expectations of our consumers, customers and other stakeholders and to enable the continuous growth of our business.

The Coca-Cola Company is addressing the challenges of availability in agriculture, quality and safety also addressing the improvement of the well-being of farming communities. TCCC set its target on sustainably sourcing key agricultural ingredients by 2020 and developed Principles of Sustainable Agriculture (PSA). TCCC's approach to sustainable agriculture is founded on these principles that aims to assure responsible management in farming, protecting the environment, upholding human and workplace rights, and so contributing to build more sustainable communities. Compliance with the PSA is verified in accordance with Bonsucro, the Rainforest Alliance, the Sustainable Agriculture Initiative Platform (SAI) and the Fairtrade International License Authority or an equivalent international third party standards.

TCCC Principles of Sustainable Agriculture (Please click on the link for details)

[HTTPS://WWW.COCA-COLACOMPANY.COM/POLICIES-AND-PRACTICES/SUSTAINABLE-AGRICULTURAL-GUIDING-PRINCIPLES](https://www.coca-colacompany.com/policies-and-practices/sustainable-agricultural-guiding-principles)



### Workplace and Human Rights

- » Freedom of association and collective bargaining
- » Child labor ban
- » Elimination of discrimination
- » Work hours and wages
- » Safe and healthy workplaces
- » Community rights and traditional rights

### Environment

- » Water management
- » Energy management and climate protection
- » Conservation of natural habitats and ecosystems
- » Soil management
- » Protection of crops

### Farm Management Systems

- » Harvest and post-harvest handling
- » Identification, selection and management of reproductive material
- » Management systems, record keeping and transparency
- » Business integrity

## Milestones in CCI Sustainable Sourcing Activities

### 2017

We organized a seminar on the PSA compliance program for sweetener suppliers in Turkey.

### 2016

We carried out a feasibility study for sustainable sugar sourcing in Turkey.

### 2019

We collaborated with farmers, sugar producers and international industry platforms such as SAI to disseminate PSA in Turkey and Pakistan. In cooperation with FMCG and beverage companies, we support the sustainable beet production process to effectively understand and implement best practices for sustainable sugar beet production in Turkey.

### 2021

We are working with the industry to understand and effectively implement best practices for the sustainable production of sugar beets in Turkey.

We have also integrated the Supplier Score Card, a part of supplier management software, into the Ecovadis rating platform to assess our suppliers' corporate social responsibility and sustainability performance.

# OPERATIONAL EXCELLENCE IN THE SUPPLY CHAIN

Our far-reaching regional presence requires us to manage a large value chain that creates a significant social, environmental and economic impacts.

With the awareness of this responsibility, we follow our value chain in accordance with our sustainability policies and practices, monitor our targets and carry out our operations consciously in this context.

We incorporate a culture of Operational Excellence (OE) into our organization to improve how we do business in the long run. The OE Model is based on Lean Six Sigma methodologies and applied to all company functions. Our 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.



For more details on water, energy and relative emission reduction performance, please refer to **Section 5: Sustainability Performance Indicators**.



We continued the improvement projects aimed at Operational Excellence in Turkey.

We have focused our efforts to disseminate OE culture to other CCI countries.

Accordingly, we are executing our ongoing OE studies with our CCI Pakistan SC and CCI Iraq SC teams (expected to be completed in the first quarter of 2022). By the end of 2021, we will start a similar work with our Kazakhstan SC teams.

OE Performance (2008 to 2021 Cumulative)	OE Projects (Quantity)	Certificates (Quantity)	Savings (Million \$)
------------------------------------------------	---------------------------	----------------------------	-------------------------

CCI Turkey	868	643	63.9
Other CCI Countries*	725	166	10.4
All	1,593	809	74.3

\* Other CCI countries; Jordan, Kazakhstan, Azerbaijan, Pakistan, Kyrgyzstan and Tajikistan.

In 2021, we continued the improvement projects aimed at Operational Excellence in Turkey. Our goal for 2021 was to disseminate OE culture to other CCI countries. For this purpose, we are executing OE studies with CCI Pakistan and CCI Iraq SC teams. We are planning to complete the first waves in Q1 2022. Our OE progress calendar for the next 3 years is as follows:

2021	2022	2023	2024
<ul style="list-style-type: none"> <li>PK wave 1</li> <li>IQ wave 1</li> </ul>	<ul style="list-style-type: none"> <li>PK wave 2</li> <li>IQ wave 2</li> <li>AZ wave 1</li> <li>KZ wave 1</li> </ul>	<ul style="list-style-type: none"> <li>PK wave 3</li> <li>IQ wave 3</li> <li>AZ wave 2</li> <li>KZ wave 2</li> <li>KG wave 1</li> <li>UZ wave 1</li> </ul>	<ul style="list-style-type: none"> <li>PK wave 4</li> <li>AZ wave 3</li> <li>KZ wave 3</li> <li>KG wave 2</li> <li>UZ wave 2</li> <li>TJ wave 1</li> <li>JD wave 1</li> <li>TM wave 1</li> </ul>

## TRANSPORT MANAGEMENT

Thanks to the Intercity Transport Planning Optimization Project, which provides increased truck productivity and route optimization within the scope of our Digital Products,

**143,153** litres of fuel savings was achieved.



### INTERCITY TRANSPORTATION PLANNING OPTIMIZATION PROJECT

Product shipments among dealers, key customers and CCI warehouses are planned manually. For this reason, the process continues in a completely person-dependent structure where vehicle efficiency opportunities are missed and planning decisions cannot be supported with continuous cost and customer service level information. In order to solve the problems experienced during transportation planning, the Intercity Transportation Planning Optimization Project was implemented in CCI Turkey on October 9, 2020. Thanks to the transportation planning optimization algorithm, shipments started to be planned with increased automated processes using variables such as customer planning expectations, order priority and shipping cost. As a result, vehicle efficiency was maximized and more automated steps reduced person-dependent decision processes.

#### Benefits

- Increased truck productivity
- Reduction of transportation cost (estimated decrease of 0.5%)
- Reducing energy consumption with fewer trucks and optimal routes saves 143,153 liters of fuel (diesel)
- Reducing carbon footprint
- Improving productivity

In addition to our company, the project also provides benefits for customers, distributors, 3rd party logistics partners, drivers, transport planners/logistics team (employees) and the community.

For Turkey, which offers a gain of approximately USD 92,000 and on a rising trend until the end of 2021, OTM Bulk Planning has been commissioned. A full-fledged transportation management capability is currently underway to enable instant operational and financial traceability.

### DIGITAL TWIN PRODUCT - SANITIZATION PROCESS TWIN

Standard quality procedures require sanitization of line system components during production in plants. The time allocated and performance of the sanitization process can cause prolonged production times, decrease in line usage rates, unnecessary use of resources with environmental impacts during the process. Also, our sanitization processes did not provide an integrated traceability and analysis of problems and performance, and sufficient insight was not provided to determine losses, improvement opportunities and actions. For this reason, we launched the Digital Twin Product in October 2020 in order to produce digital solutions to the problems identified in the current situation. Within the scope of the study, we ensured that the data for each process was taken directly from the relevant machines and that the actual process status could be traced and analyzed on the basis of the entire CIP system, process system components, process steps and parameters. Thus, process performance problems, production, time or environmental resource losses are identified, improvement opportunities can be specified and actions can be taken to regain the losses.

- Increase in uptime of production line and sanitization process time efficiency
- Reduced energy consumption
- Reduced water consumption
- Reduced material (solutions) consumption

CIP systems enabled 277,000 Lt less solution usage and 27,030 kWh of electricity and 12,164 m<sup>3</sup> of water savings when applied in Bursa plant only. It was also applied in İzmir and Elazığ plants and similar outcomes are expected. The work created value for our company as well as the environment, employees and consumers. We will continue to create value with the addition of new competences such as real-time alarm, machine learning and preventive maintenance with end processing.

Annual CIP systems applied in Bursa factory provided:

**277,000** Lt  
less solution use

**27,030** kWh  
electricity

**12,164** m<sup>3</sup>  
water savings.

# RESPONSIBLE PRODUCTION

## MANAGEMENT & GOVERNANCE SYSTEMS

CCI's sustainability governance is structured to support and manage comprehensive key environmental concerns. The CCI Group Supply Chain Director has the ultimate responsibility for environmental management and is diligently monitoring our sustainability goals.

In 2018, we formed a committee to maximize our potential to reduce our WUR (Water Utilization Rate) and EUR (Energy Utilization Rate) values. This committee carried out an action plan after assessing the current situation and preparing gap analysis among plants. Thus, CCI reviews and evaluates its performance every month with this method. We also evaluate our strategy and medium/long-term targets with our cross-functional Task Forces established in 3 focus areas.

## COMPLIANCE

We comply with local legal requirements, international standards and TCCC KORE requirements. Our perpetual goal is 100% compliance with legal environmental limits and TCCC's standards. In 2021, we fully complied with environmental legislation and TCCC standards, and consequently did not receive any fines\*.

*\*Fines exceeding 10,000 USD*

## TRAININGS

In 2021, we provided 3,897 human-hours of environmental training to our employees in Turkey, Jordan, Azerbaijan, Kazakhstan, Pakistan, Kyrgyzstan, Tajikistan, Turkmenistan and Iraq in order to improve our performance and create environmental awareness.

# 3,897

Human-hours of environmental training.

ENVIRONMENTAL POLICY  
[HTTPS://CCI.COM.TR/PORTALS/3/  
CCI\\_ENVIRONMENT\\_POLICY.PDF](https://cci.com.tr/portals/3/cci_environment_policy.pdf)



For more information, see "Section 1: Integrated Governance".



## HIGHLIGHTS IN OUR ENVIRONMENTAL MANAGEMENT PERFORMANCE

In 2021, with CCI operational excellence (OE) projects, we saved

# 12.5

Million MJ of energy,

# 5

tons of CO<sub>2</sub>e emissions,

# 185,000

m<sup>3</sup> water





## Key Performance Indicators

Country	Total Energy Usage Ratio (MJ/L)				Water Usage Ratio (L/L)				GHG Emissions Ratio (gCO <sub>2</sub> e/L)*
	2021 Realization	Objectives			2021 Realization	Objectives			2021 Realization
		2022	2026	2030		2022	2026	2030	
Turkey	0.29	0.288	0.245	0.217	1.46	1.42	1.36	1.3	23.91
Jordan	0.26	0.263	0.234	0.207	1.44	1.44	1.36	1.28	28.17
Kazakhstan	0.69	0.66	0.561	0.497	1.56	1.54	1.43	1.37	44.96
Azerbaijan	0.74	0.75	0.602	0.533	1.66	1.57	1.45	1.32	34.07
Pakistan	0.32	0.31	0.278	0.246	1.9	1.98	1.7	1.43	32.29
Kyrgyzstan	0.64	0.636	0.55	0.487	1.642	1.6	1.44	1.28	10.26
Tajikistan	0.63	0.645	0.575	0.509	2.148	2.07	1.68	1.29	13.14
Turkmenistan	0.98	0.966	0.964	0.853	2.066	2.24	1.76	1.28	115.25
Iraq	0.61	0.614	0.524	0.464	1.9	1.83	1.65	1.47	66.97
CCI	0.41	0.415	0.391	0.36	1.651	1.64	1.51	1.37	31.71

\*Targets to be determined



# RESPONSIBLE PRODUCTION

Operational excellence is crucial in terms of sustainability of our operations. At CCI, we offer our consumers a wide range of products with our bottling activities in 30 plants in 11 countries without any compromise on product quality and safety. As product safety and hygiene issues are increasingly becoming more important today, we introduced more strict hygiene practices at our facilities and distribution centers for the health of our consumers.



**11**  
Count-  
ries



**30**  
facilities



For detailed information on compliance with internal policies, external standards and principles, please refer to **Management Systems Standards and Principles** under Section 3 - Performance Indicators.

## Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Continuing to have zero major findings in food safety and quality audits	The target of zero findings has been achieved.	Realized.	No recalls related to food safety risk. Reducing consumer complaints



## Certificates

ISO 9001 Quality



All Facilities\*\*

ISO 14001 Environment



All Facilities\*\*

ISO 45001 Occupational Health and Safety



All Facilities\*\*

FSSC 22000 Food Quality



All Facilities\*\*

ISO 50001 Energy Management\*\*



Turkey: All Facilities  
Kyrgyzstan: Bishkek Facility  
Pakistan: All Facilities

ISO 14064 Greenhouse Gas Standards



Turkey: All Facilities, sales operations facilities and offices

LEED Gold Certificate



Turkey: Head Office Building

ISO/TS 22002-4 Food Packaging



All plants that produce preforms

ISO 27001

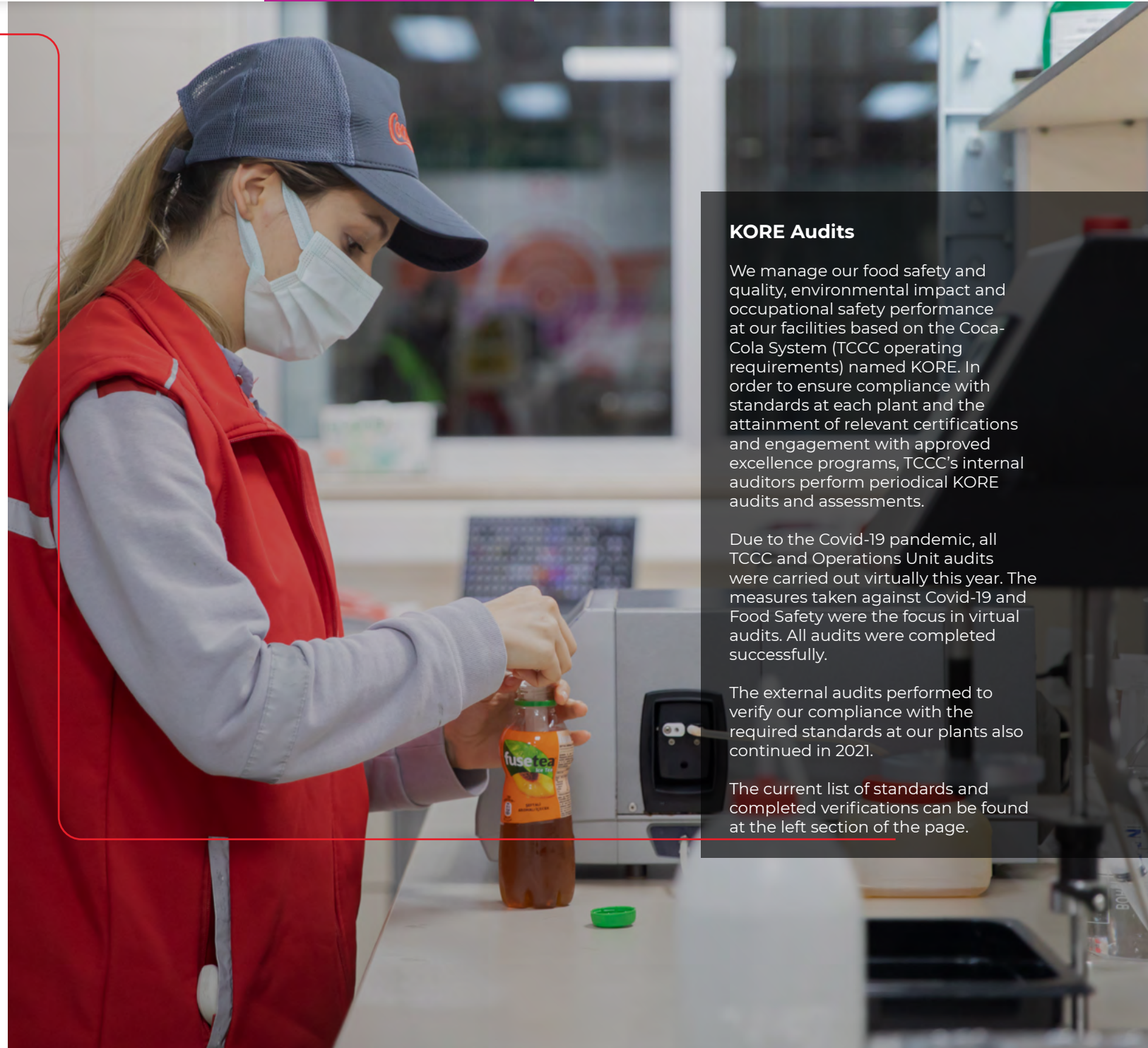


All Facilities\*\*

TSE COVID-19 Safe Production\*



Turkey: All Facilities



## KORE Audits

We manage our food safety and quality, environmental impact and occupational safety performance at our facilities based on the Coca-Cola System (TCCC operating requirements) named KORE. In order to ensure compliance with standards at each plant and the attainment of relevant certifications and engagement with approved excellence programs, TCCC's internal auditors perform periodical KORE audits and assessments.

Due to the Covid-19 pandemic, all TCCC and Operations Unit audits were carried out virtually this year. The measures taken against Covid-19 and Food Safety were the focus in virtual audits. All audits were completed successfully.

The external audits performed to verify our compliance with the required standards at our plants also continued in 2021.

The current list of standards and completed verifications can be found at the left section of the page.

\*Until July 2021.

\*\* Except Pakistan - Islamabad Facility

# SUSTAINABLE PACKAGING & WASTE MANAGEMENT

## SUSTAINABLE PACKAGING

Packaging is an important component of our product quality. Additionally, sustainable packaging comes with its responsibilities such as conserving resources and the efficient use of energy. As CCI, we contribute to the circular economy and reduce our carbon footprint while ensuring safe deliveries to our customers and consumers through our sustainable packaging efforts.



### Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
<p>To reach the following total waste ratios:</p> <p>Turkey: 4.01 g/L            Jordan: 2 g/L            Kazakhstan: 1.44 g/L            Azerbaijan: 1.00 g/L            Pakistan: 7.2 g/L            Kyrgyzstan: 2.00 g/L            Tajikistan: 3.5 g/L            Turkmenistan: 1.5 g/L            Iraq: 5 g/L</p>	<p>The following ratios have been realized:</p> <p>Turkey: 3.50 g/L            Jordan: 3.14 g/L            Kazakhstan: 2.08 g/L            Azerbaijan: 1.15 g/L            Pakistan: 7.51 g/L            Kyrgyzstan: 2.15 g/L            Tajikistan: 3.82 g/L            Turkmenistan: 3.23 g/L            Iraq: 4.40 g/L</p>	<p>Compared to Annual Targets</p> <p>Turkey: Above the target            Jordan: Behind target            Kazakhstan: Behind target            Azerbaijan: Behind target            Pakistan: Behind target            Kyrgyzstan: Behind target            Tajikistan: Behind target            Turkmenistan: Behind target            Iraq: Above the target</p>	<p>Continuing to reduce our waste ratios</p>
<p>Using 10% of recycled plastic (r-PET) content</p>	<p>We used 8.3% recycled plastic (r-PET) content in Turkey in 2021.</p> <p>In Turkey, we used 50% recycled plastic in 1 lt sparkling beverages products and 25% recycled plastic in fruit juice and ice tea products</p> <p>We also used 25% recycled HDPE (high density polyethylene) in our plastic crates.</p>	<p>Partially Realized</p>	<p>In 2022, we will implement the necessary tests to further increase our use of recycled plastic in our products in these categories compared to 2021</p> <p>Continuing use of 25% recycled plastic in our plastic crates.</p> <p>Aiming to use 50% recycled plastic (rPET) based labels on our transparent labels used in the water category.</p>



## OUR SUSTAINABLE PACKAGING STRATEGY

### A WORLD WITHOUT WASTE

The Coca-Cola Company launched a bold and ambitious environmental program in 2018 with the vision for A World Without Waste. The three internal pillars of the program are: Design, Collect and Partner. Goals of the project include:

- Continuing to focus on making the packaging 100% recyclable
- Collecting and recycling the equivalent of the 100% of the packaging it sells by 2030
- Increasing the recycled content in the packaging



FOR MORE INFORMATION ABOUT THE PROGRAM, PLEASE VISIT THE TCCC WEBSITE.

[HTTPS://WWW.COCA-COLACOMPANY.COM/SUSTAINABLE-BUSINESS/PACKAGING-SUSTAINABILITY](https://www.coca-colacompany.com/sustainable-business/packaging-sustainability)



Annually,

# 1.1

million pages of paper have been saved.



In 2021, we saved

# 128

tons of resin in our operations.

### Design, Collect, Partner!

In order to prevent packaging from ending up in our oceans and waterways or littering the communities in which we all live, we have aligned our packaging strategy with TCCC's new environmental program, "A World Without Waste". One of the key elements of our packaging strategy is using less resources for packaging. Consequently, we continuously work to develop lighter packaging by using less material and conduct lightweight projects on both glass and resin side. We also focus our efforts on reusing our glass bottles, collecting back the packaging we put on the market and increasing the recycled content in our packaging.



## RETURNABLE GLASS BOTTLE

With our returnable glass bottle practices that allow the use of glass bottles up to eight times, we reduce energy consumption and use fewer resources.

In 2021, returnable glass bottle practices in Turkey prevented

# 67,302

tons of CO<sub>2</sub>e, equivalent to the amount that is absorbed by 5.6 million trees.

[1] Calculation is made based on the assumption that an average mature (15 years and older) tree absorbs 12 kg CO<sub>2</sub> annually.

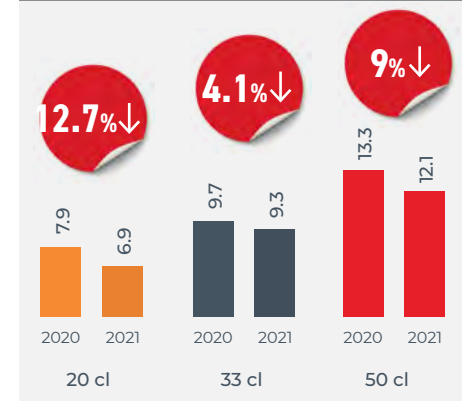
## LIGHTWEIGHT PRACTICES

As defined in our strategy, we put several practices into action to reduce the amount of natural resources used in packaging without compromising the safety of our products. Our efforts began in 2008 when we reduced the length of the bottleneck for the lightweight PET bottle in Turkey. We have been implementing lightweight programs since 2010 in Kazakhstan, Azerbaijan and Kyrgyzstan operations.

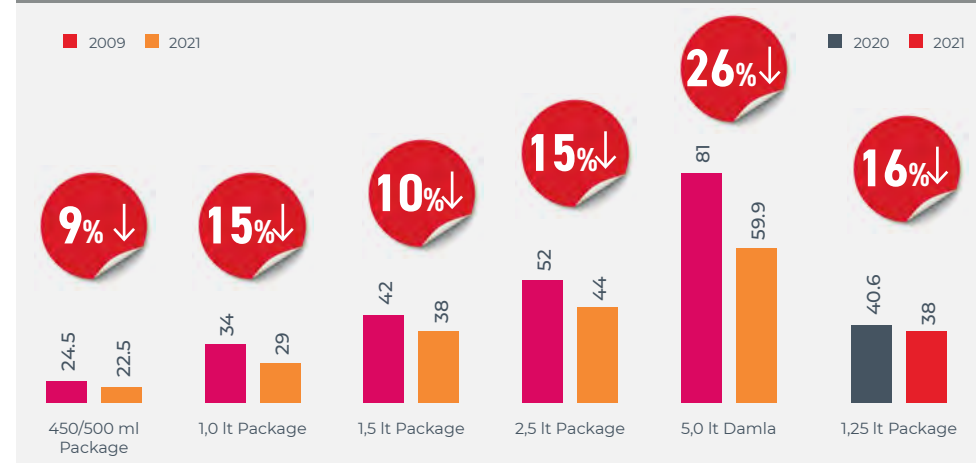
In 2015, we conducted a benchmark study covering all countries of operations to map the amount of resin used for all sizes of bottles and to share best practices of lightweight applications among the plants. With our lightweight practices, we save materials and also reduce GHG emissions released during production. With the help of

lightweight and short neck practices, 128 tons of resin is saved in 2021 within the scope of lightweight practices.

### Lightweight Practices in Aluminum Packaging



### Lightweight Practices in PET Packaging



## RECYCLED PET (R-PET)

As a consequence of the great emphasis we place on circular economy at CCI, we focus on the entire life cycle of packaging. With this renewed perspective, we spend continuous efforts to increase the amount of recycled material in our packaging. Besides the mandatory regulations on the use of r-PET in beverage packaging, we have been working on the use of recycled materials for a long time.

In 2021, we used 8.3% recycled plastic (r-PET) content in Turkey, using chemical recycling method. This rate corresponds to 25% r-PET content in 32% of our total volume used at CCI Turkey. In Turkey, we used 50% recycled plastic in 1 lt sparkling beverages products and 25% recycled plastic in fruit juice and ice tea products. We also used 25% recycled HDPE (high density polyethylene) in our plastic crates. In 2022, we will implement the necessary tests to further increase our use of recycled plastic in our products in these categories compared to 2021.

Using 50% recycled plastic (r-PET) based labels in our transparent labels used in the water category, increasing the use of recycled materials in secondary packaging such as plastic crates, cling film and shrink are among other goals that we are working on with our strategic partners.

## ZERO WASTE APPROACH IN

In order to reduce our environmental footprint, we try to minimize the waste generated within the scope of our operations.

## OUR OPERATIONS

In line with the ISO 14001 environmental management system, CCI's environmental policy, legislations and TCCC's KORE-EOSH requirements, we carry out practices related to waste prevention, reduction, reuse, recycling and recovery, which are the focus of our core strategy. At our production facilities, we sort and separate our waste as reusable, recyclable, recoverable and other wastes.

In all CCI activities, all waste that can be reused is reused, and that which can be recycled and recovered is delivered to licensed companies. Waste that cannot be recycled or recovered is sorted according to specific, legally defined categories and delivered to licensed disposal facilities and/or municipalities for storage in waste storage facilities. According to our waste management standards, all waste disposal sites are evaluated before use, and periodically thereafter, to verify and document site acceptability.

We are actively using the advantages of digitalization towards reducing paper waste. Double printing allowed 1.1 million pages of paper to be saved

annually. Thus, at the same time, carbon dioxide equivalent to the amount that is absorbed by 4000 trees was prevented. All the computers and connected equipment we use are delivered to certified recycling companies after completing their life cycles.

Since 2006, within the scope of our ultimate goal of "zero waste" production, we have initiated various practices aimed at developing and improving our performance in all our countries of operation. In order to comply with our Zero Waste target, we now operate with "Zero Waste" at all our plants and Head Office in CCI Turkey.

## WASTE RECYCLING RATIOS AT OUR PRODUCTION FACILITIES

In Turkey	<b>97.7%</b>	In Jordan	<b>92.3%</b>
In Kazakhstan	<b>89.1%</b>	In Azerbaijan	<b>99.2%</b>
In Pakistan	<b>98.3%</b>	In Kyrgyzstan	<b>98.3%</b>
In Tajikistan	<b>91.6%</b>	In Turkmenistan	<b>57.9%</b>
In Iraq	<b>94.4%</b>		

## CCI JOINS INTERNATIONAL "10X20X30" INITIATIVE TO ADDRESS FOOD LOSS & WASTE

In line with its sustainable growth strategy, CCI has joined the worldwide "10x20x30" initiative aiming to halve food loss & waste within its supplier network. Led by 12 of the world's leading food retail and food provider companies, each member invited 20 suppliers to develop an effective solution across the value chain.

The project initiated by the World Resources Institute (WRI) is carried out in more than 80 countries and CCI will participate in the project with 20 suppliers of Migros to be among the companies representing Turkey. Retailers and producers will join forces with this initiative to expand their impact. By participating in this initiative, CCI aims to contribute to its 2030 targets.

Improvements in Total Waste Recycling Rates between 2006 and 2021.

### Total Waste Recycling Ratios At Our Production Facilities (%)

	2006	2015	2016	2020	2021
Turkey	90.99	95.57	94.79	98.14	97.7
Jordan	81.60	94.10	90.30	95.76	92.3
Kazakhstan	94.67	93.00	91.20	87.90	89.1
Azerbaijan	75.55	95.60	96.30	99.21	99.2
Pakistan	-	70.54	93.00	97.29	98.3
Kyrgyzstan	-	-	98.10	98.25	98.3
Tajikistan	-	-	-	89.42	91.6
Turkmenistan	-	-	-	37.33	57.9
Iraq	-	-	-	94.44	94.4

Data from Pakistan, Kyrgyzstan and Tajikistan were included in the sustainability report in 2015, 2016 and 2019, respectively. Turkmenistan and Iraq data were included in the integrated annual report in 2020.

# WATER MANAGEMENT

Water is the most important natural resource for the continuity of life. As a result of the technological developments, the effects of climate change and improvements in living standards, it is predicted that demand for water will increase 40% by 2030.

Based on this reality, the sustainable use of water, which is an indispensable element of our products and production, is critical for the sustainability of our business. Therefore, minimizing our negative impacts on water and sustaining water efficient operations is of utmost priority and we fully support TCCC's ultimate goal "replenish every drop of water we use." At all facilities, we take into account the impact of the climate crisis on water resources in the basins where we have facilities. Based on this point, we develop, invest and implement water saving programs in line with the Operational Excellence Culture every year to ensure efficient use of water. In 2021, we saved approximately 185 thousand m<sup>3</sup> water in our countries of operation.



## Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
<b>Achieving Water Usage Ratio:</b> Turkey: 1.48 L/L Jordan: 1.46 L/L Kazakhstan: 1.5 L/L Azerbaijan: 1.62 L/L Pakistan: 1.9 L/L Kyrgyzstan: 1.62 L/L Tajikistan: 1.95 L/L Turkmenistan: 2.25 L/L Iraq: 1.9 L/L	<b>Realization</b> Turkey: 1.46 L/L Jordan: 1.44 L/L Kazakhstan: 1.56 L/L Azerbaijan: 1.66 L/L Pakistan: 1.9 L/L Kyrgyzstan: 1.64 L/L Tajikistan: 2.15 L/L Turkmenistan: 2.07 L/L Iraq: 1.9 L/L	<b>Compared to Annual Targets</b> Turkey: Above the target Jordan: Behind target Kazakhstan: Behind target Azerbaijan: Behind target Pakistan: Achieved Target Kyrgyzstan: Behind target Tajikistan: Behind target Turkmenistan: Above the target Iraq: Achieved Target	<b>Achieving Water Usage Ratio:</b> Turkey: 1.42 L/L Jordan: 1.40 L/L Kazakhstan: 1.54 L/L Azerbaijan: 1.57 L/L Pakistan: 1.98 L/L Kyrgyzstan: 1.60 L/L Tajikistan: 2.07 L/L Turkmenistan: 2.24 L/L Iraq: 1.83 L/L



## OUR WATER MANAGEMENT STRATEGY

- ✓ Improving the overall water-use efficiency in our plants;
- ✓ Implementing Source Vulnerability Assessment (SVA) and Source Water Protection (SWP) studies to protect water catchment basins in the regions where our plants are located;
- ✓ Managing wastewater and storm water discharge in our plants (achieving 100% compliance in wastewater treatment);
- ✓ Replenishing the water, we use, back to the nature by implementing locally relevant programs;
- ✓ Mitigating risk for communities and for our business, by partnering with governments, NGOs and communities to assess, understand and generate effective, long-term water stress solutions, and implement source water protection plans;
- ✓ Researching and investing in new technologies to reduce water consumption;
- ✓ Investigating opportunities and conducting feasibility study to supply sustainable sources.

## Water Management Performance

2021	Turkey	All
Water Usage Ratio	1.46 (L/L)	1.65 (L/L)
Total Water Withdrawal	4,650,078 (m <sup>3</sup> )	12,354,909 (m <sup>3</sup> )
Water Savings from OE projects	-	185,562 (m <sup>3</sup> )
Volume of Water Recycled and Reused	367,753 (m <sup>3</sup> )	729,045 (m <sup>3</sup> )
Share of Water Recycled and Reused	8 (%)	6 (%)
Water Replenishment	3,37 billion (L)	10,86 billion (L)

### Changes in Water Usage Ratios (WURs) between 2006 and 2021 (L/L)

#### Water Usage Ratio (L/L)

	2006	2016	2017	2018	2019	2020	2021
TCCC	2.56				1.85		1.80
Turkey	1.74	*1.47	*1.56	*1.55	*1.52	1.45	1.46
Jordan	3.44	1.71	1.44	1.52	1.61	1.46	1.44
Kazakhstan	2.10	1.67	1.59	1.54	1.51	1.51	1.56
Azerbaijan	2.10	1.82	1.73	1.64	1.58	1.64	1.66
Pakistan	-	2.00	1.93	2.05	2.03	2.09	1.9
Kyrgyzstan	-	1.88	1.65	1.64	1.62	1.68	1.64
Tajikistan	-	-	-	-	***2.28	2.26	2.15
Turkmenistan	-	-	-	-		2.62	2.07
Iraq	-	-	-	-		1.92	1.90

Data from Pakistan, Kyrgyzstan and Tajikistan were included in the sustainability report in 2015, 2016 and 2019, respectively. Turkmenistan and Iraq data were included in the integrated annual report in 2020.

In the countries where we operate, we have saved approximately

# 185,000

m<sup>3</sup> of water in 2021.



In 2021, we have improved our water efficiency by 2% compared to 2020.



## Plant Water Usage and Minimization

At CCI, we monitor the amount of water used for producing one liter of product. Our plants have created water map in order to follow water consumption on a daily basis. We continuously analyze, evaluate and spread best practices among CCI plants to reduce our water usage ratio (WUR). Our 2022 goal is to achieve a water usage ratio of 1.64 L/L of water per liter of product.

In 2022, we aim to achieve

# 1.64 L/L

water use per liter product.



## TOP 10 WATER SAVING PROGRAMS

All CCI plants completed the program in 2018, which was designed to reduce water usage in production facilities and to support continuous improvement of water usage ratio in our plants.

Some of the best water saving programs include:

- ✓ Reverse osmosis water purification and reuse project at Lahore plant in Pakistan
- ✓ The project of reusing water at the Baku plant in Azerbaijan;
- ✓ Scrubber efficiency improvement project at Gujranwala plant in Pakistan

## TCCC'S 2030 WATER SECURITY STRATEGY

More than 10 years ago, the Coca-Cola Company set a leading goal to replenish the water we use in our beverages and the production process of our beverages. Our goals also include using water more efficiently and purification of all wastewater in our production processes.

In 2021, TCCC announced "2030 Water Security Strategy".

We will work to improve water availability and quality, ecosystems, access to water and management to improve water security for society and nature.

We are water neutral and restore 100% of the water used in the production of our beverages back to nature. Our water management goals aim to improve water safety, supply materials and touch people's lives in CCI geographies.

### TCCC's 2030 Water Strategy focuses on 3 priorities

Reducing shared water challenges worldwide.

Increasing the water resilience of the society by focusing on women and girls.

Improving the health of watersheds which is a priority due to conditions.

## SOURCE WATER VULNERABILITY ASSESSMENT (SVA)

The water we use in our products and our production processes is drawn from local sources. Therefore, as CCI; we conduct a local source water vulnerability assessment (SVA) and

develop Source Water Protection Plan (SWPP) to use water responsibly, mitigate water-related risks to our system and to the communities we serve as part of our water management program.

SVAs allow us to assess vulnerabilities to community sources of water and help us determine potential impacts of our

water usage and wastewater discharge. This assessment is conducted in five-year rounds at all CCI plants. One of our 2021 targets was to conduct SVA studies in our Amman, Ankara, Çorlu, Dushanbe, Izmir, Köyceğiz, Lahore, Mersin, Multan and Rahim Yar Khan plants. In line with this target, we carried out SVA studies for these factories.

During SVA studies, which include field surveys, interviews with plant authorities or field representatives, local and national authorities and desktop studies; an analysis of water basins and sub-basins around our plants is conducted. This includes the topographical, geological, hydro-geological and hydrological assessment of the study areas as well as identification of any risks to the sustainability of water resources within these areas. As a result of the assessments, we file an inventory of social, environmental and political risks related to water resources supplying our facilities and surrounding communities and act on a plant-by-plant basis after evaluating the results of these studies with a WMP.

Across the countries in which we operate

**11 billion liters**

water has been replenished so far.

The water replenishment rate for Turkey has reached

**101%**

by 2021.



## WATER REPLENISHMENT PROGRAMS

TCCC began water replenishment programs in 2005, and since then has been working with communities, governments and respected third parties to commission and support projects that address local water needs from safe water access to watershed protection and water use for production.

These Water Stewardship Programs have been developed considering the following objectives:

- To improve safe access to water and sanitation;
- To protect watersheds;
- To provide water for productive use;
- To educate and raise awareness about water issues, including engagement on water policy.

Through the water replenishment projects, 11 billion liters of water was replenished so far across CCI countries in the reporting scope. The water replenishment rate for Turkey has reached 101% by 2021.

In line with the results of the source water vulnerability assessments (SVA) conducted for each of our plants, we will continue to provide community water projects and replenishment programs in local regions in 2022.



For detailed information about our water replenishment programs, see "Section 5: Community Development".

## WASTEWATER MANAGEMENT

At CCI, we comply with local laws regulating wastewater treatment and discharge in all the operating countries in line with our wastewater management approach which we define as "Zero wastewater generation and reclamation".

At the same time, we have high standards around wastewater discharge and act according to TCCC standards or local regulations (whichever stricter comes first) that set wastewater pollutant limits for our activities. In many

cases, the permitted discharge limits set by the TCCC are much lower than those set by local authorities.

In addition to ISO 14001 Environment Management System Audits, all CCI operations are regularly audited in detail by third parties. We monitor our wastewater quality parameters by periodic analyses and reduce our environmental impact by treating wastewater prior to discharge. We also monitor the amount of wastewater discharged per liter of product. We also develop projects to reduce wastewater generated as a result of our activities.



### Water Discharge

Surface water (m <sup>3</sup> )	797,570
Organized Industrial Zone (m <sup>3</sup> )	716,252
Municipal sewage system (m <sup>3</sup> )	3,119,711
Total (m <sup>3</sup> )	4,633,533

In 2021, we discharged approximately 4,633,533 million m<sup>3</sup> wastewater in our nine countries of operation. We discharged 3,119,711 m<sup>3</sup> of this amount into the municipal sewage system, 716,252 m<sup>3</sup> to organized industrial zone purification plants and 797,570 m<sup>3</sup> to surface water after purification.



For TCCC requirements on treated wastewater quality, please see Section 5- Sustainability Performance Indicators.



For water discharge analysis of CCI Plants, please see Section 5 Additional Remarks for BIST.

## A STEP TOWARDS A SUSTAINABLE FUTURE

In 2020, CCI Pakistan signed a Memorandum of Understanding (MoU) with the Pakistan Horticulture Authority (PHA) to provide purified wastewater for cleaning roads and watering green areas.

Under the agreement between the two sides, CCI Pakistan will provide the PHA with purified wastewater for irrigation of green areas and cleaning roads over the next five years.

As a compliant and responsible corporate citizen, CCI Pakistan aims to do its part by implementing innovative effective water use mechanisms and improving water usage ratios. At critical times when Pakistan is experiencing a severe water crisis, CCI Pakistan is taking exemplary and sustainable initiatives while paving the way for others.

# ENERGY MANAGEMENT AND CLIMATE PROTECTION

Our main focus areas while reducing our environmental footprint are energy efficiency and climate protection.

With the rest of the world, we are aware of the risks towards climate crisis that necessitate an all-out struggle and the direct/indirect consequences that may occur towards these risks. With the awareness of our responsibility for such a high potential risk to humanity, we are implementing all necessary changes to contribute to this struggle.



## Targets and Achievements

Country	2021 Targets	2021 Performance	Status	2022 Targets
<b>Energy Management</b>	<b>To reach the following total energy usage ratios</b>			<b>To reach the following energy usage ratios</b>
Turkey	0.29 MJ/L	0.29 MJ/L	Realized	0.288 MJ/L
Jordan	0.276 MJ/L	0.26 MJ/L	Realized	0.263 MJ/L
Kazakhstan	0.657 MJ/L	0.69 MJ/L	Below Expectation	0.66 MJ/L
Azerbaijan	0.72 MJ/L	0.74 MJ/L	Below Expectation	0.75 MJ/L
Pakistan	0.32 MJ/L	0.32 MJ/L	Realized	0.31 MJ/L
Kyrgyzstan	0.64 MJ/L	0.64 MJ/L	Realized	0.636 MJ/L
Tajikistan	0.66 MJ/L	0.63 MJ/L	Realized	0.645 MJ/L
Turkmenistan	0.95 MJ/L	0.98 MJ/L	Below Expectation	0.966 MJ/L
Iraq	0.608 MJ/L	0.61 MJ/L	Realized	0.614 MJ/L

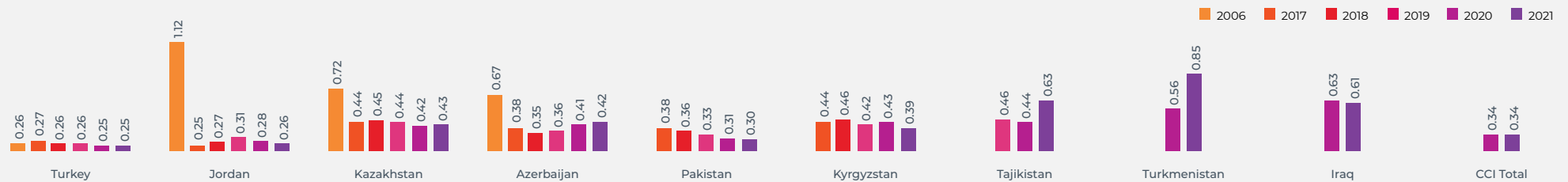
Carbon Emissions Ratios	Achieving the following carbon emission rates	2021 Performance	Status	Achieving the following carbon emission rates
CCI Total	Parallel with EUR	38.38	Realized	Parallel with EUR
Turkey	Parallel with EUR	28.4	Realized	Parallel with EUR
Jordan	Parallel with EUR	28.17	Realized	Parallel with EUR
Kazakhstan	Parallel with EUR	64.35	Realized	Parallel with EUR
Azerbaijan	Parallel with EUR	61.02	Realized	Parallel with EUR
Pakistan	Parallel with EUR	34.6	Realized	Parallel with EUR
Kyrgyzstan	Parallel with EUR	22.11	Realized	Parallel with EUR
Tajikistan	Parallel with EUR	29.2	Realized	Parallel with EUR
Turkmenistan	Parallel with EUR	125.42	Realized	Parallel with EUR
Iraq	Parallel with EUR	66.97	Realized	Parallel with EUR

### THE FOCUS AREAS OF OUR ENERGY EFFICIENCY AND CLIMATE PROTECTION STRATEGY ARE:

- ✓ To reduce energy use and GHG emissions by implementing energy efficiency programs in our production activities as well as production and sales offices;
- ✓ To reduce direct emissions caused by logistics activities through effective fleet and fuel management and optimization;
- ✓ To reduce indirect emissions by focusing on climate-friendly cooling programs;
- ✓ To raise awareness about climate protection by cooperating with our distributors, vendors, suppliers, employees and other stakeholders;
- ✓ To consistently calculate, verify and report the carbon footprint of our activities;
- ✓ To raise awareness of climate crisis by interacting with our stakeholders on relevant platforms;
- ✓ To calculate the carbon footprint of our products in line with a life cycle approach;
- ✓ To conduct clean and renewable energy research and to make investments accordingly as much as possible;
- ✓ To investigate opportunities and conduct feasibility study to supply sustainable sources.



### Core Energy Usage Ratios (MJ/L)



2006 is the reference year for TCCC, Turkey, Jordan, Kazakhstan and Azerbaijan activities. 2016 is the base year for Pakistan and Kyrgyzstan, 2019 for Tajikistan and 2020 for Turkmenistan and Iraq.

## PRACTICES TO REDUCE CARBON FOOTPRINT

### RESPONSIBLE PROCUREMENT

At CCI, we prefer environmentally friendly alternatives as much as possible in our procurement processes and prefer equipment that consumes less energy.

In order to minimize our carbon dioxide emissions, we replaced LPG forklifts with electric forklifts in 2021 and reduced our carbon dioxide emissions by 68% which prevented 521 tons of carbon dioxide from leaking to the atmosphere. We also replaced company cars with hybrid cars that consumed 38% less fuel.

### SERVER SYSTEMS

As CCI, we use green electricity in all our cloud systems that service us. In order to consume less energy and to minimize our carbon dioxide emissions accordingly, we virtualized 331 servers in CCI system rooms. As a result, we prevented the consumption of 98 million kWh of electricity per year and therefore the release of approximately 46,000 tons of carbon dioxide.



With electric forklifts, we have reduced our carbon dioxide emissions by

**68%**  
and prevented

**521 tons**

carbon dioxide from leaking to atmosphere.



## BIOMETRIC SIGNATURE APPLICATION

As a result of the joint work of Digital Technologies and Legal departments, we became the first FMCG company to implement biometric signatures. More than 100 documents have been signed with nearly 500 biometric signatures to date. This instant and paperless signature, which we started to use in approval processes, will only be used in internal processes until it becomes legal. The future plans of the teams include collecting all signatures automatically on the same platform and full transition to both biometric signature and e-signature.

The signature which offers a 100% safe process by recording the writing angle, pen use pressure, speed and pace of the person and we aim to adapt to the rapidly changing digital world, save on productivity, cost efficiency, time and to maintain our activities in an environmentally conscious manner.

### Transport and Distribution Practices

Our commercial performance, transporting millions of products within the scope of our operations, is dependent on an efficient logistics network that optimizes the number vehicles in transit and mileage covered and aims to reduce emissions. Since logistics accounts for approximately 9.2% of the total greenhouse gas emissions of our value chain in Turkey, the optimization of distribution is critical to our commercial performance. We choose vehicles that consume less fuel and emit less carbon.

## ELECTRIC VEHICLE USE FOR DISTRIBUTION

At CCI, the management of our environmental impact plays a vital role in the continuity of our operations. We are aware of our responsibility towards the limits of natural resources. Accordingly, we started distribution with electric panel van in our Dudullu warehouse. We will continue to bring new solutions and expand the fleet by following developments for a more sustainable distribution.



## COOLING PRACTICES

Our cooling practices allow our consumers to enjoy our products more while also bringing us the need to take steps with the awareness of our responsibility to reduce our environmental footprint. Therefore, we are constantly upgrading existing equipment with energy efficient

technologies and working with our suppliers to produce and develop climate-friendly cooling technologies. During this reporting period, we collected and disposed of approximately 62,120 old cooling equipment.

Between 2010 and 2021, we purchased EMD and HFC-free cold drink equipment, thus preventing 2.68 million tons of CO<sub>2</sub> emissions which is beyond our target of 1.75 million tons of CO<sub>2</sub> emissions. This is equivalent amount of CO<sub>2</sub> emissions that 220 million trees absorb from the atmosphere.\*

Thanks to EMD and HFC-free cold drink equipment that we purchased between 2010 and 2021, we prevented

**2.5**  
million tons of CO<sub>2</sub>  
emissions.

*\*Calculation is made based on the assumption that an average mature (15 years and older) tree absorbs 12 kg CO<sub>2</sub> annually.*

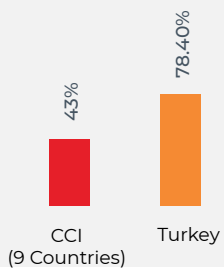




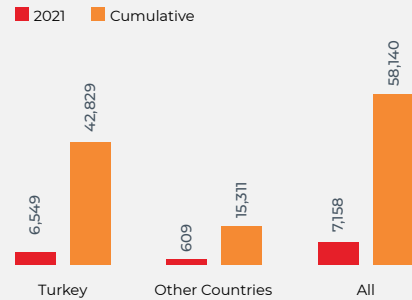
## HFC-FREE COLD DRINK EQUIPMENT

The use of HFCs as refrigerant in cold drink equipment has negative impact on climate change. TCCC, together with its bottling partners, set its new goal to have 100% of its new cold beverage equipment HFC-free. In cases where a commercial HFC-free solution is not available, we collaborate with our suppliers to develop alternative HFC-free solutions. This effort is vitally important as HFC-free cold drink equipment have at least 1,000 times less effect on global warming when compared to their HFC counterparts. On the other side, refrigerants in cold drink equipment may slowly leak into the atmosphere during use or may leak completely if the equipment is not properly disposed at the end of its life cycle. For this reason, CCI always ensures that cold drink equipment is properly degassed.

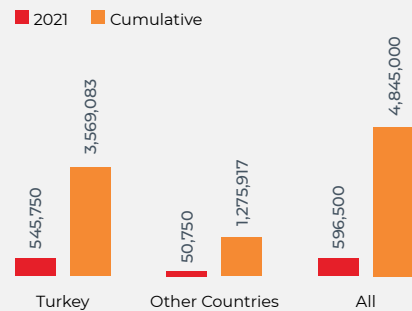
### Ratio of HFC-Free Cold Drink Equipment



### Emission Savings Due to HFC-free Coolers (ton CO<sub>2</sub>)



### Number of Trees Equivalent to Emissions Prevented by HFC-Free Coolers



HFC-free cold drink equipment is at least

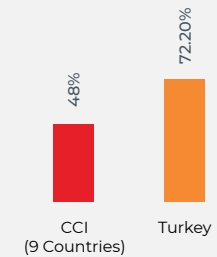
**1,000 times**  
less effective on global warming.



## COLD DRINK EQUIPMENT WITH LED LIGHTS

At CCI Turkey operations, we strive to minimize our energy consumption and we have been purchasing cold drink equipment with LED lights since 2012. With this strategy, we will keep increasing our ratio and minimizing our energy consumption.

### Ratio of Cold Beverage Equipment with LED Lights



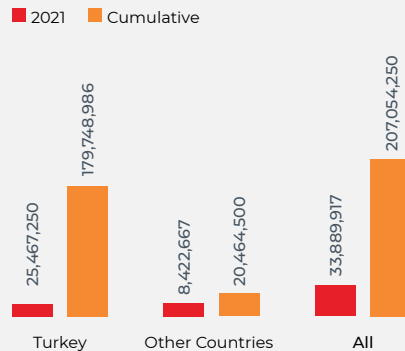
## COLD DRINK EQUIPMENT WITH ENERGY MANAGEMENT DEVICE (EMD)

Effective since 2009, Energy Management Device (EMD) is another tool which enables us to tune our cold drink equipment's environmental footprint. By using cold drink equipment with EMD, we can reduce energy consumption up

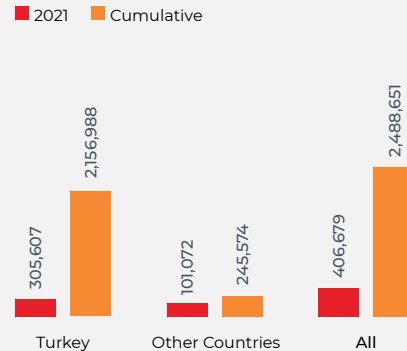
to 42%. For this reason, we preferred to purchase new cold drink equipment (larger than 250-liter capacity) with EMD as part of the initiative.

With our climate-friendly actions in our countries of operation, we avoided 2.48 million tons of CO<sub>2</sub> emissions since 2009 which is equivalent amount of CO<sub>2</sub> emissions that 207 million trees absorb from the atmosphere.

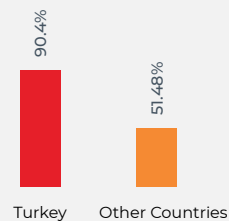
### Number of Trees Equivalent to Emissions Prevented by EMD



### Emission Savings Due to EMD (tons CO<sub>2</sub>)



### Ratio of Cold Drink Equipment With EMD



## Awareness Programs of TCCC and CCI on Energy and Climate

### HAND-IN-HAND ENVIRONMENT PROGRAM

We have initiated Hand-in-Hand Environment Program in 2018 and started to implement the program in production operations in 2020. The scope of the program aims to bring more environmental and sustainable perspectives to our cultural strategy, to create a "behavior-oriented environmental program", to improve our environmental behaviors in our operations, to manage our environmental footprint as per the United Nations Sustainable Development Goals and to mitigate its impact. As CCI, we aim to achieve the LEADER (best in class) position in TCCC cultural maturity assessment with the model applied in the program.

In addition to the assessment of the compliance to Hand in Hand Environment Program, we introduced a new performance indicator (EMI) in 2021 and started to measure the environmental performance of Turkish factories with a single parameter and their objectives were set accordingly. In 2022, we aim to expand this system to all CCI factories.



For information on GHG emissions, please see [Section 5.GHG Emissions](#).

### SCIENCE BASED TARGET FROM THE COCA-COLA COMPANY

The Coca-Cola Company has committed to reducing absolute carbon emissions across the value chain by 25% in 2030 compared to 2015. This goal has also been approved by the Science Based Targets Initiative.

### CCI CLIMATE TASK FORCE

As CCI, we continue our efforts to determine the roadmap in accordance with our own operation geography and dynamics. In this context, we have created a climate task force consisting of various department representatives to reduce our carbon emissions throughout the value chain while growing our business.

## EMISSIONS BY SCOPE AND REGION

At CCI, while we measure total emissions for each country of operation, we also monitor our GHG emissions rate which represents the amount of gram CO<sub>2</sub> per liter of produced product.

As a part of our transparency principle in line with ISO 14064-1 Standard, our emission coverage measured and verified within the framework of Scope 3 in Turkey has been expanded in 2021. Until today (including 2020), Turkey Scope 3 emissions data was covering cold beverage equipment, Head Office service transportation, business trips and downward transportation in the value chain. In 2021 this was extended to also include land transportation across Turkey, purchased goods, energy-related consumption, waste, carbon dioxide emissions during the use of the products and end-of-life emissions. In other countries, Scope 3 emissions cover emissions from cold beverage equipment.

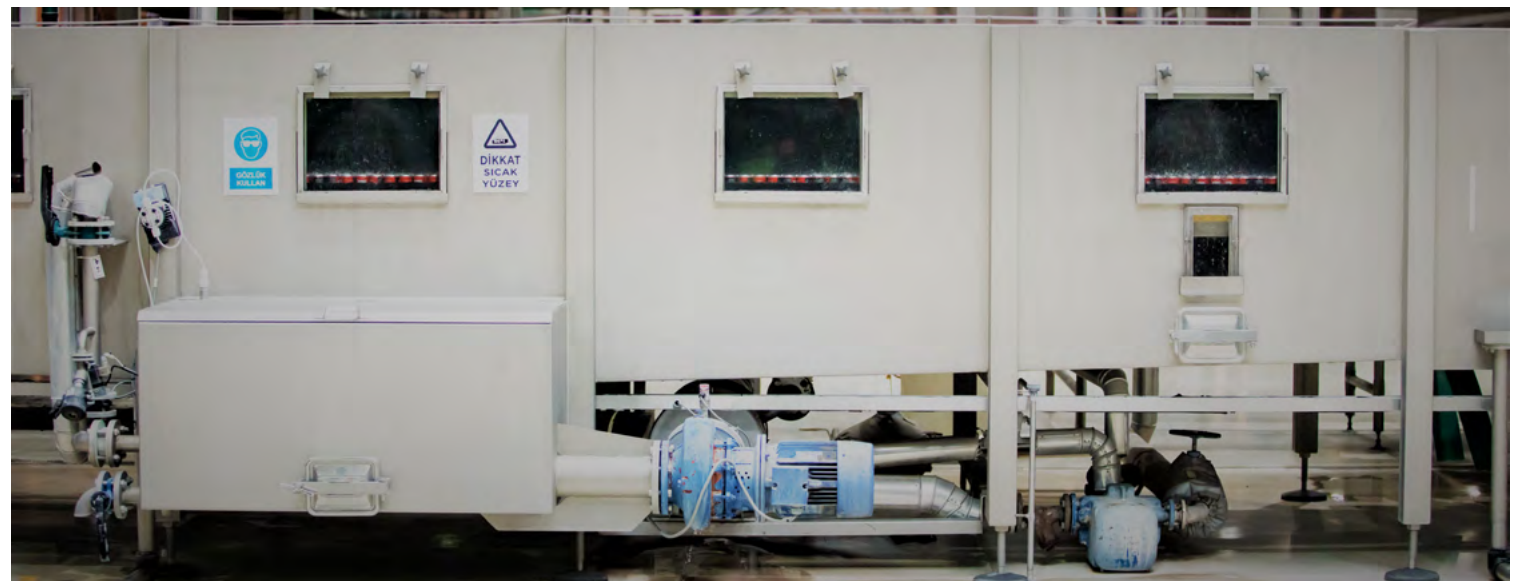
When we compare our absolute emissions over last year's coverage, we see that our absolute CO<sub>2</sub> emissions increased from 1.3 million tons to 1.6 million tons.



For details on emissions, please see Section 5 - Sustainability Performance Indicators.

GHG Emissions (tCO <sub>2</sub> e)	Scope 1	Scope 2	Scope 3	Scope 3 (Extended)	Total (With coverage of previous years)	Extended Scope 1+2+3
Turkey	44,155	96,937	548,282	1,403,678	689,374	1,544,770
Jordan	349.81	3,207	10,505	-	-	14,062
Kazakhstan	24,520	29,809	49,091	-	-	103,420
Azerbaijan	5,565	10,881	12,001	-	-	28,447
Pakistan	13,914	58,913	390,088	-	-	462,915
Kyrgyzstan	2,480	517	2,534	-	-	5,531
Tajikistan	1,087	157	911	-	-	2,155
Turkmenistan	283	2,220	31,228	-	-	33,730
Iraq	28,020	11,049	252,309	-	-	291,378
<b>TOTAL</b>	<b>120,373</b>	<b>213,690</b>	<b>1,296,949</b>	<b>-</b>	<b>1,631,012</b>	<b>2,486,408</b>

*\*In line with ISO 14064-1 Standard, our emission coverage measured and verified within the framework of Scope 3 in Turkey has been expanded in 2021. Until today (including 2020), Turkey Scope 3 emissions data was covering cold beverage equipment, Head Office service transportation, business trips and downward transportation in the value chain. In 2021 this was extended to also include land transportation across Turkey, purchased goods, energy-related consumption, waste, carbon dioxide emissions during the use of the products and end-of-life emissions.*



## RENEWABLE ENERGY TRANSFORMATION IN BORNOVA

Taking an important step towards reducing its carbon footprint, our Bornova distributor now meets its electricity needs with solar panels installed on the roof of its warehouse.



In addition to reducing absolute emissions, we have optimized our operations to increase emissions savings as well. As a result of best practices executed throughout the value chain, we prevented 485,000 tons of CO<sub>2</sub> emissions in 2021 which equals the amount of CO<sub>2</sub> that approximately 40 million trees absorb from the atmosphere annually.

In 2021, we prevented

**485** thousand tons  
of CO<sub>2</sub> emissions.

		Turkey		CCI	
		ton CO <sub>2</sub> e	%	ton CO <sub>2</sub> e	%
Packaging	Scope 3 - Lightweight Practices	241	0.06%	349	0.06%
Packaging	Scope 3 - Returnable Glass Bottles	67,301	17.60%	67,301	11.45%
Production	Scope 1 - Reductions in fugitive emissions of Air Conditioning Equipment	6,549	1.71%	6,549	1.11%
Production	Scope 1&2 - Operational Excellence Projects	3,013	0.79%	4,915	0.84%
Production	Scope 2 - Replacement of LPG forklifts with electric forklifts		0.00%	521	0.09%
Sales	Scope 1&2 - Improvements to environmentally friendly cold drink equipment	305,607	79.90%	406,679	86.51%
		<b>382,711</b>	<b>100%</b>	<b>485,965</b>	<b>100%</b>

\*Calculation is made based on the assumption that an average mature (15 years and older) tree absorbs 12 kg CO<sub>2</sub> annually.



# RESPONSIBLE CORPORATE CITIZENSHIP

Our operations provide income to

# 160,000

farmers in the Turkish retail industry and generate

# 4.1 BILLION TL

added value.



## ECONOMIC IMPACT

Operating in 11 countries with 870,000 sales points and serving more than 430,000 million consumers, CCI has a significant impact across its countries of operations. CCI Turkey operations create approximately 30,000 direct and indirect jobs in its regions. Our operations provide income to 160,000 farmers in the Turkish retail industry and generate 4.1 billion TL added value.

At CCI, the raw materials used in our products are procured locally as much as possible before distribution and sales. A bottle of Coca-Cola creates added value for many industries in its journey from production to consumer. Many industries play a role in the production of a single bottle of Coca-Cola, including agriculture, energy, production, transportation, distribution, retail, cooling, advertising, media and packaging. Thus, our operations help create a large-scale business volume in the economic value chain.

In addition to contributing to the employment of the people of the region, we contribute to general economic prosperity in every geography in which we operate through the taxes we pay and our support for social investment programs.

Economic Impact of CCI*	Economic Impact Multiplier	Direct and Indirect Employment
Pakistan	1:2.74 PKR (Rupee)	60,000
Turkey	1:9,7 TL (Lira)	30,000
Kazakhstan	1:1.6 KZT (Tenge)	9,250
Kyrgyzstan	1:7.57 KGS (Som)	3,500

\* Economic impact studies were conducted by McKinsey & Company in Turkey, Lums University in Pakistan, Ernst & Young in Kazakhstan and Kyrgyzstan.

## Targets and Achievements

2021 Targets	Performance	Status	2022 Targets
Completing the economic impact studies for Azerbaijan and Iraq.	The work has been postponed due to the pandemic.	Could not be carried out because of the pandemic.	Conducting the economic impact studies for Azerbaijan and Iraq.

## CCI VOLUNTEERS

One of the building blocks of CCI's organizational culture is encouraging and supporting employee volunteerism. Accordingly, employee volunteering clubs have been established to guide volunteering practices, and club activities include environmental protection activities (cleaning, tree planting, etc.), as well as activities to visit orphans and children in hospitals.

In 2017, CCI took an important step towards establishing the CCI Volunteering Program to systematically promote and support volunteering

activities for all its employees. In cooperation with AbilityPool, a digital platform that enables organizations to manage volunteering more effectively, our volunteers meet in a single environment in the projects of more than 100 Non-Governmental Organizations and in their own projects. The program, which was first launched in Turkey is gradually spreading to other CCI countries. As part of the program, CCI cooperates with NGOs, including the Anatolian Foundation, as well as the Ministry of National Education, universities and local governments. CCI employees can apply to participate in the Volunteering Program through the company's intranet platform and specify their preference for activities.

### Volunteering Goals and Achievements

2021 Targets	Performance	Status	2022 Targets
Parallel to digitalization work, starting software works for managing volunteering efforts systematically	CCI Volunteering Platform was launched in September in Turkey. As of September, more than 350 volunteers have registered and contributed to 10 projects. More than USD 250,000 was raised and 264 volunteer hours was achieved.	Realized.	<p>Increasing the number of volunteers in Turkey to 750+ volunteers in 2022,</p> <p>Increasing the number of volunteers to 500+ in other countries of CCI operation,</p> <p>Achieving 24 projects, 15+ NGO cooperation targets in Turkey by the end of 2022,</p>

## COCA-COLA TURKEY MEMORIAL FORESTS

On November 23, 2021, Coca-Cola Turkey Volunteers and Aegean Forest Foundation officials came together at Bursa-Mudanya reforestation site for the planting ceremony and the first saplings of Coca-Cola Turkey Memorial Forests met with the soil. In addition to Bursa, saplings will also be planted in Adana and Elazığ, which all together will grow and turn into "Coca-Cola Turkey Memorial Forests" hosting a total of 50,000 trees.

With this 50,000 tree forest, we will prevent CO<sub>2</sub> emissions equivalent to

**20,570**  
tons.





## INVESTING IN COMMUNITY

While doing our job in the geographies of operation, our most important goal is to create value. At CCI, we strive to create value for all the stakeholders in different ways. We provide volunteering roles to our employees by cooperating

with local and international NGOs. We continue to create value and implement our projects with the aim of investing in society and being recognized as a good corporate citizen. Our projects focus mainly on empowering young people and women, in addition to water and waste management.

Project Type	Projects	Related Countries
Empowering Youth	3.2.1. Move	Kyrgyzstan, Kazakhstan
Empowering Youth	III. Nobel Festival	Azerbaijan
Empowering Youth	Tag for Good Project	Turkey
Empowering Youth	School Activity Festival	Iraq
Empowering Women	My Sister Program	Turkey
Empowering Women	Coca-Cola Belesteri Program	Kazakhstan
Waste Water Management	Clean Sumqayit Pilot Project	Azerbaijan
Waste Water Management	Coastal Cleanup	Azerbaijan
Waste Water Management	Clean Mediterranean Community Based Recycling Project	Turkey
Water Management	Paani Safe Water Initiative	Pakistan
Water Management	Harran Night Irrigation Project	Turkey
Water Management	Konya Agriculture of the Future	Turkey

## 2021 Goals

## Performance in 2021

Starting the fifth '3, 2, 1, Go!' Program in Kazakhstan.	Starting 7th season of "3.2.1Start!" program
Shifting the project's focus from achieving SDG 17 to achieving SDG 5.	The goal of the project is to find and support the most active youth together with the partners, teach them the basics of social entrepreneurship.
Reaching out to 2,000 students through workshops and training.	Reached out more than 2,500 students through Hackathons and trainings.
Reaching at least 100 applications from students and active youths between the ages of 18 and 35.	Collected record number of application in 2021-2022. Around 300 applications.
Selecting and rewarding at least three of the best ideas for the SDG application.	Selected 4 winners.
To continue educating more women with the My Sister Program in Turkey.	1,000 teachers and indirectly 100,000 students in the 2020-2021 academic year. has been reached. For the 2021-2022 academic year, 2,500 teachers and 250,000 students have been reached.
Continuing the Belesty Program in Kazakhstan and reaching out to at least 2,050 female participants.	In 2021, over 15,000 women were trained online in the basics of entrepreneurship, 309 women applied for grants through a competitive process.
Restarting the women's empowerment project.	Since the start of the project in 2013, more than 50,000 women have been trained, of which more than half - in the last two pandemic years. Since the start of the pandemic, all courses are conducted online and are accessible through the program website www.ccb.kz. To date, 97 businesses have been created and are successfully operating, having created over 300 jobs.
Reaching a total of 32 facilities to serve 1,250,000 users by establishing four new filtration plants for the supply of clean, potable water to 300,000 more people in Pakistan.	With 2 more Filtration Plants CCI Pakistan now has 30 water filtration plants nationwide, reaching out to a population of 1.1 Million.
Planting 10,000 trees.	Planted 50,000 trees across 8 cities Under Clean and Green Drive in collaboration with the Government of Pakistan.
Starting a countrywide water management and volunteering project in cooperation with the Peshawar Zalmi foundation to boost CCI Pakistan's image as a responsible corporate citizen.	The project was converted to Clean and Green drive and executed with the Ministry of Climate Change.
In cooperation with the WWF, starting the water harvesting project that is planned to be completed within three years, which will allow the annual recycling / reclamation of 50 million liters of water, and which will have an impact on over 150,000 direct and indirect users in Faisalabad, Lahore, Sialkot, Gujranwala and North Pakistan.	Not executed.
In cooperation with the Pak-Mission Society, launching the Saaf Mahol Project, which will provide 1,500 homes with access to the solid waste management system, raise sensitivity and awareness, and promote people's education.	Not executed.



## YOUTH EMPOWERMENT PROJECTS

Youth empowerment is a priority for CCI as it is serving a population where more than 50% consists of the young people. Our efforts to empower young people

are grouped in two main areas: youth entrepreneurship and sports.

A large part of the population is young in our geographies of operation which increases our desire to develop projects aimed at investing in our future.

### 3.2.1-START! (KYRGYZSTAN)

The aim of the project is to create favorable conditions and a supportive, inclusive public environment for the self-fulfillment of young people in 18-35 years old, the formation of a new generation of citizens, responsibly involved in solving the issues, and problems of the city and country. Through this, the project participants are given the opportunity to implement projects aimed at improving the environment and society. Generally, the project pursues the sustainable development goals. The project will engage the youth in pursuing of these SDGs through the development of social entrepreneurship in the field of green economy. In the frame of this project, we collected more than 90 applications. 30 participants were selected to the final stage.



### 3.2.1-START! (KAZAKHSTAN)

3.2.1, Start! which aims to support young people to develop solutions with the goal of a sustainable life, continued to be successfully implemented in Kazakhstan in 2021.

Kazakhstan has announced the launch of the 7th season of the "321 Start!" Project.

As part of the launch of the project, CCI Kazakhstan, together with project partners, National Chamber of Entrepreneurs and Coalition for Green Economy, organized a round table on the topic "The contribution of youth to implementation of the Sustainable Development Goals." The agenda of the Round Table was importance of partnership between the state, business and community represented by active youth for successful achievement of the country SDG indicators. The 7th season of the project received a record number of applications and reached to 286 applications.



## CROWDSOURCING AI TUTOR PLATFORM - TAG FOR GOOD PROJECT

Crowdsourcing AI Tutor (CAT) is a platform that provides sustainable employment for disadvantaged individuals and generates data that companies can use in AI applications. The Tag for Good Project was commissioned on the CAT platform and created a new generation working model for hearing-impaired and deaf individuals.

Within the scope of the Tag for Good project we carried out with Dem Association, the annual hearing aid maintenance costs of 4 hearing impaired and deaf university students were covered.

- Also, the data set required to train AI has been obtained quickly and with high quality.
- As it is a sustainable platform, all institutions and all Non-Governmental Organizations can use the CAT platform to create value.



## MARATHON OF GOOD DEEDS

1500 applications were received to the "Good Deeds Marathon" organized across the country to commemorate the 30th Anniversary of Kazakhstan's independence. CCI Kazakhstan Volunteering Program was among the 51 winners in 5 categories.

CCI Kazakhstan Volunteers Club became the winner of the "Good Deeds Marathon" organized by the the Ministry of Information and Public Development of Kazakhstan.



## SCHOOL ACTIVITY FESTIVAL

As one of our top priorities increase expectations for community support on being a responsible corporate citizen and adding CCI's value. On January 18th, CCI Iraq sponsored " School Activity Festival" which has been held by Ministry of Education. CCI Iraq got awarded by Education Minister with trophy of honor to recognize CCI Iraq on its social responsible position.



## III NOBEL FEST

At the last week of October the Nobel Festival in Kazakhstan Uzbekistan and in Azerbaijan. The Coca-Cola Company supported III Nobel Fest which has been taken place 4 days. Where more than 300 universities, and about 200 000 participants from 155 countries united. The main purpose of this project is ensuring inclusive access to unique world knowledge, as well as motivating thousands of young scientists, students and experts to new discoveries and achievements.12 Nobel Prize winners and 11 Breakthrough Prize winners and world-renowned experts attended the Nobel Fest in one year.



## WOMEN EMPOWERMENT PROJECTS

Gender equality and women empowerment are important parts of the 2030 United Nations agenda, because they are included in SDG 5 and necessary for achieving the other 16 goals.

We believe in the importance of supporting women's entrepreneurial potential for the development of societies and develop projects that provide access to job skills trainings for women, focus on financial services and connect them with their peers and mentors. Since March 2015, CCI has also been a signatory to the Women's Empowerment Principles (WEP).

Since 2015, My Sister Project has provided access to 429,000 women through face-to-face and online activities and trainings throughout Turkey. We reached 303,000 women in 2021 with the project, through education, grants and inspiring meetings, including female entrepreneurs and students from many industries.



Since 2015, we have reached

# 429,000

women throughout Turkey.



### MY SISTER PROJECT

Supported by the Coca-Cola Foundation as part of the global 5by20 initiative to support 5 million female entrepreneurs by 2020, My Sister Project is an influential program executed in cooperation with the Union of Chambers and Commodity Exchanges of Turkey and Habitat. The project aims to equip women with necessary knowledge and skills to strengthen their social and economic positions and enable them to take an active role in the economic development.

The project's 3 main activity areas are: providing trainings to women in order to increase their entrepreneurial abilities, supporting entrepreneur women in the production, food and food&beverage industries with the "Grant Program" and bringing their products together with appropriate sales platforms.

**1. Education:** In 2021, the learning content of "My Sister Project" was expanded and the content was made accessible over "akademi.kizkardesim.net"

with its renewed infrastructure. "akademi.kizkardesim.net" was recently added to the My Sister Project website to enable more women to easily access the different educational content they need, wherever and whenever they want.

- 2. Grant Program:** In 2021, "My Sister Grant Program" jury selected 30 entrepreneurial women from 81 cities who work in the food industry. Within the scope of the Grant Program, 29 women were provided with TL 25,000 each and 1 woman was provided with TL 40,000 TL for jury special prize; thus, the business development grant support totaling TL 765,000.
- 3. Procurement Days:** On October 15, 2021, Women Farmers Day was celebrated and the first of the procurement days was held to bring sales outlets together with women producers and women's cooperatives who completed their trainings. During the event where many retail channel representatives attended, women had the opportunity to promote their products in the

program.

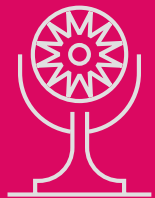
#### New Partnerships:

My Sister Is My Tomorrow - ÖRAV: 'My Sister is My Tomorrow' trainings were organized by the Teacher Academy Foundation (ÖRAV) to promote My Sister project to middle and high school teachers. Within the scope of the training program, "My Sister is My Tomorrow Idea Camp" was held. The online trainings helped the program to reach 1,000 teachers and indirectly 100,000 students in the 2020-2021 academic year. During the 2021-2022 academic year, the program reached 2,500 teachers and 250,000 students.

In the partnership with the Ministry of Agriculture and Forestry, trainings are provided for women who are producers and partners of Agricultural Development Cooperative with the aim to help them strengthen their commercial activities and increase their competitiveness in sales and marketing fields. Accordingly, support was provided to 1,000 women who are producers and partners of Agricultural Development Cooperative throughout Turkey.

### In 2021, My Sister Project won 8 awards:

- International CSR Excellence Awards - Equal Opportunity
- Stevie Awards - European Corporate Social Responsibility Programme of the Year - Bronze Award
- The Hammers Awards - Turkey's Best Social Responsibility Team - Silver Award
- 13th CSR Summit Sustainable Development Goals Awards - Objective 5: Gender Equality - Golden Achievement Award and Communication Jury Special Award
- European Excellence Awards - National and Regional Campaigns Turkey
- Istanbul Marketing Awards - Projects for Gender Equality - Gold Award
- Communitas Awards - Excellence in Corporate Social Responsibility - Corporate Social Responsibility Program
- Mercury Excellence Awards - Corporate Social Responsibility Practices - Bronze Award



## 2021 "MY SISTER" PROJECT



**384**  
Hours of Training Program



**81**  
Cities



**18,040** Trainings with  
**14,045** Participants



Education Satisfaction Levels **86%**



Project Activities with  
**3,006** Participants



**4,892** Women Received Training at My Sister Academy



T.R. Ministry of Agriculture and Forestry Education Program with **72** Cooperatives



**80** Cooperatives and Ministry of Commerce Cooperatives Summit



Procurement Days with 21 Cooperatives from **10** Cities

### Grant Program



**30** Entrepreneur Women Were Awarded a Total of **765,000 TL** Business Development Grant



**80%** had Increase of Sales



**30** New Personnel Recruitment

### Grant Recipients:



**77%** had Increase of Production Capacity



**1.923.357 TL** Revenue Increase

### Social Return on Investments

In order to measure the social value generated by the training, cooperative program and grant program activities carried out within the scope of the project, the "**Social Return on Investment**" (SROI) methodology has been used. A working method has been adopted that complies with the main principles and standards of the **SROI** method.

$$\text{SROI} = \frac{\text{Total Social Value Created (TL)}}{\text{Investment in the Project (TL)}}$$

$$\text{SROI} = 2.44$$

Every **1 TL** Investment in the Project has had a Social Return of **TL 2.44**

### Social Activities



**8** Different Awards in 2021



Online Education Platform: [akademi.kizkardesim.net](http://akademi.kizkardesim.net)



Women in Business **EXXEN** Documentary



"What's the Need?" Campaign



**Galatasaray - Fenerbahçe** Women's Football Teams Friendly Match



## ACE AWARD CCI AZERBAIJAN

Coca-Cola Azerbaijan has won the 2020 U.S. Secretary of State's Award for Corporate Excellence (ACE) for its work promoting women's economic empowerment. The Secretary's annual

Award for Corporate Excellence (ACE) is one of the U.S. Department of State's most prestigious international awards, that uphold high standards as responsible members of their communities. CCI won the "women's economic empowerment" category of the ACE Award.



## WINNER OF U30+ PROJECT CCI TAJIKISTAN

CCI U30+ Tajikistan Team had been won U30+ project with the theme of: "Empowering Women in Tajikistan".



## "COCA-COLA BELESTERI" WOMEN EMPOWERMENT PROGRAM

The Coca-Cola Belesteri program supported by The Coca-Cola Foundation has completed its 9th year.

In 2021, over 15,000 women were trained online in the basics of entrepreneurship.

309 women applied for grants through a competitive process, and

16 finalists were awarded grants of \$2,000 to \$4,000 to start or develop their own business.

Since the start of the project in 2013, more than 50,000 women have been trained. To date, 97 businesses have been created and are successfully operating, having created over 300 jobs.



## WASTE MANAGEMENT PROJECTS

### A CLEAN MEDITERRANEAN COMMUNITY BASED RECYCLING PROJECT – KOLLEKT AND THE WASTE TRAP SYSTEM

As a part of the Clean Mediterranean Community Based Recycling Project, KOLLEKT application was launched in Kemer as a pilot region in 2019. The application is implemented jointly by Coca-Cola Turkey, The Nature Conservation Center and UNDP and offers a mobile platform that allows users to access recycling containers more easily and to win awards by reporting any waste they see in nature. With Kollekt, the aim is to multiply the recycling rate by 3 in 3 years. This will be done by improving the existing waste management system with methods involving public and bringing the wastes that are not collected by the Municipality into the recycling system, thus stopping them from reaching and polluting the sea. Accordingly, a "Waste Trap System" was implemented in 2021. At Karabucak Stream that passes through Kemer district of Antalya before accessing the sea, a part of the water carried by the stream is directed to filtration elements through obstacles and these obstacles hold the solid waste in the water. As a result, the solid waste is prevented from being delivered to the sea and it also has an important function in terms of making the waste visible and raising public awareness.

### CLEANING THE COASTAL REGION OF THE CASPIAN SEA CCI AZERBAIJAN

Every 3rd Saturday of September is celebrated as International Coastal Cleanup Day in the world. We have been very active contributor to this movement in Azerbaijan for the last 10 years helping grow this activity into a large scale campaign inspiring volunteers and partners to join. Coca-Cola Azerbaijan together with the Ministry of Ecology and Natural Resources and ASAN Volunteers has been organized large-scale environmental campaign, which was held at the beaches of Baku under the motto of "Protect the Caspian Sea!"

Total of 6.5 tons of waste was collected from an area of 25 hectares during this initiative held with participation of more than 1000 volunteers.





#### WASTE NET CCI KYRGYZSTAN

WasteNet project aims to create a waste network for recycling and improving collection and recycling of plastic packaging waste in Kyrgyzstan by establishing cooperation between collectors and Horeca players (hotels, restaurants, shops). The project aims to unite capacities of HoReCa players, processing enterprises and other key stakeholders of the municipal solid waste (MSW) value chain in Kyrgyz Republic.

#### TEMIZ SUMQAYIT PILOT PROJECT CCI AZERBAIJAN

Together with TCCC, CCI Azerbaijan works on Temiz Sumqayit Pilot project. The aim of the project is to sort and collect packaging waste and send it for recycling, as well as to promote sorting among the population and increase awareness in this area. At the same time, the pilot project aims to create an effective waste management system. At the same time, the project is implemented in the format of public-private partnership in the framework of cooperation between public, private and non-governmental organizations.



#### CLEAN AND GREEN DRIVE CCI PAKISTAN

With environment being one of the focus areas of CCI Pakistan's societal responsibility, a 'Clean and Green drive' was initiated. The drive was initiated to address environmental concerns. CCI Pakistan collaborated with the Ministry of Climate Change, Pakistan to plant 50,000 trees at 8 districts of the country. 120 volunteers from CCI Pakistan participated in 'Clean and Green Drive' to support the initiative.



## WATER STEWARDSHIP PROJECTS

Access to clean water is among the most important problems in our geographies of operation. We are implementing projects to mitigate the impact of this problem, which directly affects community wellbeing and the sustainability of our business. Accordingly, we are continuing Konya Future Agriculture and Harran Night Irrigation Projects in cooperation with the Nature Conservation Center and the Ministry of Agriculture and Forestry. Our target is developing a new approach for soil and water management to adopt to climate change and decreasing water resources. These two projects have been carried out until today in cooperation with farmers, NGO representatives, academics and the local community.

### TRAININGS

We have completed 15 trainings and workshops so far, reaching 1,500 farmers and public, civil society and university representatives. Also, the farmers received trainings on direct drilling, shelterbelts and climate-friendly agricultural guides published within the scope of the project.

### DIRECT DRILLING

**Direct drilling method is applied on project areas. This system does not damage the structure of the soil, increases its resistance to extreme climate incidents, increases water retention capacity and also saves labor, time and fuel.**

### KONYA AGRICULTURE OF THE FUTURE PROJECT

Agriculture of the Future Project is carried out in Konya in cooperation with the Ministry of Agriculture and Forestry and the Nature Conservation Center. The project aims to create a comprehensive model that will make it easier for farmers to fight climate change based on sustainable land and water use in agricultural applications. In 2021, the project was recognized by the Ministry of Agriculture and Forestry and received a plaque to thank the efforts that set an example against desertification. The scope of the project helped save 1.2 billion liters of water in 2021.





## AGRICULTURE OF THE FUTURE PROJECT COCA-COLA TURKEY

The Agriculture of the Future Project also includes applying the shelterbelt method against wind erosion which is one of the biggest threats of agricultural land. 200,000 saplings have been planted in Karapınar and Sarayönü districts and natural shelterbelts have been placed within the scope of the Agriculture of the Future Project launched in 2013. This figure is equal to applying a 300 km long shelterbelt.



## HARRAN NIGHT IRRIGATION PROJECT COCA-COLA TURKEY

During irrigation work at Harran Plain, evaporation and dehydration ratios are quite high due to the effect of air temperature. In order to minimize evaporation, it is important to do the irrigation in the early or later hours of the day. Reducing water loss due to evaporation would also minimize environmental problems such as salination, fungal diseases and pollution caused by over-irrigation.

The night irrigation project aims to expand climate-

friendly agricultural techniques that reduce emissions and eventually the farmers' costs, and enables the farmers to adapt to the climate. It does this by providing equipment, training and publications to project participants; and short movies reaching a wider society.

In 2014, in cooperation with Harran University and Cullap Irrigation Association Management and farmers affiliated with the union, night irrigation and sprinkler irrigation was applied. 50 farmers determined in 1500 ha area participated in the irrigation and it was revealed that significant water savings were achieved.



Within the scope of the project in Harran in 2021

**2,1** BILLION  
LITRES  
water savings was achieved.

## CLEANING THE WATER CANAL BY HILLA PLANT CCI IRAQ

CCI Iraq signs an MOU with Water Resources & Irrigation, Environment & Agriculture authorities for Clean & Green Future Environment, with Clean Water Canales and Watering Green Belts. Agreement of Cleaning & Dredging the Irrigation Canal nearby Hilla plant, irrigation canal which extends along the villages adjacent to Hilla Plant, by length of 10 Km and feeding it with clean water to irrigate about 3,600 acres of agricultural lands.



## WADA TAJDID PROJECT CCI IRAQ

CCI Iraq has contributed with WADA Tajdid water projects ( Water and Development Alliance) since Feb 2020. The project serves 75,000 individuals and saves 750 Million Liters per year.



## PAANI- INAUGURATION OF NEW WATER FILTRATION PLANTS CCI PAKISTAN

Project PAANI is CCI Pakistan's flagship CSR project. With water scarcity on the rise, CCI Pakistan collaborated with WWF to install state of the art water filtration plants across under privileged areas of Pakistan. Under the project, 30 water filtration plants have been installed that provide clean water to approximately 1.1 million people across Pakistan. Extensive community outreach and mobilization activities were also conducted in target areas informing communities of the importance of safe drinking water and its appropriate usage.

Paani Project	2016	2017	2018	2019	2020*	2021
Filtration Plants	21	24	24	28	2	30
Beneficiaries	750,000	850,000	900,000	1,000,000	-	1,100,000

*\*Within the framework of Covid-19 pandemic measures, the project was suspended in 2020.*



## OUR RELIEF ACTIVITIES DURING THE COVID-19 PANDEMIC



### IN IRAQ

CCI Iraq donated with 1000 liters of diesel fuel to Erbil Health Directorate - Khabat District, who in turn distributed the fuel to hospitals specialized in treating Covid patients, which are in dire need of these quantities of fuel in order to ensure the continuity of the operation of generators and medical refrigerators to preserve vaccines and medicines used to combat Covid.

### IN PAKISTAN

During the crises of Covid-19 in Pakistan, CCI Pakistan was at the forefront of relief and rehabilitation of those affected. In collaboration with local administration, protective equipment along company products were distributed amongst the front line medical staff and the victims of COVID present at the quarantine centers. Product support was also extended to the government staff and medics on duty. Furthermore, vaccination camps were set up at CCI Pakistan premises to facilitate employees and their families with vaccination. This initiative ensured 100% employees vaccinated.



### IN KYRGYZSTAN

CCI Kyrgyzstan supported the HoReCa sector during the pandemic, providing hot meals for orphans in cooperation with the Red Crescent. Our company together with the Red Crescent supported vaccination points and donated more than 1000 liters of water and products. In order to increase the vaccination rate, Lottery for vaccinated employees, information sessions on vaccination, trainings related to coronavirus and vaccination are organized. Appreciation letter from The Minister of Sports and Youth Affairs of the Kyrgyz Republic for the help during the pandemic are received related to these activities.





# CORPORATE GOVERNANCE

## BOARD OF DIRECTORS



### **Tuncay Özilhan**

#### **Anadolu Group Chairman**

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

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



### **Sedef Salıngan Şahin**

#### **Vice-Chairman of the Board**

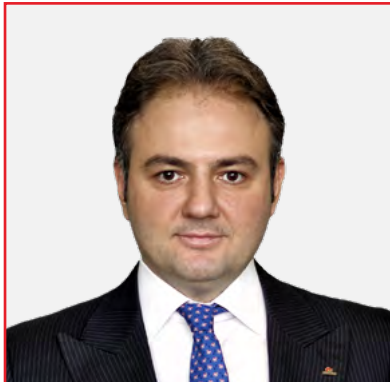
Sedef Salıngan Şahin, who joined The Coca-Cola Company in 2003, has held several leadership roles within the organization and assumed her current role as President of the Nutrition, Juice, Dairy and Plant Category for The Coca-Cola Company in 2021. Şahin served as Vice President of Operations and Strategy for the company's Europe, Middle East & Africa group from 2018 to 2020. She also served as a board member in Coca-Cola Beverages Africa during that time. From 2016 to 2018, she was the company's general manager for Thailand and Laos and also served as Board member for Thainamthip and Laos Bottling Companies. Şahin joined Coca-Cola in 2003 as the strategy & insights manager for Turkey. She went on to serve in a series of marketing, strategy and operations roles including Coca-Cola İçecek, eventually leading to her appointment as general manager juices for Coca-Cola Turkey in 2011. Prior to joining Coca-Cola, Şahin worked in McKinsey & Company as consultant and in Procter & Gamble as brand manager. Şahin received a bachelor's degree in business administration and political science from Boğaziçi University.



### **Mehmet Hurşit Zorlu**

#### **Board Member**

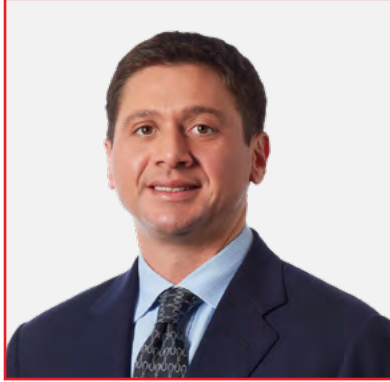
Mr. Zorlu has been a Board Member of CCI since 2004. He holds a Bachelor of Science degree in Economics from Istanbul University. Prior to joining Anadolu Group in 1984, he held various positions in Toz Metal and Turkish Airlines. Mr. Zorlu joined Anadolu Group as a Marketing Specialist at the Efes Beverage Group and held various positions including Assistant Marketing Manager, Assistant Project Development Manager, Project Development Manager and Business Development & Investor Relations Director. Mr. Zorlu held the position of Chief Financial Officer (CFO) for Efes Beverage Group between 2000-2008 and the position of CFO for Anadolu Group between 2008-2013. From 2013 onwards he served as the Deputy CEO of Anadolu Group, until his appointment as the CEO of Anadolu Group in February 2017. He also currently acts as a Board Member in various Anadolu Group companies. Mr. Zorlu served as the Chairman of TKYD (Corporate Governance Association of Turkey) between 2015-2017 and he currently also serves as Board Member at Turkish Investor Relations Society (TUYİD) and at Outbound Investments Business Council at Foreign Economic Relations Board (DEİK).



### **Tuğban İzzet Aksoy**

#### **Board Member**

Tuğban İzzet Aksoy graduated from the Management and International Finance Department of the University of Oglethorpe in the USA, following his education at the Austrian High School. He began his professional career as an Assistant Expert in the Financial Affairs Directorate at Anadolu Endüstri Holding, in 1996. In December 1998 he was appointed as a Senior Broker at the Alternatifbank Treasury Department. Following five years in this role, Aksoy took on the role of Corporate Finance and Risk Manager at the Treasury and Risk Management Department of Anadolu Endüstri Holding A.Ş. in June 2003. In April 2008, he became Assistant Coordinator at Business Development Directorate, and between 2009-April 2019, he worked as Anadolu Group Energy Sector Coordinator. He continues to serve as Board Member in various Anadolu Group companies. Also he has been working as Board Member in Türkiye Jokey Klubü. Aksoy, who has participated in professional training and seminars in his field, is member of energy groups of TÜSİAD and TOBB. Aksoy has been serving as an honorary consul of Georgia since 2016 and also holds Georgian Government Medal of Honor.



### **Kamilhan Süleyman Yazıcı**

#### **Board Member**

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



### **Agah Uğur**

#### **Board Member**

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



### **Ahmet Boyacıoğlu**

#### **Board Member**

Born in 1946, Ahmet Boyacıoğlu holds a bachelor's degree in Business Administration from the Middle East Technical University. Mr. Boyacıoğlu began his professional career with the Efes Beverage Group (Anadolu Efes) in 1973. He served in various positions from 1973 to 2005 including Bursa Region Sales Manager, Ege Biracılık ve Malt San. A.Ş. Sales Manager, Güney Biracılık ve Malt San. A.Ş. General Manager, Ege Biracılık ve Malt San. A.Ş. General Manager, Eastern Europe President, International Beer Operations Group President, and Strategy and Business Development Director. Mr. Boyacıoğlu was appointed as the President of the Efes Beer Group in May 2005 and retired on 1 February.



### **Kamil Ömer Bozer**

#### **Board Member**

Born in 1958 in İstanbul, Ömer Bozer graduated from the Business Administration department of the Middle East Technical University and received his MBA/FINANCE degree from Georgia State University. Mr Bozer began his professional career in Koç Holding as an MT in 1983 and after serving respectively as Assistant General Manager in Maret and General Manager at Düzey Pazarlama, he was appointed as Migros General Manager in 2002. Besides his General Manager responsibility at Migros, in the last quarter of 2004, Mr Ömer Bozer was appointed as the President of KOÇ Holding's Food and Retail group. He served at the Koç Group as President of Food, Retail and Tourism Group between 2005-2006, President of Food and Retail Group between 2006-2008, and once again as President of Food, Retail and Tourism Group between 2008-2011. After leaving his executive career in 2011, he served as an independent board member at Coca-Cola İçecek, Anadolu Efes, Adel Kalemçilik, Anadolu İsuзу, Carrefoursa, Boyner Holding and Söktaş. Mr. Bozer currently acts as independent Board Member in Tüpraş, Arçelik and Dardanel and Board Member in Coca-Cola İçecek, Adel, Anadolu İsuзу, Anadolu Etap, Kamil Yazıcı Management Consultancy and Boyner Holding.





### İzzet Karaca

#### Independent Board Member

Born in 1954, İzzet Karaca graduated from Boğaziçi University Industrial Engineering Department in 1977. Having started his professional career in 1977 at Koç Research and Development Centre, he held Industrial Engineer and IT Manager position until 1985. Between 1985 and 1988, Mr. Karaca worked as Systems and Organization Director at Ford Otosan. From 1988 onwards, he held several positions at Unilever in Germany, Turkey and Baltic States including Internal Audit Group Manager, Logistics Manager, Commercial Director and Managing Director. In addition, between 2011 and 2013, İzzet Karaca served as the Chairperson at YASED (International Investors Association). After serving as Executive Chairman at Unilever Turkey and Unilever NAMET RUB (North Africa, Middle East, Russia, Ukraine and Belarus) and being a member of the Unilever CEO Forum, Mr. Karaca retired from his duties as of 31 December 2013. In 2015, he published his first book called "The New CEO is... You". İzzet Karaca complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.



### Ali Galip Yorgancıoğlu

#### Independent Board Member

A. Galip Yorgancıoğlu graduated from Galatasaray High School and then he studied at the Faculty of Business Administration at Boğaziçi University. He started his professional life at Phillip Morris as Marketing Manager of Marlboro Cigarettes. Later on, he worked as South East European Marketing Director at Diageo, Turkey and Eurasia Marketing Director at Coca-Cola, and then Turkey General Manager at Burger King. In April 2004, he started to work as CEO of Mey İçki, which was founded after Tekel Alcoholic Beverages section has been privatized in December 2003. He continued to work as CEO of Mey İçki / Diageo Turkey until he retired on September 30, 2017. Mr. Yorgancıoğlu complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.



### Uğur Bayar

#### Independent Board Member

Uğur Bayar received his Bachelor of Science degree in Applied Mathematics and Statistics from the State University of New York in 1997. Bayar began his career at Citibank Turkey in 1987, taking various positions at the treasury of the bank until 1992, when he moved to public service. Between 1992 and 1997, he served as Vice President of Public Partnership Administration of the Prime Ministry of Turkey and between 1997 and 2002 as President of Privatization Administration of the Prime Ministry of Turkey. During this period, he served as Chairman of the board of Erdemir and Petrol Ofisi and a board member of Turkish Airlines and Türk Telekom. Uğur Bayar joined Credit Suisse in 2004 and worked as Turkey's Chief Executive Officer and Head of Investment Banking until 2017. In addition, Bayar serves as Chairman of WWF Turkey (World Wildlife Foundation) while he serves as a board member at; Anadolu Holding and Tekfen, Teknoloji Yatırım ve Tic. A.Ş. Mr. Bayar complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.



### Tayfun Bayazit

#### Independent Board Member

Born in 1957, Tayfun Bayazit got his bachelor's degree in mechanical engineering from the Southern Illinois University, followed by a master's degree (MBA) from Columbia University. Having started his career at Citibank in 1983, Bayazit assumed Executive Vice President and Senior Executive Vice President positions at Yapı Kredi Bank from 1986 until 1995. He was President and CEO at Interbank from 1995 to 1996, and at Banque de Commerce et de Placements from 1996 to 1999. Having served as Vice Chairman at Doğan Holding from 1999 until 2001, Bayazit was later appointed as CEO and Board member at Dışbank (2001-2005), Fortis Bank (2005-2007), and Yapı Kredi Bank (2007-2009), where he consequently served as Chairman from 2009 to 2011. He has been working as a consultant since 2011. Tayfun Bayazit complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.

## NUMBER OF BOARD MEMBERS WITH HIGH LEVEL EXPERTISE IN PRIORITY SKILL AREAS



## STATEMENT OF INDEPENDENT STATUS

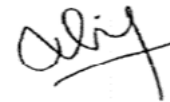
I hereby declare and state that

- No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,
- I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,
- I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,
- I am assumed to be a resident in Turkey in accordance with the Income Tax Law dated 13.12.1960, numbered 193;

- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries;
- I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,
- I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,
- I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange
- I am not registered and announced as a board member representing a legal entity

and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

ALİ GALİP YORGANCIOĞLU



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İZZET KARACA



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TAYFUN BAYAZIT



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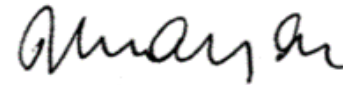
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UĞUR BAYAR



## SENIOR MANAGEMENT



### **Ahmet Öztürk**

#### **Internal Audit Director**

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



### **Andriy Avramenko**

#### **Chief Financial Officer**

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





### **Aslı Kamiloğlu**

#### **Chief Information and Digital Officer**

Graduated from Galatasaray high school, Aslı Kamiloğlu, holds a bachelor's degree in Electrical and Electronics Engineering and a Master's degree in Software Engineering from Joseph Fourier University. Having assumed various roles in information technology organizations at Aras Kargo and Turkcell, Kamiloğlu continued her career in GE Healthcare as Commercial Digital Leader in Eastern and African growth markets, a large and diverse set of growth markets, comprising over 80 countries. She then held various Global digital and technology leadership roles in GE Healthcare and GE Digital. Aslı Kamiloğlu joined CCI in 2019 and has been leading digital products strategy and execution in the Customer digital domain for all operating geographies. As of February 1st 2022 Aslı Kamiloğlu was appointed as Chief Information and Digital Officer.



### **Burak Başarır**

#### **CEO**

Burak Başarır, holds a BA in business administration and a minor in computer sciences from American River College. He studied management at California State University of Sacramento and received a BSc degree in business administration from Middle East Technical University in 1995.

Başarır, joined Coca-Cola İçecek (CCI) in 1998 and assumed increasing managerial responsibilities in finance and commercial functions. He was assigned as CFO in 2005 and has played an integral role during CCI's IPO process and effectively managed the financial integration of Efes Invest with CCI. Başarır led the largest operation of CCI in terms of volume and sales as the Turkey Region President between 2010 and 2013. Başarır was appointed as CEO in January 2014.

Başarır is a member of the Turkish Industry and Business Association (TUSIAD) and Turkey-US Business Council (TAIK).



### **Ertuğrul Onur**

#### **General Counsel**

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



### **Ebru Ozgen**

#### **Group Human Resources Director**

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



### **Kerem Kerimoğlu**

#### **Group Supply Chain Director**

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



### **Leyla Deliç**

#### **Chief Information and Digital Officer**

Leyla Deliç was appointed as Coca-Cola Icecek Chief Information & Digital Officer on July 2nd, 2018. Deliç is responsible for defining and executing digital strategy to improve current business operations, implement digital products, services and new business models. In her previous role, she was Global CIO, responsible for defining and driving digital strategy for Enabling Functions in GE Healthcare. Leyla was the CIO and Lean Leader for Eastern and African Growth Markets (EAGM), GE Healthcare, a large and diverse set of growth markets, comprising over 80 countries. Deliç joined GE in 1998 in Tradanet jv GE Information Services. She then worked for Tradelink Technologies Inc. and continued her career as CIO in Aras Holding until she joined GE Healthcare in 2010. Deliç is an active board member in YenidenBiz, actively engages and leads initiatives which support growth of women. She holds a B.S. degree in Electrical Engineering and a M.S. degree in Computer Engineering from the University of Louisiana at Lafayette, USA. Mrs. Deliç left CCI as of February 1, 2022.

**Servet Yıldırım****Corporate Affairs Director**

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

**Tugay Keskin****Chief Operating Officer**

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

GRI: 102-5

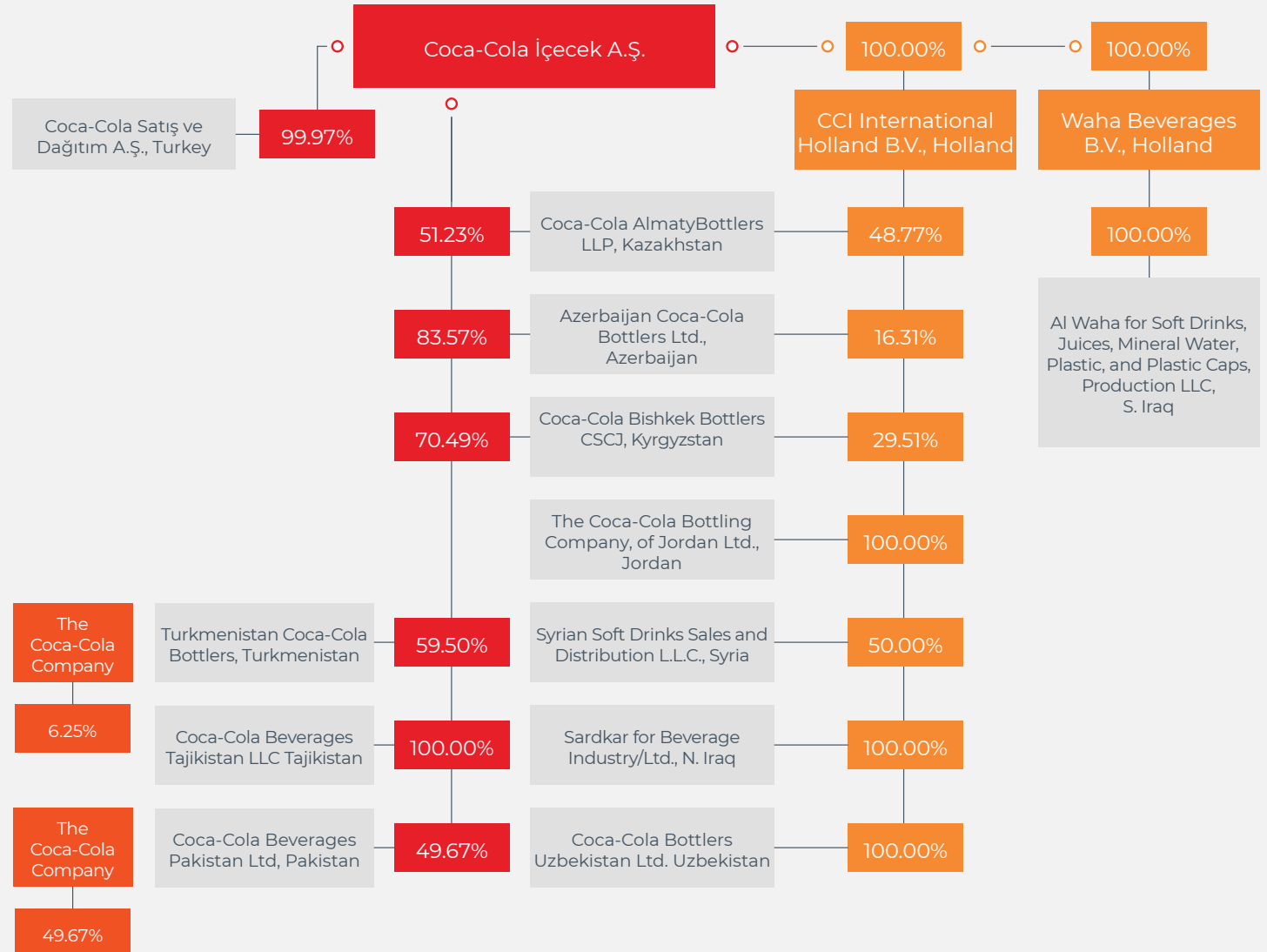
# PARTNERSHIP AND SHAREHOLDING TABLE

## Partnership Table



- Anadolu Efes Biracılık ve Malt Sanayi A.Ş. (and subsidiaries)
- The Coca-Cola Export Corporation ("TCCEC")
- Özgörkey Holding A.Ş.
- Public

## Shareholding Table



Source: Argüden Yönetişim Akademisi

## ADDITIONAL INFORMATION ABOUT OUR ACTIVITIES

### ADDITIONAL INFORMATION ABOUT OUR ACTIVITIES

The main factors affecting the entity performance, significant changes in the environment, policies employed by the company against these changes, the investment and dividend policy employed by the company to boost its performance

The main factors affecting the company performance, significant changes in the environment and policies employed by CCI against these changes are addressed throughout the entire Integrated Annual Report, mainly in Financial Performance Assessment and Principles on Presentation of Financial Statements sections.

Being an growth-oriented company, CCI considers a number of factors in its investments, such as an internal yield rate which is equal to or higher than a certain rate, a repayment period which is usually limited to a certain time depending on the investment, and a return on invested capital (ROIC) which is higher than the weighted average cost of capital (WACC). In addition to this, Company's medium- and long-term strategic targets are also evaluated through feasibility studies performed across CCI, which operates in a wide geography, using macroeconomic and

demographic indicators.

Principles regarding Company's Profit Distribution, Compensation & Human Resources and Risk Management policies are detailed in the Additional Information on Corporate Governance section.

#### Company's financing sources and risk management policies

In order to finance its investments, CCI uses long-term foreign-currency loans (USD and EUR) from Turkish and foreign banks in addition to the cash and capital created as well as long-term funds from domestic and foreign investors through issuance of Eurobonds and dedicated revenue bonds. Moreover, CCI has a long and strong credit relationship in Central Asia and Pakistan with multilateral development banks, such as the European Bank of Development and Restructuring and the International Finance Corporation.

Group risks are assessed, managed and reported by the "Early Risk Detection Committee" established in accordance with the Turkish Commercial Code, Capital Market Legislation and the Corporate Governance Principles supervised by the CMB. In addition to the unfavorable operational setting as well as the uncertainty brought by the COVID-19 pandemic, which has been

affecting the entire world since the beginning of 2020, some of the priority risks identified by the Group include the instability and security of international policies, currency risks, corporate risks/ brand reputation risks, economic fluctuation, legal restrictions and taxes, water management, sustainability and environmental impact of packaging, the shift in channel structure and changing consumer preferences, talent management and development, cyber security, environmental risks such as energy efficiency and climate change, economic recession, legal and regulatory risks, and industrial relations. Legal changes or regulations stipulated by regulatory authorities are not expected to impose a significant impact on Group's performance or result in legal disputes that would jeopardize the existence or sustainability of the Group.

#### Financial risks

Main financial instruments of the Group consist of bank loans, issued bonds, cash and short-term deposits. The main purpose of these financial instruments is to finance the business activities executed by the Group. The Group also has other financial instruments, such as trade liabilities and trade receivables as a direct result of its business activities.

The main risks associated with Group financial instruments are interest risks,

liquidity risks, foreign currency risks and credit risks. Policies on management of the following risks are reviewed and approved by the Group management and the Board of Directors. The Group also takes the market value risks associated with all financial instruments into account.

#### (a) Capital management

For capital management, the Group aims to maintain an optimal capital structure in order to provide benefits for partners and reduce the cost of capital, as well as ensuring the sustainability of Corporate activities.

The Group manages and adjusts the capital structure by taking the economic changes into account. In order to regulate and maintain the capital structure, the Group may, if it deems appropriate, determine the amount of dividends payable to shareholders, issue new shares or return the capital to shareholders and sell assets to reduce borrowing.

#### (b) Interest rate risk

The Group is exposed to an interest risk arising from the impact of the changes in interest rates applicable to assets and liabilities that are subject to interest rates. The Group manages this risk by trying to balance the interest rates applicable to its assets and liabilities, or

by modifying the fixed/variable interest weight in its portfolio according to market conditions, if it deems necessary.

Some of the interest rates associated with financial liability are based on the interest rates applicable in the market. Therefore, the Group is affected by changes in interest rates in national and international markets. The Group's exposure to the market risk caused by changes in interest rates is primarily associated with debt obligations.

#### (c) Foreign currency risk

The Group is exposed to foreign currency risks arising from its transactions. These risks arise from Group's buying and selling transactions made in currencies other than its functional currency, borrowing initiatives, use of bank loans and holding of time deposits/call deposits. The Group manages foreign currency risks by trying to balance its foreign currency assets and liabilities as well as using derivative transactions. In assets and liabilities management, the weight of strategic foreign currencies may be subject to tactical changes according to market dynamics.

#### (d) Credit risk

Credit risk is the risk of financial damage that one party is exposed to as a result of the inability of the other party in a mutual relationship to fulfill its obligations in terms of a financial purpose. The Group's financial instruments that may be subject to a significant credit risk concentration primarily consist of cash and cash equivalents, as well as trade receivables. The financial statement clearly disclose the maximum credit risk that the Group may be exposed to.

The Group holds cash and cash equivalents in a number of reputable financial institutions. The Group

manages this risk by constantly evaluating the reliability status of all financial institutions with which it has contact.

Credit risk that may arise from trade receivables is limited due to the high volume of customers and a restriction in the amount of loans issued to customers by the Group Management. The Group usually requires collateral to increase the amount of loans issued to its customers, excluding the distributors.

#### (e) Liquidity risk

Liquidity risk is defined as the risk of becoming unable to meet funding needs as a company. The Group aims to ensure the durability and volatility of cash inputs through short-term and long-term bank loans, issued bonds, cash and short-term deposit management.

#### (f) Commodity price risk

The Group is subject to the impact of price changes in certain commodities such as sugar, aluminum and resin.

Company operations require a constant purchase of these commodities, therefore a number of risk strategies are implemented by the Company management in order to handle the commodity price risk.

In accordance with the relevant laws and legislation applicable to country operations, the Company engages in derivative transactions directly with suppliers or with financial institutions based on estimated purchase of packaging, sugar and resin for a period of 12-24 months in order to protect itself from commodity price risks.

#### Research and development activities

Research and development activities are conducted by The Coca-Cola Company (TCCC) and CCI leverages the know-how and expertise from TCCC.

#### Changes in the Articles of Association during the year and the rationale

Pursuant to the decision by the Company Board of Directors on March 25, 2021, it has been decided to amend

the Article 8.2 of the Company Articles of Association, titled "Board of Directors Meetings", to allow the Board of Directors to hold meetings in electronic environment in accordance with the Article 1527 of the Turkish Commercial Code No. 6102. This decision was approved at the General Assembly held on April 29, 2021.

#### Nature and amount of capital market instruments issued, if any

No capital market instruments have been issued during the year.

**Characteristics of business production units, capacity utilization rates and their improvement, overall capacity utilization rate, developments in the production of goods and services in the field of activity, statements comparing quantity, quality, release and prices to historical figures**

Annual production capacity calculations are performed using the standard formula specified by TCCC for all bottlers. Calculations account for the

	2020		2021	
	Capacity	CUR(%)	Capacity	CUR(%)
Turkey	703	73%	703	82%
Pakistan	461	70%	432	87%
Kazakhstan	181	82%	190	88%
Iraq	158	65%	129	85%
Uzbekistan	-	-	110	76%
Azerbaijan	66	72%	66	85%
Jordan	32	50%	32	63%
Turkmenistan	29	18%	21	19%
Tajikistan	14	47%	17	46%
Kyrgyzstan	19	107%	19	128%
<b>Total</b>	<b>1,662</b>	<b>71%</b>	<b>1,718</b>	<b>88%</b>

capacity utilization rates (CUR) in plants during the peak season. The maximum number of producible unit cases is established by considering the hourly speed of the production lines in

the plants and the allocated number of packages in production per plant. Since the volume of sales and package allocation will vary each year, the annual capacity yield may also vary, even if the

number of lines stay the same.

#### Potential measures to improve the financial structure of the business

In addition to using long-term loans to

fund investments, the Company also uses short- and medium-term loans to fund its working capital. CCI's priorities consist of diversifying funding resources in order to ensure a financing structure

Employee and worker movements, collective agreements, rights and benefits offered to employees and workers

Average Number of Employees	December 31, 2021	December 31, 2020
Blue collar	3,380	3,179
White collar	4,620	4,766
Average number of employees	8,000	7,945

with optimum health, planning the most sensible payment terms according to the purpose of borrowing, diversifying currencies to reduce the currency risk, and closely monitoring markets with constant communication with financial institutions.

#### About the Collective Labor Agreement

Negotiations between Coca-Cola İçecek and Tek-Gıda Trade Union on a labor agreement has resulted in a mutual agreement on September 9, 2020, as outlined below. The term of the agreement is from 01.01.2020 to 31.12.2021.

According to the agreement;

- For the first year of the Collective Labor Agreement, the wage increase for union members is a gross amount of 995 TL per month, starting from 01.01.2022. For the second year of the Agreement, gross monthly wages will be increased by CPI + 3%.
- The annual benefits package will be increased by 16% for the first year, and according to the CPI for the second year.

#### Information on donations

As defined in the Company Articles of Association, a portion of the pre-tax profit is allocated to making a donation to Anadolu Foundation for

Education and Social Assistance plus a second foundation to be determined by the majority of Group B shares. Established in 1979, Anadolu Foundation for Education and Social Assistance supports education, health and social assistance with more than 50 projects completed to date, including donations to hospitals, health care centers, construction and repair of various buildings for educational institutions as well as construction of sports complexes.

An amount of 18,076,650 TL was donated to Anadolu Foundation for Education and Social Assistance in 2021, as defined in the Article 15 of our Articles of Association. In addition to this, an

amount of 1,311,146 TL was also donated to other public-benefit organizations and tax-exempt foundations.

#### Information about the existence of non-central organizations

Operating in 11 different countries, CCI has its HQ located in İstanbul. The company has a total of 29 production facilities across all countries of operation, with the exception of Syria. The corresponding shareholding table is available on page 154.

#### Clarification on main elements of the Group's internal audit and risk management systems regarding the preparation process for consolidated financial charts

#### Trade registration Information

Paid-in capital	254,370,782 TL
Date of registration	30.05.1990
Trade register number	265859
Trade register office	İstanbul Chamber of Commerce
Mersis number	0611000816000014



The Internal Audit Department operates within CCI and conducts audits on all consolidated companies and functions at periodic intervals each year. Department's business plan is approved by the Audit Committee on an annual basis and revised in accordance with the current events during the year. In all CCI companies subject to consolidation, internal audit is performed according to the standards published by the Institute of Internal Auditors.

**Information on conflicts of interest between the Company and institutions providing services such as investment consultancy and rating, and measures taken by the Company to prevent such conflicts of interest:**

No conflicts of interest have been raised during the activity year. While outsourcing services such as investment consultancy and rating, we comply with all legislative provisions, including CMB legislation, and take maximum care to

avoid any situation that can lead to a conflict of interest by using specifically designed internal procedures and reporting mechanisms and carefully selecting the institutions.

**Affiliation Report Results Section**

According to the statements and evaluations made in the Affiliation Report for Group Companies as approved by the Coca-Cola İçecek A.Ş. Board of Directors, there were no transactions undertaken by Coca-Cola İçecek A.Ş. through the controlling company as well as its affiliates under the influence of the controlling company with the intention of obtaining results that will only benefit the controlling company or an affiliated company and no measures were taken or avoided for the sole benefit of the controlling company or an affiliated company and for all transactions made with the controlling company and its affiliates in 2021, a suitable counter

performance was provided in each transaction in accordance with the conditions known to us in order to ensure competitive operation in the current market conditions at the time of such transaction and Coca-Cola İçecek A.Ş. did not take or avoid any measures in a way that might harm the company in favor of the controlling company or its affiliates and it was concluded that no actions or measures exist which would require settlement in this context.

**Other**

The Company does not have its own shares acquired during the year.

The Company has not gone through any private audits during the financial year however it has undergone a number of public audits to the extent required by the applicable regulations.

There are no lawsuits filed against the Company as of December 31, 2021 which may affect Company's financial position or activities.

There are no significant administrative or judicial sanctions imposed on either the Company or the members of the Board of Directors arising from non-compliant conduct.

No report has been requested that is prepared upon a request from one of the managing body members as stipulated in the fourth paragraph of Article 199 of the Turkish Commercial Code.

Decisions taken at the general assembly have been fulfilled. No emergency general assembly meetings have been called during the financial year.

The Company's financial position is strong and it is not likely that the capital would become unrequited or the Company would go into debt.

No legislative changes have occurred in 2021 that could significantly affect Company activities.

## ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE COCA-COLA İÇECEK A.Ş. CORPORATE GOVERNANCE COMPLIANCE REPORT

#### Corporate Governance Compliance Statement

All corporate activities are performed in accordance with applicable legal regulations as well as the “Corporate Governance Guidelines” regulated by the CMB. In the Corporate Governance Compliance Report, for each of the topics mentioned under Corporate Governance Guidelines, we have provided information on our Company practices as well as necessary clarification in case of non-compliance with any principles under these guidelines along with information on any conflicts of interest occurring due to such non-compliance and any future plans to make changes in the Company governance in accordance with the principles under these guidelines.

During the 01.01.2021-31.12.2021 financial

year, our Company has complied with the “Corporate Governance Guidelines” published by CMB, with the exception of a few principles mentioned below which are not mandatory. There are no conflicts of interest arising from the non-applicable items as summarized below. You can access our Company’s Corporate Governance Compliance Report (CGCR) and Corporate Governance Information Form (CGIF) templates using the Corporate Governance button on the Public Disclosure Platform. (<https://www.kap.org.tr/tr/sirket-bilgileri/ozet/1424-coca-cola-icecek-a-s>)

- Currently our Board of Directors include only one female member. A recommendation has been communicated to our Board of Directors by the Corporate Governance Committee to increase the number of female members in our Board of Directors in the upcoming years and we continue our work towards this goal.
- In accordance with Article 4.6.5 of the Corporate Governance Guidelines, compensation and all other benefits provided to members of the Board of Directors and senior executives are publicly disclosed through the integrated annual report. However, disclosure is not made on an individual basis. It only provides a differentiation between the Board of Directors and Senior Executives.
- CCI’s Articles of Association does not contain any provision which would limit transfer of Group C shares. However, there are certain conditions regarding the transfer of Group A and Group B shares.
- The holders of Group A and Group B shares are granted with certain privileged rights in terms of governance. Accordingly, CCI Board of Directors consists of a total of 12 members with 7 of such members being Group A shareholders, 1 being a Group B shareholder and 4 being independent members.
- In 2021, the Board of Directors conducted a performance evaluation to assess whether or not it fulfilled its responsibilities in an effective manner.

#### Uğur Bayar

Corporate Governance Committee  
Chairperson

#### Kamil Ömer Bozer

Corporate Governance Committee  
Member

#### M. Hurşit Zorlu

Corporate Governance Committee  
Member

#### Dr. R. Yılmaz Argüden

Corporate Governance Committee  
Member

#### Çiçek Uşaklıgil Özgüneş

Corporate Governance Committee  
Member

## Company Compliance Status

Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
<b>1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS</b>						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
<b>1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION</b>						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					Financial Statements and Footnotes dated 30.09.2021 are announced due to special purpose limited independent audit
<b>1.3. GENERAL ASSEMBLY</b>						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	No information regarding this kind of activities were received from relevant persons before the general assembly meetings.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					The shareholders were informed during the AGM dated April 29, 2021 that CCI donated total amount of TL 4,015,000 to Anadolu Education and Welfare Foundation and TL 2,328,718 to other non-profit associations and tax-exempt foundations.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					The Company has no restrictions regarding the participation of the media members and the stakeholders in the General Assembly. In 2021, there was no request from the media within this regard.

**Company Compliance Status**
**Corporate Governance Compliance Report**
**Yes**
**Partial**
**No**
**Exempted**
**Not Applicable**
**Explanation**
**1.4. VOTING RIGHTS**

1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.

X

1.4.2 - The company does not have shares that carry privileged voting rights.

X

The Company's Articles of Association does not grant any privilege regarding voting rights. Each share is entitled to 1 (one) vote at ordinary or extraordinary General Assembly Meetings. Class A and Class B shares have certain privileged rights with respect to management. CCI has a Board of Directors consisting of 12 members, 7 of whom are nominated by Class A shareholders and 1 of whom is nominated by Class B Shareholders. The remaining 4 Directors are independent.

1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.

X

There is no cross-shareholding relation in the capital of the Company.

**1.5. MINORITY RIGHTS**

1.5.1 - The company pays maximum diligence to the exercise of minority rights.

X

1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.

X

While utmost care is given to the use of minority rights, our Articles of Association regulates the usage of all minority rights per regulations. The Articles of Association of our company does not include any article broadening the extent of minority rights compared to the Law.

**1.6. DIVIDEND RIGHT**

1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.

X

1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.

X

## Company Compliance Status

Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					In 2020, our Company recorded a net income of TL 1,232,671,000.00 in the consolidated financial statements prepared in accordance with the Turkish Financial Reporting Standards. The distribution of a total TL 501,110,440.00 gross dividends to be paid starting from May 27, 2021 was approved. After legal liabilities are deducted, TL 395,000,000.00 of this amount will be paid from 2020 net income, and TL 106,110,440.00 will be paid from other distributable reserves. As per the decision of general assembly, the remainder of 2020 net income was added to the extraordinary reserves.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
<b>1.7. TRANSFER OF SHARES</b>						
1.7.1 - There are no restrictions preventing shares from being transferred.		X				CCI's Articles of Association do not restrict the transfer of Class C shares. However, there are some terms and conditions for the transfer of A and B Group shares.
<b>2.1. CORPORATE WEBSITE</b>						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
<b>2.2. ANNUAL REPORT</b>						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					

## Company Compliance Status

Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
<b>3.1. CORPORATION'S POLICY ON STAKEHOLDERS</b>						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
<b>3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT</b>						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
<b>3.3. HUMAN RESOURCES POLICY</b>						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
<b>3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS</b>						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
<b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b>						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					

**Company Compliance Status**
**Corporate Governance Compliance Report**
**Yes**
**Partial**
**No**
**Exempted**
**Not Applicable**
**Explanation**
**4.1. ROLE OF THE BOARD OF DIRECTORS**

4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.

X

4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.

X

**4.2. ACTIVITIES OF THE BOARD OF DIRECTORS**

4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.

X

4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.

X

4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.

X

4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.

X

4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.

X

4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.

X

4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.

X



## Company Compliance Status

Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
<b>4.3. STRUCTURE OF THE BOARD OF DIRECTORS</b>						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Currently, there is only one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/ accounting and finance.	X					
<b>4.4. BOARD MEETING PROCEDURES</b>						
4.4.1-Each board member attended the majority of the board meetings in person.		X				The majority of board members attended to the board meetings. Due to the COVID-19 pandemic, access support was provided to the members who could not physically attend the board meetings, so that they could participate using online communication platforms. In addition, in the General Assembly meeting dated 29.04.2021, article 8.2 of Article of Association was amended to enabling the board meetings to be held in electronic format.
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					There is no written deadline in this regard. However, the Company Management submits the information and documents to the members for a reasonable period of time before the meetings and makes sure that this period is at least 3 days.
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					

Company Compliance Status						
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				Although there is no restriction for the Board members to serve any other duties outside the company, it is clearly stated in the Company Ethics Code; the prior approval of the Chairman is required to serve as an executive or a member of the board of directors of another for profit business. These approvals need to be renewed every year.
<b>4.5. BOARD COMMITTEES</b>						
4.5.5 - Board members serve in only one of the Board's committees.	X					
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X					
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
<b>4.6. FINANCIAL RIGHTS</b>						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				Remuneration and all other benefits provided to Board members and senior managers are made public through our annual report. However, the declaration is not made separately for each member, but a cumulative number is provided for all board members and senior management separately.

## 1. SHAREHOLDERS

### 1.1. Facilitating the Exercise of Shareholders Rights

The number of investor meetings (conference, seminar/etc.) organized by the company during the year

During 2021, CCI management and the Investor Relations Department attended 15 virtual investor conferences, 2 ESG conference, 2 roadshow and a number of teleconferences. For these events, CCI met 334 investors and analysts in 165 meetings. CCI organized 4 webcasts, each day after the quarterly earnings releases to discuss the related quarter's financial performance. \*Includes multiple meetings with the same person(s).

### 1.2. Right to Obtain and Examine Information

The number of special audit request(s)

0

The number of special audit requests that were accepted at the General Shareholders' Meeting

0

### 1.3. General Assembly

Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)

<https://www.kap.org.tr/en/Bildirim/932868>

Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time

Yes

The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9

There were no such transactions in 2021.

The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)

<https://www.kap.org.tr/en/Bildirim/986474>

The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)

<https://www.kap.org.tr/tr/Bildirim/929316>

The name of the section on the corporate website that demonstrates the donation policy of the company

Investor Relations / Corporate Governance / Policies / Donation and Grant Policy

The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved

The donation policy is provided in the Article 15 of the Company's Articles of Association. The notification of the latest Articles of Association approved by the General Assembly is available at <https://www.kap.org.tr/en/Bildirim/932868>

The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting

Participation in the General Assembly meetings is set out in Article 10 of the Articles of Association. Although there is no provision in our Articles of Association, the General Assembly meetings of our company are open to public including the stakeholders and the media without having the right to speak.

Identified stakeholder groups that participated in the General Shareholders' Meeting, if any

It was ensured that all stakeholders participated in the General Assembly meeting dated April 29, 2021.

#### 1.4. Voting Rights

Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	50.3%

#### 1.5. Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	-

#### 1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations / Corporate Governance / Policies / Dividend Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	The Board of Directors had no proposal for not distributing dividends to the General Assembly.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	Not applicable

## General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
29.04.2021	0	89.77%	0.000003%	99.999997%	Investor Relations / Corporate Governance / General Assembly	Investor Relations / Corporate Governance / General Assembly	13	0	<a href="https://www.kap.org.tr/tr/Bildirim/932868">https://www.kap.org.tr/tr/Bildirim/932868</a>

## 2. DISCLOSURE AND TRANSPARENCY

### 2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Relation
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Not applicable
List of languages for which the website is available	Turkish and English

### 2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	Corporate Governance
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance /Declarations Of Independence
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance / Additional Information On Corporate Governance / Board Of Directors

c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance / Additional Information On Corporate Governance / Board Of Directors / Principle Activities of the Board of Directors
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Corporate Governance / Additional Information On Corporate Governance / Other
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Corporate Governance / Additional Information On Corporate Governance / Other
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Corporate Governance / Additional Information On Corporate Governance
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There are no cross ownership subsidiaries
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Corporate Governance / Additional Information On Corporate Governance/ Information on the Beneficiaries

### 3. STAKEHOLDERS

#### 3.1. Corporation's Policy on Stakeholders

The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Investor Relations / Corporate Governance / Policies / Compensation Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	22
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics & Compliance Manager
The contact detail of the company alert mechanism	CCI Ethics and Compliance Internet Site: <a href="http://www.cciethicsline.com">www.cciethicsline.com</a> CCI Ethics Line +90-212-371 0732 CCI Ethics Line E-Mail: <a href="mailto:cci@ccietikhat.com">cci@ccietikhat.com</a> <a href="mailto:cci@cciethicsline.com">cci@cciethicsline.com</a> <a href="mailto:ethics@cci.com.tr">ethics@cci.com.tr</a>

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

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Investor Relations/Corporate Governance/Policies/HR Policy
Corporate bodies where employees are actually represented	Occupational Health and Safety Committee, Women's Networking Committee, Meal and Cafeteria Service Quality Improvement Committee, Disciplinary Board, Accident Evaluation Committee, Diversity and Inclusion Advisory Committee

### 3.3. Human Resources Policy

The role of the board on developing and ensuring that the company has a succession plan for the key management positions	At the annual Organizational Development Meetings, determining the key positions of CCI and confirming the back-up health in these areas; if necessary, determination and follow-up of the measures to be taken are discussed. In addition, short / medium and long-term successors of managerial positions above a certain level are evaluated objectively in this context. The Board of Directors is regularly informed by the Human Resources Department that the plan is created and that new executives are trained for key positions through effective implementation. Pursuant to the Company's Articles of Association, under the supervision of the Corporate Governance Committee, the Company's CEO and the Finance Director are elected among the candidates nominated by the Board members elected by the majority of the Group A shares.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Investor Relations / Corporate Governance / Policies / HR Policy
Whether the company provides an employee stock ownership program	There isn't an employee stock ownership program
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Investor Relations / Corporate Governance / Policies Sustainability / Human Rights Policy
The number of definitive convictions the company is subject to in relation to health and safety measures	0

### 3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations / Corporate Governance / Code of Ethics
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Sustainability / Reporting / Sustainability Report
Any measures combating any kind of corruption including embezzlement and bribery	<p>In order to meet these requirements, CCI has established ethics and compliance management processes and has accepted and published the Code of Ethics. The Code of Ethics clearly prohibits bribery and corruption and also obliges employees to show utmost care regarding improper payments made by third parties as well. For this reason, CCI signs Basic Principles for Suppliers and Code of Business Management Ethics with all of its suppliers and binds them with the commitment to comply with the laws and CCI principles. All employees and business partners are expected to have strong understanding of the Code of Ethics and to operate with high level of ethics and integrity as well as full compliance with laws and policies. The violation of the Code of Ethics is not tolerated, and any violation is investigated by the principles of internal investigation procedures. The following rules are adopted for the implementation of the Code of Ethics: - Corporate Governance Committee of CCI ensures full implementation and enforcement of the Code. - Implementation of the Code is under the responsibility of the Ethics &amp; Compliance Officer and Local Ethics &amp; Compliance Officers. - Investigations concerning Code violations are carried out by the Internal Audit Department. - All decisions about Code violations are issued by Ethics &amp; Compliance Committee. Certain categories of decision may be delegated to the local management in accordance with the Guidelines for Handling Code of Ethics Matters. - Alternative communication channels are available for consultation and raising concerns (e.g. independently operated ethics communication line)</p>

## 4. BOARD OF DIRECTORS-I

### 4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	April, 2020
Whether the board evaluation was externally facilitated	Yes
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No specific duty was delegated.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	17
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Corporate Governance / Additional Information On Corporate Governance / Risk Management and Internal Control Mechanism



Name of the Chairman	Tuncay Özilhan
Name of the CEO	Burak Başarır
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	Not applicable
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	Provided in the Integrated Report.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	There is no board diversity policy.
The number and ratio of female directors within the Board of Directors	The number female directors within the Board of Directors 1 (one); ratio 8%

#### 4.3 Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Tuncay Özilhan	Non-executive	Not independent director	28.06.2000	-	Not considered	No	Yes
Sedef Salıngan Şahin	Non-executive	Not independent director	29.04.2021	-	Not considered	No	Yes
Mehmet Hurşit Zorlu	Non-executive	Not independent director	17.05.2004	-	Not considered	No	Yes
Tuğban İzzet Aksoy	Non-executive	Not independent director	29.04.2021	-	Not considered	No	Yes
Kamil Han Süleyman Yazıcı	Non-executive	Not independent director	10.04.2017	-	Not considered	No	Yes
Agah Uğur	Non-executive	Not independent director	29.04.2021	-	Not considered	No	Yes
Ahmet Boyacıoğlu	Non-executive	Not independent director	11.11.2005	-	Not considered	No	Yes
Kamil Ömer Bozer	Non-executive	Not independent director	13.04.2018	-	Not considered	No	Yes
İzzet Karaca	Non-executive	Independent director	13.04.2016	<a href="https://www.kap.org.tr/tr/Bildirim/839412">https://www.kap.org.tr/tr/Bildirim/839412</a>	Considered	No	Yes
Ali Galip Yorgancıoğlu	Non-executive	Independent director	13.04.2018	<a href="https://www.kap.org.tr/tr/Bildirim/839412">https://www.kap.org.tr/tr/Bildirim/839412</a>	Considered	No	Yes
Uğur Bayar	Non-executive	Independent director	13.04.2018	<a href="https://www.kap.org.tr/tr/Bildirim/839412">https://www.kap.org.tr/tr/Bildirim/839412</a>	Considered	No	Yes
Tayfun Bayazıt	Non-executive	Independent director	13.04.2018	<a href="https://www.kap.org.tr/tr/Bildirim/839412">https://www.kap.org.tr/tr/Bildirim/839412</a>	Considered	No	Yes

## 4. BOARD OF DIRECTORS-II

### 4.4. Meeting Procedures of the Board of Directors

Number of physical board meetings in the reporting period (meetings in person)	5
Director average attendance rate at board meetings	96.7%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	There is no written deadline in this regard. However, the Company Management submits the information and documents to the members for a reasonable period of time before the meetings and makes sure that this period is at least 3 days.
The name of the section on the corporate website that demonstrates information about the board charter	Investor Relations / Corporate Governance / Articles of Association
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	Although board members are not limited to taking other duties outside the company, as clearly stated in the Company Code of Ethics, prior written approval of Chairman of the Board needs to serve as an officer or member of the board of directors of another profit-oriented business. These approvals need to be renewed every year.

### 4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance / Additional Information On Corporate Governance / Board of Directors / Number, Structure and Independence of the Committees established under the Board
Link(s) to the PDP announcement(s) with the board committee charters	<a href="https://www.kap.org.tr/Bildirim/356133">https://www.kap.org.tr/Bildirim/356133</a>

## Composition of Board Committees

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Committee Chair	Board Member
Audit Committee	-	İzzet Karaca	Yes	Board member
Audit Committee	-	Tayfun Bayazıt	No	Board member
Corporate Governance Committee	-	Uğur Bayar	Yes	Board member
Corporate Governance Committee	-	Kamil Ömer Bozer	No	Board member
Corporate Governance Committee	-	Mehmet Hurşit Zorlu	No	Board member
Corporate Governance Committee	-	Recep Yılmaz Argüden	No	Not board member
Corporate Governance Committee	-	Çiçek Uşaklıgil Özgüneş	No	Not board member
Committee of Early Detection of Risk	-	Ali Galip Yorgancıoğlu	Yes	Board member
Committee of Early Detection of Risk	-	Tuğban İzzet Aksoy	No	Board member
Committee of Early Detection of Risk	-	Agah Uğur	No	Board member

## 4. BOARD OF DIRECTORS-III

### 4.5. Board Committees-II

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / Additional Information On Corporate Governance / Board of Directors / Number, Structure and Independence of the Committees established under the Board
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / Additional Information On Corporate Governance / Board of Directors / Number, Structure and Independence of the Committees established under the Board
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / Additional Information On Corporate Governance / Board of Directors / Number, Structure and Independence of the Committees established under the Board
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / Additional Information On Corporate Governance / Board of Directors / Number, Structure and Independence of the Committees established under the Board
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / Additional Information On Corporate Governance / Board of Directors / Number, Structure and Independence of the Committees established under the Board

### 4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Additions
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations / Corporate Governance / Policies / Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Additions/Footnotes for Consolidated Financial Tables/Benefits to Employees



## Composition of Board Committees-II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee		100%	100%	4	4
Corporate Governance Committee		20%	20%	4	4
Committee of Early Detection of Risk		100%	33%	3	6

## INFORMATION ON THE BOARD OF DIRECTORS

### 1.1. Structure and Formation of the Board of Directors

The Company is governed and represented by a Board of Directors consisting of 12 members elected in the General Assembly. CCI Board of Directors consists of a total of 12 members, with 7 of such members being Group A shareholders, 1 being a Group B shareholder and 4 being independent members.

At the General Assembly held on April 29, 2021, board members were elected to serve for a period of 1 year, until the next Ordinary General Assembly which will be held to discuss 2022 outcomes. At the same General Assembly, the Chairperson and board members were authorized to perform the activities specified in Articles 395 and 396 of the Turkish Commercial Code.

Since the Corporate Governance Committee may fulfill the duties of a separate Nomination Committee in case such committee cannot be formed for building the Board of Directors in accordance with the Corporate Governance Guidelines, the Corporate Governance Committee evaluated the proposed candidates for management and shareholders as well as independent members, which include İzzet Karaca, Ali Galip Yorgancıoğlu, Uğur Bayar and Tayfun Bayazit, by taking into account whether these candidates meet the criteria for independent membership, and submitted the relevant evaluation to Board of Directors' approval on February 3, 2021.

Candidates for independent membership in the Board of Directors also submitted their written statements to the Corporate Governance Committee at the time of their nomination, declaring that they were indeed independent in

accordance with the criteria specified in the Legislation, Articles of Association and the Communiqué.

Member résumés for Board of Directors, including their declaration of independence and duties outside the Company, are available both in the 2021 Integrated Annual Report and on the Company website.

Although board members are not restricted from accepting other duties outside the Company, they are required to obtain a written approval from the Chairperson of the Board of Directors to serve as a director or member in any other profit-making company's board of directors and such approval must be renewed each year, as clearly stated in the Company Code of Ethics. Individuals elected as independent members to the Board of Directors are not registered and declared on behalf of the legal entity.

In 2021, no events occurred which would violate the independence status of the independent members serving in the Board of Directors.

Mrs. Sedef Salıngan Şahin is the only current female member our Board of Directors, however a recommendation has been communicated to our Board of Directors by the Corporate Governance Committee to increase the number of female members in our Board of Directors in the upcoming years to at least 25%, as specified in Article 4.3.9 of the Corporate Governance Communiqué issued by the Capital Market Board, and we continue our work towards this goal.

### 1.2. Operating Principles of the Board of Directors

The procedures and frequency for Board of Directors meetings, meeting and decision quorum, method of filing appeals to Board decisions and the validity of Board decisions are clearly described in the Articles of Association.

The duties and authorities held by the Board of Directors are specified in the Internal Directive on Authorization for Coca-Cola İçecek A.Ş. Activities prepared in accordance with Articles 367, 371 and other relevant provisions of the Turkish Commercial Code.

The agenda of Board of Directors meetings consists of re-discussion topics from the previous Board meeting as well as the topics determined by the Company senior management. Any board member can add other topics to the agenda by notifying the senior management. The topics that need to be discussed by the Board are communicated to the Chief Financial Officer and compiled to prepare an agenda for the next meeting. Board of Directors meeting dates are determined at the beginning of each year and communicated to the members.

In general, the Board of Directors hold five regular meetings during a year, however board members may also convene in case of extraordinary events and to make decisions on important agenda topics. The Chairperson, Vice Chairperson and each board member have the right to call a Board meeting and/or to add topics of interest to the relevant meeting agenda by notifying each board member at least fifteen (15) days before the meeting. Invitations to such meetings must be sent by fax, followed by the original invitation which will be sent by a courier service providing written proof of receipt or registered mail service. Board members may waive their right to receive invitations in writing. Board meetings are held at the Company HQ or elsewhere in Turkey or abroad as may be decided by the Board during a regular meeting with quorum. The Board of Directors may take decisions without holding a meeting in accordance with Article 390/4 of the Turkish Commercial

#### The Company Board of Directors consists of the following members:

Tuncay Özilhan	Chairperson	(Non-executive)
Sedef Salıngan Şahin	Vice Chairperson	(Non-executive)
Mehmet Hurşit Zorlu	Member	(Non-executive)
Kamil Ömer Bozer	Member	(Non-executive)
Tuğban İzzet Aksoy	Member	(Non-executive)
Kamilhan Süleyman Yazıcı	Member	(Non-executive)
Agah Uğur	Member	(Non-executive)
Ahmet Boyacıoğlu	Member	(Non-executive)
İzzet Karaca	Member	(Independent)
Ali Galip Yorgancıoğlu	Member	(Independent)
Uğur Bayar	Member	(Independent)
Tayfun Bayazit	Member	(Independent)

Code. The meeting and decision quorum specified in Company's Articles of Association shall also apply to such decisions. 5 Board Meetings were held in 2021.

Company's General Counsel fulfills the duties of the Board of Directors secretary. All queries and topics discussed during a meeting are recorded in a meeting report.

While the board member attendance rate of in five meetings held during 2021 financial year is 78%, members take care to attend each meeting and share their opinions. If a member fails to attend a meeting but submits his/her opinion in writing, the relevant opinion is notified to other members.

If any information recorded in a meeting report constitutes a trade secret, such information is not disclosed to the public. However, all important topics of decision are made public through a material disclosure.

Board members do not have voting and/or veto rights in the event of a tie. Including the Chairperson of the Board of Directors, each board member has only one vote, and the principle of weighted voting is not practiced.

All related party transactions and Board of Directors decisions require the approval of the majority of independent members in accordance with the Corporate Governance Guidelines. Although no transactions in 2021 fell under the significant category as described in the Corporate Governance Guidelines, the majority of the independent board members participated in the decisions taken by the Board of Directors.

Our Company holds an insurance against any damages to the Company possibly arising from misconduct of any board members during their duty and the policy

coverage exceeds 25% of the Company capital in accordance with Article 4.2.8 of the Corporate Governance Communiqué issued by the Capital Market Board. The limit of total annual liability is determined in accordance with the decision of the Company Management. For the time being, the limit is expected to remain at the current levels.

### 1.3. Number, Structure and Independence of Committees Established under the Board of Directors

There are three committees working under the CCI Board of Directors.

#### Audit Committee

The Audit Committee was established in accordance with the Board of Directors decision dated July 21, 2004. Pursuant to the decision taken by the Board of Directors on May 3, 2021, board member İzzet Karaca was appointed as the Audit Committee Chairperson and Tayfun Bayazıt as the committee member.

#### Corporate Governance Committee

At CCI's Board of Directors Meeting on July 31, 2008, a decision was taken to create a "Corporate Governance Committee" which would consist of board members. At the Board of Directors Meeting on May 3, 2021, Uğur Bayar was appointed as the Corporate Governance Committee Chairperson while M. Hurşit Zorlu, R. Yılmaz Argüden, Kamil Ömer Bozer and Çiçek Özgüneş Uşaklıgil were appointed as committee members.

At our company, it is Corporate Governance Committee's task to oversee the work of the Investor Relations Department. In this context, the committee determines the standards for all disclosures as well as the basic principles for investor relations, reviews these standards and principles including the compliance status on an annual basis,

and makes necessary recommendations to the Board of Directors. A report is prepared by Investor Relations Department regarding their performance and submitted to the Committee at each Corporate Governance Committee Meeting, and this report is also communicated by the Committee to the Board of Directors. In 2021, four committee meetings were held. The meeting dates were announced as a part of the Board Evaluation on the Working Principles and Performance of the Board of Directors Committees.

#### Early Risk Detection Committee

CCI Early Risk Detection Committee was established in accordance with the Board of Directors decision dated May 23, 2012. In accordance with the decision of the Board of Directors on May 3, 2021,

Ali Galip Yorgancıoğlu was appointed as the Chairman of the Early Risk Detection Committee while Tuğban İzzet Aksoy and Agah Uğur were appointed as committee members.

Pursuant to Corporate Governance Guideline No. 4.5.3 and the Board of Directors decision dated May 3, 2021, all members of the Audit Committee as well as the chairpersons of other committees were elected from independent board members. In accordance with the Guidelines, General Manager of the Company is not involved in any committees. No committee members are allowed to serve on more than one committee.

Duties associated with the Nomination Committee and Remuneration Committee, which are not yet established

	Independent Member	Executive Member
<b>Audit Committee</b>		
İzzet Karaca - President	Yes	No
Tayfun Bayazıt - Member	Yes	No
Kamil Ömer Bozer	No	No
<b>Corporate Governance Committee</b>		
Uğur Bayar - President	Yes	No
Mehmet Hurşit Zorlu - Member	No	No
Kamil Ömer Bozer - Member	No	No
Recep Yılmaz Argüden <sup>(1)</sup> - Member	No	No
Çiçek Özgüneş Uşaklıgil <sup>(1)</sup> - Member	No	Yes
<b>Early Risk Detection Committee</b>		
Ali Galip Yorgancıoğlu - President	Yes	No
Tuğban İzzet Aksoy - Member	No	No
Agah Uğur - Member	No	No

(1) Not a member of CCI Board of Directors.

under the Board of Directors, are currently fulfilled by the Corporate Governance Committee in accordance with the Corporate Governance Guidelines.

#### 1.4. Board Evaluation on the Working Principles and Performance of the Board of Directors Committees

Following the completion of chairperson and member elections in accordance with the Corporate Governance Guidelines and pursuant to the Board of Directors decision dated May 3, 2021;

- Independent board member İzzet Karaca was appointed as the Audit Committee Chairperson while independent board member Tayfun Bayazit was appointed as the committee member,
- Independent board member Uğur Bayar was appointed as the Corporate Governance Committee Chairperson while board members Mehmet Hurşit Zorlu, Kamil Ömer Bozer, Recep Yılmaz Argüden and Çiçek Özgüneş Uşaklıgil were appointed as committee members,
- Independent board member Ali Galip Yorgancıoğlu was appointed as the Early Risk Detection Committee Chairperson while board members Tuğban İzzet Aksoy and Agah Uğur were appointed as committee members.

Regulations governing the duties and working principles of these three committees were also updated in accordance with the new Corporate Governance Guidelines and approved by the Board of Directors on April 30, 2014. Regulations are made available to the public through the Company website.

In 2021, all Committees under the Board of Directors fulfilled their duties and responsibilities in an effective manner

in accordance with the Corporate Governance Guidelines as well as their own Regulations.

In alignment with the annual meeting plans specified in their own regulations and as required for effective performance in 2021;

- The Audit Committee convened four times on February 24, 2021, May 20, 2021, September 28, 2021 and December 21, 2021,
- The Corporate Governance Committee convened four times on February 24, 2021, May 20, 2021, September 28, 2021 and December 21, 2021,
- The Early Risk Detection Committee convened six times on March 10, 2021, May 5, 2021, July 2, 2021, August 31, 2021, October 27, 2021 and December 17, 2021; and submitted their reports containing information about their performance and yearly meeting outcomes to the Board of Directors. The Early Risk Detection Committee submitted information about its performance to the Board of Directors for six times during the year.

Accordingly;

- Being responsible for effective implementation of an internal control system as well as taking all necessary measures to ensure all internal and independent audits are conducted in an adequate and transparent manner, the “Audit Committee” submitted all recommendations it had on its areas of responsibility to the Board of Directors, including opinions and recommendations regarding internal audits and internal control system.
- Established to monitor Company’s compliance with Corporate Governance Guidelines, implement improvements and submit recommendations to the Board of

Directors, the “Corporate Governance Committee” determined the compliance status for Corporate Governance Guidelines across the Company along with the rationale of possible non-compliance issues and conflicts of interest culminated due such non-compliance, made recommendations to the Board of Directors for improving corporate governance practices, and supervised the shareholder relations unit. The Committee also monitored the performance of Investor Relations Department.

- Working to identify the risks that may pose a threat to Company’s existence, growth and future sustainability at an early stage, to implement necessary measures for identified risks and to manage these kind of risks, the “Early Risk Detection Committee” also reviewed Company’s risk management systems in accordance with the Corporate Governance Guidelines and the Early Risk Detection Committee Regulation.

## INFORMATION FOR STAKEHOLDERS

### 2.1. Stakeholder Notification

Coca-Cola Contact Line (0800 261 19 20) is open to all consumers. Consumers, customers and shareholders can also contact us using the communication forms on our website at [www.cci.com.tr](http://www.cci.com.tr).

Information exchange with distributors and other customers is maintained through regular distributor meetings as well as field meetings organized by authorized staff in a number of regions. In addition, customers and suppliers are able to submit their opinions to the Company management through oral or written communication.

In order to improve procured material and service quality and keep up with other industry developments and pilot activities performed under joint projects, several supplier meetings are organized.

The extensive information network established between our Company and the customers allow for real-time exchange of information. Changes implemented through e-sales system on the Internet are immediately notified to our customers, and in necessary cases training and satisfaction surveys are provided.

Necessary mechanisms have been established by the Corporate Governance Committee for stakeholders to communicate Company’s unlawful or unethical transactions to the Corporate Governance or Audit Committees. On the other hand, the Corporate Governance Committee is obliged to follow up with the management to make sure a system is established by the management for business codes of conduct and ethical principles in accordance with the Company statute. The Audit Committee also checks if the management monitors Company compliance with business codes of conduct and ethical principles, misconduct risk assessments are made and training is provided for misconduct & business codes of conduct as well as ethical principles.

### 2.2. Stakeholder Engagement in Governance

All individuals, groups or organizations that are affected by our activities or that have an effect on our activities are defined as stakeholders. The following communication platforms are employed to engage stakeholders in governance and their opinion is taken into account in decision-making processes.



Stakeholders	Dialogue Platform
Employees	Employee engagement and satisfaction survey, Workplace, Digital Screens, CokePort, Press briefings, CCIdea Platform and Innovation Day, CCI Training Programs, Leadership Development Trainings, Sales etc. Incentive programs, reputation surveys, status assessments or service level measurement surveys, digital screens, CEO meetings, volunteering programs, Occupational Health and Safety Committee, Women Employees Committee, Service Development Committee for Food and Cafeteria, Disciplinary Board, Incident Assessment Committee, Diversity and Inclusion Advisory Committee
Distributors/Sellers	Distributor meetings, diagnostic studies, regular visits, training programs, plant visits, distributor satisfaction surveys, Distributor Portal, CCI Sales Point Hotline
Shareholders	General Assemblies, CCI website, Public Disclosure Platform (PDP)
Customers	Trainings, support programs, regular visits, plant visits, Coca-Cola Customer Road Show, Customer satisfaction surveys, CCI Sales Point Hotline, Focus group workshops, joint business planning meetings
Suppliers	Training programs, improvement audits, plant visits, supplier days, supplier performance scores, supplier surveys, cooperation portal
Investors	Annual reports, investor conferences, analyst meetings, investor presentations, integrated activity report, web site, social media accounts, webcast, Investor Relations Department, e-mail distributions, special case announcements, Public Disclosure Platform, direct feedback forms through website, perception and satisfaction surveys, CDP Climate Change Report, CDP Water Report, Sustainability Index Assessment.
Public Institutions And Organizations	Briefings for industry-specific development, full compliance with laws and regulations, support for infrastructure investments, reputation surveys
NGOs	Project partnerships, corporate and individual employee memberships, participation in conferences and presentations, reputation surveys, Stakeholder Day
Union	Union representation, collective labor agreements, representative meetings, plant visits
Media	Periodical information, statements, support programs, regular visits, website, plant visits, reputation surveys
Consumers	Coca-Cola Call Center, Open to Curiosity Platform, website, informative publications, plant visits, product labels
Sector Groups	Corporate memberships, joint projects, participation in meetings and conferences
Community	Donations, website, plant visits, support programs, voluntary practices, Coca-Cola Call Center, information through mass communication, product labels, advertisement and marketing activities, environmental training sessions, social engagement projects, field studies, meetings, survey and eliciting opinions, reputation surveys, Open to Curiosity Platform, Corporate Publications - Integrated Activity Report

## MECHANISM FOR RISK MANAGEMENT AND INTERNAL CONTROL

At CCI, Company Management is responsible and in control of the Risk Management and Internal Control System. The Corporate Risk Management function, which provides reassurance and advice to management on relevant issues, reports directly to the Early Risk Detection Committee.

CCI's Senior Management identifies significant opportunities and threats in terms of achieving Company targets within the Corporate Risk Management framework and manages them in accordance with Company's risk appetite. Corporate Risk Management is a systematic and disciplined process created to identify CCI's business strategies, which is influenced by all Company employees and covers all Company practices.

Any risks that may occur in terms of achieving Company targets are communicated to the management for evaluation and priority risks are identified with the coordination of the Corporate Risk Management function. Priority risks and action plans to mitigate such risks are shared with the Early Risk Detection Committee in order to be submitted to the Board of Directors. Integrated with strategic business plans, this process is managed and maintained with the support of Corporate Risk Management software.

Some of the methods employed for risk management are described below:

- Performance and risk indicators are used as early warning system for monitoring risks and taking necessary measures in a timely manner. SAP system, which is

integrated into all processes across the Company and contains all instantly-produced data, is an effective technology system to support decision making which allows monitoring of basic performance and risk indicators. In addition to these, the ERM (Enterprise Risk Management) system, which defines and evaluates corporate risks, ensures that risks are monitored effectively.

- This method allows for instant monitoring of activity outcomes and eliminates human errors while improving the effectiveness of early risk detection and internal control system. At the same time, the internal communication system, which uses cutting-edge technology, allows for providing rapid response to any issues and generating solutions.
- Business continuity and crisis management studies are performed and supported with effective insurance management to prevent and mitigate any loss arising from risks that may cause interruptions in the business and production, such as natural risks and supply chain issues.
- In order to ensure unaffected system operation and data integrity in case of emergencies, a number of investments are being made in cyber security warning and protection systems as well as backup systems.
- In alignment with our Global Waste-Free World Strategy, we strive to identify risks associated with our packaging, implement sustainable and innovative packaging & waste solutions, and work in coordination with local authorities on waste collection and recycling.

The Internal Audit Department regularly

reviews Company's risk management and internal control systems in accordance with its risk-based audit plan to achieve the following targets, and reports the relevant results to the Audit Committee and Company Management:

- Effectiveness and efficiency of operations
- Protection of company assets
- Accuracy and reliability of financial and operational information
- Ensuring compliance with laws, regulations and conventions

## STRATEGIC COMPANY TARGETS

Targets and critical performance indicators that are in line with Company's vision and mission are identified as a part of the annual Strategic Operation Plans. These targets and critical performance indicators are approved by Board of Directors during budget meetings at the end of the previous year. Board of Directors reviews operational results during regular meetings by comparing them with previous year's performance and target indicators.

## FINANCIAL RIGHTS

At the CCI Ordinary General Assembly on April 29, 2021, it was decided to pay a net total of annual compensation worth 168,000 TL on a monthly basis to each Independent Member of the Board of Directors for the period between 01.04.2020 and 31.03.2021.

There are no other fees or rights granted to the members of the Board of Directors. Fees and other benefits entitled to members of the Board of Directors are not set according to performance. All board

members and managers are entitled to an Executive Liability Insurance.

CCI has not provided any loans or credits to any board member as well as any personal loans to any person whatsoever through a third party or any assurance or guaranty to the benefit of a third party, such as an indemnity.

## CORPORATE GOVERNANCE POLICIES

### 6.1. CCI Profit Distribution Policy

Our company distributes profits in accordance with the provisions of the Turkish Commercial Code, Capital Market Regulations, Tax Regulations and other relevant regulations as well as the provision of our Articles of Association regarding profit distribution. Our Company targets to distribute up to 50% of distributable profits as cash and/or bonus shares each year. The profit distribution policy is subject to investment and other fund requirements associated with the long-term company growth as well as any special circumstances brought by extraordinary economic conditions. A separate decision is taken by the Board of Directors regarding the dividends for each financial year and this decision is submitted to General Assembly's approval. Profit distribution begins on the date determined by the General Assembly, no later than the end of the year in which the General Assembly is held. Company may opt for distributing the dividend as advance payments or paying it in equal or different amounts as installments in accordance with the provisions of the applicable legislation. The Board of Directors reserves the right to submit a distribution model with a higher rate than specified to General Assembly's approval as long as such

model does not violate investment plans or business requirements.

No concessions are granted to shareholders regarding profit sharing.

### 6.2. CCI Compensation Policy

Provisions of the applicable Labor Law No. 4857, surviving Article 14 of the annulled Labor Law 1475 and provisions of Coca-Cola İçecek A.Ş. Human Resources Policy are taken into account when determining the compensation policy for Company employees. For employees who work under the Collective Labor Agreement, the relevant Agreement provisions on severance and notice pay are taken as basis to determine and execute the compensation policy.

#### Severance Pay

A severance pay is granted to employees (or their legal heirs in case of death) who are terminated according to one of the conditions requiring severance pay as specified by the provisions of the surviving Article 14 of the Labor Law No. 1475 as repealed by Labor Law No. 4857 for their duration of service, on the condition that such employees have completed at least a full working year.

The actual number of days subject to severance pay is calculated in

accordance with Company Regulations, and the Collective Labor Agreement for unionized employees.

#### Notice Period and Pay

In cases requiring a notice period, Article 17 of the Labor Law No. 4857, or for unionized employees, provisions of the Collective Labor Agreement are taken into account. Moreover, an employee may also be terminated by paying his/her full wages up to the end of the relevant notice period in cash. In cases where a notice period is granted, a job-seeker allowance is provided to the employee.

### 6.3. CCI Human Resources Policy

CCI Human Resources Policy is established to secure CCI's position as a preferred employer by building a competent organization which consists of highly committed employees. From this perspective, the policy is based on the principle of continuous development on the following strategic priorities:

- Development of main organizational competencies on a corporate level to boost competitiveness
- Acquiring and developing talent to ensure succession of leadership positions

- Promoting employee loyalty and performance
- Building a corporate culture which values diversity and uses it as a leverage

At CCI, all human resources systems, such as workforce planning, recruitment and placement, performance management, talent management, training and development management, compensation and benefits management and rewards management, are based on the principle of ensuring, promoting and rewarding continuous development and superior performance.

Employee development is a part of annual individual goals for all managers and employees, and in this context their performance is measured accordingly.

Competence development is also seen as an important element of employee development and superior performance, in addition to know-how and skills development.

At CCI, we have defined our Leadership Behaviors as "Impress and convince, Inspire, Win with the customer, Be inclusive, Always raise the bar, Think of the future". We aim to align our recruitment and employee development programs within this behavior

framework.

For continuous development and high performance, we believe in the importance of being an open, fair, responsive and constructive company from an employee point of view who protects material and moral employee rights and pays attention to their opinion.

To achieve this goal, we publish all policies and procedures related to human resources on a platform that is available to all employees, announce vacant internal positions to our employees, regularly collect employee opinions and suggestions through regular internal customer satisfaction and employee loyalty surveys, create and implement action plans for new development areas, offer all employees access to an e-learning platform so that they can receive necessary training on their respective development areas, and maintain communication between employees and the management through a number of methods such as open meetings and human resources briefings.



# ANNEXES

## BOARD OF DIRECTORS RESOLUTION ON THE APPROVAL OF INTEGRATED ANNUAL REPORT AND CORPORATE GOVERNANCE COMPLIANCE REPORTING

RESOLUTION DATE: MARCH 10, 2022

RESOLUTION NUMBER: 18

### STATEMENT OF RESPONSIBILITY PURSUANT TO CAPITAL MARKETS BOARD COMMUNIQUE: 11-14.1, SECTION 2 ARTICLE 9

10 March 2022

Integrated Annual Report for the accounting period of 1 January - 31 December 2021, which were prepared pursuant to the Annual Activity Report within the scope of the Turkish Commercial Code and CMB Communique Series: 11-14.1; and Corporate Governance Compliance Report and Corporate Governance Information Form which were prepared in accordance with CMB Communique Series: 11- 17.1 and Capital Markets Board decision dated 10.01.2019 and numbered 2/49 were approved by our Board of Directors and the Audit Committee. Within the framework of related legislation, we hereby declare that the above-mentioned reports;

a) were reviewed,

b) do not contain any misrepresentation of the facts on major issues, or any omissions that may be construed as misleading as of the date of the disclosure; based on the information available so far within the scope our duties and responsibilities,

c) Within the framework of information available in so far as our duties and responsibilities, the integrated annual report fairly reflect the facts about the assets, liabilities, financial condition and loss of the Company along with its consolidated subsidiaries.

Sincerely,

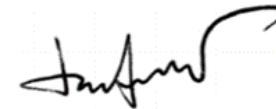
Andriy Avramenko  
CFO



İzzet Karaca  
Audit Committee Chairman



Tayfun Bayazıt  
Audit Committee Member





## INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

To the General Assembly of Coca-Cola İçecek A.Ş.

### 1) Opinion

As we have audited the full set consolidated financial statements of Coca-Cola İçecek A.Ş. ("the Company") and its subsidiaries ("the Group") for the period between 01/01/2021-31/12/2021, we have also audited the annual report for the same period.

In our opinion, , the consolidated financial information provided in the Management's annual report and the Management's discussions on the Group's financial performance based on the information provided in the audited consolidated financial statements, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial

statements and the information obtained from our audit.

### 2) Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") issued by POA and ethical provisions stated in the

regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 3) Auditor's Opinion for the Full Set Consolidated Financial Statements

We have presented unqualified opinion for the Group's full set consolidated financial statements for the period between 01/01/2021-31/12/2021 in our Auditor's Report dated 21 February 2022.

### 4) Management's Responsibility for the Annual Report

The Group's Management is responsible for the following in accordance with Article 514 and 516 of the Turkish

Commercial Code No. 6102 ("TCC") and "Communiqué on Principles of Financial Reporting in Capital Markets" with No.14.1 of the Capital Markets Board ("the Communiqué"):

- a) Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,
- b) Preparing the annual report with the all respects of the Group's flow of operations for that year and the Group's consolidated financial performance accurately, completely, directly and fairly. In this report, the consolidated financial position is assessed in accordance with the consolidated financial statements. The Group's development and risks that the Group may probably face are also pointed out in this report. The Board of Director's evaluation on those matters are also stated in this report.

- c) The annual report also includes the matters stated below:
- The significant events occurred in the Group's activities subsequent to the financial year ends,
  - The Group's research and development activities,
  - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation

expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

**5) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report**

Our aim is to express an opinion and prepare a report about whether the Management's discussions based on the information in the audited

consolidated financial statements and consolidated financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management's discussions on the Group's financial performance based on

the information provided in the audited consolidated financial statements, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

The engagement partner on the audit resulting in this independent auditor's report is Yaman Polat.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of DELOITTE TOUCHE TOHMATSU LIMITED



Yaman Polat, SMMM  
Sorumlu Denetçi  
İstanbul, 10 Mart 2022

# OPERATIONAL PERFORMANCE

## SALES VOLUME

### Consolidated

Despite the challenging operational environment led by the ongoing Covid-19 pandemic, CCI had a successful start to the year fueled by its agile, adaptive business model and diverse brand pack portfolio. Pandemic conditions continued in the first half of 2021 with lockdowns and restricted mobility. However, starting from the second half of the year, our business

benefited from the increased mobility at on-premise channels with a higher rate of vaccinations, favorable weather conditions, and partial recovery of the tourism sector. By rapidly adapting to evolving consumer trends, leveraging our diverse brand pack portfolio, and our strong execution capabilities, we registered healthy volume performance across all our operations in FY21.

In FY21, sales volume increased by 16.2% to 1,376 million unit cases ("UC"). On an organic basis, growth was 14.2%. This growth was broad-based among

all operations without exception. Turkey continued its successful growth momentum despite the pandemic-related restrictions affecting the on-premise channel, especially in the first half of the year. Sales volume grew by 13.5% in Turkey in 2021. International operations also delivered robust results with 18.3% sales volume growth. On an organic basis, year-on-year (y/y) growth was 14.7% in International operations.

The sales volume of brand Coca-Cola™ increased by 17.3% y/y in FY21, while re-launched Coca-Cola Zero Sugar showed

a remarkable 26.0% growth. Accordingly, the sparkling category recorded a 15.9% growth in FY21. On the other hand, the stills category registered a strong recovery in FY21 and grew by 28.1% y/y, while cycling a 10.8% contraction in the previous year. The water category has also recovered compared to the last year and grew by 11.4% in 2021.

The newest addition to our operations, Uzbekistan, was consolidated in our total figures starting from the 4th quarter contributing 25 million UC volume growth to CCI reported numbers.

### As Reported:

Volume (mn UC)	2021	2020	2021/2020 Δ
Consolidated	1,376	1,184	16.2%
Turkey	581	512	13.5%
International	795	672	18.3%
Uzbekistan	25	-	-

### Organic:

Volume (mn UC)	2021	2020	2021/2020 Δ
Consolidated	1,352	1,184	14.2%
Turkey	581	512	13.5%
International	770	672	14.7%



### Turkey:

In FY21, Turkey's total sales volume increased by 13.5% y/y to 581 million UC supported by a partial recovery in the on-premise channel, improved tourism activity, favorable weather conditions during summer months, continued focus on at-home occasions, and higher product availability in the e-commerce channel.

On a full-year basis, Coca-Cola™ grew by 15.1%. The re-launch of Coca-Cola Zero Sugar with a new design and revised formulation, together with the excellent growth performance of Sprite, also contributed positively to 11.6% sparkling category growth in 2021. Share of sugar-free<sup>1</sup> in sparkling was at 6.1%.

(1) Includes low and no-calorie

The stills category grew by 22.3% y/y in FY21. The water category was up by 16.3% in 2021. The recovery also assisted the growth in the water category in the on-premise channel.

### International:

In FY21, the consolidated sales volume of international operations grew by 18.3% y/y to 795 million UC, led by a remarkable 18.6% y/y growth of the sparkling category. The organic growth of international operations was 14.7%.

Despite price increases, Pakistan operation's sales volume grew by 17.2% in FY21. This growth was led by the higher outlet penetration, supported by additional cooler placement, higher

product availability in the existing outlets, improved route to market capabilities, and better promotion management. In Pakistan, the sparkling category grew by 17.1% y/y, supported by 19.8% y/y growth in Coca-Cola™ in FY21. The stills and water categories grew 59.6% and 17.0% in the same period.

Iraq operations showed a 2.8% total sales volume growth in 2021.

In Kazakhstan, sales volume increased by 14.6% y/y on the back of 10.1% sparkling category growth. Sparkling category performance was mainly supported by a 7.1% growth in Coca-Cola™ and a 32.8% in Fanta in FY21. The stills category rebounded with 38.1% growth y/y in FY21, cycling a 7.9%

contraction in FY20. The water category partially recovered by growing 13.0% y/y in FY21.

Being the newly added country to our operations, Uzbekistan registered 25 million UC sales volume in 4Q21, and 97% of total sales was sparkling beverages, primarily Coca-Cola™ and Fanta.

On a proforma basis, assuming that Uzbekistan was included in CCI's financials both in 2020 and 2021, the consolidated sales volume growth was 15.3%.

# FINANCIAL OVERVIEW

- **Net sales revenue ("NSR")** grew by 52.4% and reached TRY 21,929.5 million in FY21 driven by improving product and channel mix, timely price increases, and other Revenue Growth Management ("RGM") initiatives.
- On an organic basis, excluding Uzbekistan figures, NSR increased by 49.1% in FY21.
- In Turkey, NSR grew by 41.0% in FY21 and reached TRY 8,727.6 million with per unit case NSR growth of 24.3% thanks to higher IC share, timely price adjustments, growth in the on-premise channel on the back of increased mobility, good weather conditions, and positive momentum in tourism.
- Our international NSR was up by 61.5%, with 36.5% NSR/UC growth in FY21.
- Organic NSR growth in international operations was 55.7% in FY21.

	Net Sales Revenue (TL m)		NSR per UC (TL)	
	2021	YoY Change	2021	YoY Change
Turkey	8,728	41.0%	15.0	24.3%
International	13,251	61.5%	16.7	36.5%
International (Organic)	12,773	55.7%	16.6	35.8%
International (FX Neutral) <sup>(1)</sup>	11,019	34.3%	13.9	13.5%
Consolidated	21,930	52.4%	20.9	48.5%
Consolidated (Organic)	21,452	49.1%	15.9	30.6%
Consolidated (FX Neutral) <sup>(1)</sup>	19,697	36.9%	14.3	17.8%

(1) FX-Neutral: Using constant FX rates when converting country P&Ls to TL

- **Gross margin** was realized at 35.2% in 2021. Despite ongoing commodity price pressures, we were able to generate a flattish gross margin thanks to timely price increases, hedges, and improvement in package mix.
- In Turkey, the gross margin was realized at 36.3% in 2021.
- In International operations, gross margin increased by 211 bps to 34.3% (organic increase 152 bps) on the back of strong sales performance with increased vaccination and better channel mix, and efficient discount management in FY21.
- **Operating expenses** as a percentage of NSR decreased by 82 bps to 19.5% in FY21. In FY21, the EBIT margin was 15.7%, with a 77bps improvement.
- **The EBITDA margin** realized at 21.3% (21.2% organically) in 2021, implying only 52 bps (organic 63 bps) contraction compared to 2020. This is achieved by solid business momentum and smart price/package architecture, despite our region's more challenging than the expected inflationary environment. The EBITDA margin- excluding the effect of other income/(expense) was realized at 15.0% in Turkey and 23.9% in the international operations in FY21.
- **Net financial income** was TRY 225 million in FY21 compared to TL (289) million in FY20. The higher net financial income in FY21 was achieved despite higher interest rates on local currency borrowings.

Financial Income / (Expenses) (TL million)	2021	2020
Interest income	157	149
Interest expense (-)	(549)	(371)
Other financial FX gain / (loss)	1,144	424
Gain / (loss) on derivative transactions	(79)	(26)
Realized FX gain / (loss) – Borrowings	(56)	(92)
Unrealized FX gain / (loss) – Borrowings	(391)	(373)
<b>Financial Income / (Expense) Net</b>	<b>225</b>	<b>(289)</b>

- **Non-controlling interest (minority interest)** was TL (149) million in 2021 compared to TL(82) million in 2020.
- **Net profit** was TL 2,271 million in FY21 with a growth of 84.3% compared to FY20.
- **Free cash flow** increased by 9.5% and reached TL 2,154 million in 2021 vs. TL 1,967 million in 2020. Besides

solid profitability and prudent CapEx management, tight working capital management supported solid free cash flow generation. As a percentage of net sales revenue, net working capital was at 1.7% in FY21.

- **CapEx** was TL 1,306 million in 2021. 32% of the total capital expenditure was related to Turkey

operation, while 68% was related to international operations. Capex over sales ratio was 6.0% in 2021 compared to 4.6% in 2020.

- **Consolidated debt** was USD 703 million by the end of 2021, compared to USD 839 million by 2020. Consolidated cash was USD 316 million by the end of 2021 vs. USD

638 million as of year-end 2020. The all-cash acquisition of CCBU for a total of USD 342 million resulted in a decrease in cash balance despite solid free cash flow generation. Our consolidated net debt was USD 387 million with a Net debt to EBITDA ratio of 1.1x.

### Financial Leverage Ratios

	2021 <sup>(1)</sup>	2020 <sup>(1)</sup>
Net Debt / EBITDA (2)	1.11	0.47
Debt Ratio (Total Fin. Debt / Total Assets)	29%	32%
Fin. Debt-to-Equity Ratio	63%	71%

(1) Including lease payables related to TFRS 16  
 (2) Excluding loan debt payables to related parties

- As of December 31, 2021, 79% of our consolidated financial debt was in USD, 8% in EUR, 5% in TL, and the remaining 8% in other currencies.

- The average duration of the consolidated debt portfolio was 2.3 years, and the maturity profile was as follows:

Maturity Date	2022	2023	2024
% of total debt	14	23	63

## BOARD OF DIRECTORS RESOLUTION REGARDING THE ACCEPTANCE OF FINANCIAL CHARTS

RESOLUTION DATE: 02.21.2022

RESOLUTION NUMBER : 14

## DECLARATION OF LIABILITY IN ACCORDANCE WITH PART TWO, ARTICLE 9 OF THE “PRINCIPLES FOR FINANCIAL REPORTING IN THE CAPITAL MARKET COMMUNIQUÉ (II-14.1)” ISSUED BY THE CAPITAL MARKET BOARD

February 21, 2022

We declare that;

- a) We have reviewed the consolidated financial charts and associated footnotes for January 1 - December 31, 2021 accounting period pursuant to the relevant legislation, which were prepared in accordance with the “Principles for Financial Reporting in the Capital Market Communiqué (II-14.1)” issued by the Capital Market Board (CMB) within the framework of Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) and the formats determined by the CMB, independently audited, and approved by the Company Board of Directors and the Audit Committee,
- b) To the best of our knowledge within our duties and responsibilities in the Company, the charts do not contain any inaccurate statements on important matters or deficiencies that may result in a misleading statement as of the date of such disclosure,
- c) To the best of our knowledge within our duties and responsibilities in the Company, the financial charts prepared in accordance with the Capital Market Board's Communiqué No. II-14.1 truthfully represent the actual state of Company assets, liabilities, financial condition and profit/loss, including those consolidated, and truthfully represent the financial state of the Company including any significant risks or uncertainties that it is subject to

Kind regards,

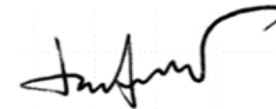
Andriy Avramenko  
CFO



İzzet Karaca  
Audit Committee Chairperson



Tayfun Bayazit  
Audit Committee Member





# COCA-COLA İÇECEK ANONİM ŞİRKETİ AND SUBSIDIARIES

## CONSOLIDATED FINANCIAL CHARTS PREPARED AS OF DECEMBER 31, 2021 AND INDEPENDENT AUDITOR REPORT



# Deloitte.

## INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Coca-Cola İçecek A.Ş.

### A) Report on the Audit of the Consolidated Financial Statements

#### 1) Opinion

We have audited the consolidated financial statements of Coca-Cola İçecek A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes

in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

#### 2) Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued

by Capital Markets Board and the Standards on Independent Auditing (SIA) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) published by the POA, together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with

these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Key Audit Matter

### How the matter was addressed in the audit

Impairment testing of goodwill and intangible assets with indefinite useful lives

Group has expanded its operations in the previous years with business combinations. As a result of the business combinations, the share of goodwill and intangible assets with indefinite useful life in total assets has reached to 27% as of 31 December 2021 in the consolidated financial statements.

The Group Management performs annual impairment testing of its cash generating units to which goodwill and its intangible assets with indefinite useful lives have been allocated in accordance with TFRS.

The recoverable amount of cash generating units and intangible assets with indefinite lives are determined based on value in use. Recoverable amount is determined based on discounted projected cash flows by using key management estimations, such as, earnings before interest, tax, depreciation and amortization ("EBITDA"), weighted average of cost of capital and long-term growth rate.

There are significant estimates and assumptions used in the impairment tests performed by the Group management and these assets have material magnitude on the consolidated financial statements, thus the impairment testing of goodwill and intangible assets with indefinite useful lives is determined as a key audit matter.

The related disclosure including the accounting policies for impairment testing of goodwill and intangible assets with indefinite useful lives are disclosed in Notes 2, 21 and 22.

The audit procedures applied including but not limited to the following are:

- Assessing Group's process for the impairment testing of goodwill and intangible assets with indefinite useful lives and performing the design and implementation testing of the relevant controls,
- Evaluating the appropriateness of cash generating units determined by Group management,
- Review of the Group's budget processes in details (basis of estimation) and review of basis and arithmetical accuracy of models that are used for discounted projected cash flows,
- Back testing forecasted cash flows for each cash generating unit with its historical financial performance,
- Assessing the reasonableness of key assumptions used in each cash generating unit, including earnings before interest, tax, depreciation and amortization ("EBITDA"), long-term growth rates and discount rate by involvement of our internal valuation specialists,
- Comparative analysis of actual results with the initial estimations to verify the accuracy of historical estimations,
- Review the appropriateness of related disclosures regarding goodwill and intangible assets with indefinite useful lives in Note 2, 21 and 22.

#### 4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible

for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### 5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the standards on auditing issued by Capital Markets Board and SIA will always detect

a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the standards on auditing issued by Capital Markets Board and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and

timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**B) Report on Other Legal and Regulatory Requirements**

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk

has been submitted to the Board of Directors of the Company on 21 February 2022.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January - 31 December 2021 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Yaman Polat.

DRT BAÇIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.  
Member of DELOITTE TOUCHE TOHMATSU LIMITED



**Yaman Polat**  
Partner

İstanbul, 21 February 2022

## COCA-COLA İÇECEK ANONİM ŞİRKETİ

Report on Independent Audit of Consolidated Financial Statements

Consolidated Statement of Financial Position

Consolidated Statement of Profit or Loss

Consolidated Statement of Other Comprehensive Income

Consolidated Statement of Change in Equity

Consolidated Statement of Cash Flows

Notes to Consolidated Financial Statements



## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	December 31, 2021	Audited (Restated – Note 2) December 31, 2020
<b>ASSETS</b>			
Cash and Cash Equivalents	6	4.141.603	4.660.596
Financial Investments	7	73.644	23.164
Trade Receivables		1.870.226	1.092.390
- Trade receivables due from related parties	37	231.693	296.085
- Trade receivables due from third parties	11	1.638.533	796.305
Other Receivables	12	23.205	33.876
- Other receivables due from third parties		23.205	33.876
Derivative Financial Instruments	8	41.102	36.216
Inventories	15	2.500.771	1.041.025
Prepaid Expenses	13	1.220.514	298.718
Current Income Tax Assets		336.701	248.651
Other Current Assets	28	505.638	282.287
- Other current assets from third parties		505.638	282.287
<b>Total Current Assets</b>		<b>10.713.404</b>	<b>7.716.923</b>
Other Receivables		94.315	47.230
- Other receivables due from third parties		94.315	47.230
Property, Plant and Equipment	20	12.002.586	7.343.668
Intangible Assets		9.328.997	3.447.193
- Goodwill	22	5.072.775	983.477
- Other intangible assets	21	4.256.222	2.463.716
Right of Use Asset	20	252.641	193.812
Prepaid Expenses	13	68.797	208.474
Deferred Tax Assets	35	325.501	183.335
Derivative Financial Instruments	8	-	6.696
<b>Total Non-Current Assets</b>		<b>22.072.837</b>	<b>11.430.408</b>
<b>Total Assets</b>		<b>32.786.241</b>	<b>19.147.331</b>

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	December 31, 2021	Audited December 31, 2020
<b>LIABILITIES</b>			
<b>Short-term Borrowings</b>	9	830.114	985.021
- Bank borrowings		830.114	984.451
- Finance lease payables		-	570
<b>Current Portion of Long-term Borrowings</b>	9	537.671	314.706
- Bank borrowings		481.461	258.507
- Lease liabilities		56.210	56.199
<b>Trade Payables</b>		3.957.019	1.837.208
- Trade payables due to related parties	37	936.441	479.707
- Trade payables due to third parties	11	3.020.578	1.357.501
<b>Payables Related to Employee Benefits</b>	26	77.394	50.009
<b>Other Payables</b>		1.333.443	518.142
- Other payables due to third parties	12	928.437	518.142
- Other payables due to related parties	37	405.006	-
<b>Derivative Financial Instruments</b>	8	151.678	58.166
<b>Provision for Corporate Tax</b>		115.949	62.430
<b>Current Provisions</b>	26	171.694	78.702
- Current provisions for employee benefits		171.694	78.702
<b>Other Current Liabilities</b>	28	307.540	418.125
<b>Total Current Liabilities</b>		<b>7.482.502</b>	<b>4.322.509</b>
<b>Long-term Borrowings</b>	9	8.023.148	4.860.685
- Bank borrowings		7.759.678	4.681.884
- Lease liabilities		263.470	178.801
<b>Trade Payables</b>		2.001	2.753
- Trade payables due to third parties		2.001	2.753
<b>Other Payables</b>		-	46.722
- Other payables due to related parties		-	46.722
<b>Non-Current Provisions</b>	26	236.176	146.826
- Non-current provisions for employee benefits		236.176	146.826

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise stated)

	Notes	December 31, 2021	Audited December 31, 2020
Deferred Tax Liability	35	1.364.149	813.961
Other Non-Current Liabilities		-	3.814
Derivative Financial Instruments	8	708.423	213.420
<b>Total Non-Current Liabilities</b>		<b>10.333.897</b>	<b>6.088.181</b>
Equity Attributable To Equity Holders' of the Parent		13.055.214	7.662.411
Share Capital	29	254.371	254.371
Share Capital Adjustment Differences		(8.559)	(8.559)
Share Premium		98.792	214.241
Non-Controlling Interest Put Option Valuation Fund		-	(4.748)
Other comprehensive income items not to be reclassified to profit or loss		(72.144)	(24.739)
- Actuarial gains / losses		(81.926)	(34.521)
- Other valuation funds		9.782	9.782
Other comprehensive income items to be reclassified to profit or loss		7.365.831	3.435.916
- Currency translation adjustment		10.904.236	4.370.130
- Hedge reserve gains / (losses)		(3.538.405)	(934.214)
- Cash flow hedge reserve gain / (losses)		(670.341)	(141.940)
- Net Investment Hedge Gain / (losses)		(2.868.064)	(792.274)
Restricted Reserves	29	281.858	206.683
Accumulated Profit		2.863.653	2.356.575
Net Income for the Year		2.271.412	1.232.671
Non-Controlling Interest		1.914.628	1.074.230
<b>Total Equity</b>		<b>14.969.842</b>	<b>8.736.641</b>
<b>Total Liabilities</b>		<b>32.786.241</b>	<b>19.147.331</b>

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	January 1 –December 31, 2021	Audited January 1 -December 31, 2020
Net Revenue	30	21.929.535	14.391.013
Cost of Sales (-)	30	(14.212.544)	(9.318.818)
<b>Gross Profit</b>		<b>7.716.991</b>	<b>5.072.195</b>
General and Administration Expenses (-)	31	(932.588)	(663.230)
Distribution, Selling and Marketing Expenses (-)	31	(3.291.984)	(2.213.241)
Other Operating Income	33	521.765	250.857
Other Operating Expense (-)	33	(580.356)	(303.451)
<b>Profit From Operations</b>		<b>3.433.828</b>	<b>2.143.130</b>
Gain from Investing Activities	33	195.647	16.863
Loss from Investing Activities (-)	33	(278.457)	(101.394)
Gain / (Loss) from Joint Ventures	18	(3.674)	(3.357)
<b>Profit Before Financial Income / (Expense)</b>		<b>3.347.344</b>	<b>2.055.242</b>
Financial Income / (Expense)	34	224.733	(289.092)
Financial Income		2.117.615	1.055.532
Financial Expenses (-)		(1.892.882)	(1.344.624)
<b>Profit Before Tax from Continuing Operations</b>		<b>3.572.077</b>	<b>1.766.150</b>
Tax Expense of Continuing Operations		(1.151.240)	(447.980)
Deferred Tax Income / Expense (-)	35	(383.615)	(49.688)
Current Period Tax Expense (-)	35	(767.625)	(398.292)
<b>Net Profit from Continuing Operations</b>		<b>2.420.837</b>	<b>1.318.170</b>
<b>Net (Loss) / Profit from Discontinued Operations</b>		<b>-</b>	<b>(3.964)</b>

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	January 1 –December 31, 2021	Audited January 1 -December 31, 2020
<b>Attributable to:</b>			
Non-Controlling Interest		149.425	81.535
Equity Holders of the Parent	36	2.271.412	1.232.671
<b>Net Profit / (Loss)</b>		<b>2.420.837</b>	<b>1.314.206</b>
Equity Holders Earnings Per Share (full TL)	36	0,089295	0,048459
Equity Holders Earnings Per Share from Continuing Operations (full TL)	36	0,089295	0,048615
Equity Holders Earnings Per Share from Discontinuing Operations (full TL)	36	-	(0,000156)

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	January 1 – December 31, 2021	Audited January 1 - December 31, 2020
Profit for the year		2.420.837	1.314.206
Actuarial Gain / (Losses)		(58.469)	(8.554)
Deferred Tax Effect	35	11.064	1.578
<b>Other comprehensive income items, not to be reclassified to profit or loss</b>		<b>(47.405)</b>	<b>(6.976)</b>
Hedge reserve gain / ( losses)		(3.133.112)	(618.508)
-Cash flow hedge reserve gain / (losses)		(538.374)	(171.359)
-Net investment hedge reserve gain / (losses)		(2.594.738)	(447.149)
Deferred tax effect		528.921	108.308
Currency translation adjustment	35	7.325.763	842.375
<b>Other comprehensive income items to be reclassified to profit or loss (net)</b>		<b>4.721.572</b>	<b>332.175</b>
<b>Total of Other Comprehensive Income After Tax</b>		<b>7.095.004</b>	<b>1.639.405</b>
<b>Attributable to:</b>			
Non-controlling interest		941.082	252.919
Equity holders of the parent		6.153.922	1.386.486



## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

Consolidated Statement of Changes in Shareholders' Equity	Share Capital	Share Capital Adjustment Differences	Share Premium	Non- Controlling Interest Put Option Valuation Fund	Other comprehensive income and expense items		Other Valuation Funds	Actuarial Gains / Losses	Hedge Reserve	Currency Translation Adjustment	Restricted Reserves Allocated from Net Profit	Accumulated Profit / Loss	Net Income	Total Equity of the Parent	Non- Controlling Interest	Total Equity
					Subsequently not to be reclassified to profit or loss	Subsequently to be reclassified to profit or loss										
January 1, 2020 Reported	254.371	(8.559)	214.241	(4.748)	9.782	(27.545)	(424.014)	3.699.139	184.044	1.652.554	965.769	6.515.034	854.315	7.369.349		
Other comprehensive income / (loss)	-	-	-	-	-	(6.976)	(510.200)	670.991	-	965.769	(965.769)	153.815	171.384	325.199		
Net profit / (loss) for the year	-	-	-	-	-	-	-	-	-	-	1.232.671	1.232.671	81.535	1.314.206		
Total Comprehensive Income / (loss)	-	-	-	-	-	(6.976)	(510.200)	670.991	-	965.769	266.902	1.386.486	252.919	1.639.405		
Dividend paid	-	-	-	-	-	-	-	-	-	(239.109)	-	(239.109)	(33.004)	(272.113)		
Transfers	-	-	-	-	-	-	-	-	22.639	(22.639)	-	-	-	-		
December 31, 2020	254.371	(8.559)	214.241	(4.748)	9.782	(34.521)	(934.214)	4.370.130	206.683	2.356.575	1.232.671	7.662.411	1.074.230	8.736.641		
January 1, 2021 Reported	254.371	(8.559)	214.241	(4.748)	9.782	(34.521)	(934.214)	4.370.130	206.683	2.356.575	1.232.671	7.662.411	1.074.230	8.736.641		
Other comprehensive income / (loss)	-	-	-	-	-	(47.405)	(2.604.191)	6.534.106	-	1.232.671	(1.232.671)	3.882.510	791.657	4.674.167		
Net profit / (loss) for the year	-	-	-	-	-	-	-	-	-	-	2.271.412	2.271.412	149.425	2.420.837		
Total Comprehensive Income / (loss)	-	-	-	-	-	(47.405)	(2.604.191)	6.534.106	-	1.232.671	1.038.741	6.153.922	941.082	7.095.004		
Dividend paid	-	-	(115.449)	-	-	-	-	-	-	(596.828)	-	(712.277)	(82.297)	(794.574)		
Transfers	-	-	-	-	-	-	-	-	75.175	(75.175)	-	-	-	-		
Transactions with non-controlling shareholders (*)	-	-	-	-	-	-	-	-	-	(53.590)	-	(53.590)	(18.387)	(71.977)		
Transitions related to other changes (**)	-	-	-	4.748	-	-	-	-	-	-	-	4.748	-	4.748		
December 31, 2021	254.371	(8.559)	98.792	-	9.782	(81.926)	(3.538.405)	10.904.236	281.858	2.863.653	2.271.412	13.055.214	1.914.628	14.969.842		

(\*) CCI, through its wholly owned subsidiary CCI International Holland BV ("CCI Holland"), signed an agreement and will acquire 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited ("TCCBCJ") from Atlantic Industries Company, a subsidiary of The Coca-Cola Company ("TCCC"), for a total consideration of USD 5,4 million (TL 71.977).

(\*\*) The Group completed the acquisition of a minority stake owned by European Refreshments ("ER"), a wholly owned subsidiary of The Coca-Cola Company ("TCCC"), of 19,97% in Waha Beverages B.V. ("Waha BV") the holding company for Al Waha.

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF CASH FLOWS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	January 1, December 31, 2021	January 1, December 31, 2020	Audited
Profit / (Loss) from Continuing Operations		2.420.837		1.318.170
Profit / (Loss) from Discontinued Operations	2	-		(3.964)
<b>Adjustments to reconcile net profit (loss)</b>		<b>2.151.490</b>		1.929.962
Adjustments for depreciation and amortization	32	1.100.337		918.368
Adjustments for impairment loss (reversal)		243.955		51.330
- Provision / (reversal) for expected credit loss	11	(26.113)		36.858
- Provision / (reversal) for inventories	15	6.531		(3.606)
- Impairment loss / (reversal) in property, plant and equipment	20,33	263.537		18.078
<b>Adjustments for provisions</b>		<b>159.642</b>		132.956
- Provision / (reversal) for employee benefits	26	159.642		132.956
<b>Adjustments for interest (income) expenses</b>	34	<b>373.434</b>		202.119
- Interest income		(157.030)		(149.394)
- Interest expense		530.464		351.513
<b>Adjustments for Fair value loss (gain)</b>		<b>(40.390)</b>		101.608
- Adjustments for fair value of derivative instruments (gain) / losses		(22.398)		46.167
- Other adjustments for fair value (gain) / losses	33	(17.992)		55.441
<b>Adjustments for unrealized currency translation</b>		<b>(696.634)</b>		41.390
<b>Gain from joint ventures</b>	18	3.674		3.357
<b>Adjustments for Income tax (income) / expense</b>		1.151.240		447.980
<b>Adjustments for (gain) / loss on sale of property, plant and equipment</b>	33	(162.735)		11.012
<b>Interest expense of lease payables</b>	34	18.967		19.842
<b>Changes in working capital</b>		<b>598.696</b>		180.449
<b>Adjustments for decrease (increase) in trade accounts receivables</b>		<b>(802.455)</b>		(162.011)
- (Increase) / decrease on trade receivables due from related parties		64.390		(86.290)
- (Increase) / decrease on trade receivables due from third parties		(866.845)		(75.721)
<b>Adjustments for decrease / (increase) in inventories</b>		<b>(1.262.929)</b>		(176.023)
<b>Adjustments for increase (decrease) in trade accounts payable</b>		<b>2.239.522</b>		369.838
- Increase / (decrease) on trade payables due to related parties		724.964		341.585
- Increase / (decrease) on trade payables due to third parties		1.514.558		28.253
<b>Adjustments for increase (decrease) in other payable</b>		424.558		148.645
<b>Cash flows from operating activities:</b>		<b>5.171.023</b>		3.424.617

## Coca-Cola İçecek Anonim Şirketi

## CONSOLIDATED STATEMENT OF CASH FLOWS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

	Notes	January 1, December 31, 2021	January 1, December 31, 2020	Audited
Payments made for employee benefits	26	(129.684)	(112.299)	
Tax returns / (payments)		(759.704)	(338.287)	
Other current and non-current assets and liabilities		(324.644)	(68.014)	
<b>A. NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>3.956.991</b>	<b>2.906.017</b>	
Cash outflows arising from purchase of property, plant, equipment and intangible assets		(1.305.749)	(666.144)	
- Purchase of property, plant and equipment	20	(1.200.373)	(592.425)	
- Purchase of intangibles	21	(105.376)	(73.719)	
Proceeds from sale of property, plant and equipment and intangibles		225.373	23.398	
Cash outflow from acquisition of subsidiary	3	(2.795.690)	-	
Other inflows / (outflows) of cash		(50.480)	86.798	
<b>B. NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(3.926.546)</b>	<b>(555.948)</b>	
Cash outflow due to lease liabilities	9	(130.035)	(78.966)	
Proceeds from borrowings	9	1.388.550	2.612.986	
Repayments of borrowings	9	(1.960.516)	(3.011.249)	
Cash inflow/outflow due to derivative instruments		4.523	20.976	
Interest paid	9	(524.327)	(342.939)	
Interest received		157.030	149.394	
Dividend paid		(794.574)	(272.113)	
Cash outflows from changes in ownership interests in subsidiaries that do not result in loss of control	3	(393.687)	-	
<b>C. NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(2.253.036)</b>	<b>(921.911)</b>	
Net increase / (decrease) in cash and cash equivalents before currency translation effects (A+B+C)		(2.222.591)	1.428.158	
<b>D. CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS</b>		<b>1.703.598</b>	<b>409.630</b>	
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)		(518.993)	1.837.788	
<b>E. CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	6	<b>4.660.596</b>	<b>2.822.808</b>	
<b>CASH AND CASH EQUIVALENTS AT YEAR END (A+B+C+D+E)</b>	6	<b>4.141.603</b>	<b>4.660.596</b>	

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 1. CORPORATE INFORMATION AND NATURE OF ACTIVITIES

##### General

Coca-Cola İçecek Anonim Şirketi ("CCI" - "the Company"), is the bottler and distributor of alcohol-free beverages in Turkey, Pakistan, Central Asia and the Middle East. The operations of the Company consist of production, sales and distribution of sparkling and still beverages with The Coca-Cola Company ("TCCC") trademarks. The Company has 10 (2020 - 10) production facilities in different regions of Turkey and operates 16 (2020 - 16) production facilities in countries other than Turkey. The registered office address of CCI is OSB Mah. Deniz Feneri Sok. No:4 Ümraniye İstanbul, Turkey.

The Group consists of the Company, its subsidiaries and joint ventures.

The consolidated financial statements of the Group were approved for issue by the Board of Directors on February 21, 2022, which were signed by the Audit Committee and Chief Executive Officer Burak Başarır. The General Assembly and the regulatory bodies have the right to make amendments to the consolidated financial statements after their issuance.

##### Shareholders of the Group

AG Anadolu Grubu Holding A.Ş. is the ultimate controlling party of the Group. As of December 31, 2021, and 2020 the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	December 31, 2021		December 31, 2020	
	Nominal Amount	Percentage	Nominal Amount	Percentage
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. ("Anadolu Efes")	102.047	40,12%	102.047	40,12%
The Coca-Cola Export Corporation ("TCCEC")	51.114	20,09%	51.114	20,09%
Efes Pazarlama ve Dağıtım Ticaret A.Ş. ("Efpa")	25.788	10,14%	25.788	10,14%
Özgörkey Holding A.Ş.	3.887	1,53%	4.788	1,88%
Publicly traded	71.535	28,12%	70.634	27,77%
	<b>254.371</b>	<b>100,00%</b>	<b>254.371</b>	<b>100,00%</b>
Inflation restatement effect	(8.559)	-	(8.559)	-
	<b>245.812</b>		<b>245.812</b>	

Özgörkey Holding A.Ş. shares with a nominal value of TL 677 has been listed to Central Registry Agency, with a sale purpose (December 31, 2020 - TL 1.578).

##### Nature of Activities of the Group

CCI and its subsidiary Coca-Cola Satış ve Dağıtım A.Ş. ("CCSD") are among the leading bottlers and distributors of alcohol-free beverages, operating in Turkey. The sole operation area of the Group is the production, sales and distribution of sparkling and still beverages.

The Company has exclusive rights to produce, sell and distribute TCCC branded beverages including Coca-Cola, Coca-Cola Zero, Coca-Cola Zero Sugar, Coca-Cola Light, Fanta, Sprite, Cappy, Sen Sun, Powerade and Fuse Tea in TCCC authorized packages throughout Turkey provided by Bottler's and Distribution Agreements signed between the Group with TCCEC and TCCC. Renewal periods of the signed Bottler's and Distribution Agreements varies between 2018 and 2028.

The Company has exclusive rights to produce, sell and distribute Burn and Gladiator branded energy drinks in authorized packages throughout Turkey, according to the Bottlers Agreements signed between the Company and Monster Energy Company ("MEC") and has the right for selling and distribution of Monster branded products in accordance with the International Distribution Agreement signed with Monster Energy Limited ("MEL") which has taken over TCCC's global energy drink portfolio and is partially owned by TCCC as well.

According to the Sales and Distribution Agreement signed with Doğadan Gıda Ürünleri Sanayi ve Pazarlama A.Ş. ("Doğadan"), a subsidiary of TCCC, it's approved that sales and distribution of Doğadan products will be realized by CCSD throughout Turkey starting from September 2008. An agreement has been reached between TCCC and CCI to revisit the sales and distribution model of Doğadan brand, the non-ready to drink tea in CCI's portfolio. According to the agreement, our Company's sales and distribution activities of Doğadan brand in Turkey has been disposed as of April 30, 2020.

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 1. CORPORATE INFORMATION AND NATURE OF ACTIVITIES (CONTINUED)

The Group's international subsidiaries and joint ventures operating outside of Turkey are also engaged in the production, sales and distribution of sparkling and still beverages with TCCC trademarks.

The Group has the exclusive bottling and distribution rights in Turkey for Schweppes branded

beverages under Bottler's and Distribution Agreement signed with Schweppes Holdings Limited. Special authorization for the Group operating countries, other than Turkey, may be granted from time to time.

#### Subsidiaries and Joint Ventures

As of December 31, 2021, and 2020 the list of CCI's subsidiaries and joint ventures and its effective participation percentages are as follows:

#### Subsidiaries

	Place of Incorporation	Principal Activities	December 31, 2021	December 31, 2020
1) Coca-Cola Satış ve Dağıtım Anonim Şirketi ("CCSD")	Turkey	Distribution and sales of Coca-Cola, Doğadan and Mahmudiye products	99,97%	99,97%
2) Mahmudiye Kaynak Suyu Limited Şirketi ("Mahmudiye") (****)	Turkey	Filling of natural spring water	-	100,00%
3) J.V. Coca-Cola Almaty Bottlers Limited Liability Partnership ("Almaty CC")	Kazakhstan	Production, distribution and sales of Coca-Cola products	100,00%	100,00%
4) Azerbaijan Coca-Cola Bottlers Limited Liability Company ("Azerbaijan CC")	Azerbaijan	Production, distribution and sales of Coca-Cola products	99,87%	99,87%
5) Coca-Cola Bishkek Bottlers Closed Joint Stock Company ("Bishkek CC")	Kyrgyzstan	Production, distribution and sales of Coca-Cola products	100,00%	100,00%
6) CCI International Holland B.V. ("CCI Holland")	Holland	Holding company	100,00%	100,00%
7) Tonus Turkish-Kazakh Joint Venture Limited Liability Partnership ("Tonus") (****)	Kazakhstan	Holding company	-	100,00%
8) The Coca-Cola Bottling Company of Jordan Limited ("TCCBCJ") (*****)	Jordan	Production, distribution and sales of Coca-Cola products	100,00%	90,00%
9) Turkmenistan Coca-Cola Bottlers ("Turkmenistan CC")	Turkmenistan	Production, distribution and sales of Coca-Cola products	59,50%	59,50%
10) Sardkar for Beverage Industry/Ltd ("SBIL") (**)	Iraq	Production, distribution and sales of Coca-Cola products	100,00%	100,00%
11) Waha Beverages B.V. ("Waha B.V.")	Holland	Holding company	100,00%	80,03%
12) Coca-Cola Beverages Tajikistan Limited Liability Company ("Tajikistan CC")	Tajikistan	Production, distribution and sales of Coca-Cola products	100,00%	100,00%
13) Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC ("Al Waha") (*****)	Iraq	Production, distribution and sales of Coca-Cola products	100,00%	80,03%
14) Coca-Cola Beverages Pakistan Limited ("CCBPL") (*)	Pakistan	Production, distribution and sales of Coca-Cola products	49,67%	49,67%
15) LLC Coca-Cola Bottlers Uzbekistan ("CCBU") (Note 3)	Uzbekistan	Production, distribution and sales of Coca-Cola products	100,00%	-

(\*) CCBPL is fully consolidated since 1 January 2013 in accordance with TFRS, due to amendments made on CCBPL's Shareholders' Agreement for transferring the control of CCBPL to CCI.

(\*\*) The Group decided to change the trade name of (CC) Company for Beverages Industry Limited as Sardkar for Beverage Industry Ltd. ("SBIL") and new trade name was registered as of October 16, 2018.

(\*\*\*) As of March 2021, liquidation process of Tonus Turkish-Kazakh Joint Venture LLP (Tonus) has been finalized.

(\*\*\*\*) Announcement text for the simplified merger application of Mahmudiye Kaynak Suyu Limited (Mahmudiye), 100% subsidiary of the Group, with no capital increase has been approved by the CMB as of December 16, 2021.

(\*\*\*\*\* CCI, through its wholly owned subsidiary CCI International Holland BV ("CCI Holland"), signed an agreement and will acquire 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited ("TCCBCJ") from Atlantic Industries Company, a subsidiary of The Coca-Cola Company ("TCCC"), for a total consideration of USD 5,4 million (TL 71.977).

(\*\*\*\*\* The Group completed the acquisition of a minority stake owned by European Refreshments ("ER"), a wholly owned subsidiary of The Coca-Cola Company ("TCCC"), of 19,97% in Waha Beverages B.V. ("Waha BV") the holding company for Al Waha.

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

### 1. CORPORATE INFORMATION AND NATURE OF ACTIVITIES (CONTINUED)

#### Joint Venture

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights	
			December 31, 2021	December 31, 2020
Syrian Soft Drink Sales and Distribution L.L.C. ("SSDSD")	Syria	Distribution and sales of Coca-Cola products	50,00%	50,00%

#### Economic Conditions and Risk Factors of Subsidiaries and Joint Ventures

The countries, in which certain subsidiaries and joint ventures operate, have undergone substantial political and economic changes in recent years. Uncertainties regarding the political, legal, tax and/or regulatory environment, including the potential for adverse changes in any of these factors, could significantly affect the subsidiaries' and joint ventures ability to operate commercially. Group Management closely monitors uncertainties and adverse changes to minimize the probable effects of such changes.

In this context, "Risk Detection Committee"; which was established under the arrangements, terms and principles of Turkish Commercial Code, Capital Market Legislation and CMB's Corporate Governance Principles assess, manage and report Group risks. Some of the Group priority risks are defined as political instability and security, cyber security, exchange rate volatility, sustainable

talent capability, corporate reputation, water and environmental impact of packaging, changing consumer preferences, discriminatory tax and regulations, channel mix shift, economic slowdown, law and order and industrial relations. Group does not expect any adverse effect on the business related to any significant regulatory changes and/or legal arrangements by the authorities. All compliance efforts are in place and there is no legal dispute that may adversely affect the business.

#### Average Number of Employees

Category-based average number of employees working during the period is as follows (joint ventures are considered with full numbers for December 31, 2021 and 2020).

	December 31, 2021	December 31, 2020
Blue-collar	3.380	3.179
White-collar	4.620	4.766
Average number of employees	8.000	7.945

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

### Basis of Preparation

#### Statement of Compliance of TFRS

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No:28676 on June 13, 2013. The accompanying financial statements are prepared based on the Turkish Accounting Standards and interpretations ("TAS") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué.

In addition, the consolidated financial statements are presented in accordance with the specified format in "TFRS Taxonomy Announcement", issued on 15 April 2019 by the POA, and the Financial Statements Examples and Guidelines for Use, which is published by the Capital Markets Board of Turkey.

CCI and its subsidiaries, which operate in Turkey, keep their accounting books and their statutory financial statements in Turkish Lira (TL) in accordance with the regulations on accounting and reporting framework and accounting standards promulgated by the CMB, Turkish Commercial Code ("TCC") and Tax Legislation and the Uniform Chart of Accounts which is issued by the Ministry of Finance. The foreign subsidiaries keep their accounting books and statutory financial statements in their local currencies and in accordance with the rules and regulations of the countries in which they operate.

The consolidated financial statements have been prepared from the statutory financial statements of Group's subsidiaries' and joint ventures and presented in TL in accordance with CMB Accounting Standards with certain adjustments and reclassifications for the purpose of fair

presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for business combinations, accounting for deferred taxes on temporary differences, accounting for employee termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets carried from their fair values and assets and liabilities included in Business Combination application, consolidated financial statements are prepared on a historical cost basis.

#### Restatement of financial statements during periods of high inflation

In accordance with the CMB's decision dated 17 March 2005 and numbered 11/367, for companies operating in Turkey and preparing financial statements in accordance with Turkish Financial Reporting Standards, the application of inflation accounting has been terminated as of 1 January 2005. Accordingly, as of 1 January 2005, the Standard No. 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") has not been applied.

As per the announcement published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") on 20 January 2022, since the cumulative change in the general purchasing power of the last three years has been 74,41% according to the Consumer Price Index ("CPI") rates, it has been stated that entities applying the Turkish Financial Reporting Standards ("TFRS") are not required to make any restatements in their financial statements for 2021 within the scope of TAS 29 "Financial Reporting in High Inflation Economies".

#### Comparative Information and Restatement of Prior Year

Company's sales and distribution activities of Doğadan brand in Turkey has been disposed as of April 30, 2020. Accordingly, our Company's sales and distribution activities of Doğadan brand in Kazakhstan and Azerbaijan has been disposed as of the end of July 2020 (Note 35).

For the year ended December 31, 2020, details of statement of profit and loss from discontinued operations are as follows;

	December 31, 2020
Net Revenue	60.618
Cost of Sales (-)	(63.274)
Selling, distribution and marketing expenses (-)	(1.054)
Profit / (loss) before tax from discontinuing operations	(3.710)
Taxation on income-current year (-)	(254)
Net income after tax from discontinuing operations	(3.964)

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Impairment amounting to (TL 53,147) of (TL 57,642) was reclassified from "Trade Receivables" to "Long Term Prepaid Expenses" account in non-current assets and impairment amounting to (TL 4,495) was reclassified to "Short Term Prepaid Expenses" account in current assets in the consolidated financial statements as of December 31, 2020. The aforementioned classification has no effect on previous years' losses and net profit for the year.

##### Impact of COVID-19 Outbreak on Group's Operations

Group has been implementing several contingency plans to mitigate the potential negative impacts of COVID 19 on the Group's operations and financial statements. It has been some partial hitches in sales process due to curfews and due to closure of some sales channels in countries that Group operates in parallel with the effects on global markets in terms of macro-economic uncertainty. Meanwhile Group has taken series of actions to minimize capital expenditures and increase in inventory and has reviewed current cash flow strategies to maintain strong balance sheet and liquidity figures. Lifting of curfews and decreasing in restrictions regarding to pandemic has positive effect on both market demand and Group's operations.

Group management has evaluated the potential effects of Covid-19 and has reviewed the key assumptions concerning the future and other key sources of estimation uncertainty on the consolidated financial statements as of December 31, 2021. In this concept, Group has performed impairment test for financial assets, inventories, right of use assets, property, plant and equipment, goodwill and bottling rights and has not recognized any impairment loss other than stated in consolidated financial statements as of December 31, 2021.

Risk management policies, level and nature of risks arising from Group's financial instruments are presented separately in Note 39 Nature and Level of Risks Arising from Financial Instruments.

##### New and Amended Turkish Financial Reporting Standards

###### a) New and revised TFRSs that are effective for the current year

###### Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 Interest Rate Benchmark Reform — Phase 2

The amendments in Interest Rate Benchmark Reform — Phase 2 (Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

The amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 are all effective for annual periods beginning on or after 1 January 2021. Early application is permitted.

The Group assessed that the adoption of this amendment does not have any effect on the Group's consolidated financial statements.

###### b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	Insurance Contracts
Amendments to TAS 1	Classification of Liabilities as Current or Non-Current
Amendments to TFRS 3	Reference to the Conceptual Framework
Amendments to TAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to TAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to TFRS Standards 2018 - 2020	Amendments to TFRS 1, TFRS 9 and TAS 41
Amendments to TFRS 4	Extension of the Temporary Exemption from Applying TFRS 9
Amendments to TFRS 16	COVID-19 Related Rent Concessions beyond 30 June 2021
Amendments to TAS 1	Disclosure of Accounting Policies
Amendments to TAS 8	Definition of Accounting Estimates
Amendments to TAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction



## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

### TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 Insurance Contracts as of 1 January 2023.

### Amendments to TAS 1 Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

### Amendments to TFRS 3 Reference to the Conceptual Framework

The amendments update an outdated reference to the Conceptual Framework in TFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

### Amendments to TAS 16 Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

### Amendments to TAS 37 Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

### Annual Improvements to TFRS Standards 2018 - 2020 Cycle

Amendments to TFRS 1 First time adoption of International Financial Reporting Standards

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to TFRSs.

Amendments to TFRS 9 Financial Instruments

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

Amendments to TAS 41 Agriculture

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

### Amendments to TFRS 4 Extension of the Temporary Exemption from Applying TFRS 9

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 Insurance Contracts from applying TFRS 9 Financial Instruments, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023.

### Amendments to TFRS 16 COVID-19 Related Rent Concessions beyond 30 June 2021

Public Oversight Accounting and Auditing Standards Authority ("POA") has published COVID-19 Related Rent Concessions beyond 30 June 2021 (Amendment to TFRS 16) that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after 1 April 2021. Earlier application is permitted.

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

### Amendments to TAS 1 Disclosure of Accounting Policies

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

### Amendments to TAS 8 Definition of Accounting Estimates

With this amendment, the definition of "a change in accounting estimates" has been replaced with the definition of "an accounting estimate", sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

### Amendments to TAS 12 Deferred Tax related to Assets and Liabilities Arising from a Single Transaction

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

### Functional and Presentation Currency

The majority of the consolidated foreign subsidiaries and joint venture are regarded as foreign operations since they are financially, economically and organizationally autonomous. The Group translates in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates" The resulting translated amounts for non-monetary items are treated as their historical cost.

Functional and presentation currency of the Group is Turkish Lira (TL). Functional currencies of the subsidiaries and joint ventures are as follows:

	December 31, 2021		December 31, 2020	
	Local Currency	Functional Currency	Local Currency	Functional Currency
CCSD	Turkish Lira	Turkish Lira	Turkish Lira	Turkish Lira
Mahmudiye	Turkish Lira	Turkish Lira	Turkish Lira	Turkish Lira
Almaty CC	Kazakh Tenge	Kazakh Tenge	Kazakh Tenge	Kazakh Tenge
Tonus	Kazakh Tenge	Kazakh Tenge	Kazakh Tenge	Kazakh Tenge
Azerbaijan CC	Manat	Manat	Manat	Manat
Turkmenistan CC	Turkmen Manat	Turkmen Manat	Turkmen Manat	Turkmen Manat
Bishkek CC	Som	Som	Som	Som
TCCBCJ	Jordanian Dinar	Jordanian Dinar	Jordanian Dinar	Jordanian Dinar
SBIL	Iraq Dinar	Iraq Dinar	Iraq Dinar	Iraq Dinar
SSDSD	Syrian Pound	Syrian Pound	Syrian Pound	Syrian Pound
CCBPL	Pakistan Rupee	Pakistan Rupee	Pakistan Rupee	Pakistan Rupee
CCI Holland	Euro	U.S. Dollars	Euro	U.S. Dollars
Waha B.V.	Euro	U.S. Dollars	Euro	U.S. Dollars
Al Waha	Iraq Dinar	Iraq Dinar	Iraq Dinar	Iraq Dinar
Tajikistan CC	Somoni	Somoni	Somoni	Somoni
CCBU	Som	Som	-	-

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

### Foreign Currency Translations

Transactions in foreign currencies are translated into functional currency at the rate prevailing at the dates of the transactions. All transition differences are recorded in the consolidated statement of profit or loss of the relevant period, as foreign currency loss or gain. Foreign currency translation rates announced by the Central Bank of the Republic of Turkey used by the Group's subsidiaries in Turkey. USD amounts presented in the balance sheet are translated into TL with the official TL exchange rate for purchases of USD on December 31, 2021, USD 1,00 (full) = TL 13,3290 (December 31, 2020; USD 1,00 (full) = TL 7,3405), whereas, USD amounts in the liability accounts are translated into TL with the official TL exchange rate of USD selling on December 31, 2021, USD 1,00 (full) = TL 13,3530. Furthermore, USD amounts in the statement of profit or loss have been translated into TL, at the average TL exchange rate for purchases of USD for the period is USD 1,00 (full) = TL 8,8719 (January 1 - December 31, 2020; USD 1,00 (full) = TL 7,0034).

The assets and liabilities of subsidiaries and joint ventures operating in foreign countries are translated at the rate of exchange ruling at the balance sheet date and the statement of profit or loss of foreign subsidiaries and joint ventures are translated at average exchange rates. Differences that occur by the usage of closing and average exchange rates are followed under currency translation differences classified under equity.

### Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

### Estimates, Assumptions and Judgements Used

For the consolidated financial statements, as of December 31, 2021, Group management has to make key assumptions concerning the future and other key sources of estimation uncertainty on the balance sheet date that have significant risks of causing a material adjustment to the carrying amounts of assets and liabilities in the preparation of condensed consolidated financial statements. Actual results can be different from estimations. These estimations are reviewed at each balance sheet date; required corrections are made and reflected in the results of operations of the related period. The key assumptions concerning the future and other key resources of estimation at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments (apart from those involving estimations) with the most significant effect on amounts recognized in the financial statements are consistent with the assumptions and estimations made for the year ended December 31, 2021, except for the necessary considerations made for income taxes and impairment test assumptions are as follows:

- The Group has made significant assumptions over the useful life of buildings, machinery and equipment based on the expertise of the technical departments (Note 20).
- The Group reviews the carrying values of property, plant and equipment for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount (net realizable value) of property, plant and equipment is the greater of net selling price and value in use (Note 20 and Note 21).
- The Group performs impairment test for bottling rights with indefinite useful life and goodwill annually or when circumstances indicate that the carrying value may be impaired. As of December 31, 2021, impairment test for the intangible assets with indefinite useful life and goodwill is generated by comparing its carrying amount with the recoverable amount. The recoverable amount is determined taking the value in use calculation as basis. During these 10 years period calculations, estimated free cash flow before tax from financial budgets that are used for 3-year period. Estimated free cash flows before tax after 3-year period for the remaining 7 years are calculated by using expected growth rates. Estimated free cash flows before tax are discounted to expected present value for future cash flows. Key assumptions such as country specific market growth rates, gross domestic product per capita and consumer price indices were derived from external sources. For impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets, cash generating units (Note 21 and Note 22). For the impairment test, below assumptions were used for the year-end December 31, 2021;

	Perpetuity Growth Rate	Weighted Average Cost of Capital
Almaty CC	9,10%	14,79%
Azerbaijan CC	4,84%	11,07%
Turkmenistan CC	13,72%	25,67%
Bishkek CC	7,80%	14,43%
TCCBCJ	5,08%	10,91%
CCBPL	12,00%	18,77%
SBIL	4,72%	12,11%
Al Waha	4,72%	12,11%
Tajikistan CC	9,70%	16,53%

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

- d) Deferred tax asset is only recorded if it is probable that a taxable income will be realized in the future. Under the circumstances that a taxable income will be realized in the future, deferred tax is calculated over the temporary differences by carrying forward the deferred tax asset in the previous years and the accumulated losses.
- e) The Group has made significant assumptions over the useful life of spare parts for machinery and equipment based on the expertise of the technical departments (Note 20). Group has made an estimation change in useful life assumption in 2020 and decreased the 20 years useful life assumption to 10 years. Impact of this assumption change was explained in Note 20.
- f) Expected credit loss is recognized by using the expected credit loss defined in TFRS 9. Expected credit losses are calculated based on Group's future estimates and experience over the past years (Note 11).
- g) The discount rates related with retirement pay liability are actuarial assumptions determined with future salary increase and the employee's turnover rates (Note 26).
- h) Group applies straight-line depreciation method according to the terms of time-based marketing activities participation contracts, and has determined a maximum of 2 years for depreciation according to the requirements of the Competition Law on 2021.

#### Basis of Consolidation and Interests in Joint Ventures

The consolidated financial statements comprise the financial statements of the parent company, CCI, its subsidiaries and joint ventures prepared as for the year ended December 31, 2020. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The consolidated financial statements cover CCI and the subsidiaries it controls. This control is normally evidenced when the Group owns, either directly or indirectly, more than 50% of the voting rights of a company's share capital and is able to govern the financial and operating policies of an enterprise so as to benefit from its activities.

Subsidiaries are consolidated by using the full consolidation method; therefore, the carrying value of subsidiaries is eliminated against the related shareholders' equity. The equity and net income attributable to non-controlling interests are shown separately in the consolidated financial position and consolidated statement of profit or loss.

TFRS 11 "Joint Arrangements" is effective for annual periods beginning on or after 1 January 2013. This standard defines joint control with a realistic view, which is the contractually agreed sharing of control of an arrangement. There are two types of joint arrangements: joint operations and joint ventures. Among other changes introduced, under this new standard, proportionate consolidation is not permitted for joint ventures. With this amendment, joint ventures were accounted for under the equity method of accounting at the consolidated financial statements,

starting from January 1, 2013. Investment in joint ventures accounted for under the equity method of accounting is carried in the consolidated balance sheet at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint ventures, less any impairment in value. The consolidated statement of profit or loss reflects the Group's share of the results of operations of the joint ventures.

Intercompany balances and transactions, including intercompany profits and unrealized profits and losses, are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances, short-term deposits with an original maturity of less than 3 months and cheques dated on or before the relevant period end which are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

##### Financial assets classification and measurement

Group classified its assets in three categories, financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

**a) Financial assets carried at amortized cost;** Assets that are held for collection of contractual cash flows where cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded, and which are not derivative instruments are measured at amortized cost. They are included in current assets, except for maturities more than 12 months after the balance sheet date. Those with maturities more than 12 months are classified as non-current assets. The Group's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position. Group has applied simplified approach and used impairment matrix for the calculation of impairment on its receivables carried at amortized cost, since they do not comprise of any significant finance component (Note 11).

**b) Financial assets carried at fair value through other comprehensive income;** Financial assets carried at fair value through other comprehensive income comprise of "financial assets" in the statement of financial position. Group carried these assets at their fair values. The fair value gains and losses are recognized in other comprehensive income after the deduction of impairment losses and foreign exchange income and expenses. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

### Derivative Financial Instruments

The Group engages in commodity swap and option transactions to hedge price risk arising from fluctuations in the prices of required commodity for final production. Some of the derivative transactions are determined as hedge instruments and hedge accounting is applied.

#### Hedge Accounting

For Hedge Accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they have been highly effective throughout the financial reporting periods for which they were designated.

For fair value hedges the change in the fair value of a hedging instrument is recognized in the consolidated statement of profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the consolidated statement of profit or loss as part of finance income and costs.

For cash flow hedges the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of consolidated income as part of financial income and costs.

Amounts recognized as other comprehensive income are transferred to the statement of consolidated income when the hedged transaction affects profit or loss, such as when the

hedged financial income or financial expense is recognized or when a forecasted purchase occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized as other comprehensive income are transferred to the statement of consolidated income when a sale occurs.

The Group has made aluminum swap and aluminum swap call option contracts in order to offset the possible losses that may arise from anticipated purchases of cans which are subject to aluminum price volatility and designates these aluminum swap transactions as hedging instruments for cash flow hedge relation against highly probable future outflows as the hedged item (Note 8, 38, 39).

The Group has made sugar swap contracts in order to offset the possible losses that may arise from anticipated purchases of sugar which are subject to sugar price volatility and designates these sugar swap transactions as hedging instruments for cash flow hedge relation against highly probable future outflows as the hedged item (Note 8, 38, 39).

The Group engages in cross currency swap and option transactions to hedge long term exchange rate exposure.

#### Other derivatives not designated for hedge accounting

Other derivatives not designated for hedge accounting are recognized initially at fair value; attributable transaction costs are recognized in statement of consolidated income when incurred. After initial recognition, derivatives are measured at fair value, and changes in the fair value of such derivatives are recognized in the statement of consolidated income as part of finance income and costs.

#### Trade Receivables

Trade receivables, which generally have payment terms of 15 - 65 days, are recognized at original invoice amount less expected credit loss.

#### Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at fair value reflected to comprehensive income, lease receivables, trade receivables and contract assets, as well as financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group utilizes a simplified approach for trade receivables, contract assets and lease receivables that does not have significant financing component and calculates the allowance for impairment against the lifetime expected credit loss of the related financial assets.

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

### Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

### Related Parties

- a)** A person or a close member of that person's family is related to a reporting entity if that person:
- (i) Has control or joint control over the reporting entity;
  - (ii) Has significant influence over the reporting entity; or
  - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity;
- b)** Parties are considered related to the Group if;
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

### Inventories

Inventories are valued at the lower of cost or net realizable value, less provision for obsolete and slow-moving items. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost includes all costs incurred in bringing the product to its present location and condition, and is determined primarily based on weighted average cost method.

### Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings and Leasehold Improvements	5 - 49 years
Machinery and Equipment	6 - 20 years
Furniture and Fixtures	5 - 10 years
Vehicles	5 - 10 years
Other Tangible Assets	5 - 12 years

Useful life of leasehold improvements is determined according to contract based lease period. Useful life of the investment is equal to the contract based remaining lease period of the leased asset.

Repair and maintenance costs for tangible assets are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the Group. All other costs are charged to the statements of income during the financial year in which they are incurred. All costs incurred for the construction of property, plant and equipment are capitalized and are not depreciated until the asset is ready for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount (net realizable value) of property, plant and equipment is the greater of net selling price and value in use.

Value in use is assessed by discounting future cash flows to their present value using a pre-tax discount rate that reflects current market conditions and the risks specific to the asset.

If the related asset is not a unit that generates cash inflows by itself, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the consolidated statement of profit or loss.

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The increase in the carrying value of property, plant and equipment because of the impairment reversal is recognized in the consolidated statement of profit or loss, by considering not to exceed the book value amount if the impairment losses were not reflected to financial statements in prior years (net book value after depreciation).

##### Intangible Assets

Intangible assets acquired separately are measured at initial acquisition cost. The cost of an intangible asset acquired in a business combination is recognized at fair value, if its fair value can be reliably measured. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. Intangible assets are amortized on a straight-line basis over the best estimate of their useful lives, except bottlers and distribution agreements.

In the scope of consolidation, intangible assets identified during the acquisition and in the fair value financial statements of subsidiaries and joint venture which are operating in foreign countries, represent the "Bottlers and Distribution Agreements" that are signed with TCCC. Taking into consideration TCCC's ownership in the Group, contribution to development of long term strategic plans and business processes, and its working principles with other bottlers the Group management believes that no time constraint is required for bottling and distribution agreements as they will be extended without additional cost after expiration date. The intangible assets relating to the Bottlers and Distribution Agreements are therefore not amortized. Such intangible assets which are not amortized are annually reviewed for impairment or when events or changes in circumstances indicate that the carrying value may not be recoverable.

Water sources usage rights are amortized on a straight-line basis over their useful lives, which are between 9 and 40 years.

Other rights are amortized on a straight-line basis over their 2-15 years estimated useful lives.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

##### Business Combinations and Goodwill

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquirer.

Acquisition method requires allocation of the acquisition cost to the assets acquired and liabilities assumed at their fair values on the date of acquisition. Accordingly, acquired assets and liabilities and contingent liabilities assumed are recognized at TFRS 3 fair values on the date of acquisition. Acquired company is consolidated starting from the date of acquisition.

If the fair values of the acquired identifiable assets, liabilities and contingent liabilities or cost of the acquisition are based on provisional assessment as at the balance sheet date, the Group made provisional accounting. Temporarily determined business combination accounting has to be completed within twelve months following the combination date and adjustment entries have to be made beginning from combination date.

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of the acquired business, at the date of acquisition. Group do not amortize goodwill arising from the business combinations and annually review for impairment.

Any goodwill arising from the acquisition of a foreign operation and fair value adjustments to the carrying amounts of assets and liabilities are treated as assets and liabilities of the acquired foreign operation. Therefore, these assets and liabilities are translated at the closing rate from their presentation currencies.

##### Financial liabilities

Financial liabilities are classified as at FVTPL on initial recognition. On initial recognition of liabilities other than those that are recognized at FVTPL, transaction costs directly attributable to the acquisition or issuance thereof are also recognized in the fair value.

A financial liability is subsequently classified at amortized cost except:

- Financial liabilities at FVTPL: These liabilities including derivative instruments are subsequently measured at fair value.
- Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied: When the Group continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognized in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Group continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.
- A contingent consideration recognized in the financial statements by the entity acquired in a business combination where TFRS 3 is applied: After initial recognition, the related contingent consideration is measured as at FVTPL.

The Group does not reclassify any financial liability.

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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## 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

### Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

### Leases

#### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The Group did not make any such adjustments during the periods presented.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.



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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

##### The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. The Group also rents equipment to retailers necessary for the presentation and customer fitting and testing of footwear and equipment manufactured by the Group.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies TFRS 15 to allocate the consideration under the contract to each component.

##### Trade Payables

Trade payables which generally have 7 - 30-day terms are carried at amortized cost which is the fair value of the consideration to be paid in the future for goods and services received, when they are billed to the Group.

##### Employee Benefits

###### Turkish Entities:

###### a) Defined Benefit Plans

The reserve for employee termination benefits is provided for in accordance with TAS 19 "Employee Benefits" and is based on actuarial study. In the consolidated financial statements, the Group has reflected a liability calculated using the "Projected Unit Credit Method". According to the valuations made by qualified actuaries, all actuarial gains and losses are recognized in the consolidated statement of profit or loss.

The employee termination benefits are discounted to the present value of the estimated future cash outflows using government bonds' rate of return on the balance sheet date.

The gains/loss originated from the changes in actuarial assumptions and the fluctuations between actuarial assumptions and the actual results are reflected to other comprehensive income.

Actuarial assumptions used to determine net periodic pension costs are as follows as of balance sheet dates:

	December 31, 2021	December 31, 2020
Discount rate	18,45%	12,80%
Inflation	15,00%	9,50%
Rate of compensation increase	15,00%	9,50%

###### b) Defined Contribution Plan

The Group pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. For the year ended December 31, 2021, contributions paid by the Group to the Social Security Institution of Turkey is amounting to TL 67.413 (December 31, 2020 - TL 57.190).

##### Foreign Subsidiaries:

Subsidiaries and joint ventures in foreign countries pay contributions according to each country's local regulations and these payments are expensed as incurred. Both employee and employer make payments as social security contribution calculated on employee salary and these contributions reflected to employee expense when they accrued.

	Employee contribution rate	Employer contribution rate
Almaty CC	10%	9,5%
Azerbaijan CC	10%	15%
Bishkek CC	10%	17,25%
Turkmenistan CC	-	20%
Tajikistan CC	1%	25%
TCCBCJ	7,5%	14,25%
SBIL	5%	12%
Al Waha	5%	12%
CCBPL	1% (on minimum wage)	5% (on minimum wage)

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Also, CCBPL has gratuity fund provision as a defined benefit plan and calculated in accordance with TAS 19 "Employee Benefits" using actuarial works. Employee is eligible for gratuity after completing 3 years with the Group and can take his accrued gratuity amount at the time of separation from the Group or at retirement age. This provision is calculated by actuarial firm and the actuarial gain/loss accumulated on this provision is reflected to financial statements the gains/loss originated from the changes in actuarial assumptions and the fluctuations between actuarial assumptions and the actual results are reflected to other comprehensive income.

##### Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are not recognized in the financial statements but only disclosed, unless the possibility of an outflow of resources embodying economic benefits is probable. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

##### Revenue Recognition

###### Revenue

The Group recognizes revenue in accordance with the standard which is TFRS 15 Revenue from Contracts With Customers based five-step model set out below:

- Identifying contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when (or as) the entity satisfies a performance obligation

The Group accounts for a contract with its customer as revenue if all the conditions of the term are met:

- The parties to the contract have approved the contract (in writing, verbally or in accordance with other commercial practices) and are committed to fulfilling their own performance obligations.

- The rights of each party related to the goods or services to be transferred can be defined.
- Payment terms for goods or services to be transferred can be defined
- The contract is inherently commercial in nature and it is probable that the Group will collect a price for goods or services to be transferred to the customer. While evaluating whether a price is likely to be collected, the Group takes into account only the customer's ability to pay this price on due date and its intention.

The Group assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer.

For each performance obligation, it is determined at the beginning of the contract whether the performance obligation will be carried out over time or at a certain time. If the Group transfers control of a good or service over time and therefore fulfils its performance obligations regarding the related sales over time, it measures the progress towards the fulfilment of the performance obligations in question and takes the revenue to the financial statements.

When the Group fulfils its performance obligation by transferring a committed good or service to its customer, it records the transaction value corresponding to this performance obligation in its financial statements. When the control of the goods or services takes over (or passes) to the customers, the goods or services are transferred.

In the beginning of the contract, the Group does not make any adjustments for the effect of an material financing component in the promised price if the period between the transfer date of the goods and services promised to the customer and the date when the customer pays the price of this goods or service will be one year or less. On the other hand, if there is a material financing element in revenue, the revenue value is determined by reducing the future collections with the interest rate included in the financing element. The difference is recorded in the relevant periods as other income from the main activities on an accrual basis.

##### Interest Income

Interest income from financial assets is recorded as long as it is possible for the Group to obtain economic benefits and measure the income reliably. Interest income is accrued in the relevant period in proportion to the remaining principal balance and the effective interest rate that reduces the estimated cash inflows from the related financial asset to the book value of that asset.

##### Income Taxes

Tax expense (income) is the aggregate amount included in the determination of net profit or loss for the period in respect of current and deferred taxes. Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

### 2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority

#### Foreign Currency Transactions

Each entity within the Group translates its foreign currency transactions and balances into its functional currency by applying the exchange rate between the functional currency and the foreign currency on the date of the transaction. Exchange rate differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized in the statement of profit or loss in the period in which they arise.

#### Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit for the period to the weighted average number of ordinary shares outstanding during the reporting periods. The weighted average number of shares outstanding during the year has been adjusted in respect of free shares issued without corresponding increase in resources. The Group has no diluted instruments.

#### Events After the Reporting Period

Post period-end events that provide additional information about the Group's position at the balance sheet date (adjusting events), are reflected in the financial statements and footnotes. Post period-end events that are not adjusting events are disclosed in the notes when material.

#### Government Incentives and Grants

Grants from the government are recognized at fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all the required conditions. Government grants related to costs are accounted as income on a consistent basis over the related periods with the matching costs. Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 3. BUSINESS COMBINATIONS

As per the announcement made on 6 August 2021, CCI signed a Share Purchase Agreement with The State Assets Management Agency of the Republic of Uzbekistan (UzSAMA) as the winner in the open sale process to privatize Coca-Cola Bottlers Uzbekistan, Ltd (CCBU). Closing of the transaction was subject to the receipt of relevant and customary approvals including governmental approvals; these have been received, and the acquisition was completed officially as of September 29, 2021.

Fair value appraisal of the identifiable assets, liabilities and contingent liabilities of the acquired company is in progress in accordance with TFRS 3 "Business Combinations". TFRS 3 "Business Combinations" permits fair value appraisal works to be completed in one year period. The Group has accounted the acquisition based on the provisional fair values of identifiable assets, liabilities and contingent liabilities on CCBU's financial statements at the acquisition date. As of September 30, 2021, TL 2.302.469 temporary difference between total consideration and provisional fair value of identifiable assets, liabilities and contingent liabilities of CCBU was booked as provisional

goodwill in the consolidated financial statements.

The Group signed an agreement with The Coca Cola Export Corporation (TCCEC) which is exercisable in 2021, for the acquisition of 42,882% shares of CCBU from TCCEC by The Group and for sales of the 42,882% shares by TCCEC. As of September 30, 2021, a put option liability of TL 797.265 (USD 90 million) and no non-controlling interest has been booked in the consolidated financial statements in accordance with the terms of the agreement.

On December 27, 2021, CCI, through its wholly owned subsidiary CCI International Holland BV ("CCI Holland"), acquired a 42,88% stake in LLC Coca-Cola Bottlers Uzbekistan ("CCBU") from The Coca-Cola Company ("TCCC") for a total consideration of USD 90,0 million. Through the execution of a share purchase agreement and share transfer instrument, TCCC transferred its 42,88% stake in CCBU to CCI Holland. As a result, CCI became the sole owner of CCBU with a 100% indirect stake through CCI Holland.

The provisional fair value of CCBU's net assets in its financial statements as of the date of acquisition are as follows:

	Provisional Fair Value of CCBU
Cash & cash equivalents	76.944
Financial investments	93.324
Trade receivables	7.676
Inventories	203.348
Other current assets	219.077
Property, plant and equipment	291.831
Other non-current assets	4.867
Trade payables	(167.449)
<b>Fair value of net assets/(liabilities)</b>	<b>729.618</b>
Total consideration	2.234.822
Total acquisition liability	797.265
Consolidated net asset / liability value by the Group	(729.618)
<b>Provisional goodwill arising from acquisition</b>	<b>2.302.469</b>
Cash paid	(2.872.534)
Cash and cash equivalents balance of CCBU's as of the acquisition date	76.944
<b>Net cash outflow from acquisition</b>	<b>(2.795.690)</b>

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 3. BUSINESS COMBINATIONS (CONTINUED)

CCI, through its wholly owned subsidiary CCI International Holland BV ("CCI Holland"), signed an agreement and will acquire 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited ("TCCBCJ") from Atlantic Industries Company, a subsidiary of The Coca-Cola Company ("TCCC"), for a total consideration of USD 5,4 million (TL 71.977). Atlantic Industries Company will transfer its 10,0% shares to CCI Holland and CCI will become the sole owner of TCCBCJ with a 100,0% indirect stake through CCI Holland.

According to the announcement on October, 27 2021, The Group completed the acquisition of a minority stake owned by European Refreshments (ER), a wholly owned subsidiary of The Coca-Cola Company ("TCCC"), of 19,97% in Waha Beverages B.V. (Waha BV) the holding company for Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC a company incorporated in Baghdad ("Al Waha"). ER exercised its put option under a shareholders agreement entered between ER and CCI in 2013, that became exercisable between December 31, 2016 and 2022. Pursuant to ER's decision to exercise its put option and upon execution of a notarial deed of transfer and its registration, ER transferred its 19,97% stake in Waha BV to CCI in consideration of a sum of USD 40,4 million (TL 393.687) paid by CCI. Resultantly, CCI became the sole owner of Waha B.V. with a 100,0% direct stake and of Al Waha by extension (December 31, 2020 - TL 313.961).

#### 4. INTERESTS IN JOINT VENTURES

None (December 31, 2020 - None).

#### 5. SEGMENT REPORTING

The Company produces segment reports for the chief operating decision maker (Board of Directors and Executive Management) in accordance with basis of preparation as explained in Note 2. Reported information is used by management for observing performance at operation segments and for deciding resource allocation. Transfer prices between related parties are on an arm's length basis in a manner similar to transactions with third parties.

For the transfers between segments, market prices and conditions are carried out for measuring and reporting the segment revenues of transactions of the Company's operating segments with other segments.

Adjusted EBITDA is not an accounting measure under TFRS accounting and does not have a standard calculation method however it has been considered as the optimum indicator for the evaluation of the performance of the operating segments by considering the comparability with the entities in the same business.

Group's domestic and international subsidiaries are presented under Note 1 and Group's segment reporting is as follows:

	December 31, 2021			
	Domestic	International	Elimination	Consolidated
Net Revenue	8.727.630	13.250.311	(48.406)	21.929.535
Cost of sales (-)	(5.555.542)	(8.702.658)	45.656	(14.212.544)
Gross profit	3.172.088	4.547.653	(2.750)	7.716.991
Operating expenses (-)	(2.182.996)	(2.208.284)	166.708	(4.224.572)
Other operating income / (expense), net	3.454.881	20.296	(3.533.768)	(58.591)
Profit from operations	4.443.973	2.359.665	(3.369.810)	3.433.828
Gain from investing activities	145.433	39.263	10.951	195.647
Loss from investing activities (-)	(41.650)	(225.844)	(10.963)	(278.457)
Gain / (loss) from joint ventures	-	(3.674)	-	(3.674)
Profit before financial income / (expense)	4.547.756	2.169.410	(3.369.822)	3.347.344

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 5. SEGMENT REPORTING (CONTINUED)

	December 31, 2021			
	Domestic	International	Elimination	Consolidated
Financial income	1.821.177	321.066	(24.628)	2.117.615
Financial expense (-)	(4.157.253)	(354.992)	2.619.363	(1.892.882)
Profit before tax	2.211.680	2.135.484	(775.087)	3.572.077
Tax income / (expense)	(98.773)	(476.617)	(575.850)	(1.151.240)
Net profit / (loss) from continuing operations	2.112.907	1.658.867	(1.350.937)	2.420.837
Net profit / (loss) from discontinued operations	-	-	-	-
Non-controlling interest	-	149.425	-	149.425
Equity holders of the parent	2.112.907	1.509.442	(1.350.937)	2.271.412
Purchase of property, plant, equipment and intangible asset	422.338	883.411	-	1.305.749
Amortization expense of right of use asset	42.047	28.590	-	70.637
Depreciation and amortization expenses	240.293	789.525	(118)	1.029.700
Other non-cash items	107.254	24.525	99	131.878
Adjusted EBITDA	4.833.567	3.202.305	(3.369.829)	4.666.043
	31 Aralık 2021			
	Domestic	International	Elimination	Consolidated
Total Assets	13.906.275	22.741.000	(3.861.034)	32.786.241
Total Liabilities	10.594.464	9.494.761	(2.272.826)	17.816.399

As of December 31, 2021, the portion of Almaty CC in the consolidated net revenue and total assets is 16% and 11% respectively.

As of December 31, 2021, the portion of CCBPL in the consolidated net revenue and total assets is 20% and 16% respectively.

As of December 31, 2020, the portion of Almaty CC in the consolidated net revenue and total assets is 15% and 11% respectively.

As of December 31, 2020, the portion of CCBPL in the consolidated net revenue and total assets is 19% and 15% respectively.

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### 5. SEGMENT REPORTING (CONTINUED)

	December 31, 2020			
	Domestic	International	Elimination	Consolidated
Net Revenue	6.188.378	8.203.944	(1.309)	14.391.013
Cost of sales (-)	(3.758.898)	(5.562.814)	2.894	(9.318.818)
Gross profit	2.429.480	2.641.130	1.585	5.072.195
Operating expenses (-)	(1.653.206)	(1.317.383)	94.118	(2.876.471)
Other operating income / (expense), net	636.736	(46.237)	(643.093)	(52.594)
Profit / (loss) from operations	1.413.010	1.277.510	(547.390)	2.143.130
Gain from investing activities	3.220	16.818	(3.175)	16.863
Loss from investing activities (-)	(65.622)	(38.946)	3.174	(101.394)
Gain / (loss) from joint ventures	-	(3.357)	-	(3.357)
Profit before financial income/(expense)	1.350.608	1.252.025	(547.391)	2.055.242
Financial income	826.704	251.577	(22.749)	1.055.532
Financial expense (-)	(1.385.189)	(429.329)	469.894	(1.344.624)
Profit before tax	792.123	1.074.273	(100.246)	1.766.150
Tax income / (expense)	(100.768)	(247.950)	(99.262)	(447.980)
Net profit or (loss) from continuing operations	691.355	826.323	(199.508)	1.318.170
Net profit or (loss) from discontinued operations	(4.978)	1.014	-	(3.964)
Non-controlling interest	-	81.535	-	81.535
Equity Holders of the Parent	686.377	745.802	(199.508)	1.232.671
Purchase of property, plant, equipment and intangible asset	299.040	367.104	-	666.144
Amortization expense of right of use asset	44.338	22.397	-	66.735
Depreciation and amortization expenses	219.053	633.449	(869)	851.633
Other non-cash items	21.326	54.164	(170)	75.320
Adjusted EBITDA	1.697.727	1.987.520	(548.429)	3.136.818

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 5. SEGMENT REPORTING (CONTINUED)

	December 31, 2020			Consolidated
	Domestic	International	Elimination	
Total Assets	8.889.598	10.457.071	(199.338)	19.147.331
Total Liabilities	6.444.842	4.051.742	(85.894)	10.410.690

In addition to the requirements of segment reporting, The Group's management presented this information for certain financial statements readers to utilize this data during their analyses.

Company's "Earnings Before Interests, Taxes, Depreciation and Amortization (Adjusted EBITDA)" definition and calculation is defined as; "Profit / (Loss) From Operations" plus relevant non-cash expenses including depreciation and amortization, provision for employee benefits like

retirement and vacation pay (provisions for management bonus and long term incentive plan not included) and other non-cash expenses like negative goodwill and value increase due to change in scope of consolidation.

As of December 31, 2021, and 2020, reconciliation of Adjusted EBITDA from Profit / (loss) from operations is explained in the following table:

	December 31, 2021	December 31, 2020
Profit / (loss) from operations	3.433.828	2.143.130
Depreciation and amortization (Note 32)	1.029.700	851.633
Provision for employee benefits (Note 26)	45.234	34.596
Foreign exchange gain / (loss) under other operating income / (expense) (Note 33)	86.644	40.724
Amortization expense of right of use asset	70.637	66.735
Adjusted EBITDA	4.666.043	3.136.818



## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 6. CASH AND CASH EQUIVALENTS

	December 31, 2021	December 31, 2020
Cash on hand	7.153	2.561
Cash in banks		
-Time	2.712.614	3.949.785
-Demand	1.421.836	708.239
Cheques	-	11
	4.141.603	4.660.596

As of December 31, 2021, time deposits with maturities less than 3 months in foreign currencies equivalent to TL 2.203.700, existed for periods varying between 1 day to 89 days (December 31, 2020 - TL 2.727.652, 1 day to 68 days) and earned interest between 0,01% - 9,50% (December 31, 2020 - 0,50% - 8,25%).

As of December 31, 2021, time deposits in local currency amounting to TL 508.914 existed for

periods between 3 days and 45 days (December 31, 2020 - TL 1.222.133, 4 days to 50 days) and earned interest between 16,50% - 28,0% (December 31, 2020 - ,15,50% - 19,00%).

As of December 31, 2021, there is TL 4.510 (December 31, 2020 - TL 13.526) of interest income accrual on time deposits with maturities less than 3 months. As of December 31, 2021, and 2020, the fair values of cash and cash equivalents are equal to book value.

#### 7. FINANCIAL INVESTMENTS

	December 31, 2021	December 31, 2020
Time deposits with maturities more than 3 months	11.576	23.164
Restricted cash	62.068	-
	73.644	23.164

As of December 31, 2021, time deposits with maturities over 3 months are composed of USD, UZS and KZT with 39 and 357 days' maturity and have 2,25% interest rate for USD, 16,00% interest rate for UZS and between 7,50% - 9,50% interest rate for KZT.

Restricted cash represents blocked amount in the bank for the guarantee of letters of credit in

Uzbekistan.

As of December 31, 2020, time deposits with maturities over 3 months are composed of USD with 1 and 174 days' maturity and have 1,00% - 2,50% interest rates for USD.

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 8. DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2021 the Group has 10 aluminum swap transactions with a total nominal amount of TL 788.479 for 21.426 tones. The total of these aluminum swap contracts is designated as hedging instruments as of May 1, 2020, September 29, 2021, October 5, 2021, October 20, 2021 and October 26, 2021 in cash flow hedges related to forecasted cash flow for the high probability purchases of cans exposed to commodity price risk for the year 2022.

As of December 31, 2020, the Group has 8 aluminum swap transactions with a total nominal amount of TL 174.193 for 14.810 tones. The total of these aluminum swap contracts is designated as hedging instruments as of March 26, 2020, April 1, 2020, April 24, 2020, April 27, 2020 and May 1, 2020, in cash flow hedges related to forecasted cash flow for the high probability purchases of cans exposed to commodity price risk for the year 2021 and 2022.

As of December 31, 2021 the Group has 1 resin swap transaction with a total nominal amount of TL 36.788 for 2.400 tones. The total of this resin swap contract is designated as hedging instruments as of October 27, 2021 in cash flow hedges related to forecasted cash flow for the high probability purchases of cans exposed to commodity price risk for the year 2022.

As of December 31, 2021, the Group has no new sugar swap transactions.

As of December 31, 2020, the Group has 11 sugar swap transactions with a total nominal amount of TL 5.523 for 2.200 tones. The total of these sugar swap contracts is designated as hedging instruments as of March 12, 2020, March 16, 2020 and March 19, 2020 in cash flow hedges related to forecasted cash flow for the high probability purchases of sugar exposed to commodity price risk for the year 2021 and 2022.

As of December 31, 2021, the Group holds a derivative financial instrument of an option contract signed on August 23, 2021 with an amount of USD 20 million (leveraged amount USD 32 million) and a maturity of August 1, 2022. The total nominal value of this swap transaction is TL 266.580.

As of December 31, 2020, the Group holds a derivative financial instrument of cross currency swap contract signed on February 11, 2020 with an amount of EUR 25,03 million and a maturity of January 13, 2021. The total nominal value of this hedge transaction is TL 225.523.

As of December 31, 2021, the Group has a cross currency swap contract with a total amount of USD 150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has also purchased an option amounting to USD 150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TL 2.001.950).

As of December 31, 2020, the Group has a cross currency swap contract with a total amount of USD 150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has purchased an option amounting to USD 150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TL 1.101.075).

As of December 31, 2021, the Group has an interest – foreign exchange swap contract subject to fair value hedge with total amount of EUR 25 million due on May 11, 2022, for the probability of arising interest rate exposure. The nominal value of this transaction is TL 377.848.

As of December 31, 2021 and 2020, nominal and fair value of commodity swap and forward derivative financial instruments are as follows:

	December 31, 2021			
	Nominal Value	Fair Value Assets / (Liabilities)	Nominal Value	Fair Value Assets / (Liabilities)
<b>Held for hedging:</b>				
Commodity swap contracts fair value assets / (liabilities)	825.267	2.477	179.716	42.912
Cross currency participation swaps assets/(liabilities)	2.001.950	(708.423)	1.101.075	(213.420)
Other derivative instruments				
Swap contracts assets/(liabilities)	-	-	225.523	(58.166)
Option contracts assets/(liabilities)	266.580	18.191	-	-
Fair value hedge reserve assets / (liabilities)	377.848	(131.244)	-	-
<b>Derivative financial instruments (net)</b>	<b>3.471.645</b>	<b>(818.999)</b>	<b>1.506.314</b>	<b>(228.674)</b>

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 9. BORROWINGS

	December 31, 2021	December 31, 2020
Short-term borrowings	830.114	984.451
Current portion of long-term borrowings and bond issued	481.461	258.507
Total short-term borrowings	1.311.575	1.242.958
Long-term borrowings and bond issued	7.759.678	4.681.884
Total borrowings	9.071.253	5.924.842

As of December 31, 2021, there is interest expense accrual amounting to TL 104.178 on total amount of borrowings (December 31, 2020 - TL 57.915).

The Group has complied with the financial covenants of its borrowing facilities during the 2021 and 2020 reporting period. Short and long-term borrowings denominated in TL and foreign currencies as of December 31, 2021 and 2020 are as follows:

	December 31, 2021		December 31, 2020	
	Short-term	Long-term	Short-term	Long-term
US Dollars	69.871	6.268.649	40.218	3.469.000
Euro	199.429	565.667	360.536	487.741
Turkish Lira	490.402	772.950	535.903	570.000
Pakistan Rupee	392.107	-	252.485	28.248
Kazakh Tenge	159.766	152.412	49.476	126.895
Azerbaijan Manat	-	-	4.340	-
	1.311.575	7.759.678	1.242.958	4.681.884

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 9. BORROWINGS (CONTINUED)

Range for the minimum and maximum effective interest rates on the balance sheet date are as follows:

	December 31, 2021	December 31, 2020
Short-term		
US Dollar denominated borrowings	(3,00%)	(3,00%)
Euro denominated borrowings	-	(1,35%)
Azerbaijan Manat denominated borrowings	-	(12,50%)
Pakistan Rupee denominated borrowings	(1M Kibor - 0,10%) - (1M Kibor + 0,20%)	(1M Kibor - 0,10%) - (1M Kibor + 0,30%)
Turkish Lira denominated borrowings	(18,75%)	(7,90%) - (10,20%)
Long-term		
US Dollar denominated borrowings	(4,22%) - (6M Libor + 2,50%)	(4,22%) - (6M Libor + 2,50%)
Euro denominated borrowings	(6M Euribor + 1,60%) - (3M Euribor + 2,75%)	(6M Euribor + 1,60%) - (3M Euribor + 2,75%)
Kazakh Tenge denominated borrowings	(6,00%)	(6,00%)
Pakistan Rupee denominated borrowings	(1,80%)	(1,80%)
Turkish Lira denominated borrowings	(11,74%)	(11,74%)

Repayment plans of long-term borrowings as of December 31, 2021 and 2020 are scheduled as follows (including current portion) of long-term borrowings:

	December 31, 2021	December 31, 2020
2021	-	258.507
2022	481.461	248.079
2023	2.047.809	1.116.455
2024 and after	5.711.869	3.317.350
	8.241.139	4.940.391

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 9. BORROWINGS (CONTINUED)

Movements of financial borrowings as of December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
Financial borrowing at the beginning of the year	5.924.842	5.266.850
Proceeds from borrowings	1.388.550	2.612.986
Repayments of borrowings	(1.960.516)	(3.011.249)
Foreign exchange gain / (loss) from foreign currency denominated borrowings	3.027.973	908.165
Cash flows effect	2.456.007	509.902
Interest expense adjustment	530.464	371.355
Interest paid	(524.327)	(342.939)
Changes in interest accruals	6.137	28.416
Currency translation adjustment	684.267	119.674
Financial borrowing at the end of the year	9.071.253	5.924.842

#### Lease Liabilities

As of December 31, 2021, net present value of lease liabilities is amounting to TL 319.680. Movement of lease liabilities as of December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
Balance as of January 1	235.000	222.242
Increase in lease liabilities	32.506	54.470
Change in lease liabilities	8.547	4.425
Payments during the year	(130.035)	(78.966)
Interest expense of lease liabilities	18.967	19.798
Foreign exchange loss / (gain)	14.025	3.657
Currency translation	140.670	9.374
Balance at the end of the year	319.680	235.000

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 10. OTHER FINANCIAL LIABILITIES

None (December 31, 2020 - None).

#### 11. TRADE RECEIVABLES AND PAYABLES

##### Trade Receivables

	December 31, 2021	December 31, 2020
Trade receivables	1.744.416	888.024
Cheques receivables	21.606	17.882
Less: Allowance for expected credit loss	(127.489)	(109.601)
	1.638.533	796.305

As of December 31, 2021, and 2020 allowance for expected credit loss movement is as following:

	December 31, 2021	December 31, 2020
Balance at January 1	109.601	66.369
Current year provision	4.424	40.401
Reversals from provision	(15.119)	(1.956)
Write-offs from expected credit losses	(15.418)	(1.587)
Currency translation difference	44.001	6.374
	127.489	109.601

## Coca-Cola İçecek Anonim Şirketi

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#### 11. TRADE RECEIVABLES AND PAYABLES (CONTINUED)

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group

has recognized a loss allowance of 100% against all receivables over 90 days past due because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

As of December 31, 2021, and 2020 aging of receivables table is as following:

December 31, 2021	Neither past due nor impaired	Past due receivables (Days)					Total
		<30	31-60	61-90	91-180	>180	
Accounts receivable	1.436.213	118.555	34.930	7.642	19.587	-	1.616.927
Cheques receivables	20.536	1.070	-	-	-	-	21.606
	1.456.749	119.625	34.930	7.642	19.587	-	1.638.533
<b>December 31, 2020</b>							
Accounts receivable	666.800	70.776	21.927	9.937	860	8.123	778.423
Cheques receivables	17.882	-	-	-	-	-	17.882
	684.682	70.776	21.927	9.937	860	8.123	796.305

#### Trade Payables

	December 31, 2021	December 31, 2020
Suppliers	3.020.578	1.357.501
	3.020.578	1.357.501

Nature and level of risks arising from trade receivables and payables are disclosed under Note 39.

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 12. OTHER RECEIVABLES AND PAYABLES

#### Other Receivables

	December 31, 2021	December 31, 2020
Due from personnel	8.390	8.179
Deposits and guarantees given	4.850	3.053
Receivable from tax office and other official receivables	709	16.958
Other	9.256	5.686
	<b>23.205</b>	<b>33.876</b>

#### Other Payables

	December 31, 2021	December 31, 2020
Deposits and guarantees	640.875	337.667
Taxes and duties payable	252.301	164.790
Other	35.261	15.685
	<b>928.437</b>	<b>518.142</b>



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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 13. PREPAID EXPENSES

##### a) Short term prepaid expenses

	December 31, 2021	December 31, 2020
Prepaid marketing expenses	118.109	118.148
Prepaid insurance expenses	21.319	16.066
Prepaid rent expenses	847	9.792
Prepaid other expenses	44.057	8.035
Advances given to suppliers	1.036.182	146.677
	1.220.514	298.718

##### b) Long term prepaid expenses

	December 31, 2021	December 31, 2020
Prepaid marketing expenses	36.863	169.376
Prepaid rent expenses	27.175	20.435
Prepaid other expenses	4.759	2.339
Advances given to suppliers	-	16.324
	68.797	208.474

#### 14. RECEIVABLES AND PAYABLES RELATED TO FINANCE SECTOR

None (December 31, 2020 - None).

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 15. INVENTORIES

	December 31, 2021	December 31, 2020
Finished goods	686.650	360.379
Raw materials	1.258.255	517.897
Packaging materials	328.515	82.359
Goods in transit	161.577	62.095
Other materials	92.237	29.465
Less: Reserve for obsolescence (-)	(26.463)	(11.170)
	2.500.771	1.041.025

As of December 31, 2021, and 2020 reserve for obsolescence movement is as following, net loss recorded during year is TL 6.531 (December 31, 2020 net gain is amounting to TL 3.606).

	December 31, 2021	December 31, 2020
Balance at January 1	11.170	11.925
Current year provision - reversal, net	10.207	9.056
Inventories written off	(3.676)	(12.662)
Currency translation difference	8.762	2.851
	26.463	11.170

#### 16. BIOLOGICAL ASSETS

None (December 31, 2020 - None).

#### 17. RECEIVABLE AND PAYABLE FROM CONSTRUCTION CONTRACTS

None (December 31, 2020 - None).

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 18. INVESTMENT IN JOINT VENTURES

Investment in joint ventures, consolidated under the equity method of accounting, is carried in the consolidated financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures, less any impairment in value. The consolidated profit or loss

statement reflects the Group's share of the results of operations of the joint ventures.

As of December 31, 2021, and 2020 total assets, total liabilities, net sales and current period loss of SSDSD is as follows:

SSDSD	December 31, 2021	December 31, 2020
Total Assets	770	1.144
Total Liabilities	21.288	11.584
Equity	(20.518)	(10.440)
SSDSD	December 31, 2021	December 31, 2020
Revenue	-	-
Net Loss	(7.347)	(6.713)
Group's share in loss	(3.674)	(3.357)

### 19. INVESTMENT PROPERTY

None (December 31, 2020 - None).

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 20. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Assets	Leasehold Improvements	Construction in Progress	Total
Net book value at December 31, 2019	2.172.105	3.312.245	67.416	51.235	1.126.298	494	169.447	6.899.240
Additions	2.392	161.349	5.492	2.523	226.128	-	194.541	592.425
Disposals, net	(2.324)	(18.155)	(173)	(996)	(12.762)	-	-	(34.410)
Transfers	47.541	(11.443)	185	4.299	104.782	-	(145.364)	-
Provision and reverse for impairment	(12.085)	10.763	(100)	(3.510)	(13.146)	-	-	(18.078)
Currency translation adjustment	196.754	366.545	9.643	3.945	93.447	-	65.556	735.890
Depreciation charge for the current year	(73.315)	(414.799)	(12.500)	(11.942)	(318.786)	(57)	-	(831.399)
Net book value at December 31, 2020	2.331.068	3.406.505	69.963	45.554	1.205.961	437	284.180	7.343.668
Net book value at December 31, 2020	2.331.068	3.406.505	69.963	45.554	1.205.961	437	284.180	7.343.668
Additions	10.400	280.361	11.324	9.482	506.617	-	382.189	1.200.373
Disposals, net	(17.170)	(7.860)	3.162	(741)	(39.696)	-	-	(62.305)
Transfers	86.406	141.870	(25.273)	(1.506)	19.440	-	(220.937)	-
Additions through subsidiary acquisition	9.477	127.466	27.121	394	106.743	-	20.630	291.831
Provision and reverse for impairment	-	(268.705)	-	-	5.168	-	-	(263.537)
Currency translation adjustment	1.423.219	1.998.666	68.980	20.039	601.591	-	377.666	4.490.161
Depreciation charge for the current year	(86.890)	(483.703)	(20.622)	(10.308)	(396.025)	(57)	-	(997.605)
Net book value at December 31, 2021	3.756.510	5.194.600	134.655	62.914	2.009.799	380	843.728	12.002.586
At December 31, 2019								
Cost	1.625.573	3.856.912	144.141	131.786	3.047.545	12.335	(7.299)	8.810.993
Accumulated depreciation	(459.921)	(2.360.592)	(149.045)	(107.348)	(2.307.419)	(11.980)	-	(5.396.305)
Accumulated provision for impairment	(21.772)	(53.179)	(959)	(3.494)	(82.602)	-	-	(162.006)
Currency translation adjustment	1.187.188	1.963.364	75.826	24.610	548.437	82	291.479	4.090.986
Net book value at December 31, 2020	2.331.068	3.406.505	69.963	45.554	1.205.961	437	284.180	7.343.668
At December 31, 2020								
Cost	1.714.686	4.398.749	160.475	139.415	3.640.649	12.335	174.583	10.240.892
Accumulated depreciation	(546.811)	(2.844.295)	(169.667)	(117.656)	(2.703.444)	(12.037)	-	(6.393.910)
Accumulated provision for impairment	(21.772)	(321.884)	(959)	(3.494)	(77.434)	-	-	(425.543)
Currency translation adjustment	2.610.407	3.962.030	144.806	44.649	1.150.028	82	669.145	8.581.147
Net book value at December 31, 2021	3.756.510	5.194.600	134.655	62.914	2.009.799	380	843.728	12.002.586

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 20. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group has made significant assumptions over the useful life of spare parts for machinery and equipment based on the expertise of the technical departments. Group has made an estimation change in useful life assumption in 2020 and decreased the 20 years useful life assumption to 10 years. This estimation change does not require any retrospective application on the financial statements and effect on current period depreciation is approximately amounting to TL 121,5 million negatively.

##### Impairment Loss

As of December 31, 2021, The Group made an assessment for their spare parts and had provided impairment losses amounting to TL 263.537 (December 31, 2020 - TL 18.078) for property, plant and equipment that had greater carrying value than its estimated recoverable amount. This impairment had been provided for slow moving, obsolete, physical damaged, idle spare parts (Note 33).

##### Right of Use Asset

The Group applied TFRS 16 "Leases" retrospectively and recognizes a right-of use asset and a lease liability in financial statements at the lease commencement date.

The right of use asset is initially recognized at cost comprising of:

- a) amount of the initial measurement of the lease liability;
- b) any initial direct costs incurred by the Group; and

The Group re-measure the right of use asset:

- a) after netting-off depreciation and reducing impairment losses from right of use asset,
- b) adjusted for certain re-measurements of the lease liability recognized at the present value

The Group applied TAS16 Property, Plant and Equipment to calculate the right of use asset depreciation.

For the twelve months ended December 31, 2021 and 2020, balances and depreciation and amortization expenses of right of use assets are as follows:

	January 1, 2020	Additions	Changes	Disposals, net	Currency translation	Depreciation charge for the current year	December 31, 2021
Land and Buildings	118.027	5.243	1.733	(99)	71.461	(18.245)	178.120
Machinery and Equipment	23.705	736	-	-	538	(9.417)	15.562
Vehicles	49.757	26.527	6.814	(1.179)	17.568	(41.338)	58.149
Furniture and Fixtures	2.323	-	-	-	124	(1.637)	810
	193.812	32.506	8.547	(1.278)	89.691	(70.637)	252.641

	January 1, 2020	Additions	Changes	Disposals, net	Currency translation	Depreciation charge for the current year	December 31, 2020
Land and Buildings	109.230	11.477	3.150	(4.595)	18.034	(19.269)	118.027
Machinery and Equipment	8.361	29.795	738	(5.987)	268	(9.470)	23.705
Vehicles	73.339	11.038	537	(1.993)	1.485	(34.649)	49.757
Furniture and Fixtures	3.441	2.160	-	-	69	(3.347)	2.323
	194.371	54.470	4.425	(12.575)	19.856	(66.735)	193.812

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 21. INTANGIBLE ASSETS

	January 1, 2021	Additions/ (Amortization)	Disposals	Transfers	Currency translation adjustment	December 31, 2021
<b>Cost</b>						
Water sources usage right	33.660	-	-	-	-	33.660
Bottlers and distribution agreements	2.235.580	-	-	-	1.702.299	3.937.879
Construction in progress	90.551	89.787	(333)	(118.925)	-	61.080
Other Rights	235.206	15.589	-	118.925	34.256	403.976
<b>Less: Accumulated amortization</b>						
Water sources usage right	(33.660)	-	-	-	-	(33.660)
Other Rights	(97.621)	(32.097)	-	-	(16.995)	(146.713)
<b>Net book value</b>	<b>2.463.716</b>	<b>73.279</b>	<b>(333)</b>	<b>-</b>	<b>1.719.560</b>	<b>4.256.222</b>
	January 1, 2020	Additions/ (Amortization)	Disposals	Transfers	Currency translation adjustment	December 31, 2020
<b>Cost</b>						
Water sources usage right	33.660	-	-	-	-	33.660
Bottlers and distribution agreements	2.001.283	-	-	-	234.297	2.235.580
Construction in progress	60.186	67.744	-	(37.379)	-	90.551
Other Rights	188.697	5.975	(439)	37.379	3.594	235.206
<b>Less: Accumulated amortization</b>						
Water sources usage right	(33.660)	-	-	-	-	(33.660)
Other Rights	(75.751)	(20.234)	439	-	(2.075)	(97.621)
<b>Net book value</b>	<b>2.174.415</b>	<b>53.485</b>	<b>-</b>	<b>-</b>	<b>235.816</b>	<b>2.463.716</b>

There is no water sources usage right acquired through government incentive.

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 22. GOODWILL

As of December 31, 2021, and 2020 movements of goodwill are as follows:

	January 1, 2021	Additions	Currency Translation Difference	December 31, 2021
Cost	1.094.332	2.302.469	1.877.987	5.274.788
Impairment reserve	(110.855)	-	(91.158)	(202.013)
<b>Net book value</b>	<b>983.477</b>	<b>2.302.469</b>	<b>1.786.829</b>	<b>5.072.775</b>
	January 1, 2020	Additions	Currency Translation Difference	December 31, 2020
Cost	954.927	-	139.405	1.094.332
Impairment reserve	(111.099)	-	244	(110.855)
<b>Net book value</b>	<b>843.828</b>	<b>-</b>	<b>139.649</b>	<b>983.477</b>

NAs explained in Note 3 'Business Combinations', registration of acquired shares of Uzbekistan, has been finalized under CCI Holland as of September 29, 2021. TL 2.302.469 difference among cash paid and net assets was booked as provisional positive goodwill in consolidated financial

position in accordance with TFRS 3 "Business Combinations" standard (Note 3).

As of December 31, 2021, and 2020 operating segment distribution of goodwill is presented below:

	Domestic	International	Consolidated
2021	-	5.072.775	5.072.775
2020	-	983.477	983.477

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 23. GOVERNMENT INCENTIVES

As of December 31, 2021, total investments made for Bursa, Elazığ, Köyceğiz, Çorlu, Ankara, Mersin, İzmir, Isparta, and Mahmudiye production line investments under the scope of investment incentives are amounting to TL 295.245 (December 31, 2020, TL 293.938) with a total tax advantage of TL 119.131 (December 31, 2020, TL 89.705). Tax advantage calculated from the beginning date of the incentives by considering the future advantages is amounting to TL 4.528 (December 31, 2020, TL 3.708).

On September 3, 2020 the Coca Cola Almaty Bottlers (Company), opened a revolving credit line amounting 10.000.000 KZT with an interest rate level of 15% per annum in SB Sberbank of Russia JSC. The Company signed the subsidy agreements with the Bank and Damu for each subsidizing tranche of loan. Part of the interest rate on the loan in the amount of 15% per annum is subject to subsidizing, while part of the interest rate in the amount of 9% per annum is paid by the DAMU, which is owned by Kazakhstan government, and the rest of the interest is paid by the Company, in accordance with the repayment schedule to the Subsidy Agreement.

#### 24. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

##### CCI and its Subsidiaries in Turkey

CCI and subsidiaries in Turkey are involved on an ongoing basis in 222 litigations arising in the ordinary course of business as of December 31, 2021 with an amount of TL 17.717 (December 31, 2020 – 213 litigations, TL 14.458). As of December 31, 2021, no court decision has been granted yet. Group management does not expect any adverse consequences related with these litigations that would materially affect Group's operation results or financial status or liquidity.

##### Guarantee Letters

As of December 31, 2021, the aggregate amount of letter of guarantees provided to banks are TL 185.666 (December 31, 2020 - TL 130.858).

##### Subsidiaries and joint ventures operating in foreign countries

##### Litigations against the Group

As of December 31, 2021, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TL 509.267 (December 31, 2020 – 235.377). TL 115.830 of this amount is included in the financial statements as a liability.

Group management does not expect any adverse consequences related with other litigations.

##### Mortgages

As of December 31, 2021, the mortgages on buildings and lands of TCCBCJ and CCBPL amounts to TL 46.933 (December 31, 2020 - TL 25.847) and TL 201.382 (December 31, 2020 - TL 122.474) respectively, for the credit lines obtained.

##### Letter of Credit

As of December 31, 2021, CCBPL obtained letter of credits amounting to TL 133.353 (EUR 8,8 million) and TL 35.422 (USD 2,7 million), CCBU obtained letter of credits amounting to TL 86.488 (EUR 5,7 million) and TL 18.743 (USD 1,4 million) (December 31, 2020 - CCBPL TL 6.280 (EUR 0,7 million) and TL 393 ( USD 0,1 million)).

##### Guarantee Letters

As of December 31, 2021, total amount of letters of guarantee obtained from banks and given to suppliers and government authorities is TL 13.195 (December 31, 2020 - TL 9.442).



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### 24. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

	December 31, 2021					
	Total TL Equivalent	Original TL Amount	Original USD in Thousands	Original EUR in Thousands	Original PKR in Thousands	Other Foreign Currency TL Equivalent
A. Total guarantees and pledges given by the Group for its own corporation	433.981	185.486	13	-	2.667.000	46.933
B. Total guarantees and pledges given by the Group for its subsidiaries consolidated for using the full consolidation method	1.137.899	-	3.600	39.069	2.538.234	308.833
C. Total guarantees and pledges given by the Group for other third parties for its ordinary commercial activities	-	-	-	-	-	-
D. Other guarantees, and pledges given	-	-	-	-	-	-
i. Total guarantees and pledges given by the Group for its parent company	-	-	-	-	-	-
ii. Total guarantees and pledges given by the Group for other group companies which are not covered in B and C clauses	-	-	-	-	-	-
iii. Total guarantees and pledges given by the Group for other third parties which are not covered in the C clause	-	-	-	-	-	-
<b>Total guarantees and pledges</b>	<b>1.571.880</b>	<b>185.486</b>	<b>3.613</b>	<b>39.069</b>	<b>5.205.234</b>	<b>355.766</b>
Other guarantees and pledges given / total equity (%)	-	-	-	-	-	-

	December 31, 2020					
	Total TL Equivalent	Original TL Amount	Original USD in Thousands	Original EUR in Thousands	Original PKR in Thousands	Other Foreign Currency TL Equivalent
A. Total guarantees and pledges given by the Group for its own corporation	288.622	128.926	13	204	2.809.346	28.752
B. Total guarantees and pledges given by the Group for its subsidiaries consolidated for using the full consolidation method	1.137.899	-	3.600	39.069	2.538.234	308.833
C. Total guarantees and pledges given by the Group for other third parties for its ordinary commercial activities	-	-	-	-	-	-
D. Other guarantees, and pledges given	-	-	-	-	-	-
i. Total guarantees and pledges given by the Group for its parent company	-	-	-	-	-	-
ii. Total guarantees and pledges given by the Group for other group companies which are not covered in B and C clauses	-	-	-	-	-	-
iii. Total guarantees and pledges given by the Group for other third parties which are not covered in the C clause	-	-	-	-	-	-
<b>Total guarantees and pledges</b>	<b>1.571.880</b>	<b>185.486</b>	<b>3.613</b>	<b>39.069</b>	<b>5.205.234</b>	<b>355.766</b>
Other guarantees and pledges given / total equity (%)	-	-	-	-	-	-

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#### 24. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Contingent liability related to letter of credits, guarantee letters and borrowings utilized under asset pledges are totally covered by the pledge amount in the related countries, and not separately disclosed under total guarantee and pledge position table.

##### Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Turkey continue to evolve. The various legislation and regulations are not always clearly written, and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

As per the change in governing law in Pakistan, "Capacity Tax" was started to be applied as of July 9, 2013, replacing "Sales and Excise Tax". CCBPL fulfilled all the obligations as per the new law and change in regulations.

As of May 2014, "Capacity Tax" application was cancelled by the constitutional court and the law has been reverted to "Sales and Excise Tax". After this withdrawal, CCBPL fulfilled all the obligations again according to "Sales and Excise Tax" system.

After the withdrawal, Federal tax office in Pakistan requested PKR 3,505 million (equivalent to TL 264.280) additional tax payment from CCBPL, by arguing that "Sales and Excise Tax" should be applied retrospectively by considering the period before the cancellation of "Capacity Tax" application. Company Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion

of Management, the outcome of the litigation will be favorable (December 31, 2020 - PKR 3,505 million, equivalent to TL 160.979).

#### 25. COMMITMENTS

##### Murabaha

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank ("Banks"). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of December 31, 2021, CCBPL has USD 15 million sugar purchase commitment to the Banks until the end of June 2022 and has USD 37 million sugar and resin purchase commitment to the Banks until the end of December 2022.

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank ("Banks"). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of December 31, 2020, CCBPL has USD 2,8 million sugar purchase commitment to the Banks until the end of June 2021 and has USD 0,8 million sugar purchase commitment to the Banks until the end of December 2021.

#### 26. EMPLOYEE BENEFITS

As of December 31, 2021, and 2020, payables related to employee benefits amounts to TL 77.394 and TL 50.009 respectively and are comprised of payables for wages and salaries, social security premiums and withholding taxes.

## Coca-Cola İçecek Anonim Şirketi

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

### 26. EMPLOYEE BENEFITS (CONTINUED)

#### a) Short Term Employee Benefits

	December 31, 2021	December 31, 2020
Management premium accrual	31.171	18.633
Vacation pay accrual	29.432	12.254
Wages and salaries	111.091	47.815
	171.694	78.702

As of December 31, 2021, and 2020, movements of the management premium accrual are as follows:

	December 31, 2021	December 31, 2020
Balance at January 1	18.633	16.338
Payments	(96.828)	(86.916)
Current year charge	101.559	87.925
Currency translation difference	7.807	1.286
	31.171	18.633

As of December 31, 2021, and 2020, movements of the vacation pay accrual are as follows:

	December 31, 2021	December 31, 2020
Balance at January 1	12.254	11.407
Payments	(2.705)	(911)
Reversals	-	(179)
Current year charge	11.164	1.186
Currency translation difference	8.719	751
	29.432	12.254

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### 26. EMPLOYEE BENEFITS (CONTINUED)

#### b) Long Term Employee Benefits

As of December 31, 2021, and 2020, details of long-term employee benefits are as follows:

	December 31, 2021	December 31, 2020
Employee termination benefits	234.716	145.460
Long term incentive plan accrual	1.460	1.366
	236.176	146.826

As of December 31, 2021, and 2020, the movements of long-term incentive plan provisions are as follows:

	December 31, 2021	December 31, 2020
Balance at January 1	1.366	2.172
Payments	(12.147)	(10.860)
Current year charge	13.234	10.435
Reversals	(385)	-
Currency translation difference	(608)	(381)
	1.460	1.366

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#### 26. EMPLOYEE BENEFITS (CONTINUED)

##### Employee Termination Benefits

In accordance with the existing social legislation, the Group and its subsidiaries operating in Turkey are required to make lump-sum payments to employees who have completed at least one year of service with the Group and whose employment is terminated due to retirement or for

reasons other than resignation or misconduct. Such payments are calculated based on 30 days' pay and limited to a maximum of TL 8,29 as of December 31, 2021 (December 31, 2020 - TL 7,12) per year of employment at the rate of pay applicable on the date of retirement or termination.

Starting from January 1, 2022, retirement pay liability ceiling increased to TL 10,85.

The movement of the defined benefit obligation recognized in the consolidated financial position is as follows:

	December 31, 2021	December 31, 2020
Balance at January 1	145.460	116.249
Interest expense	26.837	14.880
Benefit payments	(17.619)	(13.612)
Current year service charge	7.233	18.709
Actuarial gain/(loss)	55.322	7.888
Currency translation adjustment	17.483	1.346
	234.716	145.460

In the scope of defined benefit plan, actuarial gains / (losses) under short term employee benefits and employee termination benefits were reflected to consolidated statement of

comprehensive income as of December 31, 2021, and 2020 with an amount of TL 47.405 and TL 6.976 loss respectively.

#### 27. POST-RETIREMENT BENEFIT PLANS

None (December 31, 2020 - None).

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 28. OTHER ASSETS AND LIABILITIES

#### a) Other Current Assets

	December 31, 2021	December 31, 2020
VAT receivables	459.385	250.655
Other	46.253	31.632
	505.638	282.287

#### b) Other Current Liabilities

	December 31, 2021	December 31, 2020
Advance received	85.523	69.224
Put option of share from non-controlling interest	31.513	331.285
Other	190.504	17.616
	307.540	418.125

The obligation of TL 31.513 results from the put option carried, for the purchase of 12,5% of Turkmenistan CC shares from Day Investment Ltd., with a consideration of USD 2.360 thousand. USD amount is converted with the official USD purchase rate announced by Central Bank of Republic of Turkey and resulting TL amount is booked in put option of share from non-controlling interest under other current liabilities (December 31, 2020-TL 17.324).

According to the announcement on October, 27 2021, The Group completed the acquisition of a minority stake owned by European Refreshments (ER), a wholly owned subsidiary of The Coca-Cola Company ("TCCC"), of 19,97% in Waha Beverages B.V. (Waha BV) the holding company for Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic

Caps Production LLC a company incorporated in Baghdad ("Al Waha"). ER exercised its put option under a shareholders agreement entered between ER and CCI in 2013, that became exercisable between December 31, 2016 and 2022. Pursuant to ER's decision to exercise its put option and upon execution of a notarial deed of transfer and its registration, ER transferred its 19,97% stake in Waha BV to CCI in consideration of a sum of USD 40,4 million (TL 393.687) paid by CCI. Resultantly, CCI became the sole owner of Waha B.V. with a 100,0% direct stake and of Al Waha by extension (December 31, 2020-TL 313.961).

As of December 31, 2021, TL 115.830 related to CCBPL's tax litigation is included other current liabilities (31 December 2020 – none).

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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## 29. EQUITY

### Share Capital

	December 31, 2021	December 31, 2020
Common shares 1 Kr par value		
Authorized and issued (units)	25.437.078.200	25.437.078.200

### Legal reserves

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions. Listed companies distribute dividend in accordance with the communique No. II-19.1 issued by the CMB which is effective from February 1, 2014.

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communique does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance can be paid in accordance with profit on financial statements of the Group. Inflation adjustment to shareholders' equity can only be netted-off against prior years' losses and used as an internal source for capital increase where extraordinary reserves can be netted-off against prior years' loss and used in the distribution of bonus shares and dividends to shareholders. In case inflation adjustment to issued capital is used as dividend distribution in cash, it is subject to corporation tax.

As of December 31, 2021, and 2020 breakdown of the equity of the Group in its tax books is as follows.

	December 31, 2021			December 31, 2020		
	Historical Amount	Inflation Restatement Differences	Restated Amount	Historical Amount	Inflation Restatement Differences	Restated Amount
Share capital	254.371	(8.559)	245.812	254.371	(8.559)	245.812
Restricted reserves allocated from net profit	268.462	13.396	281.858	193.287	13.396	206.683
Extraordinary reserves	45.848	9.551	55.399	252.776	9.551	262.327

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#### 29. EQUITY

##### Dividends

On September 10, 2020, Coca-Cola İçecek AŞ's (CCI) Board of Directors resolved to invite Our Company's shareholders to the Extraordinary General Assembly meeting to propose the distribution of a total TL 211.128 gross dividends to be paid from accumulated profits in accordance with the Provisional Article 13/1 of Turkish Commercial Code No. 6102 and Communiqué on the Procedures and Principles Regarding the implementation of the Provisional Article 13 of the Turkish Commercial Code numbered 6102. However, with the Presidential Decree no. 2948 published in the Official Gazette dated September 18, 2020, it was decided to extend the restriction period for the distribution of profits specified in the aforementioned Communiqué to December 31, 2020, therefore the dividend distribution and the extraordinary general assembly processes were cancelled. Implementation period for the legal regulation has ended, CCI Board of Directors resolved on January 20, 2021 to invite our Company's shareholders to the Extraordinary General Assembly meeting to propose the distribution of a total TL 211.128 gross dividends (from extraordinary reserves after legal liabilities are deducted) to be fully paid from accumulated profits. Total dividend amount will be paid starting from February 18, 2021.

Aforementioned proposal of dividend distribution of Board of Directors approved by General Assembly. A gross cash dividend of TL 0,83 (net TL 0,83) per 100 shares, representing TL 1 nominal value, paid to Turkey-based full and limited corporate taxpayers, who receive dividends through an established business or a representative office in Turkey. Other shareholders received gross TL 0,83 (net TL 0,7055) per 100 shares.

CCSD, subsidiary of the Group, distributed dividend with an amount of TL 39 gross (TL 39,44 was paid for 100 shares, representing TL 1 nominal value) as of February 18, 2021.

As per the resolution of the Board of Directors dated February 24, 2021, our Company recorded a net income of TL 1.232.671 in the consolidated financial statements prepared in accordance with the Turkish Financial Reporting Standards in 2020. The Board of Directors resolved to propose to the General Assembly the distribution of a total TL

501.110 gross dividends to be paid starting from May 27, 2021. After legal liabilities are deducted, TL 395.000 of this amount will be paid from 2020 net income, and TL 106.110 will be paid from other distributable reserves. As per the proposal, the remainder of 2020 net income will be added to the extraordinary reserves.

Aforementioned proposal of dividend distribution of Board of Directors approved by General Assembly. A gross cash dividend of TL 1,97 (net TL 1,97) per 100 shares, representing TL 1 nominal value, paid to Turkey based full and limited corporate taxpayers, who receive dividends through an established business or a representative office in Turkey. Other shareholders received gross TL 1,97 (net TL 1,6745) per 100 shares.

In year 2020, the Group paid dividends to its shareholders with an amount of TL 239.109 (TL 0,94 (full) was paid per 100 shares, representing TL 1 nominal value). There is not any privilege granted to shareholders related to dividend payments.

#### 30. CONTINUING OPERATIONS

Group recognizes revenue when the control of products is transferred to the customer, compatible with revenue information under segment reporting according to TFRS 8 (Note 5).

a) Net Revenue	December 31, 2021	December 31, 2020
Gross sales	36.574.447	23.855.692
Sales discounts	(12.294.107)	(7.928.954)
Other discounts	(2.350.805)	(1.535.725)
	21.929.535	14.391.013
b) Cost of Sales	December 31, 2021	December 31, 2020
Raw material cost	12.226.749	7.828.262
Depreciation and amortization	601.331	530.364
Personnel expenses	530.367	384.815
Other expenses	854.097	575.377
	14.212.544	9.318.818



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### 31. OPERATING EXPENSES

	December 31, 2021	December 31, 2020
<b>a) General Administrative Expenses</b>		
Personnel expenses	522.921	378.951
Depreciation expenses	72.718	51.623
Consulting and legal fees	104.761	39.272
Utilities and communication expenses	43.089	17.290
Provision for expected credit loss (Note 11)	4.424	40.401
Repair and maintenance expenses	6.913	3.386
Rent expense	166	8.982
Digital technology expenses	81.453	56.331
Other	96.143	66.994
	<b>932.588</b>	<b>663.230</b>
<b>b) Selling, Distribution and Marketing Expenses</b>		
Marketing and advertising expenses	1.017.269	594.770
Personnel expenses	683.851	532.568
Transportation expenses	853.838	552.208
Depreciation expenses	421.533	314.204
Maintenance expenses	77.357	57.052
Utilities and communication expenses	49.633	34.597
Rent expenses	23.465	7.061
Other	165.038	120.781
	<b>3.291.984</b>	<b>2.213.241</b>

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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### 32. EXPENSES BY NATURE

	December 31, 2021	December 31, 2020
<b>a) Depreciation and Amortization Expenses</b>		
Property, plant and equipment		
Cost of sales	597.940	525.638
Selling, distribution, marketing and general administrative expenses	394.963	283.584
Inventory	4.755	4.494
Other operating expense	-	17.683
Intangible assets		
Cost of sales	74	140
Selling, distribution, marketing and general administrative expenses	31.970	20.094
Right of use asset		
Cost of sales	3.317	4.586
Selling, distribution, marketing and general administrative expenses	67.318	62.149
	1.100.337	918.368
<b>b) Employee Benefits</b>		
Personnel Expenses		
Wages and salaries	1.398.922	1.043.936
Social security premium expenses	118.714	88.321
Employee termination benefits (Note 26)	34.070	33.589
Other	185.433	130.488
	1.737.139	1.296.334

The Group's explanation of the fees for services rendered by independent audit firms is as follows:

	December 31, 2021	December 31, 2020
Fee for independent audit	8.204	2.773
Fees for tax advisory services	2.874	1.798
	11.078	4.571

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### 33. OTHER INCOME / EXPENSE

a) Other operating income / expense	December 31, 2021	December 31, 2020
<b>Other operating income</b>		
Gain on sale of scrap materials	49.545	28.393
Insurance compensation income	8.770	6.732
Foreign exchange gain	379.221	184.739
Other income	84.229	30.993
	<b>521.765</b>	<b>250.857</b>
<b>Other Operating Expense</b>		
Donations	(19.388)	(6.344)
Foreign exchange loss	(465.865)	(225.463)
Administrative fines	(765)	(1.279)
Idle Time Expense	-	(13.555)
Loss on sale of scrap materials	(22.049)	(7.707)
Other expenses	(72.289)	(49.103)
	<b>(580.356)</b>	<b>(303.451)</b>
<b>b) Gain / (loss) from investing activities</b>		
<b>Gain from Investing Activities</b>		
Gain on put option revaluation	17.992	-
Impairment reversal of property, plant and equipment (Note 20)	14.920	16.863
Gain on disposal of property, plant and equipment	162.735	-
	<b>195.647</b>	<b>16.863</b>
<b>Loss from Investing Activities</b>		
Loss on disposal of property, plant and equipment, net	-	(11.012)
Provision for impairment in property, plant and equipment (Note 20)	(278.457)	(34.941)
Revaluation loss from put option	-	(55.441)
	<b>(278.457)</b>	<b>(101.394)</b>

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### 34. FINANCIAL INCOME / EXPENSE

a) Financial Income	December 31, 2021	December 31, 2020
Interest income	157.030	149.394
Foreign exchange gain	1.908.548	853.207
Derivative transaction gain	52.037	52.931
	2.117.615	1.055.532
b) Financial Expense	December 31, 2021	December 31, 2020
Interest loss	(530.464)	(351.513)
Foreign exchange loss	(1.211.917)	(894.299)
Interest expense of lease liabilities	(18.967)	(19.842)
Derivative transaction loss	(131.534)	(78.970)
	(1.892.882)	(1.344.624)

As of December 31, 2021, and 2020 foreign exchange gain / (loss) from foreign currency denominated borrowings are as follows:

b) Financial Expense	December 31, 2021	December 31, 2020
Foreign exchange gain / (loss) from foreign currency denominated borrowings, net	(3.027.973)	(908.165)

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 35. TAX RELATED ASSETS AND LIABILITIES

##### General information

The Group is subject to taxation in accordance with the tax regulations and the legislation effective in the countries in which the Group companies operate. In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

In Turkey, the corporate tax rate is 20%, according to Article 32 of the Corporate Tax Law (KVK). This rate had returned to the legal rate of 20% at the beginning of 2021, after being applied as 22% for the corporate earnings of the institutions for 2018, 2019, and 2020 taxation periods under the temporary article 10 of the KVK. With the temporary article 13 added to the KVK with the 11th article of the Law on the Collection Procedure of Public Receivables and Other Laws No. 7316, the corporate tax rate has been increased for a period of 2 years once again. According to the aforementioned temporary article, the legal corporate tax rate of 20% will be applied as 25% for the corporate earnings of the corporations for the 2021 taxation period, and as 23% for the corporate earnings for the 2022 taxation period. Unless a new legal regulation will be made, Article 32 of the KVK will come into effect, and the corporate tax rate will be back to the legal rate of 20% from the beginning of 2023. Within the scope of the aforementioned law, deferred tax assets and liabilities in the consolidated financial statements as of December 31, 2021, are calculated as 25% for the part of temporary

differences that will have a tax effect in 2021, 23% for the amount that will have tax effect in 2022 and for the part that will have a tax effect in the following periods calculated with 20% rate. Corporate tax returns are required to be filed by the twenty-fifth day of the fourth month following the balance sheet date and taxes must be paid in full by the end of the related month. The tax legislation provides for a provisional tax of 25% (2020 - 22%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the year. Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

The law on amending the Tax Procedure Law and the Corporate Tax Law was enacted on January 20, 2022, it has been enacted with the number 7352 and it has been decided that the financial statements will not be subject to inflations adjustment in the 2021 and 2022 accounting periods, including the temporary accounting periods, and in the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for the inflation adjustment within the scope the repeated Article 298 are met. POA made a declaration on the Implementation of Financial Reporting in High Inflation Economies under TFRS on January 20, 2022, and it was stated that there was no need to make any adjustments within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies in the consolidated financial statements for 2021.

The reconciliation of current period tax charge for the years ended December 31, 2021 and 2020 is as follows:

	December 31, 2021	December 31, 2020
Income before tax and non-controlling interest	3.572.077	1.766.150
Provision for corporate tax (25%)	(893.019)	(388.553)
<b>Effect of not deductible (taxable) amounts in taxable income</b>		
Effect of difference in the tax rate from subsidiaries	75.868	9.680
Deductions after non-deductible expenses	(20.295)	(3.337)
Unused investment incentive	29.426	16.850
Deferred tax effect of translation on non-monetary items	(32.454)	(18.764)
Effect of carried tax losses	(429.250)	(51.973)
Effect of different tax rates	129.737	8.943
Other	(11.253)	(20.826)
<b>Total tax charge</b>	<b>(1.151.240)</b>	<b>(447.980)</b>

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#### 35. TAX RELATED ASSETS AND LIABILITIES (CONTINUED)

The breakdown of current period tax charge for the years ended December 31, 2021 and 2020 is as follows:

	December 31, 2021	December 31, 2020
Deferred tax expense	(383.615)	(49.688)
Current period tax expense	(767.625)	(398.292)
<b>Total tax charge</b>	<b>(1.151.240)</b>	<b>(447.980)</b>

Different corporate tax rates of foreign subsidiaries are as follows:

	December 31, 2021	December 31, 2020
Kazakhstan	20%	20%
Azerbaijan	20%	20%
Kyrgyzstan	10%	10%
Turkmenistan	8%	8%
Tajikistan	13%	13%
Jordan	17%	16%
Iraq	15%	15%
Pakistan	29%	29%
Uzbekistan	15%	-

For the consolidated financial statements, subsidiaries financial statements have been translated into TL and the translation differences arising from such translation have been recorded in equity, under Currency Translation Adjustment. Since it's not planned to sell any

subsidiary share, these translation differences will not be reversed in the foreseeable future and not subject to deferred tax calculation in accordance with TAS12, Income Taxes.

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### 35. TAX RELATED ASSETS AND LIABILITIES (CONTINUED)

The list of temporary differences and the resulting deferred tax liabilities, as of December 31, 2021 and 2020 using the prevailing effective statutory tax rate is as follows:

	December 31, 2021		December 31, 2020	
	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)
Tangible and intangible assets	(5.934.864)	(1.487.145)	(3.784.055)	(935.031)
Right of use asset	73.015	16.746	41.626	10.862
Financial borrowings	160.557	31.148	(22.179)	(4.436)
Employee termination, other employee benefits and other payable accruals	206.784	46.023	134.576	28.689
Unused investment incentive	295.245	119.131	293.938	89.705
Carry forward tax loss	2.544.876	508.975	584.642	116.928
Trade receivables, payables and other	845.789	197.186	336.168	79.511
Derivative financial instruments	254.598	50.920	206.931	41.386
Inventory	(69.712)	(12.657)	(30.168)	(6.267)
	(1.623.712)	(529.673)	(2.238.521)	(578.653)
Less: Provision for valuation of carry forward loss	(2.544.876)	(508.975)	(259.866)	(51.973)
	(4.168.588)	(1.038.648)	(2.498.387)	(630.626)
Deferred tax assets		325.501		183.335
Deferred tax liabilities		(1.364.149)		(813.961)
Deferred tax liability, net		(1.038.648)		(630.626)

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### 35. TAX RELATED ASSETS AND LIABILITIES (CONTINUED)

As of December 31, 2021, and 2020, the movement of net deferred tax liability is as follows:

	December 31, 2021	December 31, 2020
Balance at January 1,	630.626	561.143
Deferred tax expense / (income)	383.615	49.688
Tax expense recognized in comprehensive income	(539.985)	(109.886)
Additions through subsidiary acquisition	(4.867)	-
Currency translation adjustment	569.259	129.681
	1.038.648	630.626

The expiration dates of carryforward tax losses for which no deferred tax are calculated as follows:

	December 31, 2021	December 31, 2020
2021	-	38.702
2022	-	-
2023	276.444	221.164
2024	46.464	-
2025	75.718	-
2026	2.146.250	-
<b>Total</b>	<b>2.544.876</b>	<b>259.866</b>

The number explained above is prepared for domestic companies, the remaining amounts don't have expiry dates.



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### 36. EARNINGS / (LOSSES) PER SHARE

PBasic earnings / (losses) per share is calculated by dividing net income / (loss) for the year by the weighted average number of ordinary shares outstanding during the related period.

The Group has no diluted instruments. As of December 31, 2021, and 2020 earnings / (losses) per share is as follows:

	December 31, 2021	December 31, 2020
Net Income for the Year	2.271.412	1.232.671
Weighted Average Number of Ordinary Shares	25.437.078.200	25.437.078.200
tNet Earnings Per Share from Continuing and Discontinued Operations (Full TL)	0,089295	0,048459
	December 31, 2021	December 31, 2020
Net Income from Continuing Operations	2.271.412	1.236.635
Weighted average number of ordinary shares	25.437.078.200	25.437.078.200
Net Earnings Per Share from Continuing Operations (Full TL)	0,089295	0,048615
	December 31, 2021	December 31, 2020
Net (loss) / Income from Discontinued Operations	-	(3.964)
Weighted Average Number of Ordinary Shares	25.437.078.200	25.437.078.200
Net (Losses) / Earnings Per Share from Discontinued Operations (Full TL)	-	(0,000156)

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#### 37. RELATED PARTY BALANCES AND TRANSACTIONS

The Group has various transactions with related parties in normal course of the business. The most significant transactions with related parties are as follows:

	December 31, 2021				
	Sales to related parties and other revenues	Purchases from related parties and other expenses	Amounts owed by related parties	Amounts owed to related parties	
				Short Term	Long Term
Related Parties and Shareholders					
Anadolu Group Companies (1)	347.734	121.346	95.601	53.868	-
Efes Karaganda Brewery J.S.C.(1)	-	-	-	365	-
The Coca-Cola Company Group Companies (1)	121.578	4.766.081	121.297	1.229.928	-
Özgörkey Holding Group Companies (1)	1.248	36.461	-	5.332	-
Syrian Soft Drink Sales and Distribution L.L.C.(4)	-	-	14.701	-	-
Day Trade (2)	-	-	-	51.446	-
National Beverage Co. (3)	-	2.474	94	-	-
Other	-	45.838	-	508	-
<b>Total</b>	<b>470.560</b>	<b>4.972.200</b>	<b>231.693</b>	<b>1.341.447</b>	<b>-</b>

	December 31, 2020				
	Sales to related parties and other revenues	Purchases from related parties and other expenses	Amounts owed by related parties	Amounts owed to related parties	
				Short Term	Long Term
Related Parties and Shareholders					
Anadolu Group Companies (1)	300.125	38.643	78.656	1.603	-
The Coca-Cola Company (1)	35.807	3.384.440	209.368	453.836	46.722
Özgörkey Holding Group Companies (1)	1.027	18.690	-	2.856	-
Syrian Soft Drink Sales and Distribution L.L.C.(4)	-	-	8.061	-	-
Doğadan (2)	20.076	65.817	-	761	-
Day Trade (2)	-	-	-	19.817	-
National Beverage Co. (3)	-	1.953	-	-	-
Other	-	36.194	-	834	-
<b>Total</b>	<b>357.035</b>	<b>3.545.737</b>	<b>296.085</b>	<b>479.707</b>	<b>46.722</b>

(1) Shareholder of the Group, subsidiaries and joint ventures of the shareholder  
(2) Related parties of the shareholder

(3) Other shareholders of the joint ventures and subsidiaries  
(4) Investment in associate consolidated under equity method of accounting

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#### 37. RELATED PARTY BALANCES AND TRANSACTIONS

(\*) As of December 31, 2021, the Group has no long-term loan payables to related parties (December 31, 2020 – TL 46.722 long-term payables to related parties consists of long term loan payable from European Refreshment with a 5,70% fixed interest rate and a maturity of 5 years).

As of December 31, 2021, and 2020, purchases from related parties and significant portion of other expenses consist of services obtained, fixed asset and raw material purchases and toll production.

As of December 31, 2021, and 2020, sales to related parties and other revenues consist of sale of finished goods and support charges of promotional expenses reflected to related parties.

As of December 31, 2021, and 2020, remuneration received by the executive members of the Board of Directors, Chief Executive Officer, Chief Operating Officers and Directors of the Group are as follows:

	December 31, 2021		December 31, 2020	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	887	37.826	762	37.404
Other long-term benefits	-	7.126	-	6.630
	887	44.952	762	44.034
Number of top executives	4	9	4	12

#### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group's principal financial instruments are comprised of bank borrowings, bond issues, cash and short-term deposits. The main purpose of these financial instruments is to raise financing for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk, and credit risk. The Group management reviews and agrees policies for managing each of these risks which are summarized below. The Group also monitors the market price risk arising from all financial instruments.

##### (a) Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximize shareholder value.

The Group manages its capital structure and adjusts it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or return capital to shareholders and may decide on issue of new shares or sell assets to decrease net financial debt.

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### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

As of December 31, 2021, and December 31, 2020 debt to equity ratio, obtained by dividing the total net debt, the financial borrowings and loan debts minus cash and cash equivalents and short-term financial assets, to share capital is as follows:

	December 31, 2021	December 31, 2020
Financial borrowings	9.390.933	6.160.412
Due to related parties as loan payable (*)	-	46.722
Less: Cash and cash equivalents and short-term financial assets	(4.215.247)	(4.683.760)
Net debt	5.175.686	1.523.374
Total share capital	254.371	254.371
Net debt / Total equity ratio (%)	20,35	5,99

(\*) As of December 31, 2021, the Group has no long-term loan payables to related parties (December 31, 2020 – TL 46.722 long-term payables to related parties consists of long term loan payable from European Refreshment with a 5,70% fixed interest rate and a maturity of 5 years).

#### (b) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by balancing the interest rate of assets and liabilities or derivative financial instruments.

Certain parts of the interest rates related to borrowings are based on market interest rates; therefore, the Group is exposed to interest rate fluctuations on domestic and international markets. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations.

As of December 31, 2021, if variable interest rate on the Group's borrowings would have been 100 basis points higher / lower with all other variables held constant, then three months profit / (loss) before tax and non-controlling interest for March 31, 2022, which is the following reporting period would be:

	Effect on profit before tax and non-controlling interest	
	December 31, 2021	December 31, 2021
Increase / decrease of 1% interest in USD denominated borrowing interest rate:	120	84
Increase / decrease of 1% interest in Euro denominated borrowing interest rate:	1.901	1.547
Increase / decrease of 1% interest in PKR denominated borrowing interest rate:	539	348
Total	2.560	1.979

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### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

As of December 31, 2021, and 2020, the analysis of financial assets of the Group exposed to interest risk as follows:

Interest Rate Risk	December 31, 2021	December 31, 2020
Financial instruments with fixed interest rate		
Time deposits	2.786.258	3.972.949
Financial liabilities (Note 9)	7.912.240	5.044.123
Financial instruments with floating interest rate		
Financial liabilities (Note 9)	1.159.013	880.719

#### (c) Foreign Currency Risk

The Group is exposed to exchange rate fluctuations due to the nature of its business. This risk occurs due to purchases, sales, demand / time deposits and bank borrowings of the Group, which are denominated in currencies other than the functional currency. The Group manages its foreign currency risk by balancing the amount of foreign currency denominated assets and liabilities.

Net assets of Turkmenistan CC are translated into Turkish Lira, into presentation currency of the Group, with the official buying exchange rate for 1 Turkmenistan Manat is 3,8100 TL announced by the Central Bank of Turkmenistan. The Group management assumes as previous years, the aforementioned exchange rate, which is fixed by the Central Bank of Turkmenistan, is being used in the market. Related exchange rate differences recognized in the currency translation difference under equity.

	December 31, 2021	December 31, 2020
Total export	65.502	59.919
Total import	4.384.591	3.407.140

#### Foreign Currency Position

As of December 31, 2021, and 2020, the foreign currency position (except functional currency) of the Group and its subsidiaries is as follows:

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

##### Foreign Currency Position

As of December 31, 2021, and 2020, the foreign currency position (except functional currency) of the Group and its subsidiaries is as follows:

	Foreign currency position table					
	December 31, 2021					
	Total TL Equivalent	USD	TL Equivalent	Euro	TL Equivalent	Other Foreign Currency TL Equivalent
1. Trade Receivables and Due from Related Parties	78.784	5.911	78.784	-	-	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	1.468.085	107.885	1.437.999	1.994	30.086	-
2b. Non-monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	230.242	16.051	214.116	1.069	16.126	-
4. Current Assets (1+2+3)	1.777.111	129.847	1.730.899	3.063	46.212	-
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	287	-	-	19	287	-
8. Non-Current Assets (5+6+7)	287	-	-	19	287	-
9. Total Assets (4+8)	1.777.398	129.847	1.730.899	3.082	46.499	-
10. Trade Payables and Due to Related Parties	1.254.990	89.670	1.195.989	3.441	52.218	6.783
11. Short-term Borrowings and Current Portion of Long-term Borrowings	269.300	5.233	69.871	13.195	199.429	-
12a. Monetary Other Liabilities	31.513	2.360	31.513	-	-	-
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
13. Current Liabilities (10+11+12)	1.555.803	97.263	1.297.373	16.636	251.647	6.783
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. a. Long-Term Borrowings	6.834.316	469.457	6.268.649	37.427	565.667	-
15. b. Long-Term Lease Payables	64.877	2.847	38.019	1.777	26.858	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	6.899.193	472.304	6.306.668	39.204	592.525	-
18. Total Liabilities (13+17)	8.454.996	569.567	7.604.041	55.840	844.172	6.783
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	8.454.996	569.567	7.604.041	55.840	844.172	6.783
19a. Total Hedged Assets	266.580	20.000	266.580	-	-	-
19b. Total Hedged Liabilities	(5.898.062)	(470.000)	(6.275.910)	25.000	377.848	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(1.046.116)	10.280	136.188	(77.758)	(1.175.521)	(6.783)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (TFRS 7, B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(6.908.127)	(455.771)	(6.087.258)	(53.846)	(814.086)	(6.783)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(113.053)	1.365	18.191	(8.684)	(131.244)	-

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### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

	Foreign currency position table					Other Foreign Currency TL Equivalent
	Total TL Equivalent	USD	TL Equivalent	Euro	TL Equivalent	
	December 31, 2020					
1. Trade Receivables and Due from Related Parties	209.484	28.538	209.484	-	-	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	2.514.040	342.245	2.512.253	198	1.787	-
2b. Non-monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	50	1	6	5	44	-
<b>4. Current Assets (1+2+3)</b>	<b>2.723.574</b>	<b>370.784</b>	<b>2.721.743</b>	<b>203</b>	<b>1.831</b>	<b>-</b>
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	3.804	479	3.516	32	288	-
<b>8. Non-Current Assets (5+6+7)</b>	<b>3.804</b>	<b>479</b>	<b>3.516</b>	<b>32</b>	<b>288</b>	<b>-</b>
<b>9. Total Assets (4+8)</b>	<b>2.727.378</b>	<b>371.263</b>	<b>2.725.259</b>	<b>235</b>	<b>2.119</b>	<b>-</b>
10. Trade Payables and Due to Related Parties	471.583	63.476	465.947	610	5.497	139
11. Short-term Borrowings and Current Portion of Long-term Borrowings	400.754	5.479	40.218	40.024	360.536	-
12a. Monetary Other Liabilities	333.006	45.364	332.997	1	9	-
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
<b>13. Current Liabilities (10+11+12)</b>	<b>1.205.343</b>	<b>114.319</b>	<b>839.162</b>	<b>40.635</b>	<b>366.042</b>	<b>139</b>
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. a. Long-Term Borrowings	3.956.742	472.584	3.469.000	54.146	487.742	-
15. b. Long-Term Lease Payables	37.942	1.675	12.298	2.847	25.644	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>3.994.684</b>	<b>474.259</b>	<b>3.481.298</b>	<b>56.993</b>	<b>513.386</b>	<b>-</b>
<b>18. Total Liabilities (13+17)</b>	<b>5.200.027</b>	<b>588.578</b>	<b>4.320.460</b>	<b>97.628</b>	<b>879.428</b>	<b>139</b>
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	2.569.521	319.324	2.343.998	25.036	225.523	-
19a. Total Hedged Assets	-	-	-	-	-	-
19b. Total Hedged Liabilities	(2.569.521)	(319.324)	(2.343.998)	(25.036)	(225.523)	-
<b>20. Net Foreign Currency Asset / (Liability) Position (9-18+19)</b>	<b>96.872</b>	<b>102.009</b>	<b>748.797</b>	<b>(72.357)</b>	<b>(651.786)</b>	<b>(139)</b>
<b>21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(2.476.503)</b>	<b>(217.795)</b>	<b>(1.598.723)</b>	<b>(97.430)</b>	<b>(877.641)</b>	<b>(139)</b>
<b>22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position</b>	<b>(58.166)</b>	<b>-</b>	<b>-</b>	<b>(6.457)</b>	<b>(58.166)</b>	<b>-</b>

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### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, Euro and other foreign currency denominated exchange rates against TL by 20%, with all other variables held constant.

	December 31, 2021		December 31, 2020	
	Income/(Loss)	Income/(Loss)	Income/(Loss)	Income/(Loss)
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
<b>Changes in the USD against TL by 20%:</b>				
1- USD denominated net asset / (liability)	(1.174.629)	1.174.629	(319.041)	319.041
2- USD denominated hedging instruments (-)	1.201.866	(1.201.866)	468.800	(468.800)
3- Net effect in USD (1+2)	27.238	(27.238)	149.759	(149.759)
<b>Changes in the Euro against TL by 20%:</b>				
4- Euro denominated net asset / (liability)	(159.535)	159.535	(175.462)	175.462
5- Euro denominated hedging instruments (-)	(75.570)	75.570	45.105	(45.105)
6- Net effect in Euro (4+5)	(235.104)	235.104	(130.357)	130.357
<b>Average changes in the other foreign currencies against TL by 20%:</b>				
7- Other foreign currency denominated net asset / (liability)	(1.357)	1.357	(28)	28
8- Other foreign currency hedging instruments (-)	-	-	-	-
9- Net effect in other foreign currency (7+8)	(1.357)	1.357	(28)	28
<b>TOTAL (3+6+9)</b>	<b>(209.223)</b>	<b>209.223</b>	<b>19.374</b>	<b>(19.374)</b>

#### (d) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Group to significant concentration of credit risk consist principally of cash and cash equivalents and trade receivables. Maximum credit risk on the Group is limited to the amounts disclosed on the financial statements.

The Group maintains cash and cash equivalents with various financial institutions. It is the Group's policy to limit exposure to any one institution and revalue the credibility of the related financial institutions continuously.

The credit risk associated with trade receivables is partially limited due to a large customer base and due to management's limitation on the extension of credit to customers. The Group generally requires collateral to extend credit to its customers excluding its distributors.



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#### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk exposure from financial instruments as of December 31, 2021 and 2020 are as follows:

December 31, 2021	Receivables			
	Trade Receivables and Due from Related Parties	Other Receivables	Advances Given	Bank Deposits
Maximum credit risk exposure as of reporting date (A+B+C+D+E)	1.870.226	117.520	1.036.182	4.208.094
- Maximum risk secured by guarantee	1.089.425	-	101.881	-
A. Net book value of financial assets neither overdue nor impaired	1.688.404	117.520	1.036.182	4.208.094
B. Net book value of financial assets of which conditions are negotiated, otherwise considered as impaired or overdue	-	-	-	-
C. Net book value of assets overdue but not impaired	181.822	-	-	-
- Under guarantee	14.079	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	127.489	-	-	-
- Impairment (-)	(127.489)	-	-	-
- Net value under guarantee	-	-	-	-
- Not overdue (gross book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- Net value under guarantee	-	-	-	-
E. Off-balance sheet items having credit risk	-	-	-	-

December 31, 2020	Receivables			
	Trade Receivables and Due from Related Parties	Other Receivables	Advances Given	Bank Deposits
Maximum credit risk exposure as of reporting date (A+B+C+D+E)	1.092.390	81.106	163.001	4.681.188
- Maximum risk secured by guarantee	754.872	-	41.878	-
A. Net book value of financial assets neither overdue nor impaired	980.767	81.106	163.001	4.681.188
B. Net book value of financial assets of which conditions are negotiated, otherwise considered as impaired or overdue	-	-	-	-
C. Net book value of assets overdue but not impaired	111.623	-	-	-
- Under guarantee	18.659	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	109.601	-	-	-
- Impairment (-)	(109.601)	-	-	-
- Net value under guarantee	-	-	-	-
- Not overdue (gross book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- Net value under guarantee	-	-	-	-
E. Off-balance sheet items having credit risk	-	-	-	-

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#### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

##### (e) Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions, bond issues, cash and short-term deposits.

The maturity breakdown of financial assets and liabilities has been indicated by considering the period from the balance sheet date to maturity date. Those financial assets and liabilities which have no maturities have been classified under "1 to 5 years".

The table below summarizes the maturity profile of the Group's financial and liabilities at December 31, 2021 and 2020.

December 31, 2021	Book Value	Total cash outflow according to agreement (=I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	More than 5 years (IV)
Maturities according to agreement						
Financial liabilities	9.071.253	11.426.272	579.543	1.084.593	9.762.136	-
Lease liabilities	319.680	338.648	18.342	40.716	65.443	214.147
Trade payables	3.022.579	3.022.579	2.570.585	449.993	2.001	-
Due to related parties	1.341.447	1.341.447	802.530	538.917	-	-
Other non-current liabilities	-	-	-	-	-	-
Non-derivative financial liabilities	13.754.959	16.128.946	3.971.000	2.114.219	9.829.580	214.147
Expected maturities						
Other Payables	928.437	928.437	928.437	-	-	-
Non-derivative financial liabilities	928.437	928.437	928.437	-	-	-

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### 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

December 31, 2020	Book Value	Total cash outflow according to agreement (=I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	More than 5 years (IV)
Maturities according to agreement						
Financial liabilities	5.924.842	7.048.842	791.747	753.863	5.503.232	-
Lease liabilities	235.000	254.842	15.122	41.078	48.518	150.124
Trade payables	1.360.254	1.360.354	948.894	408.608	2.852	-
Due to related parties	526.429	526.429	403.726	75.982	46.721	-
Other non-current liabilities	3.814	3.814	-	-	3.814	-
Non-derivative financial liabilities	8.050.339	9.194.281	2.159.489	1.279.531	5.605.137	150.124
Expected maturities						
Other Payables	518.142	518.142	518.142	-	-	-
Non-derivative financial liabilities	518.142	518.142	518.142	-	-	-

#### (f) Commodity Price Risk

The Group may be affected by the price volatility of certain commodities such as sugar, aluminum and resin. As its operating activities require the ongoing purchase of these commodities, the Group's management has a risk management strategy regarding commodity price risk and its mitigation.

Based on a 12-month anticipated purchase of can, the Group hedges using commodity (aluminum) swap contracts (Note 8).

Based on a 12-month anticipated purchase of can, the Group hedges using commodity (sugar and resin) swap contracts (Note 8).

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

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#### 39. FINANCIAL INSTRUMENTS

##### Fair Values

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and best evidenced by a quoted market price, if one exists.

Foreign currency-denominated financial assets and liabilities are revalued at the exchange rates prevailing at the balance sheet dates.

The following methods and assumptions were used in the estimation of the fair value of the Group's financial instrument:

**Financial Assets** – The fair values of certain financial assets carried at cost, including cash and cash equivalents and held to maturity investments plus the respective accrued interest are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying values of trade receivables along with the related expected credit losses are estimated to be at their fair values.

**Financial Liabilities** – The fair values of trade payables and other monetary liabilities are estimated to approximate carrying values, due to their short-term nature. The fair values of bank borrowings are considered to approximate their respective carrying values, since the initial rates applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. The carrying values of trade payable are estimated to be their fair values due to their short-term nature.

##### Fair Value Hierarchy Table

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets

Level 2: Other valuation techniques includes direct or indirect observable inputs

Level 3: Valuation techniques does not contain observable market inputs

December 31, 2021	Level 1	Level 2	Level 3
<b>a) Assets presented at fair value</b>			
Derivative Financial Instruments	-	41.102	-
<b>Total assets</b>	-	41.102	-
<b>b) Liabilities presented at fair value</b>			
Derivative Financial Instruments	-	860.101	-
Buying option of share from non-controlling interest	-	-	31.513
<b>Total liabilities</b>	-	860.101	31.513

## Coca-Cola İçecek Anonim Şirketi

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

(Amounts Expressed in Thousands of Turkish Lira (TL) Unless Otherwise Stated)

#### 39. FINANCIAL INSTRUMENTS (CONTINUED)

December 31, 2020	Level 1	Level 2	Level 3
a) Assets presented at fair value			
Derivative Financial Instruments	-	42.912	-
<b>Total assets</b>	<b>-</b>	<b>42.912</b>	<b>-</b>
b) Liabilities presented at fair value			
Derivative financial instruments	-	271.586	-
Buying option of share from non-controlling interest	-	-	331.285
<b>Total liabilities</b>	<b>-</b>	<b>271.586</b>	<b>331.285</b>

As of December 31, 2021 and 2020, the movement of share purchase option below level 3 is as follows;

	December 31, 2021	31 December, 2020
Balance at January 1	331.285	223.223
Change in share put option revaluation	(17.992)	55.441
Total consideration of share put option	(393.687)	-
Currency translation difference	111.908	52.621
<b>Yearend balance</b>	<b>31.513</b>	<b>331.285</b>

#### 40. EVENTS AFTER THE REPORTING PERIOD

Upon signing of the Subscription Agreement and obtaining the Tranche Issuance Certificate from the Capital Markets Board (CMB) on 18 January 2022, the sale of the US\$500,000 7-year notes, with the maturity date of 20 January 2029, with a fixed coupon rate of 4,50% and a yield of 4,75%, issued to investors outside of Turkey, and the admission of these notes to the Irish Stock Exchange has been completed. As of 20 January 2022, the proceeds have been transferred to our Company's accounts.

Our Company plans to launch an offer to holders of its outstanding US\$500,000 Notes due 2024 to tender such Notes in an aggregate principal amount of up to US\$250,000 (Tender Offer). HSBC Bank Plc., J.P. Morgan Securities Plc., Bank of America Merrill Lynch International and MUFG Securities EMEA Plc. have been authorized to conduct this Tender Offer. The Tender Offer, which was announced by our Company on 10 January 2022 on PDP, is now finalized by US\$ 200,000.

On 26 January 2022 (the "Early Settlement Date"), repurchased US\$199,322 (the "Early Acceptance Amount") in aggregate principal amount.

As of February 21, 2022, the Board of Directors resolved to propose to the General Assembly the distribution of gross dividends of TL 600,315, after legal liabilities are deducted, from 2021 net income starting from 18 May 2022. As per the proposal, the remainder of 2021 net income will be added to the extraordinary reserves. General Assembly has right to amend the proposal.

Subject to the approval of the General Assembly, entities which are Turkey resident taxpayers or entitled such dividends through a permanent establishment or a permanent representative in Turkey, will be paid a gross cash dividend of TL 2,36 (net TL 2,36) per 100 shares, representing TL 1 nominal value. While other shareholders will receive gross TL 2,36 (net TL 2,1240) per 100 shares.

## CCI REPORTING GUIDANCE

### KEY DEFINITIONS

**For the purpose of this report, the following definitions apply:**

**TCCC:** The abbreviation TCCC refers to “The Coca-Cola Company”.

**TCCS:** The abbreviation TCCS refers to “The Coca-Cola System”.

**ESG:** Environmental, Social and Governance

**CSR:** Corporate Social Responsibility

**PLANT:** All on-site facilities, including production buildings, water treatment units, wastewater treatment units, warehouses, laboratories, administration buildings and technical service operations.

**ENERGY:** Electricity, natural gas, diesel, gasoline, fuel oil, liquefied petroleum gas (LPG) and steam. For the purpose of this report, energy does not include alternative forms of fuel, such as bio-waste, biomass, biodiesel, or renewable sources of energy such as wind or solar energy, which collectively represent an insignificant share of total energy consumption and carbon emissions.

**ENERGY CONSUMPTION:** The energy consumed during the reporting year (January 1 to December 31). Energy consumption data covers energy used in the operation of on-site industrial facilities and manufacturing processes, including electrical systems, heating, lighting, on-site transportation, air circulation and air conditioning (HVAC system). Manufacturing processes refer to the energy consumed in the core bottling (filling) operation. Total

energy consumption also includes preform injection for those plants that use this energy-intensive process as well as energy used for CO<sub>2</sub> production processes in our plants in Kazakhstan and Azerbaijan.

**ENERGY USE RATIO (EUR) (MJ/L):** MJ of energy consumed per liter of product produced, calculated as the sum of all individual energy sources from the filling (core) production processes (in MJ) divided by production volume (in liters). To allow comparability between different CCI plants:

- Energy consumption during preform injection, an energy-intensive process, is excluded from the core EUR. It is included in the total EUR calculations.
- Energy consumption for CO<sub>2</sub> production processes is also excluded from the core EUR calculation. It is included in the total EUR calculations.
- Beginning in 2013, the electricity producing process, which is present in Kazakhstan, is included in EUR calculations.

**GHG EMISSIONS (TON):** Emissions during the reporting year (January 1 to December 31). The GHGs reported are those currently required by the United Nations Framework Convention on Climate Change and the Kyoto Protocol. These GHGs are currently: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), Sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). Other GHGs, including

those regulated by the Montreal Protocol, are excluded from GHG emissions and analyzed separately. “GHG emissions” refers to emissions from all production processes, such as bottling and preform injection, arising from The Company’s plants. In Turkey, CCI has been reporting its GHG emissions more extensively since 2012 in accordance with the ISO 14064-1 Standard for quantifying and reporting GHG emissions at the organization level. Consequently, GHG emissions reported for Turkey also include CCI’s GHG emissions from its non-plant buildings, e.g. offices, fleet transport and fugitive emissions. Where a plant generates energy on-site, the related energy consumption is defined as the energy of the fuel used for generation (e.g. for on-site, diesel-fired electricity generators, the energy consumption would be the diesel used rather than the electricity output of the generator).

**WASTE (TON):** Waste generated at a given site includes waste due to production, construction, food services or any other activity. Examples of the types of solid waste generated by The Company include paper, plastic, corrugated cardboard, metal, glass, sludge from water, waste oils, fleet waste (tires, batteries, coolants, oils, etc.) and damaged ingredients or products, plus all hazardous waste such as solvents, inks and lab waste. Liquid waste disposed of through the wastewater system is not included in the calculations as such waste is

accounted for in wastewater discharge volume and wastewater sludge.

**TOTAL WASTE RATIO (g/L):** Grams of total waste generated per liter of product produced.

**WASTE RECYCLING RATE (%):** Tons of waste recovered, re-used or recycled divided by total waste generated (in tons), i.e. the Waste Recycling Rate represents the portion of waste that is not disposed to a landfill or incinerated. In the six countries covered by the 2018 CCI sustainability report, accredited waste contractors collected tons of waste for recycling and re-use.

**WASTE DISPOSAL (TON):** Waste disposal has followed the GRI Standards 306-1 classification. To determine the method of disposal, CCI has used the legal categories laid out in the disposal documentation provided by its accredited waste contractors. Based on the disposal documentation, the categories of waste generated by CCI during the reporting period were recycling, re-use, recovery, incineration and landfill. Some hazardous waste is sold for use as fuel in processes such as cement manufacturing. In accordance with the legal categories of accredited waste documentation, this waste is classified as recovery rather than incineration.

**REUSED WASTE (TON):** Waste used again for the same or different purposes without re-processing, e.g., wood.

**RECYCLED WASTE (TON):**

Waste that is broken down into raw materials, changed and reprocessed for use and used for new products. Recyclable materials include many kinds of glass, paper, metal, plastic, textiles, and electronics. The composting or other reuse of biodegradable waste – such as food or garden waste – is also considered recycling. Materials to be recycled are brought to a collection center, or picked up from the curbside, then sorted, cleaned and reprocessed into new materials bound for manufacturing.

**RECOVERED WASTE (TON):**

Non-recyclable waste materials and the extraction therefrom of heat, electricity or energy through a variety of processes, including combustion, gasification, pyrolysis and anaerobic digestion. For example, if waste is incinerated in an incineration plant to generate energy, then the waste is “recovered.” If there is no use of energy during the process, then the waste is incinerated. There are several ways to recover energy from waste. Anaerobic digestion is a process of decomposition that occurs naturally whereby organic matter is reduced to a simpler chemical component in the absence of oxygen. “Recovery” also refers to incineration or directly controlled burning of municipal solid waste in

order to reduce waste and create energy. Secondary recovered fuel is energy recovered from waste that cannot be reused or recycled through mechanical and biological treatment activities. Since most of the waste is recovered for energy in licensed facilities before storage, hazardous waste in Turkey is categorized as “recovery”.

**WASTE STORED ON SITE (TON):**

Waste stored initially before the final treatment. Wood waste is treated in different ways, and the final treatment method is confirmed with suppliers and categorized by operations. Methods for reuse, recycle and recovery of hazardous waste are confirmed with CCI’s service providers for waste management. For our Turkey operations, disposal and treatment methods are decided according to the waste disposal codes defined in the Turkish Hazardous Waste Control Regulation. The amount of waste from cold drink equipment and two-way bottles generated by the market is measured either by weighing it directly or by calculations using waste factors recorded after measuring the exact weight of each part of the equipment.

**LANDFILLED WASTE (TON):** Waste sent to landfills (of either a municipality or an accredited company) and disposed of by burial.

**WATER:** Includes water from all sources, including wells, spring water, municipality and collected rainwater.

**WATER CONSUMPTION (LITER):** All water used during the reporting year (January 1 to December 31). Water consumption data includes water used for production, water treatment, boiler makeup, cooling (contact and noncontact), cleaning and sanitation, backwashing filters, irrigation, washing trucks and other vehicles, kitchen or canteen, toilets and sinks, and fire control.

**WATER USE RATIO (WUR) (L/L):** Liters of water used per liter of product produced, calculated as total water use (in liters) divided by production volume (in liters).

**WATER WITHDRAWAL (L):** Total volume of water withdrawn from any source during the reporting year (January 1 to December 31), including ground water, municipality water and collected rainwater.

**WASTE EFFLUENT (L):** The total volume of water discharges during the reporting period by discharge and quality, including treatment method. This indicator is aligned with GRI Standards 306-1 disclosure.

**ENVIRONMENTAL COMPLIANCE:** The monetary value of significant fines

(over \$200,000) and the total number of non- monetary sanctions for non-compliance with national Environmental Laws and Regulations. This indicator is aligned with GRI Standards 307-1 disclosure.

**EMPLOYEE NUMBERS:** CCI employees working in The Company’s headquarters, plants and sales offices. Employee figures are categorized as permanent, temporary and contractor workers, and these data are recorded as year-end figures. Turkey operations include Turkey factories and Turkey sales offices. This indicator is aligned with GRI Standards 108-2 disclosure.

**INJURIES AND LOST DAYS:** Type of injury, rates of injury, lost days and total number of work-related fatalities, by region. This indicator is aligned with GRI Standards disclosure number 403-2. CCI’s main injury metric is the Lost Time Incident Rate (LTIR), which is number of lost time incidents/occupational illnesses multiplied by 200,000 and then divided by the total number of hours worked during the reporting period.

**TRAINING (Hr.):** Average hours of training carried out during the reporting period per employee, categorized in terms of OHS training, environmental training and total training. This indicator is aligned with GRI Standards 404-1 disclosure.

## SCOPE OF REPORTING

The following tables outline the activities reported for energy consumption, greenhouse emissions, water consumption and solid waste within the scope of this integrated annual report.

Total Energy Consumption	Turkey	Jordan	Azerbaijan	Kazakhstan	Pakistan	Kyrgyzstan	Tajikistan	Turkmenistan	Iraq
Industrial zones where bottling processes are conducted and secondary operations such as preform injection*, bottle blowing and lift truck operations	✓	Excluding preform production	✓	✓	✓	Excluding preform production	✓	✓	✓
Technical service operations (e.g. repairs on cold beverage equipment, etc.)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Administrative buildings located at industrial zones	✓	✓	✓	✓	✓	✓	✓	✓	✓
Company transportation of materials and products within industrial plant sites (e.g. forklift operations)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Data adjustment on power generation for preform injection, CO <sub>2</sub> production and energy consumption figures*	Preform production	Not Applicable	CO <sub>2</sub> production and preform processing	✓	Preform production	CO <sub>2</sub> production	CO <sub>2</sub> production		

\*Adjustment is made to the EUR (core) to allow comparability between plants by removing certain energy-intensive processes from the EUR, but not from total energy consumption. As explained in the RG, an adjustment is made to the EUR for energy consumption for preform injection, power generation (only in our Kazakhstan plant) and CO<sub>2</sub> production (only in our plants in Kazakhstan and Azerbaijan). From 2013 onwards, energy use for electricity generation is included in the EUR data.



## DATA PREPARATION

### Energy Consumption

Energy consumption data are reported for electricity and primary fuel sources, including natural gas, diesel, LPG, heavy fuel oil and steam. Electricity and natural gas data are obtained from supplier meters and reconciled with internal meters (when available) and/or service provider invoices. Diesel, LPG, steam and fuel oil consumption data are obtained from supplier invoices. CCI Operations used the following published conversion factors:

- For electricity, the unit of supply is invoiced in kWh. To calculate energy usage ratio, kWh is converted to mega joules (MJ) at a factor of 3.6.
- For natural gas, the unit of supply for most suppliers is invoiced in m<sup>3</sup>. To calculate the energy usage ratio, cubic meters is converted to MJ with a conversion factor of 37.3, except for in Kazakhstan, where a factor of 34.4 is used based on the 2016 analysis conducted by an accredited local laboratory on the natural gas used on site.
- For fuels other than natural gas (diesel and heavy fuel oil), energy conversion factors (from liters or kilograms to MJ) are obtained from the calculation tool

provided by TCCC Default Factors.

- For LPG (MJ/kg) a conversion factor (net calorific value) of 50.0 was used as part of the GHG verification process in accordance with the requirements of ISO 14064-1.
- For diesel (MJ/L), a conversion factor of 39.0 was used.
- For steam (MJ), a conversion factor of (GKAL): 4,186.8 was used (Kazakhstan operations only).

### GHG Emissions

GHG emissions are calculated by CCI using published conversion factors. Conversion factors enable an estimate of the amount of GHGs released into the atmosphere per unit of energy consumed. Different types of energy sources have different conversion factors that reflect their carbon dioxide intensity. In the future, conversion factors may be updated to reflect changes to, and/or improvements in, published data. During the current period, the following conversion factors were used:

For fuels such as natural gas, diesel and LPG, conversion factors are derived from calculation tools based on the May 2015 version of the GHG Protocol Standards found on the GHG Protocol website ([www.ghgprotocol.org](http://www.ghgprotocol.org)). The Global Warming Potentials (GWPs) used to calculate the

emissions of different GHGs in terms of CO<sub>2</sub>-equivalents are taken from the Intergovernmental Panel on Climate Change's Fifth Assessment Report.

In 2014, we began using the "GHG emissions from transport or mobile sources" tool, version 2.6 of May 2015, from the GHG Protocol of the World Resources Institute and World Business Council for Sustainable Development to calculate the emission values for employee commuting and business categories. GHG emissions in Turkey are taken from the report verified by the auditing firm in line with the ISO 14064-1 Standard. Since 2017, we have been using DEFRA emission factors for diesel, managed vans class 3.

### Extrapolation Method Used for Energy Use Calculation and Total Energy Consumption

Since the period covered by invoices may not always fully align with Company's reporting period, adjustments are made where necessary in order to align the consumption data from the invoices with the reporting period as agreed with Company's verifiers.

### TCCC Default Factors for CO<sub>2</sub> Emissions

**Natural Gas (MJ):** 0.050539 kg CO<sub>2</sub>

**LPG (MJ):** 0.056839 kg CO<sub>2</sub>

**Diesel (MJ, light fuel oil):** 0.070636 kg CO<sub>2</sub>

**Heavy Fuel Oil (MJ):** 0.073771 kg CO<sub>2</sub>

**Electricity (kWh):** For electricity, conversion factors for GHG emissions are obtained from the International Energy Agency (IEA) and shared by TCCC with the entire Coca-Cola system. For 2021 Turkish electricity data, the Ministry of Energy's reference value was used, which is 0.5706 kgCO<sub>2</sub>/kWh.

In this year's report, we used IEA factors of the year 2017 (as there is a two-year time gap for IEA publish the factors for a certain year). Combined factors are used for all operations in the sustainability report. This information is available in the internal document entitled "SDW Fuel Conversion Factors", which is updated every year by TCCC.

For our Kazakhstan operations, since electricity is generated by a co-generation plant at the site, local laboratory analysis results are used for the calculation of GHG emissions in these operations. The average value of external laboratory analysis results is used to determine the chemical composition of samples of the natural gas used in the plant.

kg CO <sub>2</sub> /kWh Electricity	2014 IEA Factors (Used for 2016 Report)	2015 IEA Factors (Used for 2017 Report)	2016 IEA Factors (Used for 2018 Report)	2017 IEA Factors (Used for 2019 Report)	2017 IEA Factors (Used for 2020 Report)	2017 IEA Factors (Used for 2021 Report)
Turkey	0.497	0.441	0.465	0.461	0.5403	0.5706
Jordan	0.656	0.588	0.497	0.498	0.498	0.498
Kazakhstan	0.515	0.416	0.505	0.612	0.612	0.612
Azerbaijan	0.477	0.487	0.479	0.488	0.488	0.488
Pakistan	0.425	0.410	0.397	0.416	0.416	0.416
Kyrgyzstan	0.050	0.092	0.074	0.051	0.051	0.051
Tajikistan				0.043	0.043	0.043
Turkmenistan					0.355	0.355
Iraq					1.293	1.293

For 2021 Turkish electricity data, the Ministry of Energy's reference value was used, which is 0.5706 kg CO<sub>2</sub>/kWh.



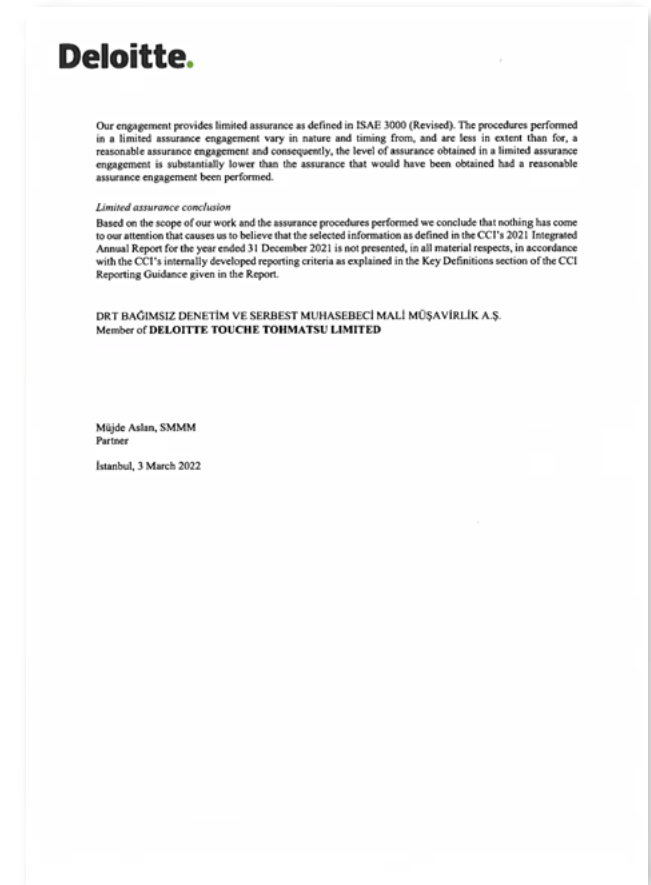
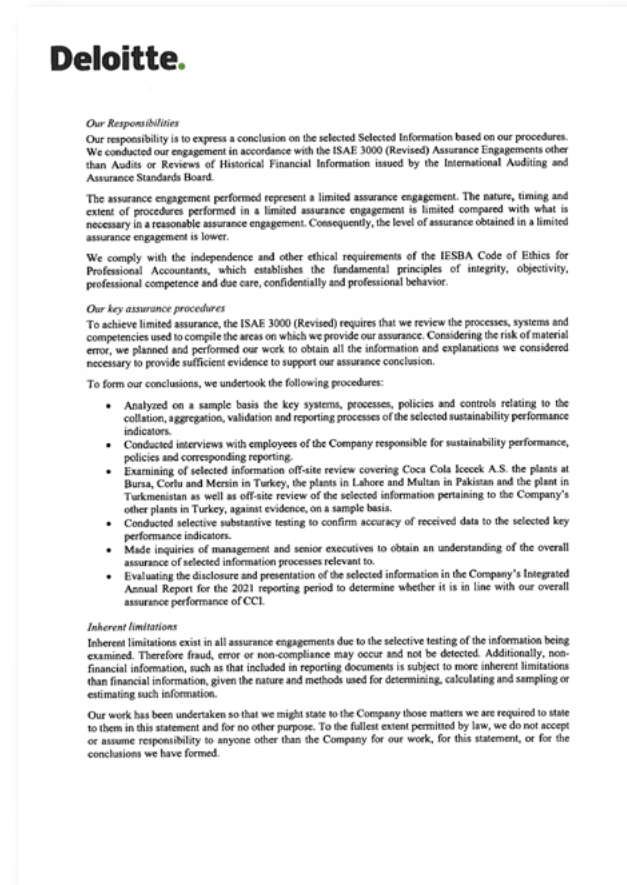
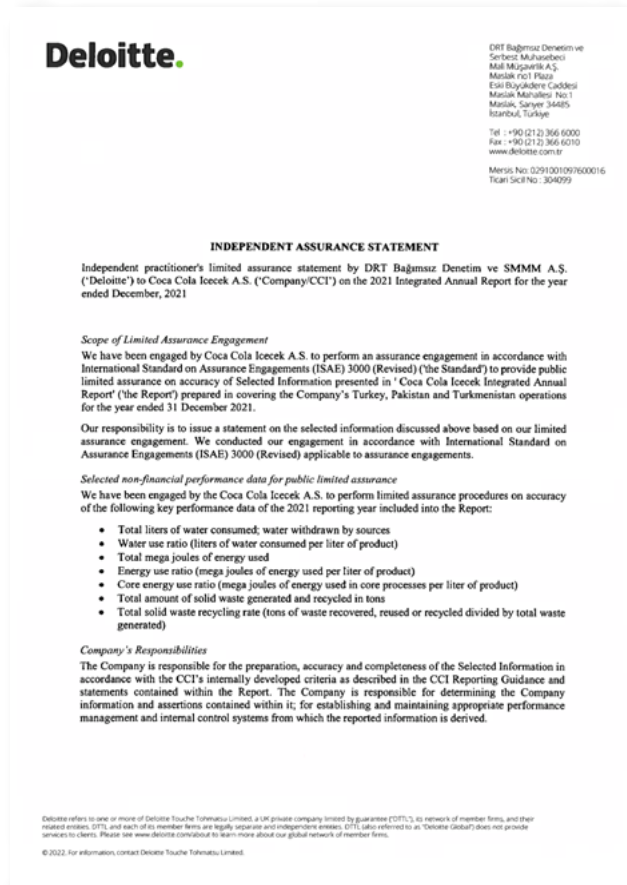
## MANAGEMENT SYSTEMS STANDARDS AND PRINCIPLES

	Material Topic	Internal Policies	Related External Standards and Principles
<b>Production</b>	Environmental Footprint	CCI Health, Safety & Environment (HSE) Policy TCCC HSE Policy KORE - EOSH* Requirements	ISO 14001
	Water Management	KORE - EOSH Requirements	ISO 14001
	Energy Management and Carbon Emissions	KORE - EOSH Requirements	ISO 14001, ISO 50001, ISO 14064-1, GHG Protocol
	Sustainable Packaging and Waste Management	KORE - EOSH Requirements	ISO 14001, PAS223
	Product Quality and Safety	KOREA - OE	ISO 9001, EFQM Business Excellence Model, Lean Six Sigma, TSE Covid-19 Safe Production Certificate
	Product Quality and Safety	KORE	ISO 9001, ISO 22000, FSSC 22000, GFSI**
	Health and Safety	KORE - EOSH Requirements	OHSAS 18001, ISO 45001
<b>Other</b>	Human Rights Along the Value Chain	Supplier Guiding Principles	UNGC, GRI
	Total Beverage Portfolio	TCCC Responsible Marketing Policy, TCCC Global School Beverage Guideline	
	Human Rights Along the Value Chain	Human Rights Policy, Domestic Violence Policy	UN Guiding Principles on Business and Human Rights
	Community Development	TCCC's Policy	UNGC
	Risk Management	CCI Ethics Code, Human Rights Policy	UNGC
	General	Code of Business Conduct, KORE	UNGC, GRI
	Information Security		ISO 27001

\*EOSH: Environmental and Occupational Safety and Health - \*\*GFSI: Global Food Safety Initiative

GRI: 102-56

# INDEPENDENT ASSURANCE



## INDEPENDENT ASSURANCE STATEMENT

The Reporting Guidance (RG) document covers the Company's data-gathering and reporting obligations for the indicators listed below. It is the responsibility of the Company management to ensure that appropriate procedures are in place to prepare data related to the below mentioned indicators in line with the RG in all material respects.

- In 2021, the total energy consumption, energy usage ratio (EUR), total water withdrawal and water usage ratio (WUR) and waste data pertaining to CCI Turkey, Turkmenistan and Pakistan operations were audited according to the ISAE 3000 Standard (Revised).

- Scope 1, 2 and 3 GHG emissions in Turkey operations were verified in line with the ISO 14064-3 Standard.

\* For factories operating in Pakistan in 2021

## EXTERNAL VERIFICATION

### GREENHOUSE GAS VERIFICATION SCOPE FOR TURKEY

#### Greenhouse Gas Verification Scope for Turkey

GHG Emissions Included	✓
Industrial zones comprising bottling facilities together with secondary operations such as lift truck operations	✓
Technical service operations	✓
Preform manufacturing, bottle blowing processes	✓
Administrative buildings located at industrial zones	✓
Administrative buildings located away from industrial zones and headquarters	✓
Company transportation of materials and products within industrial plant sites (e.g. forklift operations)	✓
Company transportation of materials and products out of industrial plant sites	✓
Employees commuting with CCI-owned vehicles and sales fleet operations	✓
Energy used for cooling the products (off site)	✓
Fugitive emissions from the cooling system	✓
Fugitive emissions from CO <sub>2</sub> filling process	✓
Fugitive emissions from off-site cold beverage equipment	✓
Fugitive emissions from on-site cold beverage equipment	✓

## GHG EMISSIONS VERIFICATION DECLARATION

Bureau Veritas Certification



**Greenhouse Gases Verification Statement**  
for  
**COCA COLA İÇECEK A.Ş.**

ORGANISATION BOUNDARIES:  
CCI ANKARA FACTORY : ESENOĞA YOLU 18.KM PURSAKLAR, ANKARA  
CCI BURSA FACTORY : ANKARA YOLU ÜZERİ 22.KM KESTEL, BURSA  
CCI ÇORLU FACTORY : VELİMEŞE OSB MAH. YULAFI MUÇAVİR CAD. NO: 31/A ÇORLU, TEKİRDAĞ  
CCI ELAZIĞ FACTORY : ORGANİZE SANAYİ BÖLGESİ 2 NOLU YOL ELAZIĞ  
CCI HAZAR FACTORY : PTT KAMPI DEVLET DEMİRYOLU ÜSTÜ MAH. SÜREK CAD. SİVRİCE, ELAZIĞ  
CCI İSPARTA FACTORY : SÜLEYMAN DEMİREL OSB 114. CAD. NO: 14 GÖNEN, İSPARTA  
CCI İZMİR FACTORY : ULUCAK MEVKİİ HAYITLIKIR 35170 KEMALPAŞA, İZMİR  
CCI KÖYCEĞİZ FACTORY : ZEYTİNALANI KÖYÜ ÇÜRÜKÇÜ MEVKİİ KÖYCEĞİZ, MUĞLA  
CCI MERSİN FACTORY : ANADOLU MAH. UMUT SOK. NO: 1/B AKDENİZ, MERSİN  
CCI SAPANCA FACTORY : HASANPAŞA MAH. SEKMAN YOLU NO: 12 KIRKPINAR, SAPANCA, SAKARYA  
CCI ANKARA SALES OFFICE : BAHÇEKAPI MEVKİİ SERPİMLER NO: 125/126 ETİMESGÜT, ANKARA  
CCI ANTALYA SALES OFFICE : ANTALYA ALANYA KARAYOLU ÜZERİ YUKARI KOCAYATAK BELDESİ MERKEZ MAH. NO: 29 SERİK, ANTALYA  
CCI İSTANBUL ASIA SALES OFFICE : ESENKENT MAH. DENİZ FENERİ SOK. NO: 4 DUDULLU, İSTANBUL  
CCI BURSA SALES OFFICE : ODUNLUK MAH. ODUNLUK SOK. NO: 10 NİLÜFER, BURSA  
CCI MERSİN SALES OFFICE : BARBAROS MAH. GMK BULVARI 2107 SOK. NO: 8 YENİŞEHİR, MERSİN  
CCI İSTANBUL EUROPE SALES OFFICE : SÖĞÜTLÜÇEŞME MAH. HALKAU CAD. NO: 263 SEFARÖY, KÜÇÜKÇEKMECE, İSTANBUL  
CCI İZMİR SALES OFFICE : KEMALPAŞA ASFALTI NO: 47 İŞIKENT, İZMİR

*Bureau Veritas Certification Turkey has verified the Greenhouse Gas Assertion of the above organization for the 1st January 2021 to 31st December 2021 and found to be in accordance with the requirements of the standard detailed below*

**ISO 14064-1:2018**  
*(as well as criteria given to provide for consistent operations, monitoring and reporting in ISO 14064-3: 2019)*


---

**Total Greenhouse Gas Emissions: 1,045,470.91 tCO<sub>2</sub>e**  
**Direct Emissions: 44,155.16 tCO<sub>2</sub>e**  
**Indirect emissions from imported energy: 96,937.25 tCO<sub>2</sub>e**  
**Indirect emissions from transportation: 60,823.5 tCO<sub>2</sub>e**  
**Indirect emissions from products used by organization: 818,757.5 tCO<sub>2</sub>e**  
**Indirect GHG emissions associated with the use of products from the organization: 24,797.5 tCO<sub>2</sub>e**  
**Emissions Due to Biomass combustion: Nil**  
**Level of Assurance: Reasonable**

Certificate Number **T\_14064\_2022\_075**  
 Verification Report Reference: **CER. TR. 3636694.21.C45**  
 Revision Date: **01.06.2022**




**İBRAHİM TAGAY**  
 Certification Manager  
 Local office : Etiler Mattepe Ofispark Altaypaşme Mah. Çarşı Sok. No: 21 Kat: 8 34843 Mattepe, İstanbul, Turkey  
 Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organization.  
 To check this certificate validity please call +90 216 518 40 50.



COCA COLA İÇECEK A.Ş.  
 Dudullu Organize Sanayi Bölgesi  
 5. Cad. No:36 34776 Ümraniye /İst

To whom it may concern,

This letter is presented to COCA COLA İÇECEK A.Ş. to present opinion of the Bureau Veritas Certification Turkey on the Greenhouse Gases Verification for the period 1 January 2021 to 31 December 2021.

Bureau Veritas Turkey consent to release of this letter by you to the Carbon Disclosure Project in order to satisfy the terms of CDP disclosure requirements. Bureau Veritas Turkey not accepts or assumes any responsibility or liability on our part to CDP or to any other party who may Access to this letter or assurance report.

COCA COLA İÇECEK A.Ş. commissioned Bureau Veritas to perform a verification of its 2021 GHG Inventory. The verification was performed on January 2022.

**The GHG assertions verified were the following:**

- That the 2020 GHG Inventory for COCA COLA İÇECEK A.Ş. has been developed in accordance with common industry practice, including ISO 14064-1:2018 Standard.
- That the calculated total GHG emissions for the 2021 are **1,045,470.91 tons of CO<sub>2</sub>e** (Direct Emissions: **44,155.16 tCO<sub>2</sub>e**, Indirect emissions from imported energy: **96,937.25 tCO<sub>2</sub>e**, Indirect emissions from transportation: **60,823.5 tCO<sub>2</sub>e**, Indirect emissions from products used by organization: **818,757.5 tCO<sub>2</sub>e**, Indirect GHG emissions associated with the use of products from the organization: **24,797.5 tCO<sub>2</sub>e**, Emissions Due to Biomass combustion: Nil) (the emission sources included for each source has been given in verification report)

**The verification task was to form an opinion at a reasonable level of assurance about the above GHG assertions, regarding:**

- Conformance with the general requirements of ISO 14064-1:2018.
- Reasonableness of the calculated emissions for the 01.01.2021-31.12.2021.

**The verification performed by Bureau Veritas applied ISO 14064-3 International Standard for GHG verifications. The following verification activities were conducted:**

- Review of documentation, controls and methodologies, including other verification reports,
- Assessment of risks and verification planning,
- Assessment of documentation, controls and methodologies, including the facility quality management systems,


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- Documentation of verification findings and outstanding issues in verification report,
- Assessment and documentation of resolutions to outstanding issues in verification report,
- Issuance of verification statement and completion of verification.

**GHG Assertion #1:** The GHG inventory conforms to the general requirements of ISO 14064-1 Standard.

**GHG Assertion #2:** That the calculated total GHG emissions for the 2021 are **1,045,470.91 tons of CO<sub>2</sub>e** (Direct Emissions: **44,155.16 tCO<sub>2</sub>e**, Indirect emissions from imported energy: **96,937.25 tCO<sub>2</sub>e**, Indirect emissions from transportation: **60,823.5 tCO<sub>2</sub>e**, Indirect emissions from products used by organization: **818,757.5 tCO<sub>2</sub>e**, Indirect GHG emissions associated with the use of products from the organization: **24,797.5 tCO<sub>2</sub>e**, Emissions Due to Biomass combustion: Nil) (the emission sources included for each source has been given in verification report)

**View Declaration**

The greenhouse gas emission data for 2021 has been verified as a result of verification audit held on the basis of international standards has been verified with reasonable assurance.


**Verifier Opinion and Qualifications**

Based on the process and procedures conducted, the GHG assertion is prepared in accordance with the requirements of ISO 14064-1:2018.

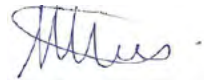
Based on the process and procedures conducted, the GHG assertion is materially correct and is a fair representation of the GHG data and information.

Date: **01 JUNE 2022**

**Fikriye Seda ATABEK**  
 Lead Verifier



**İbrahim TAGAY**  
 Certification Manager



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GRI: 102-41

## SUSTAINABILITY PERFORMANCE INDICATORS

### Employees Covered By Collective Bargaining Agreements

	2017		2018		2019		2020		2021	
	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Turkey Operations	770	91.02	768	93.77	772	94.18	780	95.82	816	97.37
Turkey – Group Office	0	0	0	0	0	0	0	0	0	0
Jordan	0	0	0	0	0	0	0	0	0	0
Kazakhstan	0	0	0	0	0	0	0	0	0	0
Azerbaijan	0	0	0	0	0	0	0	0	0	0
Pakistan	1,182	100	1,187	100	1,164	100	1,123	100	1,098	100
Kyrgyzstan	0	0	0	0	0	0	0	0	0	0
Tajikistan					0	0	0	0	0	0
Turkmenistan							180	91	176	232
Iraq							0	0	0	0

Group Office includes responsible employees from all 11 companies. Turkey Operations include plants and sales offices in Turkey.

Note: Percentage is calculated using the total number of “blue collar” employees (not including the total number of employees, which also includes white-collar employees)



## OCCUPATIONAL HEALTH AND SAFETY

H&S Performance Indicators									
	Lost Time Incidents (Workdays lost)			Lost Time Incidents (Number)			Number of Fatalities		
	Employee	Contractor	Total	Employee	Contractor	Total	Employee	Contractor	Total
2017									
Turkey	217	6	223	15	3	18	0	0	0
Jordan	47	0	47	4	0	4	0	0	0
Kazakhstan	10	0	10	1	0	1	0	0	0
Azerbaijan	180	0	180	1	0	1	0	0	0
Pakistan	8	33	41	1	3	4	0	0	0
Kyrgyzstan	0	0	0	0	0	0	0	0	0
<b>GENERAL</b>	<b>462</b>	<b>39</b>	<b>501</b>	<b>22</b>	<b>6</b>	<b>28</b>	<b>0</b>	<b>0</b>	<b>0</b>
2018									
Turkey	173	51	224	3	5	8	0	0	0
Jordan	60	0	60	5	0	5	0	0	0
Kazakhstan	18	0	18	1	0	1	0	0	0
Azerbaijan	0	0	0	0	0	0	0	0	0
Pakistan	38	44	82	4	2	6	0	0	0
Kyrgyzstan	29	0	29	2	0	2	0	0	0
<b>GENERAL</b>	<b>318</b>	<b>95</b>	<b>413</b>	<b>15</b>	<b>7</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>
2019									
Turkey	173	51	224	6	3	9	0	0	0
Jordan	13	0	13	2	0	2	1	0	1
Kazakhstan	9	0	9	1	0	1	0	0	0
Azerbaijan	133	0	133	3	0	3	0	0	0
Pakistan	50	0	50	2	0	2	0	0	0

## H&S Performance Indicators

	Lost Time Incidents (Workdays lost)			Lost Time Incidents (Number)			Number of Fatalities		
	Employee	Contractor	Total	Employee	Contractor	Total	Employee	Contractor	Total
Kyrgyzstan	10	0	10	1	0	1	0	0	0
Tajikistan	0	0	0	0	0	0	0	0	0
<b>GENERAL</b>	<b>388</b>	<b>51</b>	<b>439</b>	<b>15</b>	<b>3</b>	<b>18</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>2020</b>									
Turkey	189	7	196	8	1	9	0	0	0
Jordan	37	0	37	2	0	2	0	0	0
Kazakhstan	116	0	116	2	0	2	0	0	0
Azerbaijan	0	0	0	0	0	0	0	0	0
Pakistan	0	3	0	0	3	0	0	3	0
Kyrgyzstan	0	0	0	0	0	0	0	0	0
Tajikistan	0	0	0	0	0	0	0	0	0
Turkmenistan	0	0	0	0	0	0	0	0	0
Iraq	0	0	0	0	0	0	0	0	0
<b>GENERAL</b>	<b>342</b>	<b>10</b>	<b>352</b>	<b>12</b>	<b>4</b>	<b>16</b>	<b>0</b>	<b>3</b>	<b>3</b>
<b>2021</b>									
Turkey	214	81	295	9	6	15	0	0	0
Jordan	76	0	76	0	5	5	0	0	0
Kazakhstan	182	0	182	4	0	4	0	0	0
Azerbaijan	0	0	0	0	0	0	0	0	0
Pakistan	0	12	0	0	1	0	0	0	0
Kyrgyzstan	10	0	0	1	0	0	0	0	0
Tajikistan	0	0	0	0	0	0	0	0	0
Turkmenistan	0	0	0	0	0	0	0	0	0
Iraq	43	0	43	2	0	2	0	0	0
<b>GENERAL</b>	<b>525</b>	<b>93</b>	<b>618</b>	<b>16</b>	<b>12</b>	<b>28</b>	<b>0</b>	<b>0</b>	<b>0</b>

LTIR: Number of lost time incidents per 100 employee/annum

LTISR: Number of lost days caused by incidents per 100 employee/annum

VCR: Number of vehicle accidents per 100 vehicles

## H&S Performance Indicators

	LTIR	LTISR	Total Vehicle Accidents	Vehicle Accident Rate
<b>2017</b>				
Turkey	0.38	4.7	95	10.7
Jordan	0.73	8.63	39	17.18
Kazakhstan	0.16	1.55	5	3.31
Azerbaijan	0.34	60.96	0	0
Pakistan	0.11	1.15	5	0.83
Kyrgyzstan	0	0	8	9.2
<b>GENERAL</b>	<b>0.28</b>	<b>5.17</b>	<b>152</b>	<b>7.22</b>
<b>2018</b>				
Turkey	0.17	4.85	92	9.88
Jordan	0.96	11.5	23	10.8
Kazakhstan	0.16	2.88	0	0
Azerbaijan	0	0	0	0
Pakistan	0.16	2.13	11	1.83
Kyrgyzstan	0.72	10.47	4	4.2
<b>GENERAL</b>	<b>0.22</b>	<b>4.12</b>	<b>130</b>	<b>6.18</b>
<b>2019</b>				
Turkey	0.21	5.3	94	11.13
Jordan	0.45	2.9	15	7.79
Kazakhstan	0.15	1.4	7	5.47
Azerbaijan	0.9	39.8	0	0
Pakistan	0.06	1.6	1	0.18
Kyrgyzstan	0.35	3.5	4	3.8
Tajikistan	0	0	2	4.12
<b>GENERAL</b>	<b>0.19</b>	<b>4.66</b>	<b>123</b>	<b>6.14</b>
<b>2020</b>				
Turkey	0.24	5.4	64	7.55
Jordan	0.47	4.5	16	8.6
Kazakhstan	0.26	15.1	3	2.34
Azerbaijan	0	0	0	0
Pakistan	0.1	0.1	0	0
Kyrgyzstan	0	0	8	7.7

## H&S Performance Indicators

	LTIR	LTISR	Total Vehicle Accidents	Vehicle Accident Rate
Tajikistan	0	0	0	0
Turkmenistan	0	0	0	0
Iraq	0	0	2	0.89
<b>GENERAL</b>	<b>0.15</b>	<b>3.39</b>	<b>93</b>	<b>4.05</b>
<b>2021</b>				
Turkey	0.4	7.77	66	7.86
Jordan	1.09	16.57	21	11.6
Kazakhstan	0.46	21.14	6	4.69
Azerbaijan	0	0	0	0
Pakistan	0.02	0.28	0	0
Kyrgyzstan	0.27	2.67	1	0.87
Tajikistan	0	0	0	0
Turkmenistan	0	0	0	0
Iraq	0.18	3.8	4	1.57
<b>GENERAL</b>	<b>0.24</b>	<b>5.32</b>	<b>98</b>	<b>4.32</b>

## Main Types of Work-Related Injury

	2018	2019	2020	2021
Laceration	13	5	3	6
Fracture	4	4	4	8
Slip, trip and fall	5	4	2	9
Poisoning	0	1	0	0
Burning	0	3	0	1
Electroshock	0	1	1	0
Asphyxiation	0	0	3	0
Collision	-	-	3	3
Caught in machinery/Jamming				1

Promotion of Employee Health	Turkey	Jordan	Pakistan	Azerbaijan	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Iraq
<b>Vaccination</b>									
Hepatitis-B / Hepatitis-B	Yes	Yes	Yes	Yes	No	No	No	No	No
Flu vaccine	Yes	Yes	No	Yes	Yes	Yes	No	No	No
Free doctor consultation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Company Nurse	Yes
<b>Health campaigns</b>									
Free eye examination	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No
Free BMI Measurement	Yes	No	Yes	Yes	Yes	No	No	No	Yes
Free blood testing	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Quarterly check for employees with direct product contact	Yes
<b>Healthy Lifestyle Incentives/Sports Activity Support</b>									
Weight loss program	No	No	No	No	No	No	No	No	Yes
Sports facilities	No	No	Yes	No	No	No	No	No	No
Discounts on sports facilities	No	No	No	No	No	Yes	No	No	Yes
Football	No	Yes	No	No	No	No	Yes	No	No
Other sports activities	Yes	Yes	Yes	No	Yes (online yoga, pranayama, dancing)	Yes	Yes	Yes (online yoga, pranayama, dancing)	No
Gym room/area	No	No	Yes	No	No	Yes	No	No	No
<b>Women's Health-Specific Initiatives</b>									
Breast cancer awareness	Yes	Yes	Yes	Yes	No (however certain medical examinations are available for Women's Health)	Yes	Yes	Yes	Yes

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## HUMAN CAPITAL

Number of Employees	2017	2018	2019	2020	2021
Turkey – Group Office	125	136	195	217	252
Turkey Operations	2,200	2,151	2,175	2,113	2,097
Jordan	377	349	309	287	317
Kazakhstan	651	627	641	661	733
Azerbaijan	295	307	339	345	349
Pakistan	2,955	2,901	2,532	2,423	2,412
Kyrgyzstan	308	299	316	321	327
Tajikistan	92	98	110	105	101
Turkmenistan	265	218	201	198	194
Iraq	826	892	945	900	857
Syria	3	3	-	1	1

Employees by Gender	2017		2018		2019		2020		2021	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Turkey – Group Office	66	59	65	71	111	84	131	86	151	101
Turkey Operations	1,879	321	1,835	316	1,848	327	1,793	320	1,771	326
Jordan	355	22	331	18	290	19	267	20	292	25
Kazakhstan	536	115	509	118	513	128	534	127	552	181
Azerbaijan	253	42	264	43	287	52	291	54	285	64
Pakistan	2,772	183	2,713	188	2,388	144	2,286	137	2,260	152
Kyrgyzstan	248	60	248	51	257	59	256	65	254	73
Tajikistan					81	29	79	26	71	30
Turkmenistan							142	56	140	54
Iraq							861	39	818	39
TOTAL	6,109	802	5,965	805	5,775	842	6,640	930	6,594	1,045

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Employees by Gender (%)	2017		2018		2019		2020		2021	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Turkey – Group Office	52.8	47.2	48	52	57	43	60	40	60	40
Turkey Operations	85.4	14.6	85	15	85	15	85	15	84	16
Jordan	94.2	5.8	95	5	94	6	93	7	92	8
Kazakhstan	82.3	17.7	81	19	80	20	81	19	75	25
Azerbaijan	85.8	14.2	86	14	85	15	84	16	82	18
Pakistan	93.8	6.2	94	6	94	6	94	6	94	6
Kyrgyzstan	80.5	19.5	83	17	81	19	80	20	78	22
Tajikistan					74	26	75	25	70	30
Turkmenistan							72	28	72	28
Iraq							96	4	95	5
<b>TOTAL</b>	<b>89.9</b>	<b>10.1</b>	<b>88.7</b>	<b>11.6</b>	<b>87.5</b>	<b>12.5</b>	<b>88</b>	<b>12</b>	<b>86</b>	<b>14</b>

Number of Employees by Employee Category		2017	2018	2019	2020	2021
<b>Senior Management</b>	Turkey – Group Office	10	10	11	11	9
	Turkey Operations	7	5	6	7	8
	Jordan	5	3	7	7	8
	Kazakhstan	6	8	8	6	8
	Azerbaijan	5	5	5	6	6
	Pakistan	9	9	10	9	11
	Kyrgyzstan	5	5	6	6	5
	Tajikistan			3	3	5
	Turkmenistan				0	3
	Iraq				8	8

Number of Employees by Employee Category		2017	2018	2019	2020	2021
<b>Other Employees</b>	Turkey – Group Office	115	126	184	206	243
	Turkey Operations	2,193	2,146	2,169	2,106	2,089
	Jordan	372	346	302	280	309
	Kazakhstan	645	619	633	655	725
	Azerbaijan	290	302	334	339	343
	Pakistan	2,946	2,892	2,522	2,414	2,401
	Kyrgyzstan	303	294	310	315	322
	Tajikistan			107	102	96
	Turkmenistan				198	191
	Iraq				892	849

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Number and Percentage of Employees by Gender		Male						Female					
		2017	2018	2019	2020	2021 (Number)	2021 (%)	2017	2018	2019	2020	2021 (Number)	2021 (%)
Senior Management	Turkey – Group Office	8	7	8	8	7	77.8	2	3	3	3	2	22.2
	Turkey Operations	5	3	4	6	6	75	2	2	2	1	2	25
	Jordan	3	3	7	7	8	100	2	0	0	0	0	0
	Kazakhstan	4	5	5	4	4	50	2	3	3	2	4	50
	Azerbaijan	3	3	3	4	4	66.7	2	2	2	2	2	33.3
	Pakistan	9	9	10	9	11	100	0	0	0	0	0	0
	Kyrgyzstan	4	4	4	4	4	80	1	1	2	2	1	20
	Tajikistan			3	3	4	80			0	0	1	20
	Turkmenistan				0	3	100				0	0	0
	Iraq				8	8	100				0	0	0
Other Employees	Turkey – Group Office	58	58	103	123	144	59.3	57	68	81	83	99	40.7
	Turkey Operations	1,874	1,832	1,844	1,787	1,765	84.5	319	314	325	319	324	15.5
	Jordan	352	328	283	260	284	91.9	20	18	19	20	25	8.1
	Kazakhstan	532	504	508	530	548	75.6	113	115	125	125	177	24.4
	Azerbaijan	250	261	284	287	281	81.9	40	41	50	52	62	18.1
	Pakistan	2,763	2,704	2,378	2,277	2,249	93.7	183	188	144	137	152	6.3
	Kyrgyzstan	244	244	253	252	250	77.6	59	50	57	63	72	22.4
	Tajikistan			78	76	67	69.8			29	26	29	30.2
	Turkmenistan				142	137	71.7				56	54	28.3
	Iraq				853	810	95.4				39	39	4.6

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Employees by Gender, Employment Type (%)		Male					Female				
		2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Blue Collar	Turkey – Group Office	0	0	0	0	0	0	0	0	0	0
	Turkey Operations	98	97.6	97.6	97.7	97.1	2	2.4	2.4	2.3	2.9
	Jordan	100	100	100	100	98.9	0	0	0	0	1.1
	Kazakhstan	99	100	100	100	96.2	1	0	0	0	3.8
	Azerbaijan	97	96.6	96	96.2	94.9	3	3.4	4	3.8	5.1
	Pakistan	98	97.9	97.5	97.6	96.9	2	2.1	2.5	2.4	3.1
	Kyrgyzstan	93	98.9	99	91.2	90.4	7	1.1	1	8.8	9.6
	Tajikistan			88.9	88.5	87.5			11.1	11.5	12.5
	Turkmenistan				86.8	85.5				13.2	14.5
	Iraq				99.2	98.7				0.8	1.3
White Collar	Turkey – Group Office	52.8	47.8	56.9	60.4	59.9	47.2	52.2	43.1	39.6	40.1
	Turkey Operations	77.5	77.8	77.3	76.8	76	22.5	22.2	22.7	23.2	24
	Jordan	89.2	91.7	91.6	90.9	89.4	10.8	8.3	8.4	9.1	10.6
	Kazakhstan	67.6	65.6	63.3	64.5	56.9	32.4	34.4	36.7	35.5	43.1
	Azerbaijan	79.9	81.7	79.8	79.1	74.9	20.1	18.3	20.2	20.9	25.1
	Pakistan	90.8	90.5	91.4	91.4	91.4	9.2	9.5	8.6	8.6	8.6
	Kyrgyzstan	64.7	75.7	73.6	72.4	70.9	35.3	24.3	26.4	27.6	29.1
	Tajikistan			68.7	70.9	64.9			31.3	29.1	35.1
	Turkmenistan				62.3	63.6				37.7	36.4
	Iraq				93.4	98.7				6.6	1.3



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Outsourced Employees	Outsource-Core Jobs (*)					Outsource-Auxiliary Jobs (**)				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Turkey – Group Office	0	0	0	0	0	0	0	0	0	0
Turkey Operations	890	648	657	561	545	350	266	269	295	302
Jordan	0	0	0	0	0	50	42	44	44	44
Kazakhstan	0	0	0	0	0	122	126	124	132	126
Azerbaijan	0	0	0	0	0	38	34	36	41	40
Pakistan	294	295	224	235	275	528	619	534	520	533
Kyrgyzstan	0	2	2	2	0	64	65	56	60	60
Tajikistan			0	0	0			60	66	66
Turkmenistan				9	0				12	12
Iraq				0	0				148	147

\*Outsource-Core Jobs: Employees who are on the payroll of a third-party company with jobs that are directly related to our own business (e.g., jobs in merchandising, sales, warehouse operations, production etc.)

\*\*Outsource-Auxiliary Jobs: Employees who are on the payroll of a third-party company with jobs that are not directly related to our own business (e.g., jobs in security, gardening, health services etc.)

Employees by Gender, Employment Type and Contract (Number)	Male					Female					Total					
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	
Blue Collar	Turkey – Group Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Turkey Operations	829	799	800	795	814	17	20	20	19	24	846	819	820	814	838
	Jordan	173	131	82	67	90	0	0	0	0	1	173	131	82	67	91
	Kazakhstan	302	284	292	303	330	3	0	0	0	13	305	284	292	303	343
	Azerbaijan	98	86	97	102	112	3	3	4	4	6	101	89	101	106	118
	Pakistan	1,219	1,162	1,169	1,115	971	25	25	30	27	31	1,244	1,187	1,199	1,142	1,002
	Kyrgyzstan	160	92	95	114	103	12	1	1	11	11	172	93	96	125	114
	Tajikistan			24	23	21			3	3	3			27	26	24
	Turkmenistan				66	65				10	11				76	76
	Iraq				351	372				3	5				354	377

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Employees by Gender, Employment Type and Contract (Number)		Male					Female					Total				
		2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
White Collar	Turkey – Group Office	66	65	111	131	151	59	71	84	86	101	125	136	195	217	252
	Turkey Operations	1,050	1,036	1,048	998	957	304	296	307	301	302	1,354	1,332	1,355	1,299	1,259
	Jordan	182	200	208	200	202	22	18	19	20	24	204	218	227	220	226
	Kazakhstan	234	225	221	231	222	112	118	128	127	168	346	343	349	358	390
	Azerbaijan	155	178	190	189	173	39	40	48	50	58	194	218	238	239	231
	Pakistan	1,553	1,551	1,219	1,171	1,289	158	163	114	110	121	1,711	1,714	1,333	1,281	1,410
	Kyrgyzstan	88	156	162	142	151	48	50	58	54	62	136	206	220	196	213
	Tajikistan			57	56	50			26	23	27			83	79	77
	Turkmenistan				76	75				46	43				122	118
Iraq				510	446				36	34				546	480	
Permanent	Turkey – Group Office	66	65	110	131	147	59	70	83	86	95	125	135	193	217	242
	Turkey Operations	1,879	1,828	1,838	1,788	1,764	314	314	323	313	310	2,193	2,142	2,161	2,101	2,074
	Jordan	355	268	265	267	292	22	18	19	20	25	377	286	284	287	317
	Kazakhstan	536	509	513	532	541	115	118	128	127	177	651	627	641	659	718
	Azerbaijan	253	264	287	291	285	42	43	52	54	63	295	307	339	345	348
	Pakistan	2,686	2,624	2,359	2,267	2,234	174	175	138	125	43	2,860	2,799	2,497	2,392	2,377
	Kyrgyzstan	248	248	257	256	251	60	51	59	65	67	308	299	316	321	318
	Tajikistan			76	79	70			29	26	29			105	105	99
	Turkmenistan				142	140				56	54				198	194
Iraq				774	816				39	39				813	855	
Temporary	Turkey – Group Office	0	0	1	0	4	0	1	1	0	6	0	1	2	0	10
	Turkey Operations	0	7	10	5	7	7	2	4	7	16	7	9	14	12	23
	Jordan	0	63	25	0	0	0	0	0	0	0	0	63	25	0	0
	Kazakhstan	0	0	0	2	11	0	0	0	0	4	0	0	0	2	15
	Azerbaijan	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1
	Pakistan	86	89	29	19	26	9	13	6	12	9	95	102	35	31	35
	Kyrgyzstan	0	0	0	0	3	0	0	0	0	6	0	0	0	0	9
	Tajikistan			5	0	1			0	0	1			5	0	2
	Turkmenistan				0	0				0	0				0	0
Iraq				87	2				0	0				87	2	

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**Employee Breakdown by Seniority (%) (by years of service)**

		2017	2018	2019	2020	2021
<b>0 – 5 Years</b>	Turkey – Group Office	36	29	47	54	58
	Turkey Operations	37	34	31	28	31
	Jordan	56	49	56	57	58
	Kazakhstan	51	48	52	48	48
	Azerbaijan	47	41	40	34	34
	Pakistan	41	31	22	17	15
	Kyrgyzstan	60	57	55	48	50
	Tajikistan			84	62	68
	Turkmenistan				7	5
	Iraq				42	38
<b>6 – 10 Years</b>	Turkey – Group Office	26	29	22	17	11
	Turkey Operations	30	28	25	25	24
	Jordan	13	15	14	16	20
	Kazakhstan	22	17	15	22	24
	Azerbaijan	23	26	24	28	28
	Pakistan	39	43	44	44	39
	Kyrgyzstan	25	27	28	34	28
	Tajikistan			16	38	32
	Turkmenistan				51	39
	Iraq				51	54
<b>11 – 15 Years</b>	Turkey – Group Office	15	19	13	14	15
	Turkey Operations	16	21	26	25	24
	Jordan	10	12	10	10	9
	Kazakhstan	19	25	23	20	18
	Azerbaijan	19	23	26	26	25
	Pakistan	12	17	23	27	33
	Kyrgyzstan	7	7	9	11	13
	Tajikistan			0	0	0
	Turkmenistan				29	39
	Iraq				7	8

**Employee Breakdown by Seniority (%) (by years of service)**

		2017	2018	2019	2020	2021
<b>16 – 20 Years</b>	Turkey – Group Office	9	5	4	5	5
	Turkey Operations	10	8	4	9	9
	Jordan	13	15	7	9	9
	Kazakhstan	4	6	5	6	6
	Azerbaijan	4	3	2	4	6
	Pakistan	7	7	7	7	6
	Kyrgyzstan	4	3	3	3	2
	Tajikistan			0	0	0
	Turkmenistan				11	14
	Iraq				0	0
<b>20+ Years</b>	Turkey – Group Office	14	18	14	10	12
	Turkey Operations	7	9	13	13	12
	Jordan	7	9	12	9	6
	Kazakhstan	4	4	4	5	4
	Azerbaijan	6	7	8	8	8
	Pakistan	2	2	4	5	8
	Kyrgyzstan	3	5	4	5	6
	Tajikistan			0	0	0
	Turkmenistan				2	3
	Iraq				0	0

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Percentage of Employees by Age (%)		Under 30					Between 30-50					Over 50				
		2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Senior Management	Turkey – Group Office	0	0	0	0	0	60	70	45.5	27.3	11.11	40	30	54.6	72.7	88.89
	Turkey Operations	0	0	0	0	0	100	100	83.3	85.7	75	0	0	16.7	14.3	25
	Jordan	0	0	0	0	0	100	100	85.7	71.4	75	0	0	14.3	28.6	25
	Kazakhstan	0	0	0	0	0	83.3	87.5	87.5	66.7	87.5	16.7	12.5	12.5	33.3	12.5
	Azerbaijan	0	0	0	0	0	80	80	80	66.7	66.67	20	20	20	33.3	33.33
	Pakistan	0	0	0	0	0	100	100	90	88.9	72.73	0	0	10	11.1	27.27
	Kyrgyzstan	20	0	0	0	0	80	100	100	83.3	80	0	0	0	16.7	20
	Tajikistan			0	0	0			100	100	100			0	0	0
	Turkmenistan				0	0				0	100				0	0
	Iraq				0	0				62.5	50				37.5	50
Other Employees	Turkey – Group Office	16.5	7.9	17.9	16.5	15.23	74.8	76.9	73.9	71.4	74.07	8.7	15.1	8.2	12.1	10.7
	Turkey Operations	25.9	24.5	22.7	21.9	17.57	72.5	73.7	74.2	74.7	74.92	1.6	1.7	3.1	3.4	7.52
	Jordan	41.1	28.3	37.4	33.9	48.22	54.6	65.9	57.9	61.1	48.84	4.3	5.8	4.6	5	1.94
	Kazakhstan	29.5	26.5	24.3	23.7	25.1	60.6	61.2	64.1	64.9	64.41	9.9	12.3	11.5	11.4	10.48
	Azerbaijan	32.1	25.5	27.5	21.5	21.28	57.2	63.3	61.9	66.4	67.06	10.7	11.2	10.5	12.1	11.66
	Pakistan	31.3	23.5	17.5	13.4	11	65.7	72.4	77.3	80.5	81.51	3	4.1	5.2	6.1	7.5
	Kyrgyzstan	59.7	50	56.8	41.6	45.65	33.3	43.5	37.4	52.4	48.76	6.9	6.5	5.8	6	5.59
	Tajikistan			36.5	19.6	31.25			53.3	72.6	62.5			10.2	7.8	6.25
	Turkmenistan				9.1	3.66				84.3	89.53				6.6	6.81
	Iraq				29.9	23.2				66.3	72.56				3.8	4.24

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	Local Employment in International Operations	Local Senior (%)	Local White Collar (%)	Local Blue Collar (%)
<b>2017</b>	Turkey – Group Office	100	100	0
	Turkey Operations	100	99.3	100
	Jordan	80	97.5	100
	Azerbaijan	40	98.5	100
	Kazakhstan	33.3	96.8	100
	Pakistan	66.7	99.7	100
	Kyrgyzstan	60	97.8	100
<b>2018</b>	Turkey – Group Office	100	100	0
	Turkey Operations	100	99.7	100
	Jordan	66.7	99.5	100
	Azerbaijan	40	98.2	100
	Kazakhstan	37.5	97.1	100
	Pakistan	66.7	99.5	100
	Kyrgyzstan	60	98.8	100
<b>2019</b>	Turkey – Group Office	100	100	0
	Turkey Operations	100	99.9	100
	Jordan	57.1	98.7	100
	Azerbaijan	40	98.3	100
	Kazakhstan	37.5	97.1	100
	Pakistan	70	99.5	100
	Kyrgyzstan	33.3	98.2	100
	Tajikistan	0	96.4	100

	Local Employment in International Operations	Local Senior (%)	Local White Collar (%)	Local Blue Collar (%)
<b>2020</b>	Turkey – Group Office	100	100	0
	Turkey Operations	100	99.8	100
	Jordan	42.9	98.6	100
	Azerbaijan	50	97.9	100
	Kazakhstan	33.3	95.8	100
	Pakistan	66.7	99.5	100
	Kyrgyzstan	33.3	99	100
	Tajikistan	33.3	96.2	0
	Turkmenistan	0	100	100
	Iraq	37.5	98	100
<b>2021</b>	Turkey – Group Office	100	100	0
	Turkey Operations	100	99.9	100
	Jordan	50	97.3	100
	Azerbaijan	66.7	99.1	100
	Kazakhstan	25	97.9	100
	Pakistan	54.5	99.6	100
	Kyrgyzstan	20	98.1	100
	Tajikistan	40	96.1	100
	Turkmenistan	66.7	99.2	100
Iraq	25	97.7	100	

Note: "Local" means from the related country.

Total Number and Rates of New Employee Hires		Male		Female	
		Number	Rate (%)	Number	Rate (%)
2017	Turkey – Group Office	6	9.1	5	8.5
	Turkey Operations	96	5.1	36	11.5
	Jordan	82	23.1	2	9.1
	Azerbaijan	74	13.8	13	11.3
	Kazakhstan	26	10.3	5	11.9
	Pakistan	80	3	16	9.2
	Kyrgyzstan	38	15.3	10	16.7
	2018	Turkey – Group Office	13	20	14
Turkey Operations		122	6.6	48	15.2
Jordan		59	17.8	1	5.6
Azerbaijan		70	13.8	27	22.9
Kazakhstan		17	6.4	7	16.3
Pakistan		90	3.3	18	9.6
Kyrgyzstan		33	13.3	9	17.6
2019	Turkey – Group Office	38	58.5	22	31
	Turkey Operations	137	7.5	59	18.7
	Jordan	78	23.6	7	38.9
	Azerbaijan	62	12.2	30	25.4
	Kazakhstan	38	14.4	12	27.9
	Pakistan	27	1	7	3.7
	Kyrgyzstan	57	23	15	29.4
	Tajikistan	19	37.3	6	11.8

Total Number and Rates of New Employee Hires		Male		Female	
		Number	Rate (%)	Number	Rate (%)
2020	Turkey – Group Office	24	18	14	16
	Turkey Operations	220	12	49	15
	Jordan	39	15	3	15
	Azerbaijan	14	5	6	11
	Kazakhstan	51	10	14	11
	Pakistan	33	1	6	2
	Kyrgyzstan	31	11	14	22
	Tajikistan	6	8	4	15
	Turkmenistan	1	100	0	0
	Iraq	22	3	5	13
2021	Turkey – Group Office	42	28	29	29
	Turkey Operations	114	6	71	22
	Jordan	74	25	10	40
	Azerbaijan	9	3	14	22
	Kazakhstan	93	17	53	29
	Pakistan	67	3	33	22
	Kyrgyzstan	55	22	17	23
	Tajikistan	12	17	8	27
Turkmenistan	1	1	1	2	
Iraq	39	5	10	15	

Total Number and Rates of Employee Turnover		Male		Female		Total Turnover (%)
		Number	Rate (%)	Number	Rate (%)	
2017	Turkey – Group Office	16	24.2	7	11.9	18.4
	Turkey Operations	133	7.1	36	11.5	7.7
	Jordan	48	13.5	3	13.6	13.5
	Azerbaijan	147	27.4	16	13.9	25
	Kazakhstan	26	10.3	5	11.9	10.5
	Pakistan	438	16.3	52	29.9	17.1
	Kyrgyzstan	41	16.5	8	13.3	15.9
2018	Turkey – Group Office	13	20	8	11.3	15.4
	Turkey Operations	133	7.2	39	12.3	8
	Jordan	83	25.1	5	27.8	25.2
	Azerbaijan	105	20.6	18	15.3	19.6
	Kazakhstan	6	2.3	5	11.6	3.6
	Pakistan	147	5.4	24	12.8	5.9
	Kyrgyzstan	33	13.3	10	19.6	14.4
2019	Turkey – Group Office	13	11.7	23	27.4	18.5
	Turkey Operations	133	7.2	27	8.3	7.4
	Jordan	105	36.2	5	26.3	35.6
	Azerbaijan	63	12.3	15	11.7	12.2
	Kazakhstan	14	4.9	3	5.8	5
	Pakistan	229	9.6	41	28.5	10.7
	Kyrgyzstan	48	18.7	7	11.9	17.4
	Tajikistan	11	13.6	8	27.6	17.3

Total Number and Rates of Employee Turnover		Male		Female		Total Turnover (%)
		Number	Rate (%)	Number	Rate (%)	
2020	Turkey – Group Office	13	10	14	16	6.1
	Turkey Operations	98	5	32	10	12.4
	Jordan	57	21	1	5	20.2
	Azerbaijan	10	3	3	6	3.7
	Kazakhstan	41	8	18	14	8.9
	Pakistan	118	5	20	15	5.7
	Kyrgyzstan	29	11	9	14	11.8
	Tajikistan	8	10	3	12	10.5
	Turkmenistan	4	3	0	0	2
	Iraq	106	12	2	5	12
2021	Turkey – Group Office	45	30	22	22	0.71
	Turkey Operations	159	9	58	18	6.20
	Jordan	60	21	6	24	18.30
	Azerbaijan	14	5	5	8	3.72
	Kazakhstan	83	15	30	17	8.05
	Pakistan	99	4	22	14	5.72
	Kyrgyzstan	57	22	16	22	11.62
	Tajikistan	25	35	13	43	10.89
Turkmenistan	3	2	3	6	2.06	
Iraq	87	11	9	23	12.63	

Benefits Provided to Full-Time Employees	Turkey	Jordan	Kazakhstan	Azerbaijan	Pakistan	Kyrgyzstan	Tajikistan	Turkmenistan	Iraq
Private Health Insurance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Private Life Insurance	Yes	Yes	No	No	Yes	No	Yes	No	No
Individual Pension Funds	Yes	No	No	No	No	No	No	No	No
Company Products	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Seniority Service Awards	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Benefits are provided to full-time employees. There are no part-time employees.									

Average Training Hours Per Employee (Hour)	2017	2018	2019	2020	2021
Turkey – Group Office	2.4	9.4	9.6	13.8	4.3
Turkey Operations	5.4	6.6	9.8	6.3	7.7
Jordan	1.4	9.2	17.7	13.6	13.4
Azerbaijan	29.7	25.4	25	42.5	44.7
Kazakhstan	35.9	43.6	42.7	22.2	17.9
Pakistan	7.7	7.9	8.8	9.7	14.1
Kyrgyzstan	23.4	24.2	27.4	29.1	17.9
Tajikistan			16.5	23.9	9.2
Turkmenistan				29.5	3.5
Iraq				1.1	10.2
<b>TOTAL</b>				<b>9.2</b>	

Environmental Training Hours	2017	2018	2019	2020	2021
Turkey	5043	2819	2004	1,244	624.75
Jordan	66	80	100	77	222
Kazakhstan	446	885	996	1,180	369
Azerbaijan	834	1058	1220	0	775
Pakistan	1901	1,474	795	613	426
Kyrgyzstan	284	213	312	0	43.5
Tajikistan	0		212	163	38
Turkmenistan	0			0	120
Iraq	0			1,291	1,947
<b>GENERAL</b>	<b>8,574</b>	<b>6,529</b>	<b>5,639</b>	<b>4,566</b>	<b>3,897</b>



Training by Employee Category		Total Number of Training Hours (Employee* Hour)	Total Number of Employees	Average Training Hours Per Employee (Hour)
Turkey Operation	Blue Collar	351	838	0.42
	White Collar	14,263	1,259	11.32
Corporate/Group Office	Blue Collar	0	0	-
	White Collar	1,998	252	7.92
Jordan	Blue Collar	345	91	3.79
	White Collar	2,315	226	10.24
Kazakhstan	Blue Collar	2,972	343	8.66
	White Collar	4,962	390	12.72
Azerbaijan	Blue Collar	3,696	118	31.32
	White Collar	9,486	231	41.06
Pakistan	Blue Collar	304	1,002	0.30
	White Collar	20,244	1,410	13.36
Kyrgyzstan	Blue Collar	1,425	114	12.50
	White Collar	4,332	213	20.34
Tajikistan	Blue Collar	284	24	11.83
	White Collar	1,277	77	16.58
Turkmenistan	Blue Collar	1,406	76	18.50
	White Collar	974	118	8.25
Iraq	Blue Collar	408	377	1.08
	White Collar	1,154	480	2.40

Employees Subject to Performance Review		2018	2019	2020	2021
Turkey Operation	Male	56.10%	52.90%	53.10%	50.71%
	Female	90.20%	83.50%	89.70%	75.46%
Corporate/Group Office	Male	100%	100%	86.30%	76.82%
	Female	100%	100%	81.40%	82.18%
Jordan	Male	74.90%	85.20%	98.50%	91.78%
	Female	100%	68.40%	100%	92.00%
Kazakhstan	Male	92.10%	96.70%	94.00%	92.93%
	Female	85.60%	92.20%	92.90%	80.66%
Azerbaijan	Male	97.30%	94.80%	96.90%	97.54%
	Female	100%	84.60%	92.60%	92.19%
Pakistan	Male	53.20%	51.10%	50.30%	49.82%
	Female	77.10%	75.70%	73.00%	63.82%
Kyrgyzstan	Male	100%	91.80%	95.70%	90.94%
	Female	100%	86.40%	78.50%	75.34%
Tajikistan	Male		92.60%	93.70%	90.14%
	Female		80.70%	88.90%	86.67%
Turkmenistan	Male			97.90%	97.86%
	Female			89.30%	109.26%
Iraq	Male			99.50%	97.30%
	Female			94.90%	105.13%

## ECONOMIC IMPACT

Local Procurement (%)	2016	2017	2018	2019	2020	2021
Turkey*	95	99	99	95	95	98
Jordan	95	95	94	95	95	87
Kazakhstan**	not applicable	not applicable	not applicable	36	59	51
Azerbaijan**	47	49	35	53	49	54
Pakistan	97	97	90	81	94	95
Kyrgyzstan**	41	32	33	36	41	31
Tajikistan**	not applicable	not applicable	not applicable	23	21	53
Turkmenistan						
Iraq						

\* Concentrate is not included.

\*\* There are no approved suppliers in these local markets for some product and service categories.

\*\* There are also no local supplier available for some of the product categories with high spend. Suppliers are selected and approved by TCCC.

## SOCIAL DEVELOPMENT

Project Type	Projects	Countries in 2021
Empowering Youth	3.2.1. Start	Kyrgyzstan, Kazakhstan
Empowering Youth	III Nobel Fest	Azerbaijan
Empowering Youth	Tag For Good Project	Turkey
Empowering Youth	School Activity Festival	Iraq
Empowering Women	My Sister Program	Turkey
Empowering Women	Coca-Cola Belesteri Program	Azerbaijan
Water Management	Paani Safe Water Initiative	Pakistan
Water Management	Harran Night Irrigation Project	Turkey
Water Management	Konya Agriculture of the Future	Turkey
Waste Management	Clean Sumqayit Pilot Project	Azerbaijan
Waste Management	Coastal Cleanup	Azerbaijan
Waste Management	Clean Mediterranean Community Based Recycling Project	Turkey

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## STAKEHOLDER MANAGEMENT – MEMBERSHIPS

### TAJIKISTAN

1. American Chamber of Commerce (AmCham)
2. The US-Tajikistan Business Council (USTJBC)
3. Tajikistan Taxpayers Association
4. Association under the State Unitary Enterprise "Khurokvorii" under the Ministry of Industry
5. HR Coalition Association

### KAZAKHSTAN

1. FIC – Foreign investors council under President of Kazakhstan
2. Atameken - National Chamber of Entrepreneurship
3. Kazakhstan Taxpayers Association
4. Beverage and Juice Producers Association of Kazakhstan
5. Densaulyk Healthcare Association
6. American Chamber of Commerce
7. European Business Association of Kazakhstan
8. TUKIB – Turkish-Kazakh Business Association

### KYRGYZSTAN:

1. International Business Council
2. American Chamber of Commerce
3. Turkish-Kyrgyz Chamber of Commerce and Industry
4. TÜKID-Public Association of Entrepreneurs, Culture, Solidarity and Friendship Turkey-Kyrgyzstan

### JORDAN

1. American Chamber of Commerce (AmCham)

### AZERBAIJAN

1. Azerbaijan Service and Assessment Network (ASAN)Volunteers
2. Youth Inc
3. American Chamber of Commerce (AmCham)

### TURKMENISTAN

1. DEİK (Foreign Economic Relations Board)

### TURKEY

1. AmCham (American Chamber of Commerce)
2. ÇEVKO (Packaging Recovery Organization – Green Dot)
3. DEİK (Foreign Economic Relations Board)
4. ERTA (Integrated Reporting Turkey Network)
5. KALDER (Turkish Quality Association)
6. MEDER (Beverage Industry Association)
7. MEYED (Turkish Fruit Juice Industry Association)
8. SUDER (Turkish Bottled Water Manufacturers Association)
9. TEİD (Turkish Ethics and Reputation Society)
10. TGDF (Federation of Food and Drink Industry Associations of Turkey)
11. TKYD (Turkish Corporate Governance Association)
12. TÜSİAD (Turkish Industry and Business Association)
13. TÜYİD (Turkish Investor Relations Society)
14. UNGC Network Turkey (United Nations Global Compact Network Turkey)

## ENVIRONMENTAL FOOTPRINT

### Energy Management and Climate Protection

Core Energy Use in Operations (Million MJ)		Fuel - Factory				Purchased Energy		TOTAL
		Heavy fuel oil	Diesel	LPG	Natural gas	Electricity	Steam	
Turkey	2017	0	3.91	25.68	321.21	422.59	0	758.95
	2018	0	2.74	23.58	335.92	425.02	0	772.05
	2019	0	2.28	12.63	333.64	427.44	0	775.99
	2020	0	2.33	8.08	310.20	408.11	0	728.72
	2021	0	1.26	5.66	346.10	450.72	0	805.68
Jordan	2017	2.47	0.39	2.35	0	21.06	0	26.26
	2018	2.65	0.5	2.15	0	29.73	0	35.03
	2019	3.63	0.7	3.21	0	18.58	0	26.12
	2020	2.23	0.33	2.53	0.00	20.41	0.00	25.5
	2021	2	0.4	2.83	0	23.19	0	28.42
Kazakhstan	2017	0	55.21	13.37	57.13	101.15	53.65	280.51
	2018	0	87.06	15.65	74.08	122.1	63.41	362.3
	2019	0	96.81	18.12	79.97	138.96	68.56	402.42
	2020	0	103.65	17.72	80.06	137.32	59.76	398.51
	2021	0	86.84	18.87	55.15	175.34	71.85	408.05
Azerbaijan	2017	0	0	5.69	24.19	37.27	0	67.15
	2018	0	0.71	7.11	24.26	47.19	0	79.27
	2019	0	0.07	7.7	33.97	56.33	0	98.07
	2020	0	0	4.07	50.69	57.59	0	112.35
	2021	0	0.7	4.6	60.14	67.75	0	133.19
Pakistan	2017	0	192.13	44.63	125.93	313.57	0	676.26
	2018	0	167.03	50.45	111.39	339.67	0	668.54
	2019	0	74.75	48.91	111.91	345.25	0	580.82
	2020	0	49.55	52.3	121.41	354.38	0	577.64
	2021	0	70.91	51.54	118.33	394.60	0	635.38
Kyrgyzstan	2017	0	0.4	1.39	16.7	21.2	0	39.69
	2018	0	0.85	1.67	17.3	25.85	0	45.66
	2019	0	0.89	1.57	14.7	27.8	0	44.96
	2020	0	0.42	1.29	14.44	25.27	0	41.42
	2021	0	0.57	1.87	15.96	34.81	0	53.21
Tajikistan	2019	0	5.31	0	0	10.01	0	15.32
	2020	0	5.87	0	0	10.2	0	16.07
	2021	0	5.14	0	0	12.24	0	17.38
Turkmenistan	2020				1.53	7.11	0	8.64
	2021		0.19	0.19	2.16	8.22	0	10.76
Iraq	2020	0	311.24	10.55	0	48.48	0	370.27
	2021	0	382.35	10.53	0	43.81	0	436.69
<b>TOTAL</b>	<b>2021</b>	<b>2</b>	<b>548.52</b>	<b>97.86</b>	<b>597.84</b>	<b>1210.68</b>	<b>71.85</b>	<b>2,528.76</b>

The figures exclude energy use for preform-injection and CO<sub>2</sub> production in the plants. • Energy use for the electricity generation in our Kazakhstan plant is included in the data. The figures for 2016, 2017 and 2018 in Turkey received limited assurance from EY. • Figures for 2019 in Turkey and Tajikistan received limited assurance from KPMG. • Figures for 2020 in Turkey and Iraq received limited assurance from KPMG. • Figures for 2021 in Turkey, Pakistan and Turkmenistan received limited assurance from Deloitte (For factories operating in Pakistan in 2021).

Total Energy Use in Operations (Million MJ)		Fuel - Factory				Purchased Energy			TOTAL
		Heavy fuel oil	Diesel	LPG	Natural gas	Electricity	Steam		
Turkey	2017	0	3.91	25.68	321.21	504.73	0	855.53	
	2018	0	2.79	23.58	335.92	514.27	0	876.56	
	2019	0	2.33	12.64	353.87	523.62	0	892.46	
	2020	0.00	2.27	9.55	324.48	501.1	0	837.4	
	2021	0	1.42	7.43	363.56	554.6	0	926.99	
Jordan	2017	2.47	0.39	2.35	0	21.06	0	26.26	
	2018	2.65	0.5	2.15	0	29.73	0	35.03	
	2019	3.63	0.7	3.21	0	18.58	0	26.12	
	2020	2.23	0.33	2.53	0	20.41	0	25.5	
	2021	2	0.4	2.83	0	23.19	0	28.42	
Kazakhstan	2017	0	75.6	13.37	129.37	142.94	53.65	414.93	
	2018	0	87.06	15.65	161.15	156.36	63.41	483.63	
	2019	0	96.81	18.12	187.79	180.81	68.56	552.09	
	2020	0	103.65	17.72	213.83	174.84	59.76	569.8	
	2021	0	86.84	18.87	208.2	218.28	71.85	604.04	
Azerbaijan	2017	0	0	5.69	60.19	54.27	0	120.15	
	2018	0	0.71	7.11	76.28	69.28	0	153.38	
	2019	0	0.07	7.7	104.5	83.12	0	195.39	
	2020	0	0	4.07	110.21	82.73	0	197.01	
	2021	0	0.7	5.12	133.69	95.49	0	235	
Pakistan	2017	0	198.88	44.63	125.93	354.13	0	723.58	
	2018	0	173.45	50.45	111.39	375.39	0	710.68	
	2019	0	75.49	48.91	111.91	381.47	0	617.78	
	2020	0	49.93	52.3	121.41	389.53	0	613.17	
	2021	0	71.29	51.54	118.33	429.63	0	670.78	
Kyrgyzstan	2017	0	0.4	1.39	17.94	21.28	0	41.01	
	2018	0	0.85	1.67	39.64	27.16	0	69.32	
	2019	0	0.89	1.57	39.87	28.34	0	70.67	
	2020	0	0.42	1.29	35.66	26.5	0	63.87	
	2021	0	0.57	1.87	47.27	36.49	0	86.2	
Tajikistan	2019	0	14	0	0	10.01	0	24.01	
	2020	0	14.4	0	0	10.9	0	25.3	
	2021	0	15.4	0	0	13.16	0	28.56	
Turkmenistan	2020	0	0	0.11	10.5	7.78	0	18.39	
	2021	0	0.19	0.19	12.98	8.95	0	22.31	
Iraq	2020	0	311.24	10.55	0	48.48	0	370.27	
	2021	0	382.35	10.53	0	43.81	0	436.69	
<b>TOTAL</b>	<b>2021</b>	<b>2</b>	<b>559.16</b>	<b>98.38</b>	<b>884.033</b>	<b>1,423.60</b>	<b>71.85</b>	<b>3,038.99</b>	

This chart includes data on energy use for all processes in the plants. • The figures for 2015 in Turkey and Pakistan and the figures for 2016, 2017 and 2018 in Turkey received limited assurance from EY. Figures for 2019 in Turkey and Tajikistan received limited assurance from KPMG. • Figures for 2020 in Turkey and Iraq received limited assurance from KPMG. • Figures for 2021 in Turkey, Pakistan and Turkmenistan received limited assurance from Deloitte (For factories operating in Pakistan in 2021).

Total Energy Usage Ratio (MJ/L)	2017	2018	2019	2020	2021
Turkey	*0.30	*0.30	**0.30	**0.29	**0.29
Jordan	0.25	0.27	0.31	0.28	0.26
Kazakhstan	0.65	0.68	0.67	0.66	0.69
Azerbaijan	0.68	0.68	0.72	0.73	0.74
Pakistan	0.41	0.38	0.36	0.33	**0.32
Kyrgyzstan	0.69	0.69	0.68	0.66	0.64
Tajikistan			**0.76	0.69	0.63
Turkmenistan			-	1.16	**0.98
Iraq			-	**0.63	0.61

Core Energy Usage Ratio (MJ/L)	2017	2018	2019	2020	2021
Turkey	*0.27	*0.26	**0.26	**0.25	**0.25
Jordan	0.25	0.27	0.31	0.28	0.26
Kazakhstan	0.44	0.45	0.44	0.42	0.43
Azerbaijan	0.38	0.35	0.36	0.41	0.42
Pakistan	0.38	0.36	0.33	0.31	**0.3
Kyrgyzstan	0.44	0.46	0.42	0.43	0.39
Tajikistan			**0.46	0.44	0.63
Turkmenistan			-	0.56	**0.85
Iraq			-	**0.63	0.61

Total Energy Usage Ratio (MJ/L) is calculated by the total absolute energy consumption (in MJ) of the plant divided by total production (in liters).

\*These figures received limited assurance from KPMG.

\*\*Figures for 2019 in Turkey and Tajikistan received limited assurance from KPMG.

Figures for 2020 in Turkey and Iraq received limited assurance from KPMG.

Figures for 2021 in Turkey, Pakistan and Turkmenistan received limited assurance from Deloitte. (For factories operating in Pakistan in 2021)

Core Energy Usage Ratio (MJ/L), includes only the core process (includes filling, excludes preform-injection and CO<sub>2</sub> production), so that the energy efficiency of the core process can be compared between plants. (For more information please see the Reporting Guidance section of the report.)

\*These figures received limited assurance from EY.

\*\*Figures for 2019 in Turkey and Tajikistan received limited assurance from KPMG.

Figures for 2020 in Turkey and Iraq received limited assurance from KPMG.

Figures for 2021 in Turkey, Pakistan and Turkmenistan received limited assurance from Deloitte. (For factories operating in Pakistan in 2021)

GHG Emissions (t CO <sub>2</sub> e)	2017	2018	2019	2020	2021
<b>Turkey</b>					
Scope 1 (1)	51,602	48,197	45,649	41,569	44,155
Scope 2 (1)	63,346	67,964	68,587	76,888	96,937
Scope 3 (2)	(4) 382,329	(4) 422,805	434,548	523,575	548,282
Scope 3 extended (2) new					1,403,678
Total (Including previous years' scope)					689,374
<b>Total</b>	<b>497,277</b>	<b>538,966</b>	<b>548,784</b>	<b>642,032</b>	<b>1,544,770</b>
<b>Jordan</b>					
Scope 1	218	353	499	331.5	349.81
Scope 2	3,738	2,761	2,570	2,823	3,207
Scope 3 (3)	17,943	(4) 13,903	14,196	10,039	10,505
<b>Total</b>	<b>21,898</b>	<b>17,017</b>	<b>17,265</b>	<b>12,862</b>	<b>14,062</b>

GHG Emissions (t CO <sub>2</sub> e)	2017	2018	2019	2020	2021
<b>Kazakhstan</b>					
Scope 1	14,053	17,495	20,820	22,132	24,520
Scope 2	22,717	16,327	30,737	23,344	29,809
Scope 3 (3)	43,800	26,831	27,169	43,492	49,091
<b>Total</b>	<b>80,570</b>	<b>60,653</b>	<b>78,726</b>	<b>88,968</b>	<b>103,420</b>
<b>Azerbaijan</b>					
Scope 1	3,038	4,309	5,273	5,565	5,565
Scope 2	6,694	9,218	10,932	10,881	10,881
Scope 3 (3)	12,068	12,268	11,787	9,526	12,001
<b>Total</b>	<b>21,800</b>	<b>25,796</b>	<b>27,992</b>	<b>25,972</b>	<b>28,447</b>
<b>Pakistan</b>					
Scope 1	22,682	20,093	13,726	12,644	13,914
Scope 2	48,562	46,578	52,311	53,415	58,913
Scope 3 (3)	284,649	295,637	291,817	227,795	390,088
<b>Total</b>	<b>355,893</b>	<b>362,309</b>	<b>357,854</b>	<b>293,854</b>	<b>462,915</b>

GHG Emissions (t CO <sub>2</sub> e)	2017	2018	2019	2020	2021
<b>Kyrgyzstan</b>					
Scope 1	2,024	2,158	2,182	1,906	2,480
Scope 2	2,866	560	620	582	517
Scope 3 (3)	2,643	2,444	2,803	2,516	2,534
<b>Total</b>	<b>7,533</b>	<b>5,162</b>	<b>5,605</b>	<b>5,004</b>	<b>5,531</b>
<b>Tajikistan</b>					
Scope 1			989	1,017	1,087
Scope 2			119	122	157
Scope 3 (3)			907	621	911
<b>Total</b>			<b>2,015</b>	<b>1,760</b>	<b>2,155</b>
<b>Turkmenistan</b>					
Scope 1				548	283
Scope 2				1,932	2,220
Scope 3 (3)				21,447	31,228
<b>Total</b>				<b>23,927</b>	<b>33,730</b>

GHG Emissions (t CO <sub>2</sub> e)	2017	2018	2019	2020	2021
<b>Iraq</b>					
Scope 1				22,930	28,020
Scope 2				12,227	11,049
Scope 3 (3)				179,192	252,309
<b>Total</b>				<b>214,349</b>	<b>291,378</b>
<b>ALL COUNTRIES</b>					
Scope 1	93,617	92,606	89,138	108,642	120,373
Scope 2	147,923	143,409	165,876	182,214	213,690
Scope 3 (3)	743,432	773,888	783,227	1,018,203	1,296,949
<b>OVERALL TOTAL (Based previous years' scope)</b>					<b>1,631,012</b>
<b>OVERALL TOTAL (Extended scope)</b>	<b>984,971</b>	<b>1,009,903</b>	<b>1,038,241</b>	<b>1,309,059</b>	<b>2,486,408</b>

(1) Scope 1 and Scope 2 emissions of Turkey from 2013 to 2020 were verified by an independent firm according to the requirements of ISO 14064-1. Scope 1, 2 and 3 emissions in 2021 were verified by an independent firm according to the requirements of ISO 14064-1.

(2) Scope 3 emissions for Turkey operations include energy consumption of cold beverage equipment by distributors and customers, employee commutes, business travels by air and downstream transportation in the value chain.

(3) Scope 3 emissions include emissions resulting from energy consumption of cold beverage equipment by distributors. Scope 1 and Scope 2 data in the chart above include emissions from all processes, including filling, preform injection, CO<sub>2</sub> production in our plants and Kazakhstan Plant's electricity production. In all CCI countries except Turkey, emissions from fleet and fugitive emissions are excluded.

In line with ISO 14064-1 Standard, the scope measured within the framework of Scope 3 in Turkey has been expanded in 2021. While Scope 3 emissions data in Turkey to date (including 2020) covered the energy consumption of cold beverage equipment, shuttle services for HQ employees, business trips and downstream transportation in the value chain, in 2021 this scope was expanded to include emissions from shuttle services for all operations across Turkey, emissions from production of purchased packaging materials and raw materials, emissions from energy supply, emissions from recovery/disposal of the waste generated in production operations, emissions resulting during product use and product end-of-life emissions. Newly included emissions in 2021 are listed as "Scope 3 extended" emissions in the chart. In other countries, Scope 3 emissions only cover emissions resulting from the energy consumption of cold beverage equipment.

Scope	GHG Emissions in Turkey (t CO <sub>2</sub> e)	2017	2018	2019	2020	2021
Scope 1	Stationary combustion emissions	17,045	17,965	18,648	16,895	18,631
Scope 1	Fleet emissions - mobile combustion	7,687	6,496	5,869	4,389.65	4,228
Scope 1	Fugitive emissions	26,869	23,737	21,133	20,285	21,297
	<b>Scope 1 Total</b>	<b>51,601</b>	<b>48,198</b>	<b>45,649</b>	<b>41,569</b>	<b>44,155</b>
Scope 2	Emissions (electricity)	63,346	67,964	68,587	76,888	96,937
	<b>Scope 2 Total</b>	<b>63,346</b>	<b>67,964</b>	<b>68,587</b>	<b>76,888</b>	<b>96,937</b>
Scope 3	Refrigeration in the value chain	332,677	374,693	386,929	472,323	499,300
Scope 3	Employee commuting	177	159	164	134.5	8,990
Scope 3	Business travel	1,347	1,660	1,742	396	260,10
Scope 3	Downstream transportation in the value chain	48,128	46,293	45,713	50,721	47,790
Scope 3	Purchased goods*					790,843
Scope 3	Energy-related consumption*					31,345
Scope 3	Waste*					354,10
Scope 3	CO <sub>2</sub> use*					17,514
Scope 3	End-of-life*					7,283
	<b>Scope 3 Total (Previous years' scope)</b>	<b>382,329</b>	<b>422,805</b>	<b>434,548</b>	<b>523,575</b>	<b>548,282</b>
	<b>Scope 3 Total (Extended)</b>					<b>1,403,678</b>
Scope 1+2+3	<b>TOTAL</b>	<b>497,276</b>	<b>538,967</b>	<b>548,784</b>	<b>651,023</b>	<b>1,544,771</b>

Energy and GHG Emission Savings	2017			2018			2019			2020			2021		
	Energy (Million MJ)	Emissions (t CO <sub>2</sub> e)	Savings (USD)	Energy (Million MJ)	Emissions (t CO <sub>2</sub> e)	Savings (USD)	Energy (Million MJ)	Emissions (t CO <sub>2</sub> e)	Savings (USD)	Energy (Million MJ)	Emissions (t CO <sub>2</sub> e)	Savings (USD)	Energy (Million MJ)	Emissions (t CO <sub>2</sub> e)	Savings (USD)
Turkey	4.57	661	196,168	8.82	1,006	44,092	7.31	578	88,232	209	25,563		8.97	3,013	79,273
Jordan	1.04	169.72	71,499	0.56	42	13,500	0	0	0	0	0		0.67	335	25,700
Kazakhstan	19.6	2,265	199,514	7.78	537	53,233	90.84	6,651	170,354	2.38	302.9		1.8	1,101	21,942
Azerbaijan	0.18	24	2,576	0.05	6.16	681	0.08	50	52,443	0.108	14.6		0.063	92	1,000
Pakistan	1.41	99.14	85,459	24.88	2,259	720,240	42.98	3,207	566,932	115.36	19,611		0.9	374	25,315
Kyrgyzstan	3.38	87	30,586				1.13	251	794,628	0	0		0	0	0
Tajikistan							0	0	0	3.67	43.83		0	0	0
<b>TOTAL</b>	<b>30.18</b>	<b>3,305.27</b>	<b>585,802</b>	<b>42.09</b>	<b>3,850</b>	<b>831,746</b>	<b>142.34</b>	<b>10,737</b>	<b>1,631,801</b>	<b>330.518</b>	<b>45,535.33</b>		<b>12.403</b>	<b>4,915</b>	<b>153,230</b>



EMD Ratio (%)	2017	2018	2019	2020	2021
Turkey	90	90	89.2	87.7	90.4
Jordan	60	24.7	25.7	27	67.1
Kazakhstan	70	85	88	95	69.3
Azerbaijan	87	79.6	87.6	94.7	95.5
Pakistan	0.15	1.4	1.2	1.1	0
Kyrgyzstan	76	65	68	68.67	13.5
Tajikistan			100	100	59
Turkmenistan				-	0
Iraq				91.5	52

	*2017	2018	2019	2020	2021			
	Core GHG Emissions Ratio (gr/L)	Core GHG Emissions Ratio (gr/L)	Core GHG Emissions Ratio (gr/L)	Total GHG Emissions Ratio (gr/L)	Core GHG Emissions Ratio (gr/L)	Total GHG Emissions Ratio (gr/L)	Core GHG Emissions Ratio (gr/L)	Total GHG Emissions Ratio (gr/L)
Turkey	40.43	28.71	24.18	28.54	23.96	28.37	23.91	28.40
Jordan	38.78	32.35	34.51	34.51	33.13	33.13	28.17	28.17
Kazakhstan	58.62	57.42	44.45	65.40	42.54	63.53	44.96	64.35
Azerbaijan	55.67	59.69	36.15	62.58	39.01	62.60	34.07	61.02
Pakistan	40.47	32.95	28.91	31.35	27.98	30.21	32.29	34.60
Kyrgyzstan	54.20	27.32	11.75	24.18	12.62	23.60	10.26	22.11
Tajikistan			15.27	34.92	14.21	30.98	13.14	29.2
Turkmenistan					115.39	154.01	115.25	125.42
Iraq					58.91	58.91	66.97	66.97

\* 2017 data calculation is based on emissions from plants, fleet and fugitive emissions.

## SUSTAINABLE PACKAGING

Packaging Materials Used (tons)		Steel Crown	PE Closure	PET Preform & Resin	Glass	Aseptic Carton Packaging	Carton	Aluminum Cans & Cans End	Plastic Shrink & Stretch
Turkey	2017	1,552	3,970	44,585	54,433	4,668	19,276	13,926	6,976
	2018	1,674	4,174	50,215	60,536	4,624	13,008	14,086	8,317
	2019	1,636	4,215	57,555	57,755	4,458	11,313	13,709	7,849
	2020	1,124	3,614	50,750	44,766	3,668	6,621	11,776	7,229
	2021	1,342	4,595	58,098	55,131	4,342	8,378	14,658	8,793
Jordan	2017	29	126	1,984	242	0	309	1,733	370
	2018	6	96	1,404	311	0	234	1,696	569
	2019	14	88	968	870	0	200	1,498	329
	2020	7	105	1,376	594	0	289	1,530	325
	2021	6	126	1,583	487	0	392	1,891	440
Kazakhstan	2017	50	1,475	18,234	4,638	571	1,518	160	2,169
	2018	51	1,789	21,392	4,496	645	1,736	198	2,535
	2019	53	1,813	24,388	4,373	811	2,020	252	2,794
	2020	48	1,864	26,566	4,331		856	318	2,860
	2021	49	1,818	48,031	4,950	1,288	3,187	327	2,984
Azerbaijan	2017	0	474	5,518	0	0	295	0	577
	2018	0	607	14,662	0	52	544	0	755
	2019	0	691	17,557	0	0	441	0	921
	2020		678	17,496			423		943
	2021		819	19,782		85	520	1	1,083
Pakistan	2017	2,066	2,525	59,082	10,431	0	446	1,052	5,473
	2018	1,923	3,290	59,618	14,242	72	54	1,077	5,848
	2019	2,028	3,899	60,008	8,573	27	365	1,090	6,810
	2020	1,650	3,248	58,559	9,613	0	69	935	5,524
	2021	1,630	3,218	18,033			5,609	1,271	6,290
Kyrgyzstan	2017	0	254	3,068	0	0	244	0	269
	2018	0	245	3,143	0	0	230	0	293
	2019	0	228	3,167	0	0	223	0	315
	2020	N/A	N/A	3,109	N/A	N/A	N/A	N/A	331
	2021		285	4,047					

Packaging Materials Used (tons)		Steel Crown	PE Closure	PET Preform & Resin	Glass	Aseptic Carton Packaging	Carton	Aluminum Cans & Cans End	Plastic Shrink & Stretch
Tajikistan	2019	0	208	128	0	0	200	0	108
	2020	N/A	111	1300	N/A	N/A	82	N/A	120
	2021								
Turkmenistan	2020		58	579			48		56
	2021		101	884			75		82
Iraq	2020	N/A	1	83	N/A	N/A	710	46	533
	2021								

#### PACKAGING MATERIAL SAVINGS

Resin Savings (tons)	2018	2019	2020	2021
Turkey	51	22.5		89
Jordan	12	4.11	12.6	14.86
Kazakhstan	0	0	395	25
Azerbaijan	549	78.3		
Pakistan	276	3.7	3.8	
Kyrgyzstan	223	35.62	-	
Tajikistan	0	0.379		
Turkmenistan			0	0
Iraq				
<b>TOTAL</b>	<b>1,111</b>	<b>144.6</b>	<b>411.4</b>	<b>128.86</b>

Glass Savings (tons)	2018	2019	2020	2021
Turkey	2,148.00	0		
Jordan	0	0	0	0
Kazakhstan	9.3	0	0	0
Azerbaijan	0	0		
Pakistan	384.26	232.16	534	
Kyrgyzstan	0	0	-	
Tajikistan	0	0		
Turkmenistan			0	0
Iraq				
<b>TOTAL</b>	<b>2,532.26</b>	<b>232.16</b>	<b>534</b>	

**WASTE MANAGEMENT**

Waste Ratio (g/L)	2006	2017	2018	2019	2020	2021
Turkey	3.74	4.77	4.31	4	3.97	3.50
Jordan	15.72	1.35	1.37	1.44	5.37	3.14
Kazakhstan	4.14	1.6	1.63	2.12	1.64	2.08
Azerbaijan	0.65	1.17	0.97	0.9	1.03	1.15
Pakistan*		10.77	8.92	8.03	7.83	7.51
Kyrgyzstan		2.93	3.1	2.02	2.28	2.15
Tajikistan				3.09	4.32	3.82
Turkmenistan					2.49	3.23
Iraq					4.8	4.40

Waste Recycling Ratio (%)	2006	2017	2018	2019	2020	2021
Turkey	90.99	96	98.7	98.12	98.14	97.7
Jordan	81.6	91.9	90.9	89	95.76	92.3
Kazakhstan	94.67	90	88.03	93.35	87.9	89.1
Azerbaijan	75.55	97.8	93.38	99.01	99.21	99.2
Pakistan		94.44	95.48	97.56	97.29	98.3
Kyrgyzstan		97.7	98.58	96.97	98.25	98.3
Tajikistan		N/A	N/A	77.64	89.42	91.6
Turkmenistan					37.33	57.9
Iraq					94.44	94.4

\* For factories operating in Pakistan in 2021

Weight of Waste by Type and Disposal Method (tons)		Turkey	Jordan	Kazakhstan	Azerbaijan	Pakistan	Kyrgyzstan	Tajikistan	Turkmenistan	Iraq
Hazardous	Reuse	0.8	0	0	0	0	0			
	Recycle	28.1	0	6.9	0	0	0			
	Landfill	13.7	1.9	0	18	0	0			
	Incineration	273.3	0	0.45	0	280.4	0			
	Recovery	116.8	0	0	0	0	2.3			
2017	TOTAL	432.7	1.9	7.3	18	280.4	2.3			
Non-Hazardous	Reuse	1361.8	0	160.5	7	668.6	258.8			
	Recycle	10,859.70	157.7	742.4	166.8	17,327.20	0			
	Landfill	677.7	12	105.5	0	779.2	3.7			
	Recovery	107	0	0	10	0	0			
2017	TOTAL	13,006.20	169.7	1,008.40	183.8	18,775.00	262.5			
	OVERALL TOTAL	13,438.10	171.6	1,015.70	201.8	19,055.40	264.8			

Weight of Waste by Type and Disposal Method (tons)		Turkey	Jordan	Kazakhstan	Azerbaijan	Pakistan	Kyrgyzstan	Tajikistan	Turkmenistan	Iraq
Hazardous	Reuse	0	0	0	0	0	0			
	Recycle	285.9	0	11.1	0	0	0			
	Landfill	50.2	0	0	14.5	0	0			
	Incineration	116.9	0	0.4	0	171	0.7			
	Recovery	0.5	0	0	0	0	14.4			
	Other*	0.4	0	0	0	0	0			
2018	<b>TOTAL</b>	<b>453.94</b>	<b>0</b>	<b>11.44</b>	<b>14.5</b>	<b>171</b>	<b>15.1</b>			
Non-Hazardous	Reuse	0	0	215	19	0	290.7			
	Recycle	12,256.00	119.8	803.7	185.5	15,917.00	0			
	Landfill	272	12	139.7	0	582	3.7			
	Incineration**	11.3	0	0	0	0	0			
	Recovery	9.1	0	0	0	0	0			
	Other***	24.3	0	0	0	0	0			
2018	<b>TOTAL</b>	<b>12,579.20</b>	<b>131.8</b>	<b>1,158.40</b>	<b>204.5</b>	<b>16,499.00</b>	<b>294.4</b>			
	<b>OVERALL TOTAL</b>	<b>13,033.10</b>	<b>131.8</b>	<b>1,169.80</b>	<b>219</b>	<b>16,670.00</b>	<b>309.5</b>			
Hazardous	Reuse	5.6	0	0	0	0	9.5	0		
	Recycle	119	0	20.1	3.8	0	0	0		
	Landfill	2.9	0	0	7.5	0	0	0		
	Incineration	27.1	0	0.6	0	45.5	1.3	0		
	Recovery	0.2	0	0	0	0	0	0		
	Other*	0.3	0	0	0	0	0	0		
2019	<b>TOTAL</b>	<b>155.1</b>	<b>0</b>	<b>20.7</b>	<b>11.3</b>	<b>45.5</b>	<b>10.8</b>	<b>0</b>		
Non-Hazardous	Reuse	0	0	992.7	0	300.6	0	0		
	Recycle	11,461.00	97.8	613.1	230.2	13,315	194.1	75.5		
	Landfill	213.7	12	115.8	2.3	294.7	5.1	21.7		
	Incineration**	29.6	0	0	0	0	0	0		
	Recovery	0	0	0	0	0	0	0		
	Other***	157.1	0	0	0	0	0	0		
2019	<b>TOTAL</b>	<b>11,861.50</b>	<b>109.8</b>	<b>1721.6</b>	<b>232.5</b>	<b>13,910.30</b>	<b>199.1</b>	<b>97.1</b>		
	<b>OVERALL TOTAL</b>	<b>12,016.60</b>	<b>109.8</b>	<b>1742.3</b>	<b>243.8</b>	<b>13,955.80</b>	<b>209.9</b>	<b>97.1</b>		

Weight of Waste by Type and Disposal Method (tons)		Turkey	Jordan	Kazakhstan	Azerbaijan	Pakistan	Kyrgyzstan	Tajikistan	Turkmenistan	Iraq
Hazardous	Reuse	0	0.2	16.5					0.14	64.77
	Recycle	54.3			3,060.00		1.89	0.77		
	Landfill	2.8								
	Incineration	96.2		0.83		40.7				
	Recovery	0								0.7
	Other*	0								
2020	<b>TOTAL</b>	<b>153.3</b>	<b>0.2</b>	<b>17.324</b>	<b>3,060.00</b>	<b>40.69</b>	<b>1.889</b>	<b>0.77</b>	<b>0.14</b>	<b>65.47</b>
Non-Hazardous	Reuse	0.00								
	Recycle	0.00		642.87		251.44			17.32	
	Landfill	10,565.10	496.94	558.76	277.54	13,716.41	233.06	140.33	14.36	2,290.45
	Incineration**	174.10	22.00	167.79	2,219.00	348.07		16.61	24.10	156.14
	Recovery	418.70								
	Other***	0.00								
2020	<b>TOTAL</b>	<b>11,157.90</b>	<b>518.90</b>	<b>1,369.42</b>	<b>2,496.50</b>	<b>14,315.90</b>	<b>236.00</b>	<b>156.90</b>	<b>55.80</b>	<b>2,446.6</b>
	<b>OVERALL TOTAL</b>	<b>11,311.30</b>	<b>519.10</b>	<b>1,386.00</b>	<b>5,556.50</b>	<b>14,356.60</b>	<b>237.90</b>	<b>157.70</b>	<b>55.90</b>	<b>2,512.1</b>
Hazardous	Reuse	0	0.4						0	
	Recycle	0	0	17.7	6.7		6.9	3.65	0	48.5
	Landfill	240.3	0						0	
	Incineration	0	0	1.139		48.90			0	
	Recovery	0	0						0	
	Other*	0	0						0	
2021	<b>TOTAL</b>	<b>240.3</b>	<b>0.4</b>	<b>18.812</b>	<b>6.7</b>	<b>48.9</b>	<b>6.9</b>	<b>3.65</b>	<b>0</b>	<b>90.62</b>
Non-Hazardous	Reuse	0		713.40		270.83			23.92	
	Recycle	10,890.8	312.3	1,036.10	352.9	15,174.79	286	158.22	18.01	2,680.7
	Landfill	4	26.2	216.02	2.9	217.14		14.14	24.5	132.69
	Incineration**	614							0	
	Recovery	0							0	
	Other***	0								
2021	<b>TOTAL</b>	<b>11,508.8</b>	<b>338.40</b>	<b>1,965.50</b>	<b>358.80</b>	<b>15,662.80</b>	<b>286.2</b>	<b>172.4</b>	<b>66.4</b>	<b>2,813.4</b>
	<b>OVERALL TOTAL</b>	<b>11,749.10</b>	<b>338.8</b>	<b>1,984.30</b>	<b>365.5</b>	<b>15,711.7</b>	<b>293</b>	<b>176</b>	<b>66.4</b>	<b>2,904</b>

\* In the 2018 Turkey operations, medical wastes were sterilized in Köyceğiz.

\*\* Cigarette butts, toilet papers, dirty sugars etc. were incriminated in Çorlu.

\*\*\* Municipal wastes were used for methane production in Elazığ and Hazer.

## WATER MANAGEMENT

Water Usage Ratio (L/L)	2017	2018	2019	2020	2021
Turkey	*1.56	*1.55	*1.52	**1.45	**1.46
Jordan	1.44	1.52	1.61	1.46	1.44
Kazakhstan	1.59	1.54	1.51	1.51	1.56
Azerbaijan	1.73	1.64	1.58	1.64	1.66
Pakistan	1.93	2.05	2.03	2.09	**1.9
Kyrgyzstan	1.65	1.64	1.62	1.68	1.64
Tajikistan			***2.28	2.26	2.15
Turkmenistan				2.62	**2.07
Iraq				**1.92	1.90

Water Withdrawal by Region (m <sup>3</sup> )	2017	2018	2019	2020	2021
Turkey	*4,439,083	*4,599,993	*4,563,655	**4,148,755	****4,650,078
Jordan	153,807	146,145	122,390	132,533	155,573
Kazakhstan	1,005,964	1,099,998	1,240,248	1,272,370	1,487,029
Azerbaijan	304,544	371,174	430,230	445,557	520,729
Pakistan	3,418,428	3,836,782	3,534,028	3,835,817	****4,001,718
Kyrgyzstan	148,610	163,582	168,678	188,910	222,581
Tajikistan			**71,672	82,202	97,169
Turkmenistan				41,927	****47,750
Iraq				***1,127,991	1,172,282
<b>TOTAL</b>	<b>9,470,436</b>	<b>10,217,674</b>	<b>10,130,901</b>	<b>11,276,063</b>	<b>12,354,909</b>

\*Turkey figures received assurance from an independent firm. (2015-2018 by EY, 2019 by KPMG)

\*\*2019 figures in Tajikistan received assurance from KPMG.

\*\*\*Figures for 2020 in Turkey and Iraq received limited assurance from KPMG.

\*\*\*\*Figures for 2021 in Turkey, Pakistan and Turkmenistan received limited assurance from Deloitte.

(For factories operating in Pakistan in 2021)

Water Recycled and Reused (m <sup>3</sup> )	2017	2018	2019	2020	2021
Turkey	345,551	490,695	516,016	0	367,753
Jordan	0	29,229	0	0	34,833
Kazakhstan	0	26,701	0	0	75,838
Azerbaijan	5,771	11,991	7,763	0	0
Pakistan	183,499	131,829	65,306	314	235,999
Kyrgyzstan	2,660	580	540	490	520
Tajikistan			0	0	60
Turkmenistan				11,956	6,000
Iraq				0	8,042
<b>TOTAL</b>	<b>537,481</b>	<b>691,025</b>	<b>589,625</b>	<b>12,760</b>	<b>653,207</b>

Ratio of Water Recycled and Reused (%)	2017	2018	2019	2020	2021
Turkey	7.8	10.6	11.31	0	7.8
Jordan	0	20	0	0	22.4
Kazakhstan	0	2.4	0	0	5.1%
Azerbaijan	1.9	3.2	1.8	0	0
Pakistan	5.4	3.4	1.85	0	5.9
Kyrgyzstan	1.8	0.4	0.32	0.3	0.2
Tajikistan			0	0	0
Turkmenistan				28.5	12.6
Iraq				0	0.7
<b>AVERAGE</b>	<b>5.8</b>	<b>6.7</b>	<b>5.8</b>	<b>3.2</b>	<b>5.3</b>

## WASTEWATER MANAGEMENT

TCCC Wastewater Quality Parameters	Maximum Allowable Limit Values
5-Day Biological Oxygen Demand	<50 mg/l
pH Level	6.5-8**
Total Suspended Solids	<50 mg/l
Total Dissolved Solids	<2,000 mg/l
Total Nitrogen	<5 mg/l
Total Phosphorus	<2 mg/l
Chlorine	0.1 mg/l
Temperature Variation (Receiving Water)	≤ 5o C
Dissolved Oxygen	>1 mg/l

These values indicate the maximum allowable limit values unless applicable legal requirements are more stringent.  
 These are 9 of the 20 water quality parameters established for TCCS.  
 \*\*Depends on receiving stream water conditions.

Water Discharge Ratio (L/L)	2017	2018	2019	2020	2021
Turkey	0.35	0.5	0.46	0.43	0.43
Jordan	0.44	0.47	0.61	0.46	0.44
Kazakhstan	0.55	0.55	0.52	0.51	0.57
Azerbaijan	0.84	0.78	0.7	0.76	0.75
Pakistan	0.87	1	1.13	1.01	0.88
Kyrgyzstan	0.71	0.7	0.67	0.75	0.66
Tajikistan			1.28	1.13	1.15
Turkmenistan				1.43	1.06
Iraq				0.92	0.63

Water Discharge by Destination (m³)	Destination	2017	2018	2019	2020	2021
Turkey	Surface water	677,174	590,849	533,547	414,965	505,422
	Organized Industrial Zone	196,624	769,882	601,017	646,660	716,252
	Municipal sewage system	121,795	120,791	256,580	171,224	175,167
Jordan	Surface water	0	0	0	0	0
	Organized Industrial Zone	0	0	0	0	0
	Municipal sewage system	46,685	44,818	46,457	41,810	47,499
Kazakhstan	Surface water	0	0	0	0	0
	Organized Industrial Zone	0	0	0	0	0
	Municipal sewage system	348,530	400,743	431,515	430,010	543,585



Water Discharge by Destination (m <sup>3</sup> )	Destination	2017	2018	2019	2020	2021
Azerbaijan	Surface water	0	0	0	0	0
	Organized Industrial Zone	0	0	0	0	0
	Municipal sewage system	118,654	177,691	191,326	206,421	235,629
Pakistan	Surface water	157,141	223,978	176,063	696,508	0
	Organized Industrial Zone	629,581	483,826	1,210,193	1,131,583	0
	Municipal sewage system	748,482	1,164,540	583,795	124,657	1,850,394
Kyrgyzstan	Surface water	0	0	0	0	0
	Organized Industrial Zone	0	0	0	0	0
	Municipal sewage system	64,284	69,863	69,498	83,877	83,887
Tajikistan	Surface water			0	0	0
	Organized Industrial Zone			0	0	0
	Municipal sewage system			40,251	46,101	51,957
Turkmenistan	Surface water				0	0
	Organized Industrial Zone				0	0
	Municipal sewage system				24,417	24,591
Iraq	Surface water				314,027	292,148
	Organized Industrial Zone				0	0
	Municipal sewage system				87,756	107,003
TOTAL	Surface water	834,315	814,827	709,610	1,425,500	797,570
	Organized Industrial Zone	826,205	1,253,708	1,811,210	1,778,243	716,252
	Municipal sewage system	1,448,430	1,978,446	1,619,422	1,216,272	3,119,711

## SUPPLEMENTARY DISCLOSURES FOR BIST

This section provides additional qualitative and quantitative information on topics of environment (including biological diversity and climate change), governance (including board activities), bribery and corruption, human rights and stakeholder issues (including health and security which comprise the aspects of each topic that are not covered by this sustainability report) as required by the Sustainability Index in line with TCCC standards and all policies related to CCI's operations.

### ENVIRONMENT

#### ENVIRONMENTAL POLICY AND REPORTING

CCI's environmental policy, results of key performance indicators and all environmental data regarding the following three key focus areas:

- Energy Management and Climate Protection
- Water Management
- Sustainable Packaging

are specified under RESPONSIBLE SUPPLY & PRODUCTION topic in Section 3: Performance Indicators as a part of this report. [\(Please click here for details\)](#)

In addition to the topics mentioned above, we monitor and manage our atmospheric emissions across all activities in accordance with national regulations and TCCC standards in all our operations. All CCI plants (excluding water treatment facilities) are subject to "Emission Permit" in accordance with the Air Pollution Control Regulations. Sulfur oxide (SO<sub>x</sub>), nitrogen oxide (NO<sub>x</sub>), dust and carbon monoxide (CO) parameters are measured every two years and an air emissions report is prepared. Our significance assessment has shown air emissions from our factories to be both quantitatively and qualitatively insignificant. Nonetheless, atmospheric and wastewater data is also included in this section.

#### ENVIRONMENTAL MANAGEMENT

Please refer to RESPONSIBLE SUPPLY & PRODUCTION topic in this report for CCI's environmental management structure. [\(Please click here for details\)](#)

Please refer to RESPONSIBLE SUPPLY & PRODUCTION topic in this report for CCI's environmental management systems. [\(Please click here for details\)](#)

#### ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

CCI's Environmental Management System was established in accordance with The Coca-Cola Company's Environmental Management System (KORE) and TSE ISO 14001, which includes basic principles and practices associated with these systems.

This system is built on five basic principles:

#### 1. Our commitment to being a leader in environmental protection

An effective environmental management program and our commitment to environment protection require full engagement from employees in all CCI operations. All employees should fully understand and adopt the day-to-day activities which must be followed from an environmental point of view.

#### 2. Compliance with environmental matters and going beyond compliance

Our commitment to environmental protection goes beyond legal requirements and regulations related to environment.

#### 3. Minimizing the effect and determining the opportunities

According to the results of numerous studies conducted on a global scale, negative environmental impact should be reduced by employing new technologies and following the recommendations proposed by successful environmental studies. We must adopt good practices for environmental pollution prevention and control in a responsible manner and minimize our waste as well as costs associated with management costs.

#### 4. Auditing environmental activities

Each activity we perform and each document we create on environment must be subject to auditing process in accordance with the quality system and Environmental Management System to achieve continuous progress. In case any findings are identified during audits performed by auditors, government agencies or TCCC auditors, necessary corrective and preventive measures must be taken.

#### 5. Social responsibility

Being a part of the society, we use all necessary information to create a positive impact and fulfill our social responsibility on environment and we also join forces with public institutions, private organizations and non-governmental organizations.

#### TARGET SETTING AND PLANNING

At the beginning of each year, Environmental Management System goals and targets are identified for the upcoming year by the Quality and Environment Leader with the participation of other relevant parties and stakeholders to minimize or control our environmental impact in line with local legislations, company requirements and environmental policies. When setting targets, a number of factors are taken into account such as the results from the previous years, long, medium and short term company strategies, legal requirements, measurability, traceability and feasibility in accordance with our principle of continuous progress. Key environmental performance indicators and targets identified are included in CCI's business plan. Targets are communicated to all employees and TCCC EME OU. Performance

indicators for targets are continuously monitored throughout the year, and target compliance is kept under control. Performance indicators are reported to OU, plant management and senior management each month.

### **EMS AUDITS**

An audit is performed on the Environmental Management System once a year as a part of our internal audit process. Necessary actions are taken according to relevant procedures regarding any non-conformities identified during internal and external audits on Environmental Management System as well as daily practices. Environmental Coordinator is responsible for evaluating the Environmental Management System and following up with any corrective/preventive actions. The Environmental Management System is evaluated every three months during operational meetings in addition to the annual management review meetings. Current regions are also inspected in terms of the Environmental Management System during monthly environmental inspections.

These inspections are performed by the staff responsible for executing and coordinating CCI's environmental management activities in our facilities in accordance with the legislation, and an internal audit is performed at least once a year in accordance with the provisions of the relevant legislation, after which a report is prepared. Any non-conformities are monitored and preventive/corrective actions are taken in accordance with the relevant procedure.

CCI plants monitor the activities at regular intervals and ensure that the obligations defined in relevant legislations are fulfilled.

In order to comprehend the effectiveness of the program, it is necessary to evaluate the Environmental Management System's performance at CCI locations.

The following key performance indicators are reported:

- Water Usage Ratio (L/L)
- Energy Usage Ratio (MJ/L)
- Wastewater Production Ratio (L/L)
- Solid Waste Production Ratio (g/L)
- Solid Waste Recycling Ratio (%)
- CO<sub>2</sub> Emission Ratio (g/L)

Furthermore, each plant must comply with local requirements as well as TCCC limits for air emissions and wastewater discharge.

All CCI plants are also regularly inspected by TCCC's audit department (at least every two years) in terms of Environmental Management System requirements and TCCC standards.

ISO 14064-1 SG verification and ISO 50001 Management System Certification Audits are performed at CCI's plants in Turkey every year. In addition to these, environmental KPIs identified at each year are verified by a third-party audit company. Verification statements are provided in this report.

### **EMS REVIEW**

Management Review Meetings are held at least once a year in accordance with the requirements of CCI's Environmental Management System. Key environmental performance indicators are reviewed during Business Plan Meetings.

Environmental board meetings and annual management review meetings focus on the following topics:

- a. Discussion of the resolutions identified during previous meetings,
- b. Discussion of performance indicators for environmental management system,
- c. Revisions and improvements in Environmental Management System indicators,
- d. Internal and external audit findings related to the Environmental Management System and environmental incidents, feedbacks and complaints,
- e. Corrective and preventive actions related to the Environmental Management System,
- f. Recommendations for improvement on the Environmental Management System,
- g. Amendments in laws and company requirements,
- h. Evaluation of supplier and subcontractor activities and non-conformities in environmental practices, if any,
- i. Review of environmental policy and its alignment with requirements,
- j. Environmental Risk Assessment,
- k. Technological, administrative, design-related, etc. changes that may have an effect on environmental performance and targets.

### **EMS PROCEDURES**

Environment Coordinator is responsible for ensuring that all relevant activities comply with all applicable laws and regulations regarding on environment. Coordinator must find a way to implement these laws and regulations at the workplace. Coordinator must also follow all current laws regarding the environment and assess the compliance status.

In addition to laws and regulations, Coordinator must follow Coca-Cola's KORE system as well as ISO 14001 standards, and adapt them to the Environmental Management System employed at the plant and ensure continuity.

Environmental Coordinator also works in coordination with OU on environmental issues and implements any requests from The Coca-Cola Company in this regard.

CCI employs several procedures which are standard across all plants;

- Environmental Management Procedure
- Waste Management Procedure
- Hazardous Substance and MSDS Management Procedure
- Wastewater Management Procedure
- Climate Protection and Air Pollution Control Procedure
- Water Management Procedure

- Energy Management Procedure (ISO 50001)
- ISO 14064-1 Guidelines for Greenhouse Gases (GHG) (CCI Turkey)

### Eco-friendly Environmental Operations Management Designs

New packaging, products, processes, plants or offices are evaluated in terms of environmental compliance during the design phase. Novel systems are preferred in new designs for a better environmental protection performance.

LPG forklifts are primarily used in the plants. LPG forklifts are used only in open areas when necessary. Forklifts are maintained regularly. The waste resulting from forklift maintenance is disposed of in accordance with the legislation and the principles of circular economy.

### Waste Management

Operational waste generated at CCI locations is segregated per type and disposed of and/or preferably recovered to the circular economy in accordance with local legislations and TCCC requirements. Environmental Coordinators are responsible for waste management processes at the plants.

### Prevention of Rainwater Contamination

Rainwater drainage channels are marked on project plans which demonstrate all drainage channels in the infrastructure at CCI locations. Contamination of rainwater with environmentally hazardous substances through chemical diffusion or blending of wastewater from processing into plant channels is kept under control. All employees are trained in prevention of rainwater contamination.

### Wastewater Management

All process-related wastewater and domestic wastewater at CCI locations are processed (local treatment facilities, neutralization, central treatment facilities, etc.) as necessary to be discharged to the receiving body in accordance with the associated standards. In case of non-conformities in the quality of treated water from the wastewater treatment facility under a plant's own management, necessary intervention is implemented by the Treatment Facility Operator under Environmental Coordinator's supervision. In plants using wastewater treatment facilities managed by third parties, the relevant central treatment facility is inspected periodically and the discharge water is analyzed. In case of non-conformities, Corrective/Preventive actions are taken.

Central treatment facilities are inspected periodically and the discharge water is analyzed. In case of non-conformities, Corrective/Preventive actions are taken.

### Environmental Risk Assessment and Creating a Control Plan

Environmental factors posing a potential risk in terms of environmental pollution and ecological balance are identified at CCI locations. This list scores environmental risks and identifies controlling measures for significant environmental risks. An action plan (Environment Program) is created for medium and high risks. The plan is updated in case of environmental incidents, processes changes or furnishing new lines. The plan is reviewed once a year in case of legislative amendments.

### Noise Control

CCI locations regularly make assessments to determine the impact of noise on the environment and employees. In case the assessment indicates that noise values exceed the standards, necessary improvements are implemented. The goal is to reduce noise at its source.

## BIODIVERSITY

CCI's biggest impact on biological diversity originates from the water used during production. Since 2012, we have been performing source water vulnerability assessments (SVA) at the local level to build a source water protection plan (SWPP) to protect catchment basins in regions where our plants are located and to mitigate water-related risks to our system and communities we serve. We reuse and recycle water, treat it in wastewater treatment facilities and renew it through community projects.

We fully support TCCC's ultimate goal of "replenishing every drop of water we use".

In 2020, we published our fifth detailed report on our water strategy and data as a part of the Carbon Disclosure Project (CDP) Water program.

For a detailed description of CCI's water efficiency performance, please refer to the Water Management topic under RESPONSIBLE SUPPLY & PRODUCTION section of this report. [\(Please click here for details\)](#)

### BIODIVERSITY IMPACTS OF WATER STEWARDSHIP PROJECTS

A part of the "Life Plus Environment Program", the "Agriculture of the Future Project" has the greatest impact on biological diversity among water management projects.

Traditional nature conservation approaches focus on protecting certain species or their ecosystems. New approaches such as ecosystem and biological diversity protection consider the multi-sectoral nature of conservation practices and aim for sustainable use and conservation of natural resources. The Agriculture of the Future Project intends to support the ecosystem service approach in agriculture to protect agricultural ecosystems and biological diversity without damaging communal well-being.

The project involves two objectives: 1) ensuring efficient use of land and water by improving water retention capacity in the soil, and 2) increasing the usage capacity of ecosystem services in agriculture. To achieve these, the project employs direct drilling methodology and living windbreaks. Direct drilling machines were made available for farmer use in six towns in Konya basin. The project was implemented as a collaboration between The Coca-Cola Life Plus Foundation, Turkish Ministry of Agriculture & Forestry and Nature Conservation Center.

The project also cultivates eco-friendly solutions to agricultural problems such as biological rodent control. As a part of the biological control plan, owl and kestrel nests were planted in farming areas as an alternative to chemical pesticides used to destroy rodents at croplands.

For detailed information on CCI's water replenishment projects, please refer to the Water Management topic under Investing in Community section in this report. [\(Please click here for details\)](#)



Discharge Parameters	Unit	Pakistan Gujranwala		Pakistan Karachi		Pakistan Lahore		Pakistan Multan		Pakistan Rahim Yar Khan	
		Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result
COD	mg/dm <sup>3</sup>	150	37	-	26	150	48	150	41	150	31
BOD	mg/L	80	11	-	13	80	14	-	7.03	80	8
pH	-	-	7.37	-	7.75	-	8.44	-	484	06 - 09	7.93
TDS	mg/L	3500	538	-	2076	3500	1766	-	24	3500	1062
SS	mg/dm <sup>3</sup>	200	5	-	<5	200	12	-	-	200	<5.0
Phosphorus	mg/L	-	<0.05	-	0.05	-	0.16	-	-	-	0.37
Nitrogen	mg/L	-	1.56	-	1	-	1.28	-	32.92	-	0.84
Sulfate	mg/L	600	25.51	-	248.34	600	142	-	<1.0	600	226.39
Iron	mg/L	8	0.41	-	0.005	8	0.47	-	25.62	8	0.053
Chloride	mg/L	1000	52.23	-	770.48	1000	72	-	<5	1000	99.64
Petroleum products	mg/L	10	<5.0	-	<1	10	<5.0	-	-	10	<5.0
Nitrate	mg/L	-	0.56	-	-	-	-	-	-	N/A	<1.0

Discharge Parameters	Unit	Turkmenistan Ashgabat		Tajikistan Dushanbe		Azerbaijan Baku		Kyrgyzstan Bishkek		Kazakhstan Burundai	
		Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result
COD	mg/dm <sup>3</sup>					<500	349	<450		903.2	329.16
BOD	mg/L					<375	58	<300		500	334.1
pH	-					6.5-8.5	7.4	6.5-8.5		6-9	6
TDS	mg/L						152	<1000			
SS	mg/dm <sup>3</sup>					<375	32	-		500	22
Phosphorus	mg/L						1.3	<5			
Nitrogen	mg/L						2.8	-		30	0.62
Sulfate	mg/L						121	<500		156.4	16.46
Iron	mg/L						0	<5		3	0.043
Chloride	mg/L						-	<350		350	17.9
Petroleum products	mg/L						4	<3		4.4	0.5
Nitrate	mg/L						0.9	-			

Discharge Parameters	Unit	Kazakhstan Astana		Jordan Madaba		Southern Iraq Hilla		Southern Iraq Karbala		Northern Iraq Erbil	
		Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result	Legal discharge limit	2021 Result
COD	mg/dm <sup>3</sup>	500	15.2	<1500	29.5	<100	1324	<100	151	<100	69.2
BOD	mg/L	425	2.5	<50	3.02	<50	552	<50	39	<50	26
pH	-	6-9	7.25	5.55-9.5	7.95	6-9.5	6.9	6-9.5	7.74	6-9.5	8
TDS	mg/L	1000	480	<2000	1620	<2000	987	<2000	1859	<2000	98
SS	mg/dm <sup>3</sup>	500	19.5	<700	11	<60	224	<60	88	<60	20.6
Phosphorus	mg/L			<30	1.76	<2	1.8	<2	1.4	<2	0.7
Nitrogen	mg/L	30	0.38	<100	1.3	<5	17.3	<5	2.94	<5	3
Sulfate	mg/L	500	82	<250	222	<400	342	<400	678.41	<400	1.47
Iron	mg/L	5	0.05	<30	0.5	<2	1.4	<2	0.238	<2	0.05
Chloride	mg/L	150	125	-		<600	NA	<600		<600	19.9
Petroleum products	mg/L	14	0.005	<100	<8	<10	8	<10	<10	<10	<10
Nitrate	mg/L		0.41	-		<50	NA	<50	2.94	<50	1.1

## WASTEWATER TREATMENT METHOD

Company name	On-site	Industrial Zone	Municipal	Company name	On-site	Industrial Zone	Municipal
Turkey-Ankara	+			Kazakhstan-Burundai		+	+
Turkey-Bursa		+		Kazakhstan-Astana			+
Turkey-Çorlu	+			Southern Iraq-Hilla	+		
Turkey-Elazığ			+	Southern Iraq-Karbala	+		
Turkey - Isparta		+		Azerbaijan-Baku	+		
Turkey-İzmir		+		Turkmenistan-Ashgabat	+		
Turkey-Mersin	+			Kyrgyzstan-Bishkek			+
Turkey - Köyceğiz	+			Tajikistan-Dushanbe			
Turkey - Sapanca			+	Northern Iraq-Erbil	+		
Turkey - Hazar	+			Jordan-Madaba	+		
Pakistan-Gujranwala	+						
Pakistan-Karachi	+						
Pakistan-Lahore	+						
Pakistan-Multan	+						
Pakistan-Rahim Yar Khan	+						

## CLIMATE CHANGE

For a detailed description of CCI's climate protection performance, please refer to the Energy Management and Fight Against Climate Change topic under RESPONSIBLE SUPPLY & PRODUCTION section of this report. (Please click here for details)

For detailed data on CCI's climate protection performance, please refer to the Section 3: Performance Indicators, RESPONSIBLE SUPPLY & PRODUCTION in this report. (Please click here for details)

## EMISSIONS TO AIR

CCI manages all environmental impacts, including air emissions. Our goals for atmospheric emissions include increasing our efficiency values and complying with the laws on a 100% basis. Charts below show the results of CCI's 2021 flue gas emission analysis.

Country	Plant	Parameter (kg/hour) 2021										
		CO <sub>2</sub> %	O <sub>2</sub> %	CO	NOx	NO <sub>2</sub>	NO	SO <sub>2</sub>	VOC	"Smoke (RM-scale)"	PM 10	
Turkey	Elaziğ				0.558		0.5192					0.0289
	Bursa			0.02		1.6129	1.0484			0.0006		0.0199
	Çorlu											
	Mersin			0.0924		1.9732	1.219	0.0959				0.064
	Isparta			0.18488		0.03499	0.74221					0.03115
	Ankara					1.4988	0.9201	0.0415	0.00241			
	İzmir			0.378	0.2801			0.02				0.08



Country	Parameter (kg/hour) 2021								
	CO <sub>2</sub> %	O <sub>2</sub> %	CO	NOx	NO <sub>2</sub>	NO	SO <sub>2</sub>	"Smoke (RM-scale)"	PM 10
Pakistan	0.7	17.9	171	581	0	581	40	1	55.79
	1	17.6	321	566	0	566	40	1	62.41
	1.5	17.7	281	520	0	520	23	1	67.63
	1.2	17.5	254	575	0	575	34	1	56.71
	0.5	17.9	476	551	0	551	30	1	60.82
	1.1	18.7	81	17	0	17	4	0	22.11
	0.2	18.9	590	51	0	51	54	1	24.54
			465	185	70	115	ND	1	45
			12	60	14	46	ND	1	11
	7.1	11.1	98.3	147.3	12.3	135	1	1	6
		12.6	158	1017.3	68.7	948.7	25.3	1	38
		13.8	125.3	1087.3	60.3	1027	11.7	1	50
		16.5	405.3	769.3	35.3	734	66.6	1	99
	6	14	4.6	98	20	78	0	0	24
	3	17	23	219	55	164	0	0	29
	5	15	130	360	32	327	13	0	32
	6	14	35	227	56	170	4	0	36
	6	15	17	214	46	167	0	0	28
	5	15	81	292	75	216	15	0	29
	13.3	19.3	108	23	85	0		13	
	12.87	17.33	91	20.33	70.66	0		16	
	18.02	150.66	367.66	58	339.66	34.66		127	
	17.07	18.033	415.33	69.33	346	61		104	
	13.85	291	216.66	76.33	140.33	91		117	
	14.35	253	186.66	54.33	132.33	69.66		123	
	16.2	3.8	132.5	121.7	2.2	119.5	0	0	26.4
17	3.1	124.9	139.1	2.9	136.2	0	0	22.7	
4.7	15.3	206.4	436.3	26.5	409.8	137.2	1	113.9	

Country	Parameter (kg/hour) 2021								
	CO <sub>2</sub> %	O <sub>2</sub> %	CO	NOx	NO <sub>2</sub>	NO	SO <sub>2</sub>	"Smoke (RM-scale)"	PM 10
Pakistan	6.2	13.8	237.9	342.5	3.1	321.5	86.2	1	98.1
	7.2	12.8	308.5	292.4	13.1	279.3	86.5	1	139.4
	3.7	16.3	189.4	251.3	3.8	247.5	148.6	1	89.7
	6.1	14.8	376.9	371.7	9.6	362.1	134	1	126.9
	6.5	13.6	287.4	240.6	3.1	237.5	84.5	1	97.2
	5.9	14.2	354.1	227.8	11.5	216.3	102.6	1	123.7
Kyrgyzstan			0.7989			0.2237			
			1.1281			0.3159			
Tajikistan									
Turkmenistan						0.26			
	1.76					0.11			
	1.82			0.73			0.36	0.28	
Jordan	2.4	11.5	1511.5	1752.7	172.9	1588.3	0		
	2.5	10.8	1378.9	2835.4	21.4	2826.3	679.4		
	2.3	10.6	1996.6	2308.8	178.2	2140.3	0		
		1.6	28	197	0	134	3608		

In alignment with the new Environmental Law of 2021, the data in the Category 3 breakdown will be shared according to quarterly calculations, not the source. Kazakhstan and Pakistan data in the relevant scope are not shared.

## GOVERNANCE

### BOARD ACTIVITIES

You can review the detailed information on Board structure and activities at <https://cci.com.tr/yat%C4%B1r%C4%B1mc%C4%B1-%C4%B0li%C5%9Fkileri/kurumsal-y%C3%B6netim>. [\(Please click here for details\)](#)

### BRIBERY AND CORRUPTION

#### ANTI-BRIBERY POLICY AND REPORTING

CCI's anti-bribery policy is an integral part of our Code of Ethics. CCI Board of Directors is committed to supporting the adoption of our Code of Ethics. For detailed information on Code of Ethics and reporting, please see the Business Ethics Management topic in the Sustainability Management section of this report.

#### ANTI-BRIBERY SYSTEM

The Ethics Line, which is used for reporting ethical issues, is managed by a completely independent third-party company. Employees can use this line to raise queries about corporate ethics principles, code of business ethics, discrimination, relationships between junior-senior levels, mobbing at the workplace, conflict of interest, etc. Employees can submit their concerns anonymously using the dedicated e-mail address or the dedicated phone number, or they can type their notifications in the

free text field provided on the website at HYPERLINK "<http://www.CCIethicsline.com>" [www.CCIethicsline.com](http://www.CCIethicsline.com). The helpline is available in Turkish, English, Russian and Arabic. Each call and e-mail received through the Ethics Line is shared with the Ethics and Compliance Manager, who records each notification in the company-specific ethical management system to automatically notify the Ethics Committee members through the system.

The system used for managing notifications on ethical issues was commissioned in 2016. CCI stores information on non-conformities and violations of the Code of Ethics (including anti-bribery policy) as well as issues consulted with Ethics Managers in this system. The system provides information on system performance and progress regarding all issues constituting a violation of the Code of Ethics, including bribery and corruption issues. It provides quantitative data on notifications made on ethical issues such as bribery and all types of violations.

Code of Ethics violations are generally reviewed by CCI Internal Audit Department and regularly reported to the Audit Committee. Code of Ethics training is offered to all CCI employees as a part of the orientation program, through classroom trainings and also as online trainings.

In case of any acquisition or joint venture by CCI, the relevant company's code of ethics and anti-bribery & anti-corruption policies are evaluated during the due

diligence process prior to any joint venture with such company along with copies of notices, correspondences or statements sent to or received from any governmental bodies regarding the company's possible violation of any laws, codes, regulations or other legal requirements if such documents exist, or an explanation of such possible violation if such documents do not exist.

The basic principles contained in our Code of Ethics are communicated to suppliers and contractors as an attachment to the service or supply contracts. A new supplier evaluation system is currently being implemented in the system, which is ready for use in pre-assessment and post-assessment steps. Suppliers are assessed in terms of engineering services, procurement as well as legal and financial requirements and they must successfully pass all assessments to provide services to CCI. Topics such as bribery, child labor and abuse are also incorporated into any contracts to be made with 3rd parties in accordance with the "Basic Principles and Business Ethics for Suppliers". Since political donations are prohibited by the Company, no political donations have been made as a part of CCI operations. Facilitation payments are also strictly prohibited at CCI.

## HUMAN RIGHTS

### HUMAN RIGHTS POLICY

For detailed information on Human Rights Policy and related performance results, please refer to "Human Rights

Throughout the Value Chain" under Human Rights section in this report. [\(Please click here for details\)](#)

### SGP AUDITS FOR CCI SUPPLIERS

In case it is deemed that any CCI operation does not comply with the Supplier Guiding Principles, a corrective action plan is immediately adopted. Upon completion of the action plan, an audit process is performed by an independent audit firm to evaluate any corrective action taken. In addition to adoption of our Human Rights Policy, periodical independent audits are being performed in all CCI countries since 2014 regarding SGP compliance audits.

After successfully completing the audit, the relevant CCI operation is assigned a score using a color-coded rating system. Monitoring requirements are indicated by the following color codes:

- Green (0 point) - No action required. The facility is assessed within 1-3 years.
- Yellow (1-7 points) - Minor findings need to be corrected in order to achieve green status. The company will receive a new summary report indicating that the company has achieved Green status with a score of zero upon completion of a desk-based assessment which is performed after the audit team has received a letter confirming that the necessary corrective actions have been taken within the period of time specified in the summary report along with the applicable evidence. After the desk-based assessment, the company will be re-assessed within 1-3 years.

- Orange (8-27 points) - The company fills out a Facility Action Plan form and sends it to the audit team. The audit team will provide the necessary information in case the plan meets SGP requirements; otherwise, they will provide the necessary guidance. The company will correct any findings specified in the approved Facility Action Plan. Follow-up assessment will be performed within 6 months from the first evaluation. In some cases, a desk-based assessment may be performed instead of a field visit. The process will continue until the facility achieves Green status.
- Red (28+ points) - The company fills out a Facility Action Plan form and sends it to the audit team. The audit team will provide the necessary information in case the plan meets SGP requirements; otherwise, they will provide the necessary guidance.

The company will correct any findings specified in the approved Facility Action Plan. Follow-up assessment will be performed within 6 months from the first evaluation. The process will continue until either the facility achieves Green status or is disqualified.

**HUMAN RIGHTS REPORTING**

Violations and non-conformities related to Human Rights Policy (HRP) are governed by our Code of Ethics. All Human Rights Policy reports and notifications regarding possible human rights violations are handled by the Ethics and Compliance Manager with the support from CCI Group's Employee Relations Department. To support the integrity of the processes, the following procedures are applied in general: Group HR Operations, Employee Relations and Human Rights sub-departments were established under CCI Group HR

Department to manage activities related to Human Rights Policy.

**HR Department's role in Human Rights Policy management process includes the following:**

- Investigate any complaints related to Human Rights Policy and submit relevant reports to the Ethics and Compliance Manager.
- Act in coordination with the Employee Relations and Human Rights Manager, depending on the location.
- Protect privacy and ensure that others (managers) do the same.
- Submit a written summary/report of the issues to the Employee Relations department along with corrective actions, if applicable.

Investigations should be completed in a timely manner. Copies of the investigation

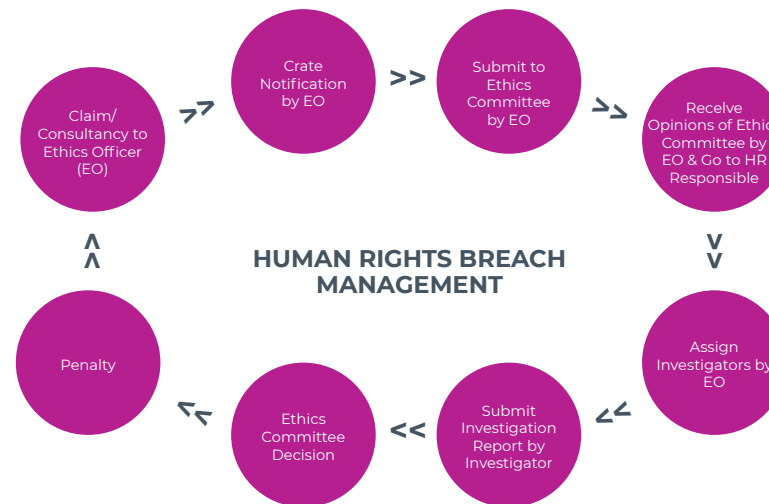
report should not be shared with anyone involved in the incident or accused. The report should only be shared on a "need-to-know" basis. The management should ensure awareness on Company's no retaliation policy.

**During this procedure, managers should:**

- Take all complaints into account,
- Maintain the procedural integrity,
- Immediately implement any corrective or preventive action deemed necessary by the Ethics and Compliance Committee,
- Consult any possible queries with the HR Director.

**CORRECTIVE AND DISCIPLINARY ACTIONS**

All employees are liable for violations of the policy. In case a reported violation is proven to be true, appropriate corrective actions are taken to ensure compliance with the Code of Ethics and CCI Human Rights Policy (HRP). In certain cases, individuals who violate the HRP or who do not comply with disciplinary procedures may be subject to disciplinary action. All disciplinary procedures are documented. Country Ethics Managers keep a record of all disciplinary actions and corrective measures implemented. Employees can raise queries with their managers, HR Department or CCI Legal Department at any time.



GRI: 102-1; 102-3; 102-55

## CONTENT INDICES



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GRI 102: 2016 GENERAL DISCLOSURES

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102-3	Location of headquarters	GRI Content Index: Dudullu OSB Mah. Deniz Feneri Sk. No: 4 Ümraniye/İstanbul
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## GRI 101: 2016 BASICS

## GRI 102: 2016 GENERAL DISCLOSURES

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102-48	Corrections to the previous year's report	GRI Content Index: No corrections have been made to the previous year's report.
102-49	Changes in reporting	Page 2
102-50	Reporting period	Page 2
102-51	Date of the most recent report	GRI Content Index: March 2020
102-52	Reporting cycle	GRI Content Index: Annual
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	103-3 Evaluation of the management approach	Page 101, 114-115
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 305-306
	302-2 Energy consumption outside of the organization	Page 118-119
	302-3 Energy intensity	Page 115
	302-4 Reduction of energy consumption	Page 116-119
	302-5 Reductions in energy requirements of products and services	Page 116-119
Water and Effluents		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 109-113

## GRI 300: ENVIRONMENTAL STANDARDS SERIES

## Page Number, Source and/or Direct Answers

Water and Effluents		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 110-111
	303-2 Management of water discharge-related impacts	Page 113
	303-3 Water withdrawal	Page 316
	303-4 Water discharge	Page 113
	303-5 Water consumption	Page 110
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 114, 120
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 307-308
	305-2 Energy indirect (Scope 2) GHG emissions	Page 307-308
	305-3 Other indirect (Scope 3) GHG emissions	Page 307-308
	305-4 GHG emissions intensity	Page 310
	305-5 Reduction of GHG emissions	Page 116-119
Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 108
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 108
	306-2 Management of significant waste-related impacts	Page 108
	306-3 Waste generated	Page 313-315
	306-4 Waste diverted from disposal	Page 108, 313-315
	306-5 Waste directed to disposal	Page 313-315
Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 101
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Page 101
Supplier Environmental Assessment		
GRI 103: Management Approach 2016	103-1 103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 96-97



## GRI 300: ENVIRONMENTAL STANDARDS SERIES

Page Number, Source and/or Direct Answers

## Supplier Environmental Assessment

GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 96-97
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## GRI 400: SOCIAL STANDARDS SERIES

Page Number, Source and/or Direct Answers

## Employment

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 67-69
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 299-300
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 301

## Occupational Health and Safety

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 61-62
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 61-62
	403-2 Injury types and rates, occupational diseases, lost time, absence, and number of work-related deaths	Page 63
	403-3 Occupational health services	Page 61-66
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 61-66
	403-5 Worker training on occupational health and safety	Page 62
	403-6 Promotion of worker health	Page 61-66
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 61-66
	403-8 Workers covered by an occupational health and safety management system	Page 61-66
	403-9 Work-related injuries	Page 63
	403-10 Work-related ill health	Page 63

## Training and Education

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 72

## GRI 400: SOCIAL STANDARDS SERIES

## Page Number, Source and/or Direct Answers

Training and Education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 73
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 72-73
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 302
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 55-56
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 290-297
	405-2 Ratio of basic salary and remuneration of women to men	Page 76
Non-Discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 54-56
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 54-56
Freedom of Association and Collective Bargaining		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 54
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GRI Content Index: None
Child Labor		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 54
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	GRI Content Index: None
Forced or Compulsory Labor		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 54

## GRI 400: SOCIAL STANDARDS SERIES

## Page Number, Source and/or Direct Answers

GRI 400: SOCIAL STANDARDS SERIES		Page Number, Source and/or Direct Answers
<b>Forced or Compulsory Labor</b>		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI Content Index: None
<b>Security Practices</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 54-55
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 54-55
<b>Human Rights Assessment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 54
GRI 412: Human Rights Assessment 2016	412-2 Operations that have been subject to human rights reviews or impact assessments	Page 122-124
<b>Local Communities</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 122-124
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 122-124
<b>Customer Health and Safety</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 103-104
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 103-104
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 101
<b>Marketing and Labeling</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Page 37, Page 53
	103-2 The management approach and its components	Page 38
	103-3 Evaluation of the management approach	Page 87
GRI 417: Marketing Communication and Product and Service Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	Page 87-88

## 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 Social Development
	Principle 2 - Businesses should make sure that they are not complicit in human rights abuses.	Social Development
	Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Human Rights Throughout the Value Chain
Labor	Principle 4 - All forms of forced and compulsory labor should be eliminated.	Human Rights
	Principle 5 - All forms of child labor should be eliminated.	Human Rights
	Principle 6 - Discrimination in respect of employment and occupation should be eliminated.	Human Rights (Diversity and Inclusion)
Environment	Principle 7 - Businesses should support a precautionary approach to environmental challenges.	Environmental Footprint (Energy Management and Fight Against the Climate Crisis)
	Principle 8 - Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Footprint
	Principle 9 - Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental Footprint
Anti-Corruption	Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.	Risk Management and Ethics Management

## UN WOMEN'S EMPOWERMENT PRINCIPLES (WEPS) CONTENT INDEX

Principles	Location of Disclosure
<b>Principle 1</b> - Establish High-Level Corporate Leadership for Gender Equality	Social Development (Women's Empowerment)
<b>Principle 2</b> - Treat All Women and Men Fairly at Work, Respect and Support Human Rights and Non-Discrimination	Social Development (Women's Empowerment)
	Human Rights (Diversity and Inclusion)
<b>Principle 3</b> - Ensure the Health, Safety and Well-Being of All Women and Men Workers	Human Rights (Occupational Health and Safety)
<b>Principle 4</b> - Promote Education, Training and Professional Development for Women	Social Development (Women's Empowerment)
<b>Principle 5</b> - Implement Enterprise Development, Supply Chain and Marketing Practices That Empower Women	Social Development (Women's Empowerment)
	Human Rights (Diversity and Inclusion)
<b>Principle 6</b> - Promote Equality Through Community Initiatives and Advocacy	Social Development (Women's Empowerment)
<b>Principle 7</b> - Measure and Publicly Report on Progress to Achieve Gender Equality	Social Development (Women's Empowerment)

## CMB SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

Principle Type	Principle Code	Principle Description	Compliance	Description	Integrated Annual Report Section and Page Number	Links
A. General	A1. Strategies, Policies and Targets	The Board of Directors identifies ESG-priority issues, risks and opportunities, and forms ESG policies in accordance with them. Internal directives, business procedures, etc. may be prepared to ensure effective implementation of these policies. Adopts resolutions on these policies and publicly discloses such resolutions.	Fully Compliant		Materiality Analysis (37-38) Our Approach to Creating Value (53)	<a href="https://www.cci.com.tr/yat%C4%B1r%C4%B1mc%C4%B1-%C4%B0li%C5%9Fkileri/kurumsal-y%C3%B6netim/Politikalar">https://www.cci.com.tr/yat%C4%B1r%C4%B1mc%C4%B1-%C4%B0li%C5%9Fkileri/kurumsal-y%C3%B6netim/Politikalar</a>
		Identifies a Partnership Strategy in accordance with the ESG policies, risks and opportunities. Identifies and publicly discloses short- and long-term targets in accordance with the partnership strategy and ESG policies.	Fully Compliant		Risks and Opportunities (43-48) Our Strategic Priorities for 2021-2023 (49) Our Approach to Creating Value (54, 57-58, 61, 67-68, 74, 90, 96, 103, 105, 109, 114, 122, 123, 125)	
	A2. Implementation /Monitoring	Appoints and publicly discloses committees/functions responsible for implementing ESG policies. The responsible committees/functions report all activities conducted within the scope of the policies to the Board of Directors at least once a year and, in any case, within the maximum periods allowable for public disclosure of annual reports as specified in the relevant regulations stipulated by the Board.	Fully Compliant		Our Approach to Integrated Governance (25-26)	<a href="https://www.cci.com.tr/Yatirimci-Iliskileri/Kurumsal-Y%C3%B6netim/Y%C3%B6netim-ve-Y%C3%B6netim-Kurulu/Komiteler">https://www.cci.com.tr/Yatirimci-Iliskileri/Kurumsal-Y%C3%B6netim/Y%C3%B6netim-ve-Y%C3%B6netim-Kurulu/Komiteler</a>
		Formulates and publicly discloses implementation and action plans in line with the short- and long-term targets identified.	Partially Compliant	We measure our short-term targets on a year-to-year basis and publish all progress in the report. We continue to work on identifying and disclosing our new medium- and long-term targets.	Risks and Opportunities (43-48) Our Strategic Priorities for 2021-2023 (49) Our Approach to Creating Value (54, 57-58, 61, 67-68, 74, 90, 96, 103, 105, 109, 114, 122, 123, 125)	
	A3. Reporting	Identifies ESG Key Performance Indicators (KPIs) and discloses comparatively on an annual basis. Presents KPIs along with local and international industrial comparisons in case verifiable data is available.	Fully Compliant		Sustainability Performance Indicators (285-318)	
		Discloses innovation activities which improve sustainability performance for business processes or products and services.	Fully Compliant		Practices to Reduce Carbon Footprint (116-121) Operational Excellence in the Supply Chain (100)	
	A4. Verification	Reports and publicly discloses sustainability performance, targets and actions at least once a year. Discloses information on sustainability initiatives in the annual report.	Fully Compliant		Sustainability Performance Indicators (285-318)	
		It is essential to ensure direct and concise communication of information which is material for stakeholders to understand the current position, performance and development of the corporation. Detailed information and data may also be disclosed on the corporate website and separate reports may be prepared to directly meet the needs of different stakeholders.	Fully Compliant		Geographies of Operation (10) Key Financial and Operational Indicators (11-12) Key Highlights (14-15) Stakeholder Engagement (32-36)	
		Exercises utmost care in terms of transparency and reliability. Objectively declares all kinds of developments relating to priority topics in its disclosures and reports in line with a balanced approach.	Fully Compliant		Additional Information on Corporate Governance (159-184)	
		Provides information as to which of the United Nations (UN) 2030 Sustainability Development Goals its activities are related to.	Fully Compliant		Our Approach to Creating Value (53)	
		Discloses information on any lawsuits filed and/or concluded against the company on environmental, social and corporate governance issues.	Fully Compliant		Additional Information on Our Operations (158)	
		Publicly discloses its sustainability performance metrics on the condition that they are verified by independent third parties (independent sustainability assurance providers) and strives to increase the number of such verification processes.	Fully Compliant		About Our Report (2-3) Independent Assurance (282) External Verification (283)	

Principle Type	Principle Code	Principle Description	Compliance	Description	Integrated Annual Report Section and Page Number	Links	
B. Environment	Environmental Principles	Declares its policies, practices and action plans related to environmental management as well as environmental management systems (known as ISO 14001 standard) and programs.	Fully Compliant		Responsible Production (101.104) Additional Disclosures for BIST (319-329)	<a href="https://www.cci.com.tr/Portals/0/Documents/PDF/CCI_Cevre_Politika_TR.pdf">https://www.cci.com.tr/Portals/0/Documents/PDF/CCI_Cevre_Politika_TR.pdf</a>	
		Complies with environmental laws and other relevant regulations and discloses its compliance status.	Fully Compliant		Responsible Production (101) Additional Disclosures for BIST (319-321)		
		Discloses limitations to the environmental report, which shall be prepared under Sustainability Principles, reporting period, reporting date, data collection process and restrictions in reporting conditions.	Fully Compliant		About Our Report (2-3) CCI Reporting Guide (275-281)		
		Provides information on the most senior director and related corporate committees responsible for environment and climate change issues, along with their duties and functions.	Fully Compliant		Integrated Governance (25) Corporate Governance (175)		
		Discloses the incentives the company offers for management of environmental issues, including the achievement status of targets.	Fully Compliant		Our Approach to Integrated Governance (25) Risks and Opportunities (43) Responsible Production (101)		
		Discloses how environmental issues are integrated into business objectives and strategies.	Fully Compliant		Our Approach to Integrated Governance (25) Risks and Opportunities (43) Our Strategic Priorities for 2021-2023 (49)		
		Discloses sustainability performances relating to business processes or products and services as well as activities performed to improve the performance.	Fully Compliant		Sustainability Performance Indicators (305-318)		
		Discloses how the company manages environmental issues and integrates suppliers and customers into its strategies, not only in terms of direct operations, but also across the corporate value chain.	Fully Compliant		Our Value Chain Diagram (52) Our Approach to Creating Value (53) Human Rights Throughout the Value Chain (54)		
		Discloses whether it attends to any policy-making process on environmental issues or not (sectoral, regional, national and international), as well as its environmental collaborations with member associations, relevant institutions and non-governmental organizations, along with the duties, functions and supportive activities it undertakes, if any.	Fully Compliant		External Recognition (22-23) Memberships (304)		
		Periodically reports information about environmental impact in the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect))*), air quality, energy management, water and wastewater management, waste management, biological diversity impact) in a comparable manner.	Fully Compliant		Environmental Performance Indicators (305-318) Additional Disclosures for BIST (322-328)		
		Discloses details in relation to standards, protocols, methodologies and base year employed for collection and calculation of its data.	Fully Compliant		CCI Reporting Guide (275-281)		
		Discloses the status of environmental indicators for the reporting year in comparison with previous years (increase or decrease).	Fully Compliant		Responsible Production (101-121) Environmental Performance Indicators (305-318)		
		Identifies and discloses short- and long-term targets for mitigating its environmental impact. It is recommended that these targets are identified in a science-based manner as advised by the United Nations Climate Change Conference of the Parties. Provides relevant information in case progress is achieved during the reporting period over previously identified targets.	Partially Compliant		We continue to work on identifying our medium- and long-term targets. We have begun our review process in accordance with the Science-Based Targets globally published by The Coca-Cola Company.	Responsible Production (102-121)	
		Discloses its strategy and actions for combating the climate crisis.	Fully Compliant			Responsible Production (114-121)	
		Discloses its programs or procedures to prevent or minimize the potential negative impact of its products and/or services, and also declares the actions taken by third parties to reduce greenhouse gas emissions.	Fully Compliant			Responsible Production (116-119)	
Discloses the total number of actions, projects and initiatives implemented for reducing its environmental impact, as well as the environmental benefits and cost savings associated with these.	Fully Compliant			Practices (116-121)			

Principle Type	Principle Code	Principle Description	Compliance	Description	Integrated Annual Report Section and Page Number	Links
B. Environment	Environmental Principles	Reports total energy consumption data (with the exception of raw materials), and discloses its energy consumption under Scope-1 and Scope-2.	Fully Compliant		Responsible Production (114-115)	
		Provides information about electricity, heat, steam and refrigeration produced and consumed during the reporting year.	Fully Compliant		Energy Management and Fight Against the Climate Crisis (165-168) Environmental Performance Indicators (305-306)	
		Works on increasing the use of renewable energy sources and switching to zero or low carbon electricity, and discloses its efforts regarding these targets.	Fully Compliant		Responsible Production (116-121)	
		Discloses its renewable energy generation and consumption data.	Fully Compliant		Responsible Production (116-121)	<a href="https://www.cci.com.tr/5%C3%BCrd%C3%BCr%C3%BClebilirlik/raporlama/cdp">https://www.cci.com.tr/5%C3%BCrd%C3%BCr%C3%BClebilirlik/raporlama/cdp</a>
		Conducts energy efficiency projects and discloses the reduction achieved in energy consumption and emission as a result of these projects.	Fully Compliant		Responsible Production (121)	
		Reports the quantities, sources and procedures regarding water that is withdrawn from underground or ground sources, used, recycled and discharged (total water withdrawal on source basis, source waters affected from water withdrawal, percentage and total volume of recycled and reused water, etc.).	Fully Compliant		Water Management (109-112) Environmental Performance Indicators (316)	
		Discloses whether or not its operations or activities are subject to any carbon pricing system (Emission Trade System, Cap & Trade or Carbon Tax).	Not subject to	We were not subject to any carbon pricing systems or carbon trading during the reporting period.	-	
		Discloses its carbon credit data accumulated or bought during the reporting period.	Not applicable	We were not subject to any carbon pricing systems or carbon trading during the reporting period.	-	
		If carbon pricing is applied in the corporation, discloses the relevant details.	Not applicable	We were not subject to any carbon pricing systems or carbon trading during the reporting period.	-	
		Discloses all mandatory and voluntary platforms where its environmental data are disclosed.	Fully Compliant		External Recognition (22-23) Memberships (304)	
C. Social	C1. Human Rights and Employee Rights	Establishes a Corporate Human Rights and Employee Rights Policy in which it commits to fully comply with the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey, and legal framework and legislation regulating to human rights and labor issues in Turkey. Publicly discloses this policy along with the roles and responsibilities assumed in the implementation of the policy.	Fully Compliant		Human First (54-56)	<a href="https://www.CCI.com.tr/Portals/0/HumanRights-Turkish.pdf">https://www.CCI.com.tr/Portals/0/HumanRights-Turkish.pdf</a>
		Provides equal opportunities in the recruitment process. Includes the topics of fair labor, improvement of working standards, employment of women and social inclusion (such as non-discrimination towards women, men, religious beliefs, language, race, ethnic origin, age, disablement, refugees, etc.) in its policies while also considering their impact on the supply and value chain.	Fully Compliant		Diversity and Inclusion (56-60) Investing in Community (128-130)	
		Discloses measures taken across the value chain to supervise and protect equal opportunities and rights for minorities or certain population segments who are vulnerable to particular economical, environmental and social factors (low-income groups, women, etc.).	Fully Compliant		Diversity and Inclusion (56-60) Investing in Community (128-130)	
		Reports the progress relating to preventive and corrective actions against discrimination, inequality, breach of human rights and forced labor. Discloses its regulations preventing the use of child labor.	Fully Compliant		Human First (54) Diversity and Inclusion (56-60)	<a href="https://www.cci.com.tr/Portals/0/Documents/PDF/supplier-guidance-tr.pdf">https://www.cci.com.tr/Portals/0/Documents/PDF/supplier-guidance-tr.pdf</a>
		Discloses its policies regarding employee investments (training and development policies), compensation, defined benefits, unionization rights, work/life balance solutions and talent management. Determines dispute resolution processes by establishing mechanisms for resolution of employee complaints and disputes. Regularly discloses its activities performed for employee satisfaction.	Fully Compliant		Human First (54) Human Capital (69-77)	<a href="https://www.cci.com.tr/Portals/0/Documents/PDF/Policies/tr/Tazminat-Politikas%C4%B1.pdf">https://www.cci.com.tr/Portals/0/Documents/PDF/Policies/tr/Tazminat-Politikas%C4%B1.pdf</a>
		Formulates and discloses its occupational health and safety policies. Disclose actions and measures taken for health and protection against occupational accidents, and discloses accident statistics.	Fully Compliant		Occupational Health and Safety (61-66)	

Principle Type	Principle Code	Principle Description	Compliance	Description	Integrated Annual Report Section and Page Number	Links	
C. Social	C1. Human Rights and Employee Rights	Formulates and discloses its policies on personal data protection and data security.	Fully Compliant		Risk Management (28)	<a href="https://www.cci.com.tr/Portals/0/Documents/PDF/Presentations/2019/CCI_Bilgi_Guvenligi_C3%BCvenligi_C4%9FI_Politikas%C4%B1.pdf">https://www.cci.com.tr/Portals/0/Documents/PDF/Presentations/2019/CCI_Bilgi_Guvenligi_C3%BCvenligi_C4%9FI_Politikas%C4%B1.pdf</a>	
		Formulates and discloses its ethics policy (including business ethics, work ethics, compliance processes, advertising and marketing ethics, transparent disclosure, etc.).	Fully Compliant		Ethics Management (30) Human First (55) Corporate Governance Compliance Report (163)	<a href="https://www.cci.com.tr/Portals/0/News/Is_etigi_kodu_tr.pdf">https://www.cci.com.tr/Portals/0/News/Is_etigi_kodu_tr.pdf</a>	
		Discloses initiatives focused on social investment, social responsibility, financial inclusion and access to finance.	Fully Compliant		Stakeholder Engagement (32-36) Economic Impact (122) Investing in Community (126-135)		
		Organizes information meetings and training programs for employees with respect to ESG policies and practices.	Fully Compliant		Memberships (304) Stakeholder Engagement (33) Diversity and Inclusion (56-60) Human Capital (69-77)		
	C2. Stakeholders, International Standards and Initiatives	Conducts its sustainability activities by considering the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, communities and non-governmental organizations, etc.).	Fully Compliant		Stakeholder Engagement (32-36) Materiality Analysis (37-38)		
		Formulates and discloses its customer satisfaction policy which focuses on managing and resolving customer complaints.	Fully Compliant		Contacting Our Customers (92-93)		
		Handles stakeholder communications continuously and transparently, and discloses the purpose, topic and frequency of communication with stakeholders as well as the progress of its sustainability initiatives.	Fully Compliant		Stakeholder Engagement (32-36)		
		Discloses adopted international reporting standards (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), etc.).	Fully Compliant		About Our Report (2-3)	<a href="https://www.cci.com.tr/s%C3%BCrd%C3%BCr%C3%BClebilirlik/raporlama/cdp">https://www.cci.com.tr/s%C3%BCrd%C3%BCr%C3%BClebilirlik/raporlama/cdp</a>	
		Discloses the international organizations or principles it has signed or enrolled in (Equator Principles, United Nations Environmental Program - Financial Initiative (UNEP-FI), United Nations Global Compact (UNGC), United Nations Principles of Responsible Investment (UNPRI), etc.) as well as the international principles it has adopted (such as International Capital Markets Association (ICMA) Green/Sustainable Bond Principles).	Fully Compliant		About Our Report (2-3)		
		Puts tangible efforts into being a part of Borsa İstanbul Sustainability Index and international sustainability indices (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indices, etc.).	Fully Compliant		External Recognition (22-23)	<a href="https://www.cci.com.tr/s%C3%BCrd%C3%BCr%C3%BClebilirlik/raporlama/s%C3%BCrd%C3%BCr%C3%BClebilirlik-endeksleri">https://www.cci.com.tr/s%C3%BCrd%C3%BCr%C3%BClebilirlik/raporlama/s%C3%BCrd%C3%BCr%C3%BClebilirlik-endeksleri</a>	
		D. Corporate Governance Principles	Takes sustainability issues, environmental effects of its activities and relevant principles into consideration when identifying its corporate governance strategy.	Fully Compliant		Our Approach to Integrated Governance (25) Our Strategic Priorities for 2021-2023 (49)	
			Takes all required measures in order to comply with principles regarding stakeholders and to strengthen communications with stakeholders, as specified under the Corporate Governance Principles. Consults with stakeholders when determining measures and strategies for sustainability.	Fully Compliant		Additional Information on Corporate Governance (11-182)	
Endeavors to raise awareness on sustainability and its importance through social responsibility projects, awareness activities and trainings.	Fully Compliant			Social Development (124-136) Responsible Production (101)			
Strives to become a member of international standards and initiatives on sustainability and to make contributions to their work and activities.	Fully Compliant			External Recognition (22-23)			
Discloses its policies and programs for anti-bribery, anti-corruption and tax honesty principles.	Fully Compliant			Additional Disclosures for BIST (328)			



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