

ANNUAL
REPORT

2020



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During the pandemic, we clearly saw the benefits of being a company that has absorbed sustainability and come a long way in the digitalization process. Our digital infrastructure will be one of the most important competitive advantages in 2021.

Dear Stakeholders,

We have left an unprecedented year behind due to the coronavirus pandemic. The virus did not only become a health crisis, but has also affected the world economy. According to the IMF, the cost of the pandemic to the global economy will reach 28 trillion USD by 2025. While nearly 500 million people have lost their jobs in 2020, G20 countries spent more than 12 trillion USD to offset the effects of the pandemic.

Almost all industries have been adversely affected by the pandemic, with the exception of a few business lines. In almost every sector, production was interrupted due to disruption of the supply chain. The global automotive industry did not stay out of this equation. In Europe alone, the automotive market shrank by 23.6 percent in 2020. Moreover, 24.3 percent fewer cars and 18 percent fewer light commercial vehicles were sold in Europe compared to the previous year.

In addition to the difficulties in production during the year, there were major disruptions in the supply chain due to the different COVID-19 measures taken in different countries and even different regions. It will not be easy for the automotive supply chain, which has a very complex structure, to return to normal again.

I guess that this process will have significant effects on decision-making mechanisms in the automotive industry. The pandemic has indicated that cost should not be the only criterion when selecting the production locations in automotive as is the case in other sectors. Following the pandemic experience, it may be inevitable for the global automotive manufacturers to shift their production bases to reduce the sensitivity and fragility in their supply chains. In the selection of new locations, variables such as the proximity of that country to main markets, the logistics and health infrastructure, manpower and efficiency will come to the fore just as much as the cost advantage of the premises itself. I believe that this fact will create a serious advantage for our country. Since the automotive, white goods, textiles and several other sectors are well established in Turkey, and considering its educated work

force, geopolitical situation, and the fact that it is closer to Europe with its business practices, I believe the weight of Turkey in the world will further increase in terms of industry and production in the medium term.

The automotive market in Turkey has grown despite the pandemic

In contrast to the developments in the world, Turkey has experienced the most active period in recent years in the new and second-hand vehicles market in 2020. Completing the year 2019 with a shrinking sales volume of 479,060 units, the automobile and light commercial vehicle market grew by 61.3 percent with sales of 772,788 units in 2020 despite the pandemic, thus exceeding the expectations. By the end of 2020, Turkey ranked sixth in the European automotive sales with an increase of 61.8 percent compared to the 2019. It also ranked sixth in car sales in Europe and fourth in European light commercial vehicle sales.

Demand postponements caused by the contraction of the automotive market in 2018 and 2019 undoubtedly played an important role in the market size of Turkey coming to this point. On the other hand, the increasing need for individual mobility due to the pandemic has led to an increase in demand in the automotive sector, including the second-hand market. However, despite the sharp rise in 2020, the size of the automotive sector in Turkey is still below the market average of 10 years. But I find the continuance of the rapid recovery of the automotive sector, which contributes to 4-5 percent of the country's GDP and employs more than 500 thousand people with its main industry, sub-industry, distributors, authorized dealers, service points and related business lines, especially during the pandemic period more valuable.

As Doğuş Otomotiv, we are ready for the new normal!

Since the early days of the pandemic, in order to meet the urgent needs of both our customers' and public services' vehicles in every region of Turkey in a non-stop manner, the continuity of our field operations was of great importance. In this context, we have defined the



processes regarding health and safety, operations, and risk management, and implemented all necessary measures in a way to include the entirety of our operations, primarily our employees, customers, distributors, and suppliers. In order to manage operations centrally, the analysis of critical processes and communication of activities were carried out by our Emergency Management team. The Occupational Health and Safety Boards, which convened in parallel with the pandemic announcement, followed the developments in the world and prepared the necessary risk maps. Emergency action plans were implemented immediately and all risk items were covered. In line with our transparent communication policy, our employees were regularly informed about those plans. In doing so, we had very few colleagues who got sick. Additionally, we established a 24/7 support line for our employees covering different services such as healthcare and psychological counseling.

At this point, I sincerely thank all members of the Doğuş Otomotiv family for the endless efforts they have shown, and especially to all my colleagues in the field who do not have the opportunity to work remotely due to their duties.

By reviewing all our business processes, we have made many improvements in terms of both health and efficiency, including our different stakeholders, along with our OEM, authorized dealers, service points and customers. Although we were ready in terms of technical infrastructure but we had not found the opportunity

to try it before, we realized that the remote working model increased our efficiency exponentially. We moved our trainings and corporate internal activities to online platforms.

Global developments in both climate change and sustainable finance in 2020 revealed the importance of the private sector in creating a more sustainable world. In addition, issues such as demographic change, accelerating urbanization around the world, limited resources, and technological progress seem to be on the agenda of sustainability until 2030. These trends are predicted to have significant effects on the operations of all companies around the world and the behavior of consumers. Many companies are shaping their strategies and investments in order to exist in the future by analyzing these trends now. Being a company that has put sustainability at the center of its business strategy since 2009 as a strategic priority has been our greatest advantage in adapting to this rapid transformation required by the pandemic.

Doğuş Otomotiv's understanding of effective risk management, which includes non-financial risks within the framework of the holistic risk management approach we have internalized, and our high adaptability to rapidly changing conditions owing to crisis plans we have created, enabled us to come out of this difficult process undamaged. By maintaining a consistent and meticulous compliance with corporate governance principles, we raised our rating to 9.67.

Our Digital Transformation strategy, which has been carried out at the General Directorate of our Company since 2017 and is among our priorities in the field of sustainability, is of vital importance to us. In the pandemic, we have clearly seen the benefit of the distance we have come along and the efforts we have paid with the aim of digitizing all our processes. We have created numerous projects and solution teams by designating alternative scenarios with our agile management approach, and we have achieved a total benefit worth 18 million with the projects completed in 2020. Therefore, our digital infrastructure, which we have successfully integrated into our business models, will be one of our most important competitive advantages in 2021. We will continue to invest in digital transformation in the coming years.

The innovations brought by the digital age not only affect the way we work, but also the expectations of the business world, and therefore the competencies we need. In 2020, we designed the Digital Competence Development Program to support these competencies and to support the dominance of our employees using basic and advanced technological applications. We included our employees at all levels in basic digital awareness and digital transformation training sessions. We also introduced new technologies and concepts through basic awareness video trainings for them. In addition, we have designed different training programs for the upcoming period to gain more comprehensive information on these technologies. Thus, we are realizing our "upskilling" plans by providing new skills to our colleagues from different functions in their digital transformation journey.

Our Doğuş Otomotiv Spare Parts and Logistics unit, which prioritizes the digitalization investments in order to create an effective and sustainable e-supply chain management (industry 4.0) and produces projects for the continuous improvement of the spare parts operating systems, increased their safety stock levels in a timely manner and with necessary amounts by evaluating the possibility of suppliers working with low capacity at the beginning of the pandemic process and by evaluating the risks that may be encountered in the part procurement process. By moving forward in coordination with our suppliers, we ensured the supply of orders with close follow-up and we met customer demands as quickly as possible. In addition, we have applied all the hygiene and social distance rules to our employees and to the employees of all our business partners that serve in our fields.

With the acceleration of e-commerce and digitalization during the pandemic process, which had profound effects on consumer habits and preferences in addition to its economic and social effects, we caught the trend of the changing market and fulfilled the demands and needs of our customers under the best conditions. We have ensured uninterrupted service using digital solutions to meet the needs of our customers.

While our automobile and light commercial vehicle sales figure reached 119,319 in 2020 with an increase of 48.8 percent compared to the previous year, our heavy commercial vehicle sales were realized at the level of 1,157 units with an increase of 148.8 percent. We attained a 15.4 percent retail market share in 2020 as our sales on all vehicles increased by 49.4 percent. In addition to their sales success, our brands continued their international

success, which is referred to in service quality, in 2020. While numerous model debuts that we organized during the year have strongly supported our sales, our attack with the electric models continued with new vehicles. The Volkswagen Group, our main manufacturer, is taking firm steps towards becoming the global leader of an electric-based future with its effective electric vehicle policy, the platforms it develops, and a broad range of electric vehicles. The Group plans to invest 73 billion Euros in electric vehicles and digital technologies over the next five years. With an addition of 50 more models to the current 20 in production, we will have 70 fully electric models on the world's roads by 2030.

In parallel with this goal, we will continue our electric car attack in Turkey, which we started with Taycan and meet the consumers with many models in the coming years. On the other hand, we continue to develop the charging station infrastructure where our customers can travel uninterruptedly with their electric vehicles. In this context, we completed the installation of 100 charging stations throughout Turkey with an investment of 7.8 million TRY, including Turkey's fastest charging station with three charging units of 350 kW positioned at the Porsche Experience Center in Istanbul. At the same time, we started working by forming a committee to establish the Environmental Management System in 2020 for a sustainable future. We will continue our investments in this regard consistently in the upcoming period.

Much like 2020, 2021 seems to be an unpredictable year. In addition to issues such as the vaccine's effect in preventing the pandemic, topics about the possibility of mutation or the 3rd wave, and geopolitical and economic fluctuations also bring uncertainties for 2021. In this period, when it is significantly important to understand the rapidly changing consumer sensitivities and expectations, it will be inevitable for automotive companies to reconsider their business models and to implement more creative, more flexible, and more efficient working methods for the sake of repairing the economic damage and sustainability.

Increasing individual mobility will increase the expectations from the automotive sector for a more qualified time spent on the road beyond driving comfort. While automotive manufacturers have to develop faster and more dynamic solutions to meet this expectation of customers and provide value-added services, data-connected services such as connection services, seasonal service applications, navigation, and software updates will create a brand new market. According to a study conducted by McKinsey & Company, the income generated by automotive companies from value-added services will exceed the revenues from after-sales services in 2030.

As Doğuş Otomotiv, we are making preparations for the post-COVID era by evaluating all possibilities. In this new period, as always, our primary priority will be to move forward by drawing lessons from the crisis, to work with a data-oriented and efficient approach, to adapt to new conditions with agility, and to leave our mark in a brand new era.

Sincerely,

Emir Ali Bilaloğlu
CEO & Chairman

DOĞUŞ OTOMOTİV IN BRIEF

Doğuş Otomotiv, one of the leading players of the Turkish automotive industry, ranks among the top most admired and trusted brands in Turkey thanks to its dynamic, customer satisfaction focused service approach.

Doğuş Otomotiv has continued to be one of Turkey's largest automotive companies in 2020. Doğuş Otomotiv prepares its business plans driven by the vision of "creative service beyond expectations", and determines its corporate strategy on the goal of "operating with a focus on customer satisfaction". Doğuş Otomotiv boasts the widest brand and service network in Turkey in its industry segment.

Doğuş Otomotiv is the representative of 11 international brands and 12 affiliated product groups, each the leader of its own segment, in the fields of passenger cars, light commercial vehicles, heavy vehicles, industrial and marine engines, and cooling systems. Doğuş Otomotiv offers private and corporate customers Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Lamborghini, Bugatti, Porsche, Volkswagen Commercial Vehicles, and Scania brands as well as a wide array of more than 80 models by these brands. The Company also competes in the industrial and marine engines market with the Scania Power Solutions brand, and in the cooling systems market with Thermo King. Doğuş Otomotiv provides its customers services in second hand car sales under the DOD brand.

Doğuş Otomotiv adopts unconditional customer satisfaction as the number one priority in its services, and has one of the widest authorized dealer and aftersales service networks in Turkey. More than 570 customer touch points across the country offer Doğuş Otomotiv's customers seamless, widespread sales, aftersales, and spare parts services. Through the Value and Interest Centre (DIM) founded in 2014 within the framework of customer satisfaction efforts Doğuş Otomotiv provides its customers road assistance on a 24/7 basis.

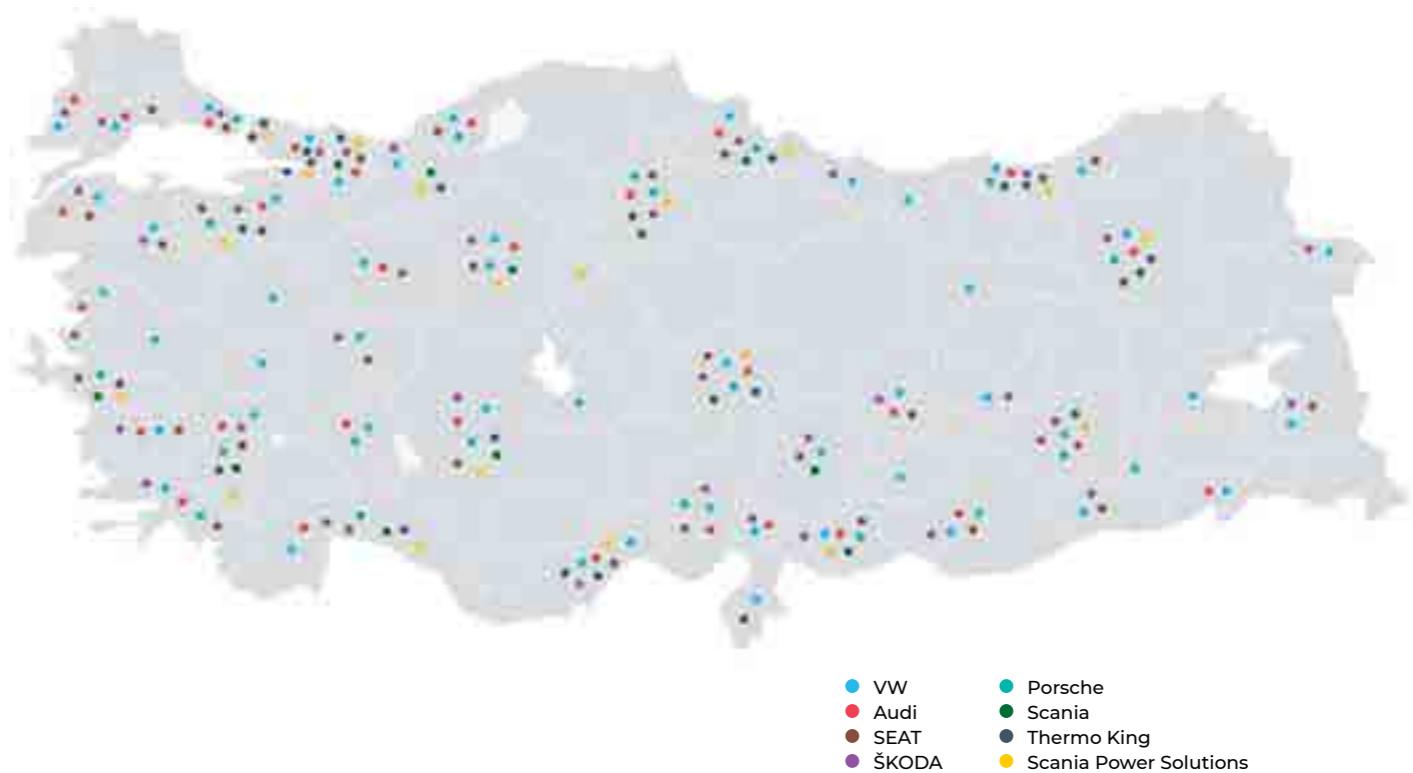
Doğuş Otomotiv is one of the most important players of the Turkish automotive industry with more than 2,000 employees. The brands that Doğuş Otomotiv distributes rank among the top most admired and trusted brands in Turkey thanks to their dynamic, customer satisfaction focused service approach.

Since its initial public offering in 2004, Doğuş Otomotiv shares are traded at Borsa İstanbul (BIST) with the ticker symbol "DOAS. IS". The Corporate Governance Rating score of Doğuş Otomotiv has further increased, reaching 9.67 in 2020 (2019: 9.65).

Doğuş Otomotiv, which builds all of its business processes in line with its environmental and social responsibility approach, released its first Corporate Sustainability Report in 2009, which also happened to be a first in Turkey in this sector. Doğuş Otomotiv went on to undersign the UN Global Compact in 2010. Doğuş Otomotiv is listed for the 6th consecutive year in the BIST Sustainability Index in 2020.

Aiming to make a positive difference in the overall responsibility, awareness and perception in the community toward traffic safety, the Company has been carrying out social responsibility projects for 16 years without interruption since they were first launched with the "Traffic is Life!" slogan in 2004. Projects undertaken within the scope of the "Traffic is Life!" corporate responsibility platform has received numerous awards to date.

Doğuş Otomotiv is a member of Doğuş Group, active in six core businesses including automotive, construction, media, hospitality & retail, real estate, and energy. With over 300 companies and 18,000 employees, the Group serves its customers with advanced technologies, highest brand quality and a dynamic human resource.



Doğuş Otomotiv aims at delivering ultimate customer satisfaction as number one priority in providing services, and boasts one of Turkey's widest Authorized Dealer and Aftersales Service network.

11 international brands and more than 80 models

A total vehicle park of 2.28 million

A large family comprising more than 2 thousand employees

Over 570 customer touch points

Providing value to more than 8.6 million customers

Yearly 925 thousand vehicle entries to Authorized Services

MILESTONES

1994

- Distributorship contract with Volkswagen AG
- Volkswagen and Audi distributorship agreement
- Scania distributorship agreement



1997

- ŠKODA distributorship agreement and partnership with Yüce Auto
- SEAT distributorship agreement and partnership with Yüce Auto



2003

- Krone distributorship agreement
- Assembling operations
- Merger of automotive companies under Doğuş Otomotiv



2004

- Initial public offering of Doğuş Otomotiv
- Doğuş Otomotiv corporate social responsibility project



2005

- First dividend paid

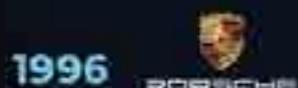
2006

- Doğuş Otomotiv acquired 100% of SEAT
- Lamborghini letter of intent
- Bentley letter of intent
- Volkswagen Marine Engines agreement
- Second dividend paid
- Production agreement with Krone



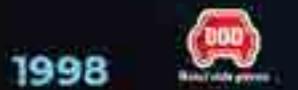
1995

- Scania Industrial and Marine Engines distributorship agreement



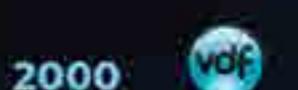
1996

- Porsche distributorship agreement
- Customs duties on vehicles imported from the EU abolished



1998

- Second hand car operations established



2000

- Consumer finance JV with Volkswagen Financial Services AG

2007

- 11.4% market share
- Bugatti letter of intent
- Porsche dealership contract in Lausanne
- Krone - Doğuş coproduction agreement
- Opening of OtoMotion
- Oto-Fix Ekspres Service established
- TÜVTÜRK established by the cooperation of AKFEN and TÜV SÜD
- Lamborghini distributorship agreement
- Meiller distributorship and coproduction agreement
- LeasePlan partnership for fleet services



2008

- Thermo King distributorship agreement
- Groundbreaking of Krone Doğuş Trailer Plant
- Groundbreaking of Porsche Dealer in Lausanne
- Opening Mellier Doğuş Tipper Plant
- Establishing Porsche Lausanne D-Auto Suisse SA



2009

- Doğuş Otomotiv 15th anniversary
- All brands located under the same roof at Şekerpınar
- Opening of Porsche Lausanne
- Publishing Corporate Sustainability Report



2010

- Global Compact Agreement

2011

- 12.6% market share
- Corporate Governance Rating Score: 7.80
- Doğuş Bilgi İşlem ve Teknoloji Hizmetleri A.Ş. established

2012

- 15.4% market share
- "The Company with the Highest Increase in Corporate Governance Rating" title (8.63 point)
- Code of Ethics published

2013

- 17.8% market share
- Corporate Governance Rating Score increased to 9.05
- Opening Krone Doğuş Trailer Plant
- Establishing Erbil D-Auto LLC, Iraq



2014

- 20.1% market share
- vdf acquires Scania Finance which performs services in heavy commercial vehicle sector
- Corporate Governance Rating Score increased to 9.25
- Maintains leadership in total automotive market throughout the year

2020

- The Environmental Management System ISO 14001 was formed
- Corporate Governance Rating Score increased to 9.67

2018

- The distributorship agreement with VW AG was renewed for an indefinite period
- Porsche and Bentley showrooms of D-Auto Suisse SA in Lausanne, Switzerland were transferred
- Corporate Governance Rating Score increased to 9.64
- 10th Sustainability Report

2016

- Corporate Governance Rating Score increased to 9.51
- Lausanne Bentley showroom and second-hand luxury vehicle sales operation D-Occasion were incorporated with D-Auto Suisse SA
- Distributorship agreement with Mellier came to an end
- Sustainability Committee established

2017

- Subsidiaries established in Egypt were liquidated
- Corporate Governance Rating Score increased to 9.63

2015

- 20.6% market share
- vdf acquires MAN Finansman
- Doğuş Otomotiv has been listed on the BIST Sustainability Index
- Corporate Governance Rating Score increased to 9.42
- Production partnership and distributorship agreement with Krone came to an end
- Mellier production came to an end (though Mellier distributorship continues)

The Doğuş Group, founded in 1951, sets standards for a better living by being at the forefront of discoveries that shape modern life.

The Doğuş Group, founded in 1951, sets standards for a better living by being at the forefront of discoveries that shape modern life. Doğuş, which aspires to be a global house of best in class lifestyle brands that create aspiration, not only for customers but also employees, partners and even competitors, continues to work in all of its fields of operation with the aim of becoming a global player.

The Doğuş Group, active in six core businesses including automotive, construction, media, hospitality & retail, real estate, and energy sustains its growth with new investments in the areas of technology, sports, and entertainment along with its current operations. With over 300 companies and 18,000 employees, the Group serves its customers with advanced technologies, highest brand quality and a dynamic human resource.

The Doğuş Group owes its success to a management approach centered on customer satisfaction and efficiency. As a result of this approach, the Group continues to build strong partnerships with globally reputable brands, and represent Turkey across the world. The Doğuş Group currently partners and cooperates with some of the large global players including: Volkswagen AG and TÜVSÜD in automotive; Hyatt International Ltd. in tourism; the international Azumi Group that holds under its roof brands such as Roka, Zuma and Oblix in food & beverage; and the South Korean SK Group in e-commerce.

The Doğuş Group's management approach also embodies a strong corporate citizenship awareness that the whole society does and will benefit. In launching social responsibility projects, the Group always aims to leave a mark on people's life and make it much better. The Group's social responsibility projects are managed with the objective to help the society

to create a progressive future; a modern lifestyle. The Group launches and carries out a variety of corporate social responsibility and sponsorship projects, particularly focused on culture and arts, sports and education. Aware of its responsibilities in all the areas it supports, Doğuş Group acts with the vision of leading the community by example, and contributes to the economy and employment through its investments.

As a pioneer of change in Turkey, the Doğuş Group capitalizes on its broad network of services, knowledge base and collaborations to attain its goals. The Doğuş Group, driven by its vision of becoming a global player that sets the standards and advances through explorations, continues to consider the partnership and investment opportunities that might be beneficial for the nation's economy.

MANAGEMENT REPORT

BOARD OF DIRECTORS



Emir Ali BİLAOĞLU
Chief Executive Officer & Chairman

Emir Ali Bilaloğlu is an engineering graduate from Die Technische Universität Berlin, with a master's degree from the same school. Mr. Bilaloğlu started his professional career in 1991 as Financial Control and Regional Sales Manager at Audi AG headquarters in Germany.

He joined Doğuş Otomotiv in 2000 to be in charge of Business Development and Strategy, and in 2001, he relocated to United Arab Emirates as the Founding General Manager of Audi AG in Dubai. Upon his return to Turkey in 2004, Mr. Bilaloğlu was appointed General Manager - Audi and Porsche at Doğuş Otomotiv, and later the Chief Executive Officer (CEO) in June 2007.

At the Ordinary General Assembly Meeting of Doğuş Otomotiv on 29 March 2018, Mr. Bilaloğlu was unanimously elected Chairman of the Board of Directors. Mr. Bilaloğlu also resumes his role as Chief Executive Officer of Doğuş Otomotiv since 2007.

In addition to his role as the Chairman of Doğuş Oto Pazarlama, Mr. Bilaloğlu serves as Board Member at various Doğuş Group companies including Doğuş Holding, Yüce Auto, Volkswagen Doğuş Finance (vdf), Doğuş Technology and InvenDo.

Since March 2018, Mr. Bilaloğlu has been the President of the Automotive Distributors' Association (ODD). Mr. Bilaloğlu is also actively involved in his roles as a member of the Turkish-German Business Council Steering Committee at DEİK (Foreign Economic Relations Board), which provides consultancy on foreign economic relations, and Advisory Board member of Turkey: Culture of Change Initiative (TCI) affiliated to Turkish Industry and Business Association (TÜSİAD). He is a member of the İşık University's Board of Trustees.



Gür ÇAĞDAŞ
Vice Chairman

Gür Çağdaş holds a bachelor's degree in Political Sciences from İstanbul University (1983) and a master's degree (1985) from the same University's School of Business Administration, Institute of Managerial Economics. He began his career in 1986 as an Investment Specialist at Eczacıbaşı Securities, and later joined Vakıflar Bankası to establish the bank's İstanbul Securities Center, which he managed until 1990. After joining Doğuş Group in 1990, he served in a number of roles including Group Manager of Capital Markets at Birleşik Türk Körfez Bank, Assistant General Manager at Garanti Securities, and Garanti Investment and Trade Bank, and respectively as General Manager, Vice Chairman, and Chairman of Garanti Asset Management. On January 1, 2016, Mr. Çağdaş was appointed as an Advisor to Chairman and Board Member in a number of Doğuş Group companies. Mr. Çağdaş has also served as the President of Turkish Institutional Investment Managers' Association (KYD) from 2007 to 2014, during which time he represented Turkey at the European Fund and Asset Management Association (EFAMA). He is currently the Vice President of the Corporate Governance Association of Turkey.

He served on the Board of Turkish Institutional Investment Managers' Association (KYD) as a member (2013-2014) and later as Vice President (2015-2018). He currently serves on the Boards of a number of Doğuş Group companies as member, chairman and deputy chairman, and is also a Board member at Doğuş Holding since 2019.



Koray ARIKAN
Board Member

Koray Arıkan, a mechanical engineering graduate from Boğaziçi University, with Harvard Business School (AMP) and Virginia Commonwealth University (MBA) degrees, served in different roles such as Country Manager and Country Representative for 23 years at JP Morgan Bank. He brings extensive experience, particularly in investment banking, asset management, corporate governance and family businesses. Before his role as the Head of the Privatization Department within the Turkish Prime Ministry (1989-1991), he provided Project Engineering and Consultancy services in the USA (1983-1989). Mr. Arıkan, who joined Doğuş Group in 2014, serves as Chairman of Doğuş Energy, Advisor to the Board of Directors of Doğuş Group, Vice Chairman of Pozitif Companies, and Board Member of Doğuş SK Private Equity Fund. He is also a Member of the Board of Trustees of Boğaziçi University, and previously served on the Boards of Harvard Business School's MENA Research Center (2014-2019) and Eisenhower Fellowships (2018-2020). Mr. Arıkan has taken an active role in various positions, including Board Memberships in private sector companies and several civil society organizations, and served as the President of Boğaziçi University Alumni Association (2003-2005). Arıkan, who is the Regional President of The Propeller Club of the US, is married with two children.



Özlem Denizmen KOCATEPE
Member

Özlem Denizmen Kocatepe is a graduate of industrial management at Cornell University, and holds a master's degree from Sloan School of Management at MIT. Ms. Denizmen Kocatepe also attended the "Influencing Techniques" program at Stanford, "Leadership" program at GE Crotonville and the "Advanced Management" program at Harvard Business School. Since 2000, she has served in various positions within Doğuş Group involving Strategy, Planning, Budgeting, Business Development and Investor Relations. Ms. Denizmen Kocatepe is currently a Board Member at Doğuş Otomotiv AŞ. In the field of community service, Ms. Denizmen Kocatepe is the founder of FODER (Financial Literacy Association) as well as "Para Durumu", a social initiative focused on personal financing. Ms. Denizmen Kocatepe has served as a Board Member of Global Reporting Initiative (GRI) since 2014. She launched Mon.Ai, a startup that developed an AI-based savings app (chatbot) in September 2017.



Adalet Yasemin AKAD
Independent Member

Adalet Yasemin Akad holds a bachelor's degree in Business Administration and a master's in Organizational Behavior from the University of Ottawa. After her role as Training and Public Relations Group Head at the Bank Association of Turkey, she went on to serve as Deputy General Manager - Human Resources at Osmanlı Bank, and later İş-Tim Telekomunikasyon A.Ş (Aria), respectively. She founded her own consultancy firm in 2004, providing consultancy services to many companies on training, change management and human resources management. Following her role as Human Resources and Corporate Governance Systems Group Director at Rixos Hotels from 2009 to 2012, Ms. Akad served on the Executive Board of Carrefoursa as a member responsible for Human Resources. Since 2014, she has been serving as Executive Board Member responsible for Human Resources at Netaş Telekomünikasyon A.Ş. and Board Member at Netaş Bilişim Teknolojileri A.Ş., BDH Bilişim Destek Hizmetleri San. Tic. A.Ş., and NETRD Bilgi Teknolojileri ve Telekomünikasyon A.Ş. (Netaş subsidiaries). Ms. Akad is also a Board member at Kron Telekomunikasyon Hizmetleri A.Ş.



Adnan MEMİŞ
Independent Member

Adnan Memiş holds a bachelor's degree in Economics from İstanbul University, and a master's degree from the same University's School of Business Administration, Institute of Managerial Economics. Starting his career at Garanti Bank, he served respectively, on the Inspection Board, at the Germany Liaison Office and the Accounting Department, becoming the Loans Manager on 01.01.1985. Starting in May 1991, he took senior management roles at the Bank. During his term as the Head of the Financial Restructuring Working Group within the Banks Association of Turkey, he designed the program, widely known as the İstanbul Approach. He served as a board member and chairman in the bank's various subsidiaries. He is currently a member of the High Advisory Board of Darüşşafaka Society, where he served as a Board member from 2008 to 2014. His other memberships include the Board of Trustees of the Çağdaş Yaşamı Destekleme Vakfı, the Advisory Board of the Institute of Managerial Economics and of various NGOs. In addition to his roles as a shareholder and Chairman in a number of companies, Mr. Memiş is also the founder of the Education, Culture and Arts Foundation.

EXECUTIVE BOARD



Kerem Galip GÜVEN
Executive Board Member

Tolga SENYÜCEL
Executive Board Member

Mustafa KARABAYIR
Executive Board Member

Ela KULUNYAR
Executive Board Member

Emir Ali BİLAOĞLU
Chief Executive Officer

Koray BEBEKOĞLU
Executive Board Member

Anıl GÜRSOY
Executive Board Member

İlhami EKSİN
Executive Board Member

Kerem TALİH
Executive Board Member

Giovanni Gino BOTTARO
Executive Board Member

One of the historical recession periods was experienced by the global economy due to the Covid-19 pandemic in 2020. The assistance provided by governments and central banks around the world to counter the negative effects of the pandemic has reached USD 20 trillion throughout the year. There was a substantial rise in state and corporate debt during the year. By the end of 2020, the International Finance Institute (IIF) expects the global debt stock to hit USD 277 trillion and the debt stock / GDP ratio to reach 365 percent. Because of increased borrowing, there is a possibility of some economies going into default in 2021. The epidemic has also led to big damage in labor markets and persistent unemployment concerns. The distribution of income further worsened, inflation in many countries increased, major capital outflows were witnessed and investments slowed down.

Although international organizations have reported that the global GDP will rise again in the next two years after the sharp decline in 2020, the future of the global economy still largely depends on the course of the epidemic influenced over 80 million worldwide. Vaccination programs launched on a mass scale, on the other hand, raise the expectations that the lost in 2020 will be compensated in the coming period.

Starting to 2020 with current problems and difficulties, Turkey's economy was heavily suffered from the Covid-19 outbreak that seriously impacted domestic and international markets in the first quarter of the year. Credit and money-based expansionary policies, which were put into practice with the aim of reviving the economy that came to a halt, took effect in the summer months and the economy showed a significant recovery with a growth of 6.7% in the third quarter of the year. With this rapid recovery, the economy is expected to grow between 0.5% and 1% in 2020. Despite this encouraging recovery, the negativity of the macroeconomic indicators induced by the Covid-19 pandemic is a warning that 2021 will not be easy. Among these problems are the deterioration in the balance of payments,

increasing external indebtedness, rising inflation, increasing unemployment, the Central Bank's negative reserves, budget deficit, volatility in exchange rates, capital outflows, decreased investment appetite and increasing fragility in the real sector.

The automotive industry in the world has been one of the sectors most affected by the pandemic. Both the contraction in production and the logistical problems that emerged due to pandemic measures caused disruptions in the supply chain. In 2020, the global automotive market is expected to shrink by 16.2% compared to the previous year, reaching 78,839 million units. In parallel with this, total automotive production is estimated to be 77,060 million units with a decrease of 16.9% compared to 2019.

In contrast to the world, the automotive sector in Turkey has reached a total market of 796,200 units, increased by 61.8% compared to the previous year. In this growth, the increase in individual mobility need due to the pandemic as well as the delay in demand from previous years and the decrease in loan costs played an important role. In 2020, production decreased by 11.2% to 1,297,854 units and exports decreased by 26.8% to 916,543 units.

The overall demand for automobiles and light commercial vehicles grew in 2020 by 61.3 percent compared to the previous year, reaching 772,788 units. The rise in car sales was 57.6 percent, while the increase in sales of light commercial vehicles was 77.2 percent. In 2020, a total of 610,109 cars and 162,679 light commercial vehicles were sold in Turkey. Vehicles in the A, B and C segments with low tax rates constituted 87.6% of the market. While the decline in the share of diesel cars continued in 2020, 844 electric and 22,272 hybrid cars were sold throughout the year.

Automotive Market Sales Units (Wholesale Units)

	2020	2019	2018
Passenger Vehicles	627,359	379,430	469,882
Light Commercial Vehicles	163,723	90,195	130,104
Heavy Commercial Vehicles	16,447	7,444	11,754
TOTAL	807,529	477,069	611,740

A historical success in a challenging year!

Doğuş Otomotiv adapted rapidly to changing conditions by taking swift steps in 2020, as our social and economic lives went through an extraordinary period due to the coronavirus pandemic, and closed the year with a sales growth of 49.4 percent compared to 2019.

Being the representative of 11 international brands and 12 affiliated product groups, Doğuş Otomotiv is Turkey's leading automotive importer and distributor that provides value to more than 100 thousand customers a year, offers more than 80 models and provides sales, repair and spare parts services with over 2,000 employees and over 570 customer touch points.

A strong infrastructure and a strong human resources policy

Doğuş Otomotiv has designated all its processes and related targets for the entire value chain with a responsible management approach. The management of non-financial risks and the supply are included within the scope of the strategic sustainability management approach and with the associated integrated compliance and risk management, which shape our Company philosophy.

Accordingly, Doğuş Otomotiv, which has an agile organizational structure, has unceasingly continued

its activities with all its units and functions throughout the year by adapting to the changing conditions during the coronavirus pandemic, which has affected the whole world in 2020 and had a great impact on both consumer behavior and the economy. Despite the challenges in vehicle supply due to production interruptions in the first half of the year, problems were resolved in the second half of the year and all brands completed the year with successful sales performances. After-sales and logistics services, which gained critical importance during the pandemic period, continued to be provided uninterruptedly with the dedicated efforts of the teams.

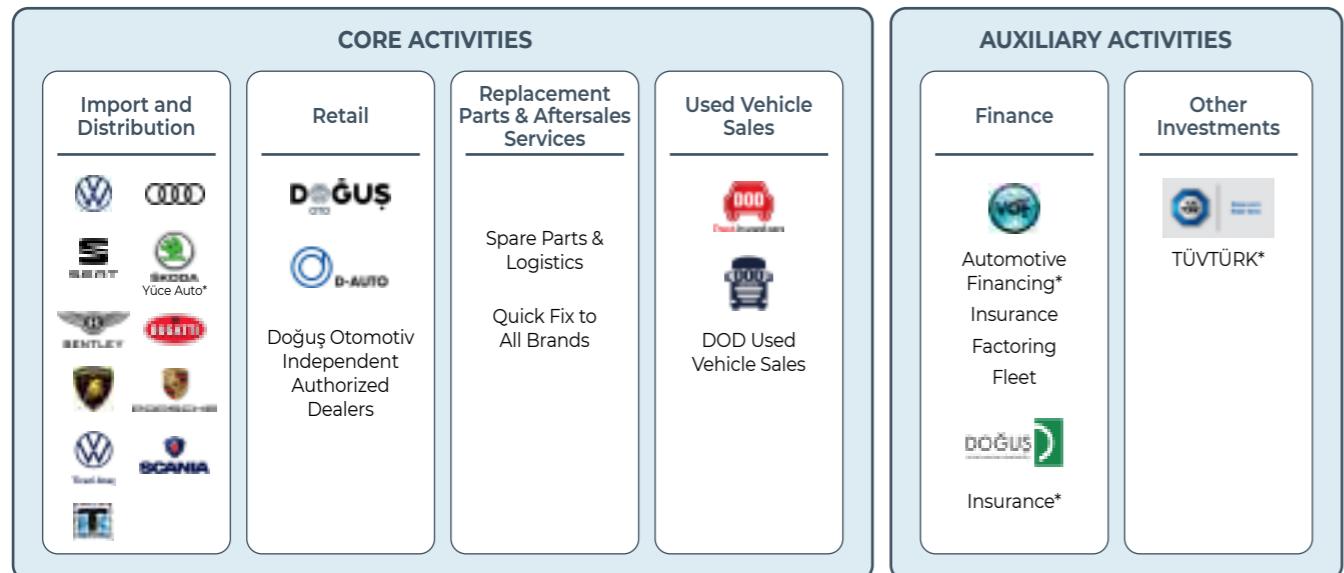
All necessary precautions regarding health and safety, operations and risk management have been taken and implemented in a way to include primarily our employees, our authorized dealers - services, customers and suppliers. All business processes have been improved in terms of health and efficiency, and a remote working model has been implemented at every possible point.



Uninterrupted service during the pandemic

With an agile operational structure, Doğuş Otomotiv continued its operations uninterruptedly by rapidly adapting to changing circumstances in 2020 and managed to increase its revenue by 48.8% compared to 2019.

DOĞUŞ OTOMOTİV VALUE CHAIN 2020



* Subsidiaries

Doğuş Otomotiv increased its automobile and light commercial vehicle sales by 48.8 percent compared to 2019, to 119,319 units. The Company achieved to possess a 15.4 percent market share in 2020.

Digital transformation

Doğuş Otomotiv has gained a significant advantage in overcoming the negative effects of the pandemic with the advance it has exhibited to date in the digitalization process that started with the establishment of the Digital Transformation Department in 2017. Digital transformation efforts, carried out in coordination with the goal of transition to an agile and analytical organizational structure, aim to attain an analytic structure that perceives and adapts to changes rapidly and develops and implements digital business models by expanding the use of machine learning and artificial intelligence in Doğuş Otomotiv's businesses. The digital transformation process, which includes the improvement of all business processes, also aims to ensure that all employees adapt to the innovations brought along by digital transformation and is supported by personal development programs. The basic digital awareness and digital transformation trainings initiated for all Doğuş Otomotiv employees in 2020 continued after the pandemic by moving them to the online environment.

Our brands have also implemented many digital projects that created value for their customers in 2020 and made significant gains by using digital communication channels effectively. Volkswagen Passenger Cars, which makes the most of all the possibilities of the digital world in order to deliver its products and services to its customers in an easier and

quicker fashion, received a total of 15 million visits to its renewed website in 2020 and achieved the highest SEO (Search Engine Optimization) performance in the Turkish automotive industry. The brand has gained 31,600 digital potential customers, with an increase of 30% compared to 2019, through its website and social media channels that utilize advanced and learning algorithms such as the Behavior-Based Bidding System (BBS). Volkswagen Turkey was also given the Gold Stevie Award for the "Best Instagram User" category. Volkswagenim (My Volkswagen), a mobile application which produces online solutions for all after-sales service needs, has been completely renewed in 2020 and were downloaded more than 320,000 times.

Determining the potential customers with a high tendency to purchase vehicles using the "Audi Intelligence: CRM" application, which utilizes artificial intelligence and machine learning techniques, Audi Turkey included the After-Sales Services in the scope of the project in 2020. Audi Turkey has continued its prominent presence in social media in 2020, and has maintained the feature of having most followers on Twitter among all car brands in Turkey. The brand which has placed digitalization in the core of its business processes also launched the "Speech to Text" application, with which the works of the workshop personnel is submitted to the Turkuz system through the use of a microphone.

SEAT, another brand that places digital media at the center of its communication activities, pursued an active social media communication in 2020 and maintained close contact with its customers. ŠKODA Turkey has continued its rapid rise in 2020 as well,

reaching 793 thousand followers on Facebook and 198 thousand followers on Instagram. The brand's website, which became more user-friendly, continued its successful performance with about 11.5 million visits.

In year 2020, when the time spent online increased and many practices were moved to the Internet due to the pandemic, Porsche also moved a significant portion of its communication to online platforms. The brand also realized its first vehicle sales with the online video call appointment system it had launched. Updating of the Porsche mobile application and Porsche online shop, which offer the opportunity to pay online for services including charging, has been initiated; and the N11-Porsche online store has been opened.

Volkswagen Commercial Vehicles adapted its digital channels very quickly, taking the changing needs and usage habits of the customers into account. The website of the brand has been renewed with up-to-date technologies and the user experience has been improved. The brand offers its customers unique experiences such as 360° interior images and the 'Advanced Driving Pleasure' videos on social media platforms such as Facebook, which has more than 1 million members, and Instagram and YouTube, with nearly 60 thousand members. The "Smart Turquoise Screen" application used by Authorized Dealers and Services was improved in 2020 and transformed into a CRM platform.

Scania's pioneering application "Scania'm Cepte" demonstrated a significant success by reaching a total of 10 thousand downloads in 2020. Reaching 36,900 users on Instagram, Scania also continued its activities on Facebook and LinkedIn platforms.

In accordance with the dynamics of 2020, DOD has launched the "Video Vehicle Promotion" service in

April 2020, in addition to the DOD 360 service, which offers a 360-degree view of the inside of the vehicle. The service, which can be easily accessed via DOD.com.tr and DOD Mobile, primarily aims to support the sales negotiations digitally and to manage a significant part of the decision-making processes during the physical showroom visits of customers through digital platforms. The DOD Mobile application has been downloaded some 900,000 times to date and has become one of the most preferred mobile applications in its field.

As an employee brand, Doğuş Otomotiv continued to use digital channels for both internal and external communication effectively in 2020. The home screen of Doğuş Otomotiv corporate website has been renewed with a user-oriented approach, thus improving the user experience. The Company's Facebook account grew by 19% to approximately 53 thousand followers, and Instagram account grew by 18% reaching 24 thousand followers with the Future-themed content posted throughout the year, while LinkedIn account grew by 19% to 123 thousand followers.

Having aimed to create a positive cultural change in society on traffic safety since 2004, Traffic is Life! has continued to use digital channels actively to remain in contact with its followers and provided social benefits since the target audience turned to these channels during the pandemic process. The Company's Facebook account has grown by 9% to approximately 170,000 followers, and YouTube has grown by 382% to 4,350 subscribers with the video contents of Safe Driving Trainings posted throughout the year. The Instagram account, supported by content on road safety, safe driving, etc. for all segments of society, grew by 34%, reaching approximately 23 thousand followers.



Volkswagenim (My Volkswagen) mobile app

Renewed in 2020 with the goal of delivering a perfect user experience, the Volkswagen mobile app addresses all user after-sales needs with its advanced features.

Sales achievements and debuts

Volkswagen Passenger Cars completed the year 2020 in the third place in the passenger car market, with a retail sales figure of 52,740 units and an 8.6% market share. The Passat, the flagship of the brand, has increased its segment share to 50%, with the sales of 22,452 units, and continued to be the most preferred import model in the passenger car market. The T-Roc, the youngest member of the SUV family, increased its segment share from 7.4% to 11.4%, while the New Tiguan, which debuted in autumn, became the segment leader in the last quarter of the year.

The Audi brand completed the year 2020 with a sales figure of 18,168 units, increasing its market share as the premium market leader. The A3 Sportback, which closed the year with the sales of 1,043 units, became the leader of its class in the premium segment.

In 2020, SEAT sold 11,551 passenger cars, attaining a market share of 1.89%. The share of SUV models in total sales has increased and reached 40%. SEAT eXS KickScooter, which started to be sold in April 2020, has become an important alternative for the increasing need for individual transportation due to the pandemic.

Despite the limited product variety in the first six months, ŠKODA maintained its position and increased its sales by 57.3% compared to the previous year, with retail sales of 24,175 units. The KAMIQ and the SCALA models, which the brand introduced in July 2020, attracted great attention. While the SCALA was the best-selling ŠKODA model, it ranked second among the C-segment hatchbacks with an 18% market share. The SUPERB and the KODIAQ, the prestige models of the brand, were among the strongest models of their

class in 2020 as in 2019. While the SUPERB became the second best-selling model among the D-segment sedans, the KODIAQ maintained its leadership in the D-SUV class. The New OCTAVIA, the "heart" of the brand, met with consumers with the launch held on December 23.

In 2020, the Bentley brand introduced the New Bentayga, its SUV model, and the new Flying Spur, which is a combination of luxury and performance sports sedan, in Turkey. During the year, the New Continental GT sold 6 units, while the Bentayga sold 3 and the Flying Spur 2 units, further fortifying Bentley's position in the Turkish market. Lamborghini, on the other hand, has reached the highest sales figure in Turkey with the world's first super SUV, the Urus.

The Porsche brand increased its sales by 71% in 2020 compared to the previous year and sold 619 units. The Taycan, first all-electric sports car of Porsche which was added to the product line in October, reached a sales performance of 303 units in a short period of 3 months and has become the best-selling fully electric car in Turkey. In 2020, Porsche started preparations to provide services including a widespread charging network for electric vehicles, installed 100 charging stations and launched Turkey's fastest charging station.

Volkswagen Commercial Vehicles maintained its third place in the light commercial vehicle market with a 7.4% market share in 2020, while keeping its leadership in the imported commercial vehicle market with a 20.4% market share. Both the Transporter and the Caddy models took the second place in their respective segments. A powerful representative of Volkswagen Commercial Vehicles in the C-D segment, the Crafter model family expanded its portfolio by introducing the long chassis Crafter School and Service version to the



Turkey's fastest charging station from Porsche

Having achieved a significant sales success with its first fully electric sports car Taycan, Porsche carried out the installation of 100 charging stations in 2020 in order to provide widespread charging services to electric vehicles.

Golden award to the "Traffic is Life!" project

"Traffic is Life!" received the Golden Award in the Healthy Individuals category within the scope of the Sustainable Development Goals Awards of the 12th Corporate Social Responsibility Summit.



market in 2020. The Caravelle Highline, which is the most equipped version of the Caravelle model and is unique in its class with its standard features, also took its place in the market in 2020.

Scania has completed the year 2020 with an overall market share of 7% and a market share of 10% in the tractor market. The brand has updated the legendary V8 engine with new power options. In addition to the alternative CNG and LNG fuel vehicles, a fully-electric truck with a range of 250 km on a single charge was also introduced to customers in 2020. Scania Power Solutions Turkey increased its sales in 2020 and has kept its place among the largest engine vendors. Thermo King, the leading name in cold chain transportation, presented its smart refrigeration unit Thermo King Advancer series to users and maintained its leadership in cold chain transportation providing solutions that meet different needs.

After-Sales Services

Volkswagen Passenger Car After-Sales Services, which has shown a steady development in order to keep offering a unique automotive experience to its customers, increased the number of service points to 80 in 2020. An average of 42,251 customers were served on a monthly basis, with a total of 507,023 vehicle entries to Authorized Services. In line with the ongoing digitalization projects, all processes from vehicle acceptance to vehicle delivery have been made faster and more customer-oriented.

The Audi brand achieved an increase of 3.3% in its After-Sales Services revenues in 2020, with a customer loyalty rate of 60%, which has been shown as an exemplary achievement in Europe. SEAT Authorized Services, which serve its customers at 45 locations across Turkey, had 72,000 vehicle entries and served an average of 5,975 customers per month in 2020. The brand received a customer experience survey score of

4.86 over 5 in After-Sales Services. ŠKODA Turkey won the "Best Distributor Award" in the After-Sales Services category at the Distributor of the Year organization held by the parent company globally.

Thanks to the customer loyalty studies and the efforts regarding Porsche Service, Porsche accessory, boutique, and extended warranty marketing in 2020, Porsche achieved an increase of 20% in service revenues, 119% in accessory sales and 10% in extended warranty sales.

With the addition of new service points, Volkswagen Commercial Vehicles began offering services through 69 Authorized Dealers and at 80 Authorized Service points across Turkey in 2020. Volkswagen Commercial Vehicles Authorized Services served an average of 10,552 customers per month with 126,623 vehicle entries in 2020. A large number of customers were reached with the "Winning Service" (Kazandıran Servis), a customer loyalty-based service campaign for After-Sales Services.

Awards

In 2020, Doğuş Otomotiv was awarded various prizes for its works on both corporate and brand level and won two awards at the Corporate Social Responsibility Summit, which aims to contribute to the development of business models and to the accelerating change in Turkey. The Company ranked first in the "Responsible Consumption and Production Category" of the Sustainable Development Goals Awards, held during the summit, with the Corporate Brand and in the "Healthy Individuals Category" with the Traffic is Life! project.

In 2020, Doğuş Otomotiv has been awarded the 1st place for the "Value Given To People Awards" under the "Development and Talent Management" category organized annually by PERYÖN Turkey People



Double award for the "Goodness Car" from ŠKODA

The ŠKODA Goodness Car project came second in the Corporate Social Responsibility category in the EuBEA 2020 and won the Felis Award in the "Agenda and Crisis Management" Category at the MediaCat Felis Awards.

Management Association with Go Development School application containing all the training and development processes. Similary, Doğuş Otomotiv's Drive Team won the first prize in the "Best HR Strategy from Overseas" category, in which the best human resources practices are evaluated and companies are nominated globally at the HR Excellence Awards 2020.

During the year, Doğuş Otomotiv brands and the support function departments were also deemed worthy of several awards. Magazine ads, specially prepared for the 40th anniversary of the Audi quattro and bearing traces of four memorable TV commercials of the brand, were chosen first in the communication category of the ODD Sales and Communication Awards. The ŠKODA Goodness Car project came second in the Corporate Social Responsibility category in the EuBEA 2020 (European Best Event Awards), which is one of the important awards of the event and communication industry. The project also won the Felis Award in the "Agenda and Crisis Management" Category at the MediaCat Felis Awards.

Doğuş Otomotiv - Porsche was awarded the PSEA (Porsche Service Excellence Award), which is given to Porsche Distributors and Authorized Services worldwide every year. On the other hand, Volkswagen Commercial Vehicles was chosen by Volkswagen AG as the "Best Customer-Oriented Distributor" in 2020 for its success in sales and after-sales services.

Doğuş Oto

With 36 Authorized Sales and 33 Service points that operate in all seven geographic regions of Turkey with more than 1,400 employees, Doğuş Oto sold 40,613 new vehicles and 2,358 used vehicles in 2020. The year 2020 has been a year that exceeded the financial targets set with a total of 237,734 service entries. Accessibility was further increased via communications made through social media accounts. The Doğuş

Oto website, where the customers can meet their expectations with the ease of a single click and without having to come to the showroom, was improved with the addition of new features and functions.

Spare Parts & Logistics

Carrying out the importation, warehousing and distribution of the vehicles and spare parts for some of the world's most prestigious brands such as Volkswagen, Audi, SEAT, ŠKODA, Porsche, Bentley, Lamborghini, and Scania, as well as Scania Power Solutions and Thermo King Mobile Transport Temperature Control Systems and their spare parts to Authorized Dealers, Spare Parts and Logistics imported 101,176 vehicles and shipped 124,943 vehicles to Authorized Dealers in 2020, and ended the year with a revenue of 1,364.3 million TRY from the sales of spare parts and accessories. Spare Parts and Logistics ranked the first among the European logistics centers of VW AG with its Supply Chain Quality Ratio in 2020, a year full of challenges.

DOD

In 2020, Doğuş Otomotiv's corporate second-hand brand, DOD, sold a total of 14,625 vehicles in cooperation with the 59 DOD Authorized Dealers operating in 28 cities. In the last quarter of the year, the Company implemented the "Sell to DOD" project aimed at increasing the procurement of vehicles from individual customers and supported the Authorized Dealer network and DOD customers with the loan campaigns from DOD Finance, organized throughout the year. In addition, the DOD Warranty product, which makes customers feel safer in the second-hand car purchase processes, was simplified and the concentration of the Authorized Dealers was increased. With the new scope, the penetration of vehicle sales with DOD Warranty increased by 13 points compared to 2019, reaching 34%.

DOD, which brought many innovations to the used car market, has carried out pioneering works in its sector by swiftly implementing the digital solutions during the pandemic process. In addition to the DOD 360 service, which currently offers a 360-degree view of the inside of the vehicle, the "Video Vehicle Promotion" service was launched in April 2020. By the end of the year, 1,025 online interviews were conducted and 14 vehicles were sold using the service. The DOD Mobile application, which lists vehicle suggestions in accordance with the search filters created by the user and allows the vehicle to be examined in detail, has been downloaded approximately 900,000 times to date and has become one of the most preferred mobile applications in its field.

TÜVTÜRK

TÜVTÜRK, the most effective public-private sector collaboration in Turkey, has served in 81 provinces of Turkey with 210 fixed, 74 mobile, 5 motorcycle and 16 mobile tractor stations, grew in all business areas, mainly in periodic vehicle inspection services in 2020, and achieved an increase of 25.2% in revenues, bringing it to 3.198 million from 2.554 million TRY. In 2020, periodic vehicle inspections of approximately 10 million 258 thousand vehicles, which indicates an increase of 3% compared to the previous year and exhaust gas emission tests of 3.7 million vehicles were performed. Within the scope of the pandemic measures taken, the TÜVTÜRK application, which was developed in order to prevent possible crowds at the stations and to facilitate the transactions, was launched in 2020.

The "Traffic Responsibility Action" initiated by TÜVTÜRK in 2010 as a social responsibility project has provided direct access to approximately 1.5 million people through training field activities and indirect access to approximately 7.6 million people through communication activities. In 2020, TÜVTÜRK implemented the "Primary Education from

TÜVTÜRK" project for children who had to continue their education from home, and the children of the employees who attended the 1-4th grades were given laptops as a gift.

vdf Auto Financing

With its finance, insurance, factoring and fleet companies, the vdf Group achieved a market share of 14% in vehicle loans in 2020. Providing 37,397 new loans in 2020, vdf reached a total of 61,237 live loans. The total living loan volume of vdf increased 38% compared to the previous year and rose from 5.3 billion TRY to 7.3 billion TRY.

Preserving its title as the largest insurance agency in terms of total net premium generation and the number of performing policies in 2020, vdf Insurance continued its steady growth with a total net premium generation of 448 million. vdf Insurance has also reached a number of 306 thousand in issued policies in 2020.

Offering factoring and financing services to 110 Doğuş Otomotiv and Yüce Otomotiv Authorized Dealers across Turkey, vdf Factoring reached a transaction volume of 18.5 billion TRY and a total asset value of 515 million TRY. vdf Fleet, on the other hand, has reached a total of 12,178 active contracts.



Comfort and safety with the TÜVTÜRK application

TÜVTÜRK mobile app provides convenience to users by easily obtaining and tracking sequence numbers from their mobile phones, while also preventing densities that may occur in stations during the pandemic.

SUMMARY FINANCIAL INDICATORS

In analyzing and interpreting the Company's financial standing and results, the financial information below should be considered along with other financial information included in the Consolidated Financial Statements and Footnotes.

	2020	2019	2018
Consolidated Income Statements			
Sales / Unit (Wholesale, excl. ŠKODA)	100,130	61,404	84,843
Sales (mio TRY)	18,900	9,844	10,688
Gross Profit (mio TRY)	2,475	1,270	1,301
Operating Expenses (mio TRY)	1,031	784	774
Selling and Marketing Expenses (mio TRY)	265	223	284
General Administrative Expenses (mio TRY)	613	439	391
Warranty Expenses, net (mio TRY)	100	139	117
Other Operating Expenses, (Income) net (mio TRY)	53	(17)	(18)
EBIT (mio TRY)	1,444	486	527
EBITDA (mio TRY)	1,575	612	610
Income from Investment Activities, net (mio TRY)	14	43	55
Income from Investments Accounted by Equity Method (mio TRY)	248	143	61
Net Financial Expenses (mio TRY)	419	615	494
Net Profit for the Period (mio TRY)	1,042	77	134
Earnings Per Share	5.24	0.38	0.67
Price/Earnings Ratio (%)	5.49	24.88	6.45
Gross Profit Margin (%)	13.1%	12.9%	12.2%
Operating Expenses/Sales (%)	5.5%	8.0%	7.2%
EBIT Margin (%)	7.6%	4.9%	4.9%
EBITDA Margin (%)	8.3%	6.2%	5.7%
Net Profit Margin (%)	5.5%	0.8%	1.3%
Consolidated Statements of Financial Position			
Total Assets (mio TRY)	7,117	4,665	4,799
Cash and Cash Equivalents (mio TRY)	656	648	366
Trade Receivables (mio TRY)	1,047	745	644
Inventories (mio TRY)	2,752	936	1,366
Tangible and Intangible Non-current Assets (mio TRY)	956	882	1,018
Right of Use Asset (mio TRY)	76	111	0
Investments in Equity Accounted Investees (mio TRY)	791	452	375
Financial Investments (mio TRY)	562	561	567
Net Financial Debt* (mio TRY)	1,731	1,790	2,345
Trade Payables (mio TRY)	1,854	713	554
Provisions (mio TRY)	137	119	107
Total Equity (mio TRY)	2,296	1,253	1,308
Net Working Capital (mio TRY)	448	-586	-830
Net Cash Position (mio TRY)	-1,722	-1,691	-2,364
CapEx** (mio TRY)	142	45	179
Receivable Turnover (day)	20	28	22
Inventory Turnover (day)	61	40	53
Payable Turnover (day)	41	30	22
ROA (%)	14.6%	1.6%	2.8%
ROE (%)	45.4%	6.1%	10.3%
Net Debt/ EBITDA	1.1	2.9	3.8
Net Financial Debt/Equity	0.75	1.43	1.79

* Short term loans, short-term portions of long-term loans, long-term loans, cash and equivalent have been taken into consideration.

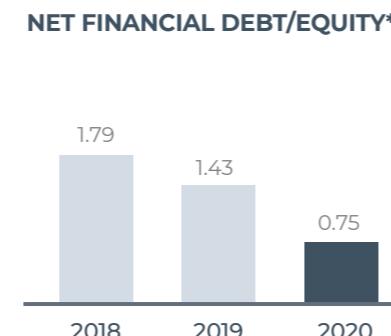
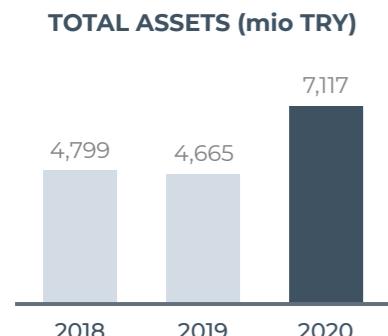
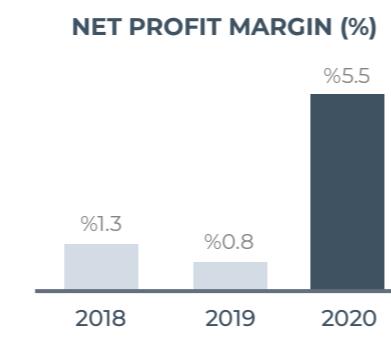
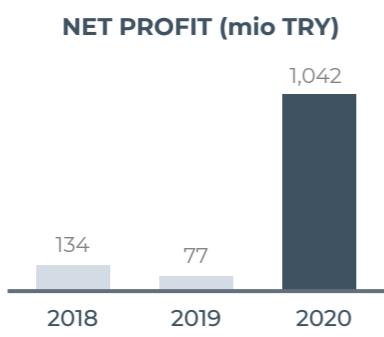
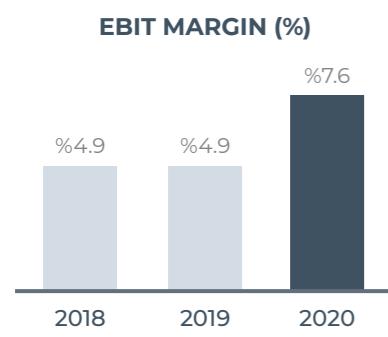
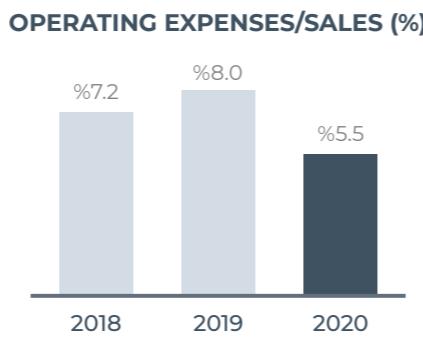
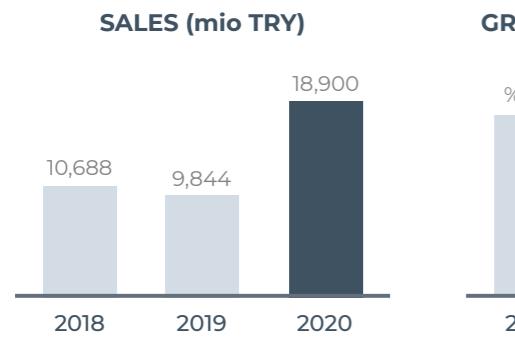
** Tangible asset entries have been taken into consideration.

SALES FIGURES

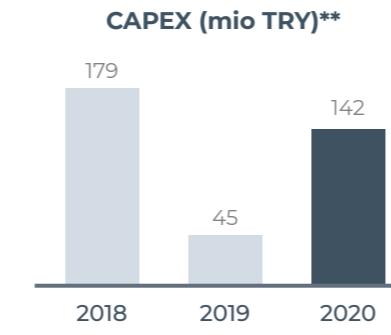
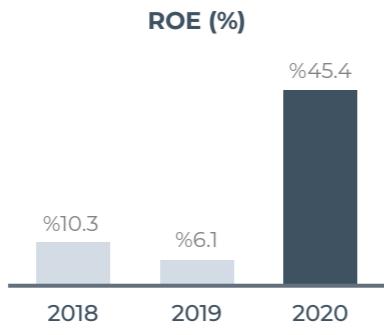
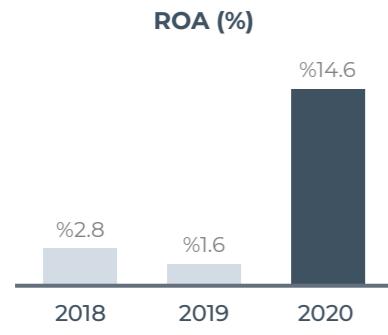
Sales Units (Retail)	2020	2019	2018
Passanger Vehicles	107,283	70,506	95,345
Volkswagen	52,740	38,820	49,749
Audi	18,168	10,024	13,295
SEAT	11,551	5,914	10,383
ŠKODA	24,175	15,369	21,340
Porsche	619	361	565
Bentley	11	9	10
Lamborghini	19	9	3
Light Commercial Vehicles	12,036	9,676	17,085
Volkswagen	12,036	9,676	17,085
Heavy Commercial Vehicles	1,157	465	1,177
Scania	1,157	465	1,177
TOTAL	120,476	80,647	113,607
Doğuş Otomotiv Market Share (retail) *	%15.4	%16.7	%18.1
Used Car Sales (DOD)	14,625	18,067	21,767

* Including ŠKODA

FINANCIAL INDICATORS



* Includes short-term loans, short term portions of long term loans, long-term loans, cash and equivalent.



** Includes tangible asset entries.

INVESTOR RELATIONS

Investor Relations Department

The Company's Investor Relations Department carries out relations with shareholders. The Investor Relations department is managed by:

Investor Relations Manager, Corporate Governance and Sustainability Committee Member
Halide Müge Yücel

Capital Market Activities Level 3 License (207941)
Corporate Governance Rating Expertise License (701487)

Investor Relations Assistant Specialist
Hamza Sümer

Investor Relations Contact Details:

Phone: +90 (262) 676 90 58-59
Fax: +90 (262) 676 90 96
Email: investorrelations@dogusotomotiv.com.tr

The Investor Relations Department is responsible for regularly disclosing information to shareholders and potential investors pertaining to the Company's operations, its financial standing and strategies, and for answering requests for information, except for publicly undisclosed or confidential information and trade secrets, in a manner that will not lead to information disparities. The Investor Relations Department serves as a bridge between the Company and the existing and potential investors based on two-way communication and mutual trust.

In 2020, the Investor Relations Department responded to all queries and applications received from shareholders in a timely manner and without any discrimination by phone, email or in one-on-one meetings. The year started as usual with a conference call and a face-to-face briefing held with total 78 local and foreign analysts and investors to discuss the year-end consolidated financials. In mid-March, with the onset of the pandemic in Turkey as well, the Investor Relations Department began to carry all meetings to online platforms. In early April, in a Webex conference, which the Chief Financial Officer also joined, approximately 100 analysts and corporate investors were provided information on the pandemic situation in Turkey, employee health, retail sales and the Company's operational and financial performance. Similar briefings were repeated in June and August, enabling us to strengthen our stakeholders' trust by always keeping the communication channels open. Overall, meetings were held with 373 investment firms by video and conference calls, including six one-to-one, 15 group and more than 350 investor meetings. During the reporting period, four conference calls/webinars were organized with wide participation to inform the analysts about our quarterly financials.

The Investor Relations Department continued to perform its duties in 2020 with a proactive approach. In

addition to two general Webex conferences, two virtual Analyst Days were organized to inform the participants about the Company's activities. Furthermore, two virtual analyst days were held for the same purpose to brief the local investor firms. The department also sent out more than 750 informative emails to target foreign investors with a strategic approach. The department contacted more than 350 investor firms based in cities such as Amsterdam, Austin, Boston, Cape Town, Chicago, Dallas, Frankfurt, Hong Kong, Johannesburg, Lima, London, Los Angeles, Miami, Milano, Monaco, New York, Quito, San Francisco, Singapore and Tokyo via video or conference calls and provided information about the Company's activities and latest developments.

The "Investor Relations Activities and Strategic Plan" of the year ahead is prepared by the Department and submitted for approval to the Corporate Governance and Sustainability Committee and the periodic "Investor Relations Activities Information Document" relating to current activities is presented to the Committee for review. A comprehensive "Investor Relations Annual Report" is also prepared by the Department and presented to the Board of Directors once a year. Meanwhile, the daily and weekly reports are consolidated and periodically presented by the Chief Financial Officer to the Board of Directors.

Announcements and Material Event Disclosures from 31 December 2020 to 23 February 2021:

Details of the topics below can be found on the public disclosure platform and on the Material Event Disclosures section on our website.

21.01.2021 – Board of Directors resolution regarding partial demerger of the VDF Finans shares that the Company holds

12.02.2021 – Disclosure regarding the establishment of a joint working group by n11.com and DOAŞ to explore strategic partnership opportunities in the secondhand automotive market

15.02.2021 – Resolution regarding Issuance of Debt Instruments

Information on Capital Structure and Shareholding

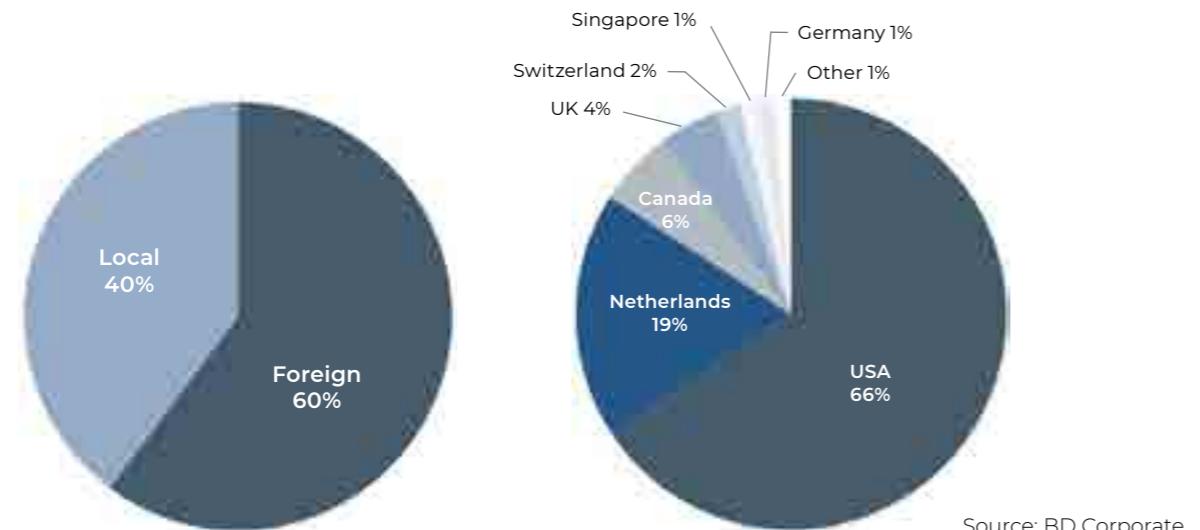
As of December 31, 2020, no changes have occurred in the Company's issued share capital. During the report-

ing period, the Company has not increased its capital or issued any capital market board instruments.

Shareholder's Commercial Title	Share in the Capital (TRY)	Share in the Capital (%)
Doğuş Holding A.Ş.	165,584,715	75.27
Doğuş Otomotiv Servis ve Ticaret A.Ş.*	22,000,000	10.00
Doğuş Sigorta Aracılık Hizmetleri A.Ş.	292	0.00
Free Floating Shares	32,414,993	14.73
Total	220,000,000	100

* The Company maintains its own shares bought back from Borsa İstanbul A.Ş. in its own portfolio.

Distribution of Free Floating Shares



Exercise of the Shareholders' Right to Information

Previously provided and continuously updated information and disclosures, which may affect the exercise of shareholders' rights, are made available in English and Turkish for investors on the corporate website: www.dogusotomotiv.com.tr.

Even though the right to request the appointment of a private auditor is not specifically regulated in the Articles of Association, Article 438 of the TCC stipulates, "each shareholder has the right to request from the General Assembly the appointment of a private auditor, if necessary, even when this is not part of the agenda, provided that the right to obtain and examine information

has already been exercised with respect to the matter in question, and if the General Assembly agrees to this request, the Company or each shareholder may apply to the commercial court with jurisdiction in the area of the Company's headquarters within 30 days for a private auditor to be appointed." However, there were no requests for the appointment of a private auditor during the reporting period. Company operations are periodically audited by an Independent Auditing Company appointed at the General Assembly.

Voting and Minority Rights

All of the Company shares are in bearer certificates and do not grant any rights to the Company's profits. The Articles of Association do not give any privileges concerning the exercise of the voting rights. Voting rights are exercised in the General Assembly in accordance with provisions on representation and voting manner. The CMB regulations on voting by proxy are fully upheld. All shareholders are provided with the opportunity to vote equally, easily and suitably. The disclosure documents of the General Assembly contain information on the structure of the Company's shares, voting rights granted by shares and voting privileges. It is explicitly stated that one share gives one voting right and that no voting privileges have been granted to any shareholder groups. The Company does not have any cross ownership in another entity that would result in a controlling relationship.

There were no violations in the exercise of basic shareholder rights, such as the participation of minority shareholders in the General Assembly and proxy representation and no imposition of an upper limit in the exercise of voting rights. Diligence is paid to the exercise of minority rights. There are no provisions in the Company's Articles of Association regarding the representation of minority shares in the management or cumulative voting method.

Privileged Shares

The current shareholding structure of the Company as of 31 December 2020 is described above and there are no privileged shares in the Company.

Dividend Distribution Policy, Time and Method

The Company's dividend distribution policy has been determined in accordance with the framework of principles and procedures laid out in the Turkish Commercial Code, Capital Markets Law and other relevant regulations, and Article 24 on "Determination and Distribution of Dividend", Article 25 on "Timing and Method of Dividend Distribution, Dividend Advances" and Article 26 on "Reserves" of the Articles of Association, taking into consideration the country's economy and the condition of the industry and by maintaining a balance between our shareholders' expectations and the needs of our Company. The Articles of Association include no privileges regarding profit sharing. Dividend distribution is determined by the General Assembly, based upon the proposal that the Board of Directors prepares by considering the following principles.

a) Dividend Distribution Ratio:

Without any prejudice to the rates and amounts determined by the Capital Markets Board and on condition that there are no adverse circumstances in the country's economy or the industry that might affect the Company's activities, a minimum of 50% of the distributable profit, calculated in accordance with the Capital Markets regulations, is distributed. Upon review, the Board of Directors may propose a different rate or amount to the General Assembly.

b) Method of Dividend Distribution:

The dividends to be distributed are paid in the form of cash and/or bonus shares.

c) Timing of Dividend Distribution:

The date of dividend distribution is determined by the Board of Directors following the General Assembly, based on the dates specified in the regulation.

d) Dividend Advances:

The General Assembly may authorize the Board of Directors to pay out dividend advances. The Board of Directors may distribute dividend advances, based on the year and limits of the authorization granted, taking into consideration the country's economy and the condition of the industry.

The Ordinary General Assembly that convened on March 30, 2020 has approved that the profit/loss of the 2019 fiscal year would not be distributed and instead, allocated as specified in the profit distribution table.

Profit Distribution by Years

	Dividend	2018 (for 2017)	2019 (for 2018)	2020 (for 2019)*
Total dividend distribution, TL million	Gross	143,000,000.00	135,000,000.00	-
	Net**	121,550,000.00	114,750,000.00	-
Earnings per share, TL		0.93	0.67	0.38
Dividend/Net profits (%)	Gross	78.0	0.0	-
	Net**	66.3	0.0	-
Dividend per share with TL 1 nominal value	Tutari (TL)			
	Gross	0.650000	0.6136364	-
	Net**	0.552500	0.5215909	-
	Oran (%)			
	Gross	65.00000	61.36364	-
	Net**	55.25000	52.15909	-
Announcement date		29.03.2018	28.11.2019	30.03.2020
Actual payment date		29.05.2018	04.12.2019	-

* The Company did not distribute dividends in 2019.

** Refers to the gross or net amounts after 15% withholding tax.

Transfer of Shares

The Company's Articles of Association do not contain any practices that complicate the transfer of shares by shareholders or provisions that restrict the transfer of shares and the Company avoids practices that would complicate the free transfer of shares. Transfer of shares

is conducted in accordance with the Capital Market Law, the Capital Market Regulations, and relevant provisions of the Turkish Commercial Code. The Company shares are not listed on international stock exchanges.

At the Ordinary General Assembly on 30 March 2020, shareholders exercised their rights to direct questions as set out in relevant legislation and these questions were answered immediately. Each agenda item was voted on individually and votes were counted and announced before the meeting ended. The meeting chairman, who presided over the General Assembly Meeting, ensured that the topics on the agenda were conveyed objectively and in detail in a clear and comprehensible manner and provided the opportunity for the shareholders to express their opinions and raise questions on equal ground. The meeting chairman also made sure that all questions, which did not fall into trade secrets, raised by the shareholders during the meeting were answered directly at the General Assembly Meeting. The questions posed and answers given during the meeting were recorded in the meeting minutes and disclosed to the public on the corporate website. The shareholders did not put in any written requests to the Investor Relations Department regarding the addition of an item to the meeting agenda. General Assembly Meeting minutes are always kept open to shareholders on the corporate website and can also be viewed at the Company headquarters.

The agenda of the General Assembly Meeting also included as a separate item the matter of whether or not to give permission to the shareholders with management control, Board Members, managers with administrative responsibilities, their spouses, and relatives by blood or marriage up to the second degree to conduct materially significant transactions that may cause conflicts of interest with the Company or affiliates, and/or conduct transactions on behalf of themselves or a third party in the same field of activity as the Company or its affiliates, or become an unlimited shareholder in a business that operates in the same field of activity as the Company or its affiliates. It was noted that no such transaction took place in the 2019 reporting period, and

no information was communicated to the Board of Directors about persons who have the privilege to access Company information regarding their engagement in activities in the same field as the Company.

Pursuant to the provisions of the CMB Communiqué No. II-171, the General Assembly was informed about common and continuous exchange of assets, services and obligations between the Company and related parties, and the collaterals, pledges and mortgages that were given in favor of third parties, with the details included in the Annual Report and the notes in the Consolidated Financial Statements. The same information can also be found on the corporate website: <http://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/subsidiaries-and-affiliates/transactions-with-related-parties> In a separate agenda item, information was provided about the amount and the beneficiaries of the donations and support extended in the reporting period. Within the reporting period, no amendments have been made in the Company's Articles of Association.

General Assembly Meetings

Ordinary General Assembly Meeting

The Ordinary General Assembly convened on 30 March 2020 at 10.00 am at "Maslak Mahallesi, Ahi Evran Caddesi (Doğuş Power Center) No:4, İç Kapı No: 3 Sarıyer/İstanbul" to review the 2019 activities.

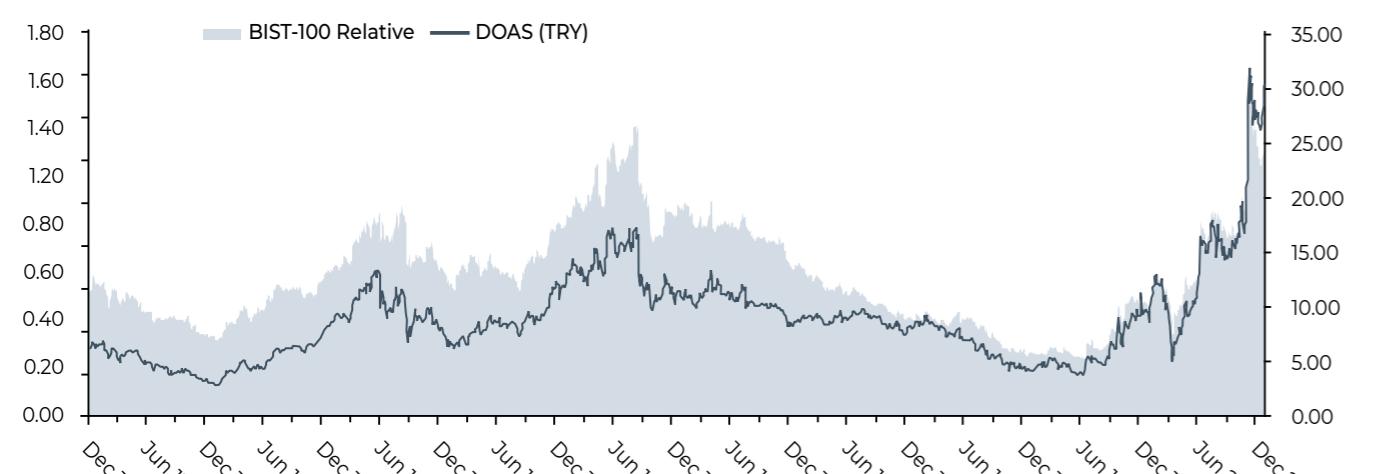
For the purpose of encouraging shareholders' attendance, the meeting was held at the location of the Company's headquarters as well as over the Electronic General Assembly System in a manner to minimize inequality among shareholders and the costs of their participation.

The call for the General Assembly Meeting, which was open to stakeholders and members of the media, was issued in accordance with the Articles of Association and as required by law, and the announcement, along with the meeting agenda, was published in the Turk-

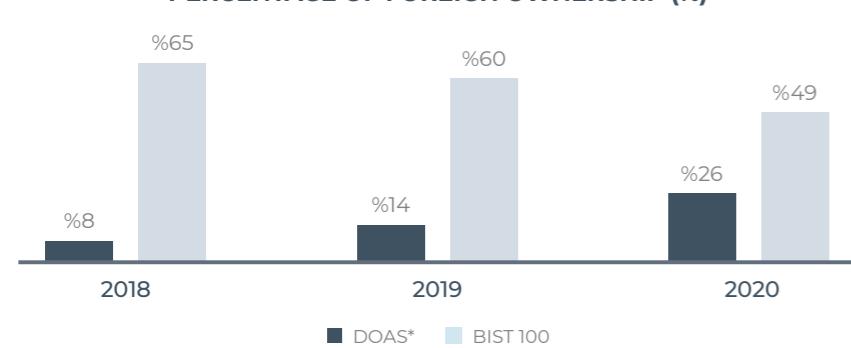
ish Trade Registry Gazette No: 10029 on 4 March 2020. The Company also presented the financial statements, the annual report, independent audit reports, and the Board of Directors' proposal for profit distribution, as well as disclosures and statements required by Law and Corporate Governance Principles, all of which must be made available for the shareholders to review pursuant to Article 437 of the Turkish Commercial Code No. 6102, to the shareholders on the same date on the Public Disclosure Platform (KAP), Electronic General Assembly System (EGKS) and the corporate website.

At the Ordinary General Assembly, out of the total 220,000,000 shares- corresponding to a total share capital of TRY 220,000,000 - a total of 175,393,955 shares were represented, including 165,585,008 shares by proxy, 9,790,374 representing the depositors and 18,573 in person.

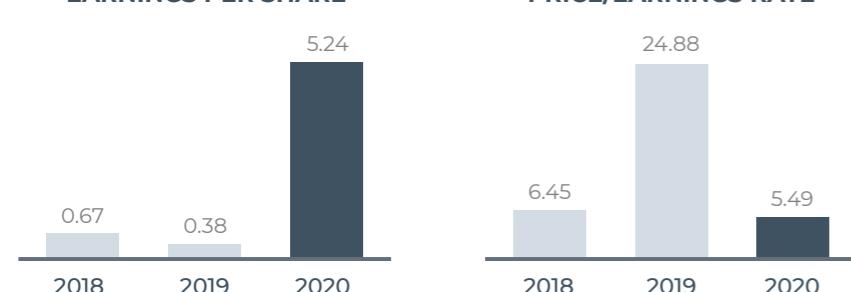
BIST Code:	DOAS.IS
Reuters Code:	DOAS.IS
Bloomberg Code:	DOAS.TI
Initial pub. offering:	17.06.2004
Number of stocks:	220,000,000
Free float rate:	14.73%



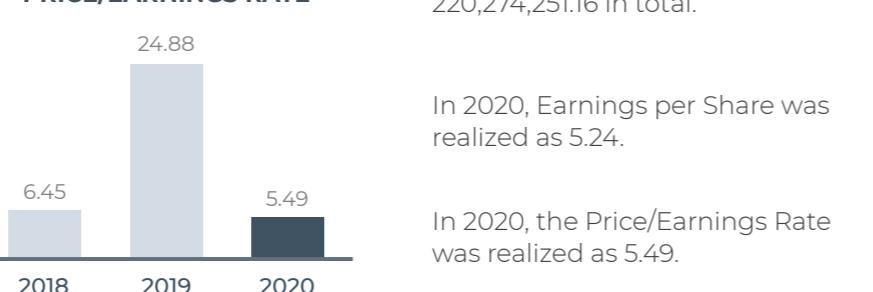
PERCENTAGE OF FOREIGN OWNERSHIP (%)



EARNINGS PER SHARE



PRICE/EARNINGS RATE



Doğuş Otomotiv has strived to balance profitability levels and market share in 2020. In the rapidly digitalizing automotive industry where technological developments play a significant role, the Company regards digital transformation as a top priority in improving service quality and strengthening business processes. In line with the objective of moving to an agile and analytical organizational framework, digital transformation activities seek to extend machine learning and the use of artificial intelligence under the roof of Doğuş Otomotiv, aimed at achieving a structure that rapidly perceives and adapts changes and develops and implements digital business models.

Our goal is to continue to strengthen our cost management in line with the Company's vision and mission, implement digital transformation in all possible business processes, create "fan customers" and become an efficient company that develops sustainably for our employees, business partners, customers and shareholders.

Vision:

To provide innovative services beyond expectations.

Mission:

Doğuş Otomotiv is an automotive company with a customer-focused approach and deep insights into the industry, that understands stakeholder expectations, anticipates new requirements and delivers them with excellence, that possesses creative human resource and uses technology optimally to provide efficient and profitable services across the automotive value chain.

Strategy:

Our key corporate strategies are based on the following goals:

BE SIZABLE – BE CLOSE – BE CREATIVE

BE SIZABLE:

For Doğuş Otomotiv to achieve systematic, efficient and profitable expansion across the value chain in Turkey and to ensure career development of human resource.

BE CLOSE:

To acquire insights into the expectations of our stakeholders and particularly our customers and elevate our relations with them to levels of perfection beyond expectations as rapidly as possible; to establish effective systems to achieve operational excellence, monitoring and analyzing financial and operational position closely.

BE CREATIVE:

To create distinction and competitive edge through constant innovations based on a participative approach to product development, customer service and business concept; to develop actions and methods that will render the Company a "leaner, faster, affordable" business with participation and teamwork in process improvement.

Since its inception, Doğuş Otomotiv, in line with its strategic plans, has focused on reinforcing its position in the industry, forming and expanding its Authorized Dealer and Aftersales Service network and improving awareness and reputation of the international brands it represents in the domestic market. Following the Company's initial public offering in 2004 as an importer and distributor of all the brands it embodies, the Company has evolved its strategy by focusing on the development and performance of its other core and automotive-related ancillary businesses with a local and global perspective.

We aim at being the first organization to implement applications that we develop using innovation and technology, and to create synergy with our employees and other stakeholders based on the Company's sustainable and consistent growth strategy. Therefore, we see it as our priority to work on new projects to continuously increase the quality of our core and automotive-related ancillary businesses. Furthermore, based on the knowledge and experience we have accumulated for more than 25 years, we intend to build on the success we attained by capturing opportunities and move forward.

Knowing that the long-term success of Doğuş Otomotiv can only be sustained through the ultimate satisfaction of our stakeholders, we have built our strategy on four pillars:

One Step Beyond Customer Satisfaction: Turning Customers into Fans!

With uncompromising customer satisfaction-oriented dynamic and attentive service approach, our strategy is to make our customers feel valued and offer high quality and creative service by attending to all of their demands and needs.

- Value and Care Center (DIM) that supports our brands at every stage of the customer lifecycle became operational in November 2014.
- In the upcoming period, we will work on being constantly connected with and accessible for our customers through "Connectivity" to generate quick and creative solutions in every instance of communication.

Achieving Operational Excellence through Increased Efficiency!

Doğuş Otomotiv offers sales, aftersales service and spare parts services for 11 international brands at more than 570 customer touch points and aims to continue its activities as Turkey's leading automotive importer and distributor by achieving optimum profitability.

- Our web-based and mobile device compatible software "Turkuaz", already used by Doğuş Otomotiv and all Authorized Dealers/Aftersales Services, adds value to the automotive processes by including manufacturers and suppliers as well and with constant software updates, it serves our digitalization targets significantly.

- The aim is to identify development areas through continuous measurement of quality standards at all customer touch points and to review the capacities of Authorized Dealers for the purpose of making revisions in layouts and workforce to achieve improved efficiency.
- The employee infrastructure will be reinforced for more efficiency as business volume in our Company increases and new technologies are integrated.
- Investment opportunities for new lines of business will be continually pursued and the Company's development plans will be reviewed.
- Within the scope of Lean Management practices, necessary programs will be implemented to ensure that our employees contribute to the efficiency of business processes and savings-oriented process improvement programs will be introduced.

Maintaining Leadership in the Automotive Market!

- The Company aims at maintaining its market strength in the automotive industry and optimal operational profitability.
- The Company's objective is to ensure that the international brands it represents perform successfully in Turkey and to leverage these brands' value and competitive advantages to achieve sustainable growth with "creative service beyond expectations" vision and "customer-satisfaction oriented work" principle.
- The Company will remain fully focused on domestic operations with a lean approach.

Fan Employees are Essential for Creating Fan Customers!

The Company provides a shared culture for nearly two thousand valuable employees, engages in innovative and sustainable human resources practices and carries out projects that improve employee experience and loyalty.

- The Company's employer brand "Bir'iz" (Together) gives the message of "we act together and make our mark", which is spread across the Company through in-house brand ambassadors.
- "GO - Development School", built on the basis of gamification-motivation for training, offers a digital platform where the focus is on employee experience, allowing employees to have fun as they develop, win rewards, write blog posts and perform mutual trainer-employee assessments. In this manner, employees are able to monitor their personal and professional development and training processes and improve their social engagement within the Company.
- In 2020, the emphasis was on activities to encourage the social, emotional and physical well-being of workers due to the pandemic. Under the name of GOWell, training and webinars covering these subjects have begun to reach employees.
- Usage of the gamification-based Mobile Orientation Software designed in 2019 and the introduction of applicant recruitment examination and personality

inventory processes via the online framework to enable new employees to get to know the organization better and to ensure quicker adaptation.

- Talent management in our Company includes a system based on potential and succession plans. Talents demonstrating potential according to specific criteria are selected to participate in a series of training and development programs. Coaching and mentoring programs are also offered by the Company within the scope of Talent Management.
- With the biannual Employee Commitment and Satisfaction Survey conducted Companywide, the employees' commitment to the Company is scored based on the principle of confidentiality and development areas are identified. According to the results, action plans to improve employee commitment are created and the activities to be carried out during the year are also included in executive-level targets.

- Focus has been put on digitalization to improve employee benefits as human resources and many organizational processes have been digitized.
- Together with the Department of Digital Transformation, the "Digital Competencies Development (GO-DGTL Academy)" project was launched in 2020 to facilitate the digital transformation at Doğuş Otomotiv and contribute to the development of employees' individual "digital competence".
- With the DRIVE (Doğuş Otomotiv's Route is toward People and Education) team, the objective is to support the development of Doğuş Otomotiv authorized dealers with Doğuş Otomotiv's corporate structure and values and to integrate Human Resources processes to achieve sustainable success in customer satisfaction with business results. With DRIVE, investments are made for continuous improvement of employees working at authorized dealers and aftersales services. Within this scope, consultancy support is provided for the development and institutionalization of human resources processes at more than 570 Authorized Dealers and Aftersales Service Centers where 7,500 employees work.

The programs that Doğuş Otomotiv develops and carries out to enhance employee experience and satisfaction are explained in detail in the annual Corporate Sustainability Reports.



Digital Transformation Strategy

The foundations of digital transformation at Doğuş Otomotiv, which is always focused on operational excellence, were laid in 2017 by identifying the latest trends and customer expectations, redefining the value chain to shape the future and establishing the Digital Transformation department. With increased deployments across the organization, digital transformation has gained momentum at Doğuş Otomotiv in the recent years.

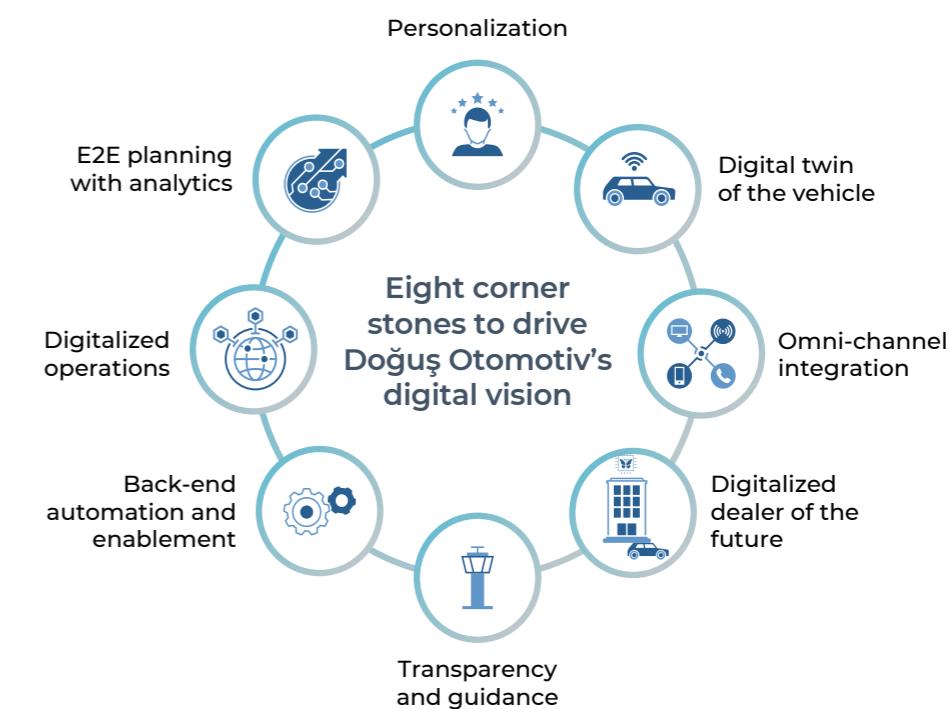
Digitalization in the Automotive Industry

The automotive industry is in the midst of a very rapid digitalization process as digital technologies are much more widely used in vehicles, advanced features like autonomy and connectivity are implemented to make life easier and safer for drivers and pedestrians, and development of driverless and connected vehicles gains traction. The automotive industry is rapidly digitalizing, starting from the product and spanning all the processes, expectations from the industry, consumer demands, technologies used and organizational workflows. This is

a sign that "digital products" or "digital services" will gain prominence in the future business models of organizations in the automotive industry, where fast communication, proactive services based on data and high-tech solutions such as artificial intelligence come to the forefront and digitalization takes priority.

Agile Management as Corporate Culture

Agile project management means having the flexibility, capacity and capability to respond to and drive change to be successful even in times of uncertainty. Agile management enables global companies to manufacture products and services much faster and seamlessly. Agility is the fastest and safest project development approach among the world's recognized methods. This business revolution, which first began in software development, has already become a part of our lives as a new way of doing business and a management norm. At Doğuş Otomotiv, our goal is to embrace agile management as a corporate culture and lay the groundwork for





the entire organization to achieve the flexibility that the digital age requires. The Digital Project Management Process is designed to coordinate the digital software requirements of the departments and brands within Doğuş Otomotiv and Doğuş Teknoloji in a centralized manner and to consolidate all of these in a single portfolio. Accordingly, the Digital Board consisting of Executive Board members was established in 2019 to assess all digital projects of the Company in a single pool. The Digital Board, which convenes at regular intervals, is responsible for deciding on and prioritizing the digital projects that individual Doğuş Otomotiv brands and departments may seek to implement.

Digital Project Portfolio

In addition to the projects launched in 2018, agile portfolio management of the project, in which all Company-wide digital and IT software projects are jointly assessed, was introduced in 2019 and related roles and tasks were identified. The Digital Transformation activities, which gained traction in 2019, are intended to be distributed around the organization in 2020. In line with this vision and strategy of digital transformation, training sessions and workshops, data analytics studies, agile project management studies will begin in 2020, as well as within the framework of the program aimed at growing employee digital skills. Foreseeing the needs after the pandemic for the second half of 2020, an additional budget was provided in order to realize digital software projects and it was aimed to work on 60 software projects by the end of the year. A total of 85 digital projects have been worked on as of the end of 2020. 31 of them have been completed and progress continues on 54 projects. Compared to 2019, the number of projects completed has risen by 106 percent. Our forecast of an annual profit from completed projects is TRY 18 million.

Data Analytics with Machine Learning and Artificial Intelligence

Data and new technologies such as Artificial Intelligence ("AI"), Cloud and Machine Learning form the core of digital transformation. Data analytics is the process of analyzing, cleaning, converting and modeling raw data to extract useful information, inform the results and support decision making. On the other hand, AI is the whole of advanced technologies that enable machines to detect, understand, act and learn. The world, driven by artificial intelligence, is undergoing massive change. As most of the technological developments are

centered around artificial intelligence today, this trend is expected to continue for the next 30-40 years. We can presume that artificial intelligence will become trainable in the next 10-15 years and customized for many areas, particularly the automotive industry. Doğuş Otomotiv puts digitalization and emerging technology at the center of its study, as a company that makes digital transformation a part of its strategy. The 2019 Data Analytics Studies on Machine Learning/Artificial Intelligence began in this direction. Studies on Artificial Intelligence, Machine Learning and Data Analytics, which began in 2020, are expected to intensify in 2021 with the help of the Competency Development Programme.

Electric Vehicles

An electric car is an automobile that uses an electric motor powered by electricity stored in battery packs and other energy storage devices. The fossil fuel savings that these vehicles will achieve are expected to help reduce air pollution and carbon emissions in the cities. With investments in production, Original Equipment Manufacturers (OEMs) will also shift toward electric vehicles. With the continued drop in the costs of battery packs, electric vehicles are becoming more affordable, leading to more sales. Electric cars are anticipated to have a significant impact on the future of the automotive industry. Therefore, the Company has formed a team to follow the processes in relation to the Volkswagen Group branded vehicles that will be imported into Turkey in the coming years with the aim of creating synergy among brands.

Connected Vehicles

Connected vehicles are smart vehicles that have two-way communication with external systems. As such, these vehicles enable internet access and therefore data sharing with other on-board as well as external devices. Autonomous vehicles are also called self-driving vehicles because they do not require a driver to move. Electric vehicles, autonomous driving, connected vehicle software and ride sharing are just a few of the major trends that require significant capital investments by leading automotive companies. Suppliers and original equipment manufacturers (OEMs) will play a critical role in bringing these technologies to the users. Therefore, all players of the automotive industry are working to contribute to these developments.



The Company will remain focused on shifting to an agile, analytical organization and enhancing its digital capabilities through digital business development ideas in light of the latest economic conditions and how the automotive market takes shape in 2020.

Digital Competence Development Studies

As a joint work of Doğuş Otomotiv Human Resources, Digital Transformation and Corporate Communication departments, the Digital Competence Development Program was launched in 2020 and the GO-DGTL Academy was established. Horizontal and vertical initiatives were identified within the framework of this program in order to raise awareness of digitalization and digital technology within the Company. Digital Transformation Training involves horizontal programs, while the Data Science School, Robotic Process Automation (RPA), Customer Experience and Trends, and Artificial Intelligence are based on vertical programs. Competence development research will begin to be introduced within the framework of the Digital Competence Program in 2021, under the GO-DGTL Academy.

CRM - Customer Relations Management Unit

In order to manage customer experience in the best manner possible along the customer lifecycle based on innovations and changing dynamics, streamline and simplify customer communication processes with a proactive approach, design personalized offers and services based on centralized data management and analyses, reinforce the customers' confidence in the Company and the brands, plan actions to increase customer loyalty and maximize customer satisfaction, CRM (Customer Relations Management) Unit has been positioned under the Digital Transformation and Corporate Communication Department.

The key responsibilities of the CRM Unit include:

- Taking necessary actions and introducing developments to ensure that customer data are stored properly and kept up-to-date;
- Ensuring that a customer-oriented working concept is adopted as a corporate culture across the entire organization;
- Conducting internal and external customer satisfaction surveys (CSS, CSI, DSS) to improve processes, and measuring, evaluating and reporting results;
- Measuring and reporting the outcome of direct marketing activities (email, SMS, MMS, direct mailing and web) in response to the demands of authorized dealers and brands;
- Developing and carrying out analytical projects in collaboration with third parties for the brands, authorized dealers and aftersales services;
- Enriching available customer data with consumer data on social and digital media to ensure continuity, turning customer complaints received via social media into sales opportunities;
- Enhancing the customer recognition, monitoring and information functions in the Turkuaz system, which is used by all brands and Authorized Dealers, to make them more effective, simpler and more comprehensive as needed;
- Designing, managing and coordinating loyalty projects;
- Campaign management and communication activities on the loyalty platform;
- In processing personal data that customers share with the Company according to the Personal Data Protection Law, protecting the fundamental rights and freedoms of individuals, and particularly privacy of personal life, managing the processes in line with our obligations, and carrying out marketing activities aimed at the customers' specific areas of interest and needs within the framework of Permission Marketing Law and through the permitted channels;
- Coordinating collaborative projects for the benefit of our customers;
- Managing each step and stage in communication with the customer through contact mapping across every business and process where Doğuş Otomotiv brands engage with consumers;

- Delivering Customer Experience Management (CEM) training to our Authorized Dealers;
- Designing and managing sales and service campaigns and projects based on data analytics, conducting customer segmentation and loyalty-focused analyses and supporting integration of online and offline services.

The Customer Experience activities carried out in 2020 included:

Customer experience management involves the whole range of perceptions and emotions created as a result of the relations established with customers at each contact point we engage with them. In order to manage customer communications proactively and seamlessly by placing the customer at the center, the activities and steps in the pre-sales, sales and aftersales processes of the VW Passenger Car, Audi, Porsche, SEAT, Scania and DOD brands that Doğuş Otomotiv represents are monitored with customer contact maps.

As the need for phone calls decreases and online surveys increases with the advent of digitalization, preparations on an infrastructure for online surveys have been completed. System integration was established for automatic transfer of customer data obtained from surveys to the independent research company, thus important steps were taken in controlling the quality of the data. In 2020, more than 37 thousand customers were interviewed, their satisfaction with sales and aftersale services was questioned and actions for improvement were planned by the relevant management units. Furthermore, feedback was collected from customers regarding Covid-19.

In line with increasing use of mobile apps, our brands' communications and campaigns via the ZUBIZU loyalty platform continued in 2020. Companies from different industries offer numerous advantages for Doğuş Otomotiv customers on the ZUBIZU platform. The platform is also used as a channel offering communication opportunities to reach micro segments created according to specific criteria among Doğuş Otomotiv customers with exclusive promotions. ZUBIZU-Shell fuel advantage program partnership continued throughout 2020.

The D Board app was developed for the senior management at Doğuş Otomotiv to facilitate instant monitoring of operational KPIs such as number of customers, vehicle sales and service orders, etc.

In order to increase our vehicle sales and customer loyalty, big data on the Turkuaz system was analyzed, and customers with future prospects were identified using statistical modeling. The Sales Insights project has been implemented across all brands. The CRM 2.0 Project has been launched to renew the entire customer and sales process end to end and to monitor these processes

through automated, user-friendly and effective reporting. The project will be implemented across all brands in 2021.

The Predictive Service Project has been launched to create a model that predicts the probability of customers visiting an aftersales service center for maintenance next month. Following tests with the Audi brand, the project will be implemented across all brands in 2021. The CRM Scorecard Project has been launched and implemented across all brands with the aim of enhancing the quality of customer data and measuring how the customers and projects are monitored.

The Autopilot Project has been launched with the aim of identifying communication scenarios in the customer lifecycle on the Customer Contact Map to send automated personalized messages according to preferences and habits of individual customers, use new micro-targeting technologies and create new campaign ideas for faster response. With the pilot study completed for the VW Passenger Car brand, the project will be implemented across all brands in 2021.

Within the scope of the Personal Data Protection Law and Electronic Commerce Law, the sharing permissions and direct marketing activities permissions of our customers began to be obtained through SMS along with the communication permission form on the web. The Company has been registered as a service provider with the Message Management System, introduced by the E-commerce Law. With the integration of Turkuaz, all the contact details, phone numbers and email addresses of the users who have opted in to receive communications were exported to the Message Management System. This full integration now enables all the changes triggered by the customers via the Message Management System to be updated in our systems concurrently.

The Data Warehouse Renovation Project will offer multi-dimensional analysis opportunities, including first and foremost the creation of a Data Glossary, which aims to build common definitions and terminology among all the brands of Doğuş Otomotiv, as well as enabling users to generate their own reports, accelerating the reporting process and increasing performance. Data Glossary studies were completed, the system infrastructure has been adapted to new reporting tools and relevant tests have been carried out. With the introduction of the new reporting system, called DORA, in 2020, all Doğuş Otomotiv employees had the opportunity to create their own reports with the Business Object.

In Data Governance, the project that involves managing the data on Turkuaz, our ERP system, under a number of programs and processes, including Data Security, Data Identity, Data Warehouse, Data Quality, Data Usage and CRM Analytics continued in 2020 as did the integrations, processes, authorizations on Doğuş Otomotiv data, KVKK and information security-related work as previously defined priorities.

With the DMP (Data Management Platform) investment, online and offline data of Doğuş Otomotiv companies were largely unified and all customers were singularized under the right segments and by a single digital identity. Communication with customers, who opt in for communication on digital marketing touchpoints, is carried out on digital platforms based on their needs and areas of interest.

Privilege for Doğuş Otomotiv customers

Communication and campaign activities carried out by Doğuş Otomotiv brands through the ZUBIZU loyalty platform continued in 2020.



Value and Care Center (DIM)

Aiming to increase customer satisfaction in sales and aftersales services in line with the vision of "Creating Fan Customers," the Company has brought together the previously outsourced services such as dialogue (care management), roadside assistance, and call center operations (surveys and bookings) under its own roof with a new quality concept. Named "Value and Care Center" (DIM) to highlight how much the customers are valued and cared for, the unit was structured under the Digital Transformation and Corporate Communications Department in November 2014 to deliver creative services beyond expectations, create positive customer experiences and increase the number of fan customers by promoting value and inspiring trust.

In addition to lending support to all our brands at every stage of customer lifecycle, DIM also continues to improve the quality and variety of its services through projects. The DIM operation that aims at bringing a service and quality standard to customer contact points makes it possible for brands and authorized dealers to follow consumer expectations and opinions transparently and in real time with its reporting functions.

DIM is conceived with the idea that not only customers but also employees need to feel valued. This is why the environment is designed to make employees feel valued and important, show initiative and participate in decision-making.

The Value and Care Center, which is headquartered in Sekepinar and is a product of our Company's continuous development philosophy, and its features set an example not only for the automotive sector but also for many sectors.

DIM provides the following services:

1. Care Management (Dialogue): Managing demands (requests, complaints, suggestions, gratitude, etc.) concerning vehicles of brands that Doğuş Otomotiv imports as well as authorized dealers and aftersales services, and meeting customer needs and expectations mean our customers receive the value and care they deserve. These demands are conveyed to DIM through various communication channels such as phone calls, email, live chat, social media and letters.

In 2020, DIM successfully responded to 169,083 dialogue calls, which correspond to a 16% increase year on year. The average speed of answer (ASA) was 15 seconds* and service level was 82% in 2020.

Customer emails answered totaled 68,391 with average email response time of 124 seconds in 2020. The number of answered emails increased by 41% compared to 2019.

* The ratio of calls received within the targeted answering period to the total number of received calls.

In 2020, 44,827 live chat calls were answered within an average of 16 seconds. 56,359 notifications reflected on social media (twitter, facebook) were answered by DIM within 65 seconds.

2. Roadside Assistance: DIM offers roadside assistance services for vehicles imported by Doğuş Otomotiv, vdf Insurance policyholders and vdf Fleet Rental vehicles' users. Primary goal of roadside assistance services is to enable customers to continue with their journeys. The aim is to make customers feel safe against adverse situations that may arise on the road and to reach them as quickly as possible to provide all-encompassing roadside assistance.

DIM responded to 202,822 calls for roadside assistance in 2020 while the average speed of answer (ASA) for these requests was recorded as 12 seconds. Service level was rated at 86%.

In 2020, the "Emergency Service" offered by DIM to its customers was 23,842. The Emergency Service is a positive service for our brands in order to solve our customers' demands at the point of incident and to help them continue their journeys without interruption.

Meanwhile, the "car towing services" offered to customers by DIM in 2020 increased 2% year on year and amounted to 19,063 in number. As another service within the scope of field operations, temporary vehicle allocation of DIM to its customers has been realized as 1,868.

In 2020, the number of tickets opened for road assistance calls decreased to 94,259 contracting 16% compared to the previous year. Customer satisfaction with roadside assistance was rated at 94%.

3. Surveys: Surveys are conducted by calling customers to verify data and service quality with the aim of getting specific answers to scripted questions. The primary goal is to enable our brands to retain their current customers and proactively reach prospective buyers. Calling customers and recording data are essential in terms of managing CRM operations accurately and effectively to maximize sales opportunities with new and loyal customers and using potential and existing customers' data properly. DIM conducted surveys with 146,339 respondents for 27 different projects in 2020. The joint activities of the brands and the CRM department are supported by DIM and field studies are conducted by the survey team.

4. Appointments: Appointments are booked and planned for maintenance and repair works at Authorized Aftersales Services, which are the initial contact with the customer after a vehicle is sold. Attending to the customer's needs and expectations forms the basis of this process, which also involves coordination with the relevant Authorized Aftersales Service regarding work-

Value and Care Center

Put into service in 2014, DIM aims to increase the number of fan customers while supporting Doğuş Otomotiv brands at every stage of customer lifecycle.



shop planning. Accordingly, the appointment line that serves Doğuş Oto in all regions received 223,427 calls, with 75,364 resulting in bookings for all brands in 2020. In addition, a total of 6,289 appointments were made in the Appointment project IVR, which was tested at the end of March and was implemented in April.

5. Used Vehicle Sales: As part of used vehicle sales, the requests received from DOD customers through the website, social media and by phone about buying, selling and trading used vehicles and their insurance and financing conditions are analyzed, results are shared with the customers and contact is established between customers and authorized dealers. DOD calls decreased 65% year on year down to 3,271 in 2020.

While the world average for Service Level as one of the key indicators for the call center industry is 75%, DIM's score was 84% in 2020 as a total value for all units.

on the customers revealed a score of %90 in 2020. As a result of the quality measurement of DIM customer representatives, the quality of the calls with customer representatives was scored at 93.47 in 2020.

DIM always considers service excellence a priority and works on contract with towing companies operating in important and high-intensity areas, followed by quality measurements, which aim at higher service standards in terms of quality and efficiency.

The employees at DIM also contributed to this process with 272 suggestions in 2020, once again topping the list with the highest number of suggestions submitted within the entire organization.

6. Other applications:

DIM Rent A Car (RAC): Since 2015, DIM has been providing temporary car rental service for authorized dealers

with VW and Audi brands to better serve our customers stranded on the road, allowing them to experience our upper segment vehicles such as VW Passat or Audi A4.

D-Pedia Portal: A new web-based FAQ portal has been set up to allow customer representatives to answer customer questions in a timely manner and to record these questions and problems in corporate memory.

Online Performance Appraisal System: The new software developed especially for DIM has been integrated into the performance appraisal system, informing customer representatives about appraisal results (call quality, tests, etc.) simultaneously as they are measured.

Dialog Mobile App: The first phase of DIALOG mobile app developed to meet customer expectations and deliver a unique customer experience has been implemented. When the customer is stranded on the road, their location can be identified through the app and communicated to the emergency service / towing company for immediate action. The location of the emergency service and the tow truck can be also monitored by the customers on their smart phones. The app helps the customers to benefit from roadside assistance services with one tap.

Automated NPS Calls: NPS calls to measure the satisfaction of customers from the DIM service were previously made by customer representatives and starting in 2017, these calls are made by the automated IVR system. This has resulted in savings in workforce and receiving more information from customers to develop and enhance processes.

In 2020, DIM continued using the speech-to-text system, which was implemented in 2017 with an important technology investment. In this system, all recorded calls are automatically converted to text using speech-to-text technology, and data mining methods are applied

to these texts to conduct various analyses. The Analytics system has contributed to DIM in terms of performance management, efficiency and marketing.

DIM holds the ISO EN 15838 Customer Management System certification, which is an international standard with industry requirements for Call Centers and granted to customer-oriented service providers; as well as ISO 10002 certification compliant with ISO 9001, a management approach that enables forming more useful and long-term relationships with customers and improves those relationships.

In 2019, DIM started to carry out the Porsche Premium Customer Representative project, which was launched last year. As part of the project, the Dialog and Roadside Assistance calls made to DIM are answered by a dedicated consultant of the Porsche brand.

With the Positive Discrimination Project launched in 2016, DIM has implemented a new practice to provide faster service to people with disabilities, women and +60 age group among the customers they serve and to minimize their waiting times. Defining these customers in the system connected to DIM and the operator system enables them to be automatically taken to the front of the queue, with a sign appearing on the screen of the customer representatives about the customer's special case (female, +60, or disabled, etc.). This practice makes a difference in service both in terms of treating the customer and also service time.

7. Project-based Activities:

- a. Analyzing and reporting requests, complaints and demands received from the field and implementing improvement projects,
- b. Giving regular feedback to aftersales service teams regarding emergency services, contributing to the efforts for compensating for shortages and maintaining standards,
- c. Carrying out brands' customer relations projects (such as managing the Lead system, providing exclusive call center service for the VW Commercial Vehicles Premium project and similar projects such as Digiturk Portal, DMF leads, VW Shop, D-Gym, meet-

- ing periodical campaign demands (always open showroom, etc.), and Scania Corporate operations),
- d. Updating customer data on project basis by calling customers of a specific brand or authorized dealer,
- e. Developing projects for brands by taking part in their annual planning process,
- f. Carrying out activities aimed at improving customer relations by observing customer experiences at authorized dealers that are open to improvement and making results available to the entire organization,
- g. Carrying out training and motivation programs for emergency services and towing companies to improve processes and increase customer satisfaction.

8. CRM Scorecard: DIM also manages the "CRM Scorecard", a special project designed to measure the effects of CRM activities on brand performance.

9. Telemarketing: Telemarketing activities (sales of accessories, warranties, etc.) are carried out by DIM as well.

ity Report by the Union of Chambers and Commodity Exchanges of Turkey and not having any outstanding tax liabilities, or debts to the Social Security Institution. Companies operating in 21 main services fields, including cleaning, catering, printing, printed documentation, personnel transportation, security, and textiles are regularly audited for their compliance with the selection and evaluation criteria.

In 2011, a supplementary protocol to the existing agreements with our suppliers was drawn up to ensure that economic, environmental and societal risk predictions in Doğuş Otomotiv's corporate responsibility vision were adopted by our suppliers. 34 of our suppliers are included in the Corporate Sustainability Report as of 2020 and they have been informed about the monitoring of their sustainability performance.

Doğuş Otomotiv also manages its supply chain in a very effective manner. The Company's supply chain management is presented in detail in Corporate Sustainability Reports and under Sustainability on the corporate website. (<http://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performance-of-suppliers>).

Suppliers

Our cooperation with the suppliers that we count among our primary stakeholders is based on an understanding of building open and productive relationships. This is how Doğuş Otomotiv develops long-lasting collaboration with all suppliers.

The Company, as the holder of ISO 9001:2015 certification by TÜV Germany, covering the Volkswagen, Audi and SEAT brands and the Logistics Center, regards customer satisfaction and quality as two of its most important values.

Doğuş Otomotiv exercises utmost diligence in selecting its suppliers. The businesses that meet the main selection criteria are audited on site. Based on the audit scores, the suppliers are then evaluated to determine whether or not they would be eligible to remain on the approved list. Those criteria also apply to companies yet to be included in the list.

The wide range of selection criteria includes holding TSI, ISO 9001 / TSI Quality Certifications, manufacturer's seal of approval, a current and industry-standardized Capac-

	2020 Expected	2020 Realized	2021 Expected
Total Automotive Market (Passenger + Light Commercial + Heavy Commercial) (thousand units)	620-630	808	700
Doğu Otomotiv Sales Volumes (excluding ŠKODA) (thousand units)	70-80	100	100
Investment Expenditures (TRY million)	160-170	142	360

After a year of economic and geopolitical uncertainties in 2019, from March 2020 onward the whole world including Turkey was further impacted by the unprecedented Covid-19 pandemic. The year 2020, especially with the effect of the pandemic, was volatile for the stock markets. Expectations of a recovery in the economy have led to a more positive outlook on the stock markets.

The Turkish automotive industry, which closed 2019 with a 22% tightening, saw 41% increase in the first quarter of 2020, fueled by pent up demand, and the momentum continued as the year ended with 69% increase totaling in 807,529 units sold. Even though sales remained low in the second quarter with all local and global automotive manufacturers shutting down production in March and April, the industry began to see an upward trend in the second half of the year. On the other hand, Turkish Lira lost 31% nominal value against US Dollar and EURO basket in 2020.

In these challenging times, the Company continued its sales operations and services, while always prioritizing the health of its employees. Closing the year above expectations, the Company sold a total of 100,130 excluding Skoda in wholesale units and concluded its spending with the necessary expenditures of TRY 142 mio of the total projected TRY 160-170 million.

The Company aims to achieve the following in 2021:

- Maintaining optimum operating profitability and market share (excluding ŠKODA) at 14-15% levels for long-term success;
- In light of all reassessed projects and marketing plans, following a cautious expenditure management structure; and
- Making necessary improvements and reinforcing operational efficiency through constant monitoring of key performance indicators.

Investment expenditures planned for 2021 include the following topics:

- Expenditures for head office, logistics, spare parts, training areas and subsidiaries,
- Machinery and equipment investments,
- Test vehicles,
- Investments in information technologies,
- Investments with potential to create value.

The Company will focus fully on domestic operations by purging activities without any short-term potential and concentrate on mobility, digitalization and service areas in the medium to long term. Furthermore, critical business processes will be fortified within a holistic structure that considers digitalization trends as part of continuous development and manufacturers' strategies. The Company will also continue to maintain its competitive position with new vehicle models of the international brands represented.

We have identified the following risks in relation to our 2021 expectations:

- Geopolitical risks and their potential impact,
- Exchange rate fluctuations and their reflections on strategic financial risk management,
- Protective policies depending on the developments in global markets, and liquidity movements,
- Continued impact of the Covid-19 pandemic.

The principles regarding the management of risks are explained in detail in the following section titled "Overview of the Risk Management System".

Risk Management and Internal Control Mechanism

Corporate Risk Management, which we established to revise and assess methods of defining volatilities in a timely and adequate manner and to take remedial measures in accordance with the objectives of our Company's overall code of conduct, continues to evolve into a corporate culture that extends from the governing body to entry-level employees.

The Financial Control Department, operating under the General Directorate of the Chief Financial Officer as a consequence of the importance we attach to risks in the Company, was restructured in May 2015 as the Financial Control and Risk Management Department. By addressing the complementary nature of risk and control concepts together under the same roof, we maintain our goal of creating one single responsibility center and a common language. In line with this objective, a direct, comprehensive and integrated service is provided for the Early Risk Detection Committee as the command center for effective risk management, with full support for the oversight duty of the Committee.

Our risk composition, considered on the basis of probabilities and possible effects of processes and scenarios, has been redefined and expanded to include our growing sensitivity for health, safety, legal, technology, environment, business continuity, and sustainability in the recent years. Risk measurement and assessment parameters, the use of common terminology, business continuity approach, as well as all related reporting and shareholder information activities also continue to be reinforced accordingly.

The revisions we have made in accordance with our changing organization and the current environment in which we operate are aimed at controlling and managing the risks following their analysis in line with the objective of the internal control system. Managerial bodies, including relevant committees and executive management plan the necessary measures to be taken for assurance in accordance with the Company objectives, and address and monitor them through authorized channels.

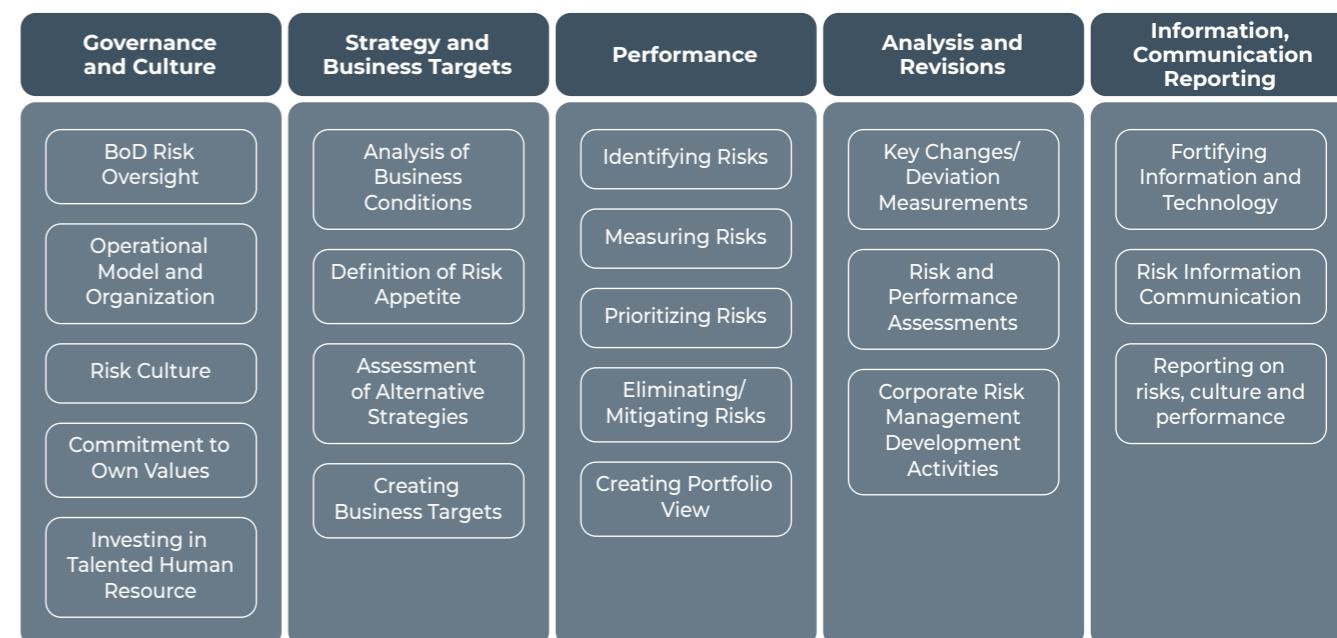
Risks and Evaluation of the Governing Body

Risk Management Policy

The Company's risk management policy was created within a framework configured by internal control and audit activities where all the roles and responsibilities from the Board of Directors to the lowest level were determined and the risk processes were planned and managed. Within the existing structure, the most fundamental topic we emphasize to ensure that risk, as a shared corporate culture, is expressed in the same terms by all our stakeholders. Addressing the models

and methods designed for application within the Company in alignment with generally accepted references is also essential. Identifying the factors that might pose a threat for our organization, assets and stakeholders, taking measures and improving the effectiveness of oversight will, as always, determine the direction of our efforts.

The Company's risk management framework is summarized as follows:



Early Risk Detection Committee Activities

The Early Risk Detection Committee conducts activities for effective risk management by detecting early on the potential causes that may endanger the existence, development and continuation of the Company, and taking the necessary precautions. Most of the time, the interpretation of future scenarios and uncertainties, as the main theme of these activities, are not perceived solely as absolute barriers due to the Committee's strategic perspective and encouragement as they are considered potential opportunities by the Company to lay the groundwork for systematic self-evaluation and new advantages.

With a qualified team and accurate information flow, the Committee provides assurance and supports the oversight role of the Board of Directors and reviews the risk management systems at least four times a year. In addition, it presents the assessment reports it prepares by holding meetings at the date intervals determined in accordance with the working principles to the Board of

Directors and shares it with the auditor during the year. The Committee is directly interlinked to the Corporate Governance and Sustainability Committee as it shares the same members.

Risk Factors and Practices

The Company's risk perspective, shaped according to its field of operations, scale and business structure, continuously evolves and matures on a platform where international developments and examples of best practices are filtered through competencies. The fact that the risks involved in this process would not remain limited to financial, operational and natural phenomena and would eventually require management with a much wider perspective and sustainability approach is a key issue that determines our corporate risk management actions. With the activities we created as an integrated blueprint taking into account the interconnected risks, the processes included in risk management are guided on a path leading up to a strategic and proactive business model.

Financial Risks

Liquidity Risk

The overall financial standing of the Company has been monitored in an environment where financial sensitivities are carefully considered and solutions generated to that end. Particularly, a reporting template based on the variations in commercial transactions is used to monitor risk management asset-liability cash flow. The continuity of high-quality lenders and relations, access to competitive rates, diversity of financial instruments and services (loans, factoring capacity, etc.) and liquidity strength were among the issues that were carefully considered, as has been the case in the previous years. As a result, the management of active and passive was secured through both amount and maturity-planned cash movement controls, ensuring that funding requirements for growth and investment policies were balanced.

Exchange Rate Risk

The net FX position was monitored, again, on the basis of the Company's commercial transactions and communicated regularly to the risk-related governing body as well as the Early Risk Detection Committee through monthly risk management reports. The effects of devaluation, parity and inflation movements were analyzed and necessary precautions were taken.

As a business with intensive import transactions, which are constantly exposed to foreign exchange risks, forward exchange contracts were executed and planned cash has been partially kept in foreign currency to keep the payments in check. Some additional measures were taken, including model-based agreements negotiated with manufacturers according to product portfolio and action plans and pricing options to minimize the negative effects of currency fluctuations.

Interest Risk

The risk management of the Company is grouped into currencies while strategic interest position is determined by also taking into account the effective maturities according to yield and costs of assets and liabilities. For the circumstances where the loan amounts and interest rates change according to our scenario projections, measures are taken proactively according to the load that the cost increases would impose and suitable instrument/rate options are selected and implemented.

Receivables Risk

With joint factoring projects and cooperation, the receivable/payable risks between Doğuş Otomotiv and the authorized dealers and aftersales services have been minimized.

Product Cost/Price Risk

Import planning and resource management are considered as a whole with the quantities and amount of stock in bonded warehouses, in transit, loading or at the ports while the brands are monitored daily for their foreign exchange positions. The direct impact of potential and sudden spikes in foreign exchange rates on both cost composition and the capacity to generate income are analyzed according to various scenarios. In the studies carried out about working capital on the other hand, cash flows, loan limit/risk projections and the financing of the working capital are planned against possible lack of revenues in the scenarios. All of the summarized activities were included in the monthly risk management reports and the relevant management levels were informed regularly during the year.

Operational Risks

Relations with Suppliers

The Company takes precautionary measures against risks such as supply discontinuity or interruption, possible delivery and quality problems and the supplier's financial and technical incompetency. Some of these ongoing practices include monitoring supplier performance, an evaluation system based on minimum offer and bidding procedures, binding agreements and where necessary legal approval, letter of guarantee and other similar instruments to ensure the provision of the service. The precautions taken for and the supervision of issues regarding Supply Chain Management and managing the suppliers' social, environmental and economic risks are explained in detail within the scope of the Sustainability Report. (<https://www.dogusotomotiv.com.tr/en/sustainability/corporate-sustainability/sustainability-home>)

Occupational Health and Safety (OHS)

Certain OHS committees and an organizational structure have been formed to effectively perform/manage the OHS processes in the Company. Furthermore, the Company has resolved to outsource these services starting from 2018 rather than using own employees, and a three-year agreement has been signed, thus expanding the scope of services and sharing risks. Within the scope of OHS, risk analyses of our facilities and work environments, accident studies, civil defense trainings and drills are carried out. Furthermore, current circumstances and legal responsibilities are regularly reviewed during OHS committee meetings and monitored. Trainings aimed at raising the employees' awareness are offered throughout the year with tests conducted under the supervision of experts to measure knowledge levels. Detailed information on Doğuş Otomotiv and Doğuş Oto's OHS activities is available in the Sustainability section on the corporate website. (<https://www.dogusotomotiv.com.tr/en/sustainability/corporate-sustainability/sustainability-home>)

Business Continuity and Crisis Management

For this activity, which is carried out in direct contact with Doğuş Teknoloji and task owners to ensure that it is more in line with the literature and that it embraces the basic concepts with the aim of raising awareness, and that is comprehensive, up-to-date and applicable in real life, relevant OHS practices and the Action Plan issued by the Institute of Internal Auditors are taken as basis. As an important detail of this work, business continuity and disaster recovery are addressed as two different but complementary vital factors within the integrated structure. Business Continuity-related activities were shared with the Early Risk Detection Committee during the year and opinions and suggestions were noted.

The emergency action plans and crisis management scenarios developed to recover the processes that may potentially be interrupted as a result of destructive risks despite the Company's proactive efforts are

also reviewed. Generally accepted tools and consulting services were utilized in these plans and scenarios that aim to prevent loss of life, goods and information, meet the expectations of right holders, take the correct legal steps and protect the organization's reputation.

Information Technologies

An integrated information system (Turkuaz) is used to carry out the operations at the Company. The processes that require intensive transactions such as procurement, inventory management, sales and accounting are generally performed through the applications available on this system. There are also a number of ongoing activities and efforts aimed at resource planning, the use of defined authorities and access rights, training and certification programs toward the use of professional equipment, follow-up on reference models and taking action in accordance with audit results.

Decision Making Processes and Practices

As a precaution against the violation of Company policies and as part of our governance principles, the Code of Ethics, created in global standards and approved by the Company's governing body, states a way of doing business even beyond the regulations and directives at every stage of the Company operations. The Code of Ethics has been adopted in a simple blueprint and with exemplified narrative content, and carefully prepared as a guide for all stakeholders. Regular internal trainings as well as reminders/notifications help to maintain awareness while access to the Code of Ethics is possible on various platforms.

More information on the Management of Non-Financial Risks within the scope of Strategic Sustainability Management aspect is provided in the Corporate Sustainability section under Management of Non-Financial Risks.

Doğuş Otomotiv Compliance Function

Compliance at Doğuş Otomotiv means fully complying with the applicable laws and regulations as well as adhering to Company policies and procedures, societal norms, Doğuş Otomotiv Code of Ethics and relevant international standards. In order to conduct our business in the right way and in a manner to build the trust of our stakeholders, we follow Doğuş Otomotiv Code of Ethics in all our operations. The Code of Ethics consists of four main topics: Equal and Healthy Work Environment, Integrity and Fairness in the Work Environment, Protecting Doğuş Otomotiv's Assets and Reputation, and Integrity and Fairness in the Market. Overall, these topics contain 54 case studies taken directly from the industry to ensure a better understanding of the ethical practices.

In 2020, Doğuş Otomotiv carried out a number of internal communication activities to make sure that the Company policies are clearly understood across the organization and to support the Compliance Function. Notifications and boards were prepared about the policies that the employees often encounter in their daily lives and relevant details of those policies were shared.

Doğuş Otomotiv Compliance Function is committed to ensuring that the Company's commercial operations are conducted with high ethical principles, international standards, and applicable local laws and regulations. The Compliance Function reports to the Early Risk Detection Committee, which in turn reports to the Board of Directors. The Function held three meetings with its working group in 2020. The Compliance Function operates in coordination with the Legal and Risk Management Department and the Sustainability Council. Activities of the Compliance Function are organized in a manner to ensure compliance with Company policies, legal regulations, legislative requirements, and international standards and processes, as well as identifying and reporting the risks in the relevant processes. The Compliance Policy, which the function started to work on in 2019, was published on the website in 2020. The function started its Compliance Function Procedure review in 2020, and the policy is planned to be submitted to the Board of Directors for approval in 2021, after the

procedure has been prepared and finalized with the opinions and recommendations of the relevant departments. The Compliance Function will continue to work in order to minimize the compliance risk in the areas where Doğuş Otomotiv serves and to provide reasonable assurance in the related areas. The function aims to ensure that the activities and employees of the Company comply with all applicable laws, procedures, regulations, policies, ethical and international standards and other voluntary codes, and that their employees are committed to doing their jobs in this direction.

Doğuş Otomotiv also formed a working group to focus on the "Law on the Protection of Personal Data" (National Version of GDPR). With the Legal, Risk Management and Information Security departments working in collaboration, the compliance process is managed by adhering to legal obligations, terms and conditions. Doğuş Otomotiv Information Security Management System regulates the security processes to protect the Company's information assets and ensure compliance with applicable legislation, keeps these processes up-to-date and defines the roles and responsibilities with respect to security processes.

Internal Control and Internal Audit Activities

The internal control and internal auditing activities are carried out to ensure effective, reliable and seamless management of the Company's services and assets as a secure environment is created to ensure the integrity and consistency, timely availability and protection of information.

With internal control practices an integral part of our policies and procedures, our objective is to protect the rights of shareholders and stakeholders, ensure that the Company's financial and non-financial information are realistic and accessible, comply with legislation and the Articles of Association and carry out operations effectively and efficiently. Given that internal control is an ongoing activity and its assessments provide an instant view of the system, our existing structure has been reinforced with three lines of defense. The internal control system, performed by executives and employees, constitutes the primary defense line while the Financial Control and Risk Management activities, which have been restructured under the General Directorate of the Chief Financial Officer, create a second line of defense. Functioning directly at operational level, Financial Control and Risk Management acts in coordination with the other control departments such as Internal Audit and Legal. Our third and final line of defense is composed of our internal audit activities.

The Company has in place an Internal Audit Department, which reports to the Audit Committee and operates in accordance with the legislation and international standards. The department regularly and systematically audits and reviews the Company processes and internal control activities according to a risk-based annual audit plan approved by the Board of Directors and in line with the defined objectives. The Audit Committee held eight (8) meetings throughout 2020 to discuss and review the independent audit results and the regular audits, inspection and investigations carried out by the Internal Audit Department. In addition, one (1) meeting was held with the Early Risk Detection Committee.

Audit Committee Review

As Doğuş Otomotiv's Audit Committee, our objective is to ensure the compliance of the Company's financial statements through effective management. In this respect, the Audit Committee, on behalf of the Board of Directors, defines methods and criteria for internal audits, effectiveness and adequacy of internal control and risk management, functioning of the accounting and reporting systems in accordance with the Capital Markets Law and the principles therein, integrity of information, confidential assessment and resolution of complaints made to the Company regarding the internal control system and independent auditing and discretion in evaluation of notifications.

The Internal Audit Department, taking utmost care to comply with international standards of internal audit activities, evaluates development opportunities by considering quality assurance activities, senior management expectations and similar industry practices. In this respect, audit activities regarding Information Technologies continued in 2020.

With the remote working model that started with the pandemic that came into our lives at the beginning of 2020, the effectiveness of internal Auditing continued without compromising on remote auditing techniques and the entire audit plan was completed as determined. In this context, the digitalization aspect of auditing activities was also emphasized. In addition to continuous auditing activities, an audit methodology that can generate results across all data instead of sampling was developed and together with daily, weekly and monthly reporting through the system, the effectiveness, efficiency and timeliness of audits was enhanced. The objective for 2021 is to increase the weight of continuous audits in the regular audits.

With respect to the Information Systems audits, the relevant teams will undergo the certification processes. Furthermore, the Company has plans to acquire the independent audit Quality Assurance Review (QAR) to measure and monitor audit quality in 2021.

The Audit Committee consists solely of Independent Board Members as defined by the CMB's Corporate Governance Principles. Ms. Adalet Yasemin Akad, the other Committee member, and I, the Committee head, contribute to the committee with our finance, accounting and audit experience that we have gained through our professional careers in these fields.

As the Audit Committee, we carry out our activities in accordance with the Committee Bylaws approved by the Board of Directors and assist the Board in its oversight duties regarding accounting, auditing, internal control system and financial reporting practices. Ac-

cordingly, we are responsible for the following tasks, which are also specified in our bylaws:

- Taking necessary measures to ensure that independent external audit is conducted effectively, adequately and transparently.
- Interviewing independent auditors to ascertain whether or not the financial statements accurately reflect the financial standing of the Company and the results of the activities, and are prepared in accordance with the procedures and principles stipulated in the applicable regulations and relevant legislation.
- Assessing whether or not the methods, tools and implementation principles required to identify, measure, monitor and control the Company's risks are in place.
- Reviewing the follow-up system that the Company has in place for compliance with applicable regulations and relevant legislation, disciplinary sanctions and the results of the investigations and follow-up launched by the Company management on these issues, and providing recommendations to the management for necessary arrangements and actions.
- Taking necessary measures to ensure that the internal audit activities of the Company are conducted effectively, adequately and transparently.
- Reviewing the operations and organizational structure of the Company's internal audit department, providing the Board of Directors with recommendations in regard to establishing a healthy internal audit infrastructure within the Company, defining the powers and responsibilities of the internal audit department, drafting the internal control processes, and the actions needed to ensure the operation and oversight of the system.
- Obtaining the opinions of the Company executives in charge and independent auditors regarding the compliance and accuracy of the annual and interim financial statements and footnotes to be disclosed to the public with applicable legislation and the accounting principles followed by the Company, and reporting these together with our comments to the Board of Directors.
- Reviewing the annual report to be disclosed to the public to ensure whether or not the information contained herein is accurate and consistent with the information the Committee has in its possession.

The Committee convened eight (8) times in 2020, including four meetings with the independent audit firm and four meetings with the Early Risk Detection Committee. The independent audit firm submitted their review of the consolidated financial statements and the audit results. In the presentations by the Internal Audit Department, the Committee was informed about internal control, risk management, governance and sustainability processes as a result of the audits. Additionally, at least once a year, individual meetings with the Chief Fi-

nancial Officer, Accounting Manager and the independent external auditors in a setting where executives are not present. These meetings enable us to consider the issues that may be brought to the agenda by auditors or to our attention about the auditors.

The interim financial statements have been reviewed together with the independent audit firm. Quarterly reviews were conducted regarding the analysis of consolidated results and consolidated balance sheets.

Audit activities, covering financial, operational, regulatory and misconduct risks for all brands and departments of the Company, were carried out. In the audits, the effectiveness of internal control and risk management systems was assessed with regard to compliance with legislation, policies and procedures, accuracy and veracity of financial and operational information, protection of assets, and productivity and efficiency of operations. Increasing amount of data and transaction volumes along with the growing importance of information technologies in recent years cause the adequacy of conventional audit methods to be questioned. Therefore, continuous/computer-assisted audits have come to the forefront as an electronic audit process that enables assurance by the auditors. An ongoing continuous audit methodology was introduced in 2016 to generate results across all data instead of sampling and create periodic reporting. These continuous auditing activities, which enhance the effectiveness, efficiency and timeliness of audits, continued in 2020.

Risks related to the Company's Information Systems processes were reviewed and the effectiveness of the controls in place were assessed. The audit activities were carried out under four main headings: Information Technologies Governance, Information Security and Access Management, Infrastructure Operations, and Change Management. Furthermore, compliance with the Information Systems Management Communiqué published by the CMB in 2018 was followed through, and the compliance and effectiveness of the actions taken were evaluated.

In addition to all the internal control and audit activities in 2020, the findings from the previous periods were also followed up and the statuses of the remedial actions that needed to be taken were checked.

The Company has in place an Ethics Hotline that is controlled by a completely independent firm and that all employees can call openly with the option to remain unanimous to report actual or potential situations that may be in violation of the Code of Ethics. In 2020, the complaints and reports communicated to the Ethics Hotline were evaluated and investigated.

The effectiveness of the audit process depends primarily on defining the audit risks properly. Accordingly, the independent audit firm shares a detailed quarterly audit plan, which includes basic risk assessments, with us and

the audited departments. Additionally, an annual survey is conducted by the independent audit firm to receive feedback from the management about the effectiveness of the audit process.

For independent external audits of the Company's activities, we work with PWC, recognized as one of the top firms in the sector. Considering the quality of the service we have received throughout the year and the firm's position and experience in the sector, we find the audits to be effective.

The tender and the offers received by the Company during the independent external audit firm selection process are shared with us at Audit Committee meetings. We as the committee make the final decision after careful deliberation and consideration. As a result of the tender opened in 2019, the Company began to work

with PWC in line with our decision, considering that the firm possesses the necessary knowledge, competence and expertise, and the assurance that it will conduct the audits in accordance with national legislation and international audit standards. The plan is to open the next audit tender in late 2025.

Adnan Memiş
Head of Audit Committee

OUR BRANDS





In 2020, despite all the difficulties in production, Volkswagen Passenger Cars, which ranked 3rd in the passenger car market with a market share of 8.6%, has significantly increased its ranking in its segments with its increased focus in sales and marketing of the SUV models.

Thanks to the successful product and communication strategies pursued in 2020, Volkswagen Passenger Cars ranked 3rd in the passenger car market with a retail sales figure of 52,740 and a market share of 8.6%. Tiguan, the most successful Volkswagen model worldwide, was introduced in October 2020 with a more digital and newer version, following significant technological improvements.

Corporate identity of the new brand

In parallel with the brand's global e-mobility and digitization strategy, Volkswagen Turkey's new brand design and logo, which represent the beginning of a new era, were introduced on the Company's web site and digital platforms on June 17, 2020. Brand's new corporate identity offers a more modern and more digital brand experience. With its simple, distinct and two-dimensional design, the new Volkswagen logo aims a highly flexible design for digital applications.

New Tiguan has been launched!

The new Tiguan, the most successful model of Volkswagen worldwide, was introduced in October with its renewed design, advanced driving dynamics, and innovative infotainment system. The new model became the segment leader in the last quarter of the year with its successful sales performance after its debut.



Sales performance by model

Passat, the flagship of the Volkswagen brand, reached a sales figure of 22,452 units and increased its segment share to 50%. Equipped with the latest technologies, Passat continued to be the most preferred imported model of the passenger car market in 2020 and maintained its leadership in the segment. T-Roc, the youngest member of the Volkswagen SUV family, increased its segment share from 7.4% to 11.4% in 2020, significantly increasing its performance. The new Tiguan, launched in October with its renewed design and advanced driving assistance systems, became the segment leader in the last quarter of the year.

Innovative solutions for digital communications

Volkswagen Passenger Cars, which efficiently uses all the potentials of the digital world, received a total of 15 million visits to its renewed website in 2020. Having the highest SEO (Search Engine Optimization) performance in the Turkish automotive industry, binekarac.vw.com.tr has maintained its feature of being the most listed site on the results page of the organic search for the word "automotive" in the Google search engine. In 2020, Volkswagen Passenger Cars achieved a total of 31,600 digital potential customers from the website using advanced and learning algorithms such as Behavior-Based Offering System (BBO) and from efficient use of social media channels. This figure indicates a 30% increase compared to that of 2019.

In 2020, Volkswagen Passenger Cars' social media channels continued to be benchmarks of the Turkish automotive industry in terms of original content production and real-time interaction. The brand adopts the understanding of an open communication with its followers in all its social media channels, responding to 98.4% of the questions received, replying back in an average of 14.2 minutes, and carrying out an effective and unrivaled interaction management.

According to the 2020 results of the Stevie International Business Awards, which reward prominent and successful companies and business products, Volkswagen Turkey was rewarded with the Gold Stevie Award for the "Best Instagram User" category. This is also the fifth international award Volkswagen Passenger Cars has won in the social media category since 2015.

Volkswagenim (My Volkswagen), a mobile application which produces online solutions for all after-sales service needs, has been completely renewed with a new brand design. Volkswagenim mobile application, where all transactions such as new vehicle order tracking, viewing past maintenances, online service appointments, online job order creations and making changes in existing appointments can be carried out by customers, was downloaded more than 320,000 times in 2020.

After-Sales Services

Volkswagen Passenger Cars' After-Sales Services, which has been steadily improving in order to maintain the unique automotive experience offered to customers, has increased its number of service points to 80, with Otomol and Öztürk Authorized Services launched in 2020.

In 2020, an average of 42,251 customers were served on a monthly basis, with a total of 507,023 vehicle entries to Authorized Services. Throughout the year, key projects were implemented for digitalization in order to achieve maximum efficiency in After-Sales Services. With the "Digital Dialogue Reception Process" and "Vehicle Tracking with License Plate Recognition" projects, all processes from vehicle acceptance to vehicle delivery have been rendered faster and more customer-oriented.



The Audi brand has successfully completed the year 2020 without losing its pace, and has succeeded in being the leader in the premium segment for two consecutive years.

Audi is once again the premium segment leader in 2020

Having been imported by Doğuş Otomotiv since 1994, the Audi brand completed the year 2020 as the premium market leader with a sales figure of 18,168 units, increasing its market share further. Despite the production constraints encountered during the pandemic period, the activities carried out with its business partner and responding to the demands in the best possible way from a strategic perspective made the acquired leadership even more meaningful.

In 2020 the A3 Sportback, the leader in the premium segment, finished the year with the sales of 1,043 units, while the total sales of the A3 Sedan, A3 Sportback and A3 Cabriolet models in 2020 reached 4,449 units. In 2020, the A4 and A4 allroad models sold 1,537 units; the A5 family reached a total sales figure of 518 units; the A6 family achieved a total sales figure of 1,243 units; and, the A7 Sportback model sold 71 units and the A8 model 51 units. While the Q2 model achieved a sales of 1,635 units, the Q5 model reached a sales figure of 168 units, the Q7 model 163 units, and the Q8 model 55 units.

The leader in the premium segment

In 2020, Audi maintained its leadership in the premium segment with a sales performance of 18,168 units. Audi Turkey continued to reinforce its position in the premium segment by focusing on digitalization and "The Good-Natured Brand" strategy in its business processes.

The shares of exclusive models such as the S/RS, A4 allroad and A3 Cabriolet in total sales have continued to increase.

New brand strategy

Following the operations of Audi AG in real time, Audi Turkey put the "Future is an Attitude" brand strategy, launched globally in 2020, into practice. In line with this strategy, which was created with the main idea of shaping the future with providing premium mobility and creating exciting experiences, the Company followed a 360-degrees of communication strategy and received positive feedback in terms of brand image.

The year 2020 also saw the advertisement campaign for the 40th anniversary of the quattro, one of Audi's most important brand values, and special news reports, including the one with the legendary pilot Michelle Mouton. One of the most striking works was the magazine ads inspired by the four most memorable TV commercials of the Audi quattro that were broadcasted in the past 40 years. With the abovementioned works, the Audi brand was once again awarded by the Automotive Distributors' Association (Otomotiv Distribütörleri Derneği, ODD), in the communication category of the ODD Sales and Communications Awards.

In addition to the achievements in sales figures and communication awards, various social responsibility projects were carried out throughout the year with the aim of contributing to the society within the scope of the "Good-Natured Brand Strategy" initiated in 2019. The Skelex ergonomic power support system, which started to be used in Audi AG's Ingolstadt factory to render the working conditions more comfortable, was also put into use at Doğuş Oto's Maslak location as a pilot project.

In 2020, Audi Turkey has maintained an active presence in social media, and the brand has maintained its feature



of having the most followers in Twitter among all car brands in Turkey.

Audi also leads the way in the field of CRM, within the scope of the "Audi Intelligence: CRM" project, which has been implemented using artificial intelligence and machine learning techniques in order to analyze the information of its existing customers in depth, successfully identify the ones with the highest tendency to purchase vehicles, and increase sales by giving priority to these customers. In 2020, After-Sales Services were integrated into the "Audi Intelligence: CRM" project, and with the detailed and versatile analysis of the information of service customers, the brand aimed to identify the customers with the highest potential to receive service from Audi Authorized Services.

After-Sales Services

The Audi brand achieved an increase of 3.3% in its After-Sales Service revenues in 2020, with a customer loyalty rate of 60%, which has been shown as an exemplary achievement in Europe. Considering digitalization as a core component of its business processes, Audi Turkey launched the "speech to text" application, with which the works of the workshop personnel is submitted to the Turkuaz system through the use of a microphone. As for non-technical trainings, preparations for the personalized modular training system have been completed.

Information regarding brake pad warning, the start-stop system and transmission oil previously given to the customers on a leaflet started to be delivered to the customers digitally via a QR code added to the work order. With the services provided via the PPSO project, instant communication of the available repair packages for the relevant chassis to Authorized Services has been aimed, and customers are expeditiously given the most accurate price information through the Price Offer Application.



With 5,689 units of sale, Leon continued to be the most favored SEAT model despite the focus on sales and communications of SUV models in 2020.

The sales performance of the models

Although production was interrupted due to the pandemic in 2020, SEAT sold 11,551 passenger cars, attaining a market share of 1.89%. This success was achieved thanks to the models acquired from the other European markets were introduced to the buyers, being able to supply even more vehicles than the accepted figures on the return to regular production and the rise in SUV model sales.

The Ateca, one of the rising models of SEAT in the SUV class which received a facelift in October, strengthened its position in the A(SUV) segment with the sales of 2,790 units and reached a segment share of 2.7%. The Arona, the brand's entry model in the SUV class, increased its share in the A0(SUV) segment with the sales of 1,881 vehicles and ended the year with a 3.2% segment share.

Compared to the previous year, the share of SUV models in total SEAT sales increased and reached 40%. Tarraco, biggest SUV model of the brand, is scheduled to launch sales in the first quarter of 2021.

Urban mobility

Sales of the SEAT 100% electric eXS KickScooter, the first micro-mobility product of SEAT, have begun in Turkey in April 2020 in line with SEAT's global strategy.



The most popular SEAT model Leon, with a selling figure of 5,689 units, earned 13.7% share in the A(HB) segment and ranked 3rd in this segment. With its global launch in the second quarter of 2020, Leon's fourth generation will be launched to the Turkish market in 2021. On the other hand, the Ibiza model completed the year with the sales of 1,191 units and a 1.3% share in the A0(HB) segment.

After-Sales Services

SEAT Authorized Services, which serves its customers at 45 locations across Turkey, had 72,000 vehicle entries and served an average of 5,975 customers per month in 2020. With Churn and client recovery programs, customer satisfaction was supported. Discounts were offered for vehicles aged 2 years and over with the ZUBİZU campaign, and the negative effect of the pandemic on vehicle entries was reduced to the minimum. In all service processes and frameworks such as online appointment, contactless, and payment at the consultant desk, digitalization has been accelerated. The brand achieved a customer experience survey score of 4.86 over 5 in After-Sales Services, thanks to its customer-oriented service approach.

In line with the decision taken with the manufacturer SEAT S.A., the warranty periods of the vehicles that expired between March and May, which was the early period of the pandemic in Turkey, were extended for 3 months. During the pandemic period, all SEAT Authorized Services were subjected to the "Hygiene Standards Inspection and Improvement Practice" audit held jointly with TÜV SÜD to monitor compliance with hygiene conditions and was awarded a certificate. Training, which due to the pandemic could not be done face-to-face with SEAT Authorized Service personnel, proceeded via digital platforms.

Micro mobility

With its micro mobility products built to meet the transport needs of people dealing with crowded cities,

growing traffic and environmental pollution, SEAT S.A. increases the options that people can choose when traveling, with simple solutions. SEAT eXS KickScooter, launched in April 2020, has become a significant alternative in this direction for the rising need for individual transport during the pandemic process. In 2020, eXS KickScooter, which is also distributed through the online shopping site n11, hit a total of 300 sales in addition to conventional sales channels.

CUPRA

The efforts to realize the Turkey sales of CUPRA, SEAT's highest level of advancement since 2018, which is positioned as a separate brand worldwide, have begun in parallel with the growth strategy of SEAT SA with two brands and one company. Sales of the CUPRA brand, whose product analyzes of the Authorized Dealer and Authorized Service Network have been completed, will begin 2021 with the opening of the first sales point in Istanbul and will reach 5 sales points within the year.

Communication activities

The prominent topics in communications were the 70th anniversary of the SEAT brand, the 100% electric eXS KickScooter, and the renewed Ateca model. In the project carried out in Spain in January, the SUV family of SEAT was tested with Saffet Üçüncü in the regions of Tarragona, Ateca and Arona, giving the models their names. This project was also used as global content by SEAT S.A. Renewed in the last quarter of 2020, the Ateca model was introduced and its contact was mainly based on digital networks and social media platforms.

SEAT pursued an active social media communication in 2020 and maintained close contact with its customers during the period when the effects of the pandemic were intensely encountered. For customers sitting at home during the pandemic, music lists were prepared and material was shared to help the customers have a pleasant time.



ŠKODA recovered from the negative effects of the disrupted supply and limited product diversity due to the pandemic in the first half of 2020 with the push from new product launches and the competence of the existing models in the second half, and finished the year with a market share of 4.0%.

Rapid growth performance

Although ŠKODA's production schedule was delayed in the March-May period due to the pandemic that has affected the whole world since March and the brand could only sell SUPERB, KODIAQ and KAROQ model vehicles in this period, it displayed a rapid growth performance in the second half of the year. The most important factor in this performance was the SCALA model, which debuted as a C-segment hatchback, and the KAMIQ model, the brand's representative for SUVs in the B-segment.

The year 2020

In 2020, the passenger car market grew by 57.5% compared to the previous year with a total sales performance of 610,109 units, while ŠKODA, realizing a retail sales figure of 24,175 units, increased its sales by 57.3% compared to the previous year. Displaying a growth performance in line with the market, ŠKODA maintained its total market share at 4% by the end of the year. The global sales of the brand declined by 20% compared to the previous year and was realized as 1

The "Heart" of the ŠKODA brand

The new ŠKODA OCTAVIA, with its dynamic design, high quality and standards, will take a significant share of the sales as the "heart" of the ŠKODA brand in 2021.



million vehicles. The cause of this shrinkage was the disruptions in the supply chain and production capacity of the brand due to the COVID-19 measures that were effective especially in the second quarter.

Having offered four main models in 2019, Yüce Auto ŠKODA Turkey continued its sales during the first half of 2020 with the SUPERB, KODIAQ and KAROQ models, since the production of the OCTAVIA model had been terminated at the beginning of 2020. The sales performance, which was adversely affected by the highly limited supply process due to the pandemic in the second quarter of the year, showed a rapid recovery in the second half of the year. Delivering a total of 7,649 vehicles during the first six months of the year, ŠKODA increased its sales to 16,526 units in the second half and tested its performance with the new models in this period.

Performance of the models

Yüce Auto ŠKODA Turkey introduced the KAMIQ and the SCALA models in July 2020. Both models aroused great interest during this period when the market showed a rapid recovery, and the SCALA model completed the year 2020 with a sales figure of 7,461 units and the KAMIQ model with 2,814 units. The models attracted attention in a short time period and achieved an assertive market share in their classes. According to the Automotive Distributors' Association (Otomotiv Distribütörleri Derneği) data, the SCALA became the second best-selling hatchback model in the C-segment, with an 18% market share.

Having been included in the product range in the last quarter of the year, FABIA TSI DSG motor vehicles became an important alternative especially for highly price sensitive customers. The FABIA, which has been on the market since October, has achieved a delivery performance of 843 units in total.

Lying at the heart of the brand, the New OCTAVIA met with consumers at its debut on December 23. The New OCTAVIA, which will add an important dimension to the growth strategy of the brand in 2021, is expected to further elevate the positioning of the brand with its dynamic design, high standards and technology.

The SUPERB and the KODIAQ models, which constitute the upper group of the product range and

are considered the 'prestige' models of the brand, find themselves a place among the strongest models of their class in 2020 as in 2019. While the SUPERB became the second best-selling sedan with a 16% share in the D-segment, achieving a sales figure of 6,872 units in 2020, the KODIAQ maintained its leadership with a 17% share among the D-segment SUVs with a sales performance of 1,881 units. The KAROQ, another member in the product range, has reached the highest annual sales volume since it was introduced to the market, with a sales performance of 3,853 units.

2021 goals

Aiming to start 2021 with seven main products and a product availability of above 90%, ŠKODA draws attention in the sector with its potential to increase its market share and advance its position. Following 2020, in which three new models were included in its product range, ŠKODA plans to enhance its product richness and maintain its up-to-dateness by introducing the OCTAVIA COMBI in May, the renewed KODIAQ in July and the fourth-generation FABIA model in November.

Awards and accolades

Yüce Auto ŠKODA has proven its success in this field globally by winning the "Best Distributor Award" in the After-Sales Services category at the Distributor of the Year 2019 organization held by the ŠKODA brand globally.

The ŠKODA Goodness Car project came second among eight brands in the Corporate Social Responsibility category in the EuBEA 2020 (European Best Event Awards), which has been held since 2006 as one of the important awards of the event and communication industry. The project was deemed worthy of the Felis Award in the Agenda and Crisis Management Category at the 15th MediaCat Felis Awards, where effective creativity in the advertising and marketing industry is awarded. The ŠKODA Goodness Car project was published as the "Best Practice" on the marketing portal of ŠKODA AUTO.

ŠKODA Turkey's success continued on digital platforms as well. ŠKODA Turkey has continued its rapid rise, reaching 793,439 followers on Facebook and 198,323 followers on Instagram. The www.skoda.com.tr website, which became more user-friendly and acquired an interface that can be easily viewed on every platform, continued its successful performance with 11,475,507 visits in 2020.



In 2020, the New Bentley Flying Spur, a unique combination of the luxury and sports sedan performance of the Bentley brand, and the New Bentayga, the SUV model of the brand, were introduced in Turkey, while the Urus, the SUV model of the Lamborghini brand, has led the Company to success in terms of sales.

The most prestigious and luxurious automobiles in automotive history

Bentley Motors was founded in 1919 by Walter Owen Bentley, a railroad engineer. Bentley, a British brand, has been known since the early 1910s as the brand that makes the most prestigious and luxurious cars in motoring history. Today, the brand continues its journey under Volkswagen AG.

Automobili Lamborghini was founded by Ferruccio Lamborghini in 1963. The brand has manufactured its cars in the Italian city of Bologna since the day it was founded. After the acquisition of all shares by Audi AG in 1998, Lamborghini has shown a rapid rise by offering new models equipped with powerful and superior technology.

The world's first super SUV, Urus

Lamborghini reached the highest sales figure in Turkey with the Urus, the world's first super SUV, while Bentley, leaving its 100th anniversary behind, has fortified its position in the competition with the New Continental GT model.



The Flying Spur and the New Bentayga launch in Turkey

The most important development of the Bentley brand in 2020 was the introduction of the New Bentayga, the SUV model, and the New Flying Spur, which is a combination of the luxury and sports sedan performance, in Turkey. The New Continental GT sold 6 units in Turkey in 2020 with an increasing interest, in addition to the sales of 3 Bentaygas and 2 Flying Spur, which has further fortified the brand's position in the Turkish market.

Lamborghini reached the highest sales figure in Turkey with the Urus, the world's first super SUV. Of the 19 units sold in Turkey in 2020, 11 were the Lamborghini Urus, 6 were Huracans and 2 were Aventadors.

Bentley and Lamborghini on social media

Within their frameworks of a global communication approach, both the Bentley and Lamborghini brands prioritized using the Instagram platform in 2020. The brand virtually participated in the "Bentley-Beyond100" press conference held globally in November. Special news reports were prepared and communications for magazine ads were carried out for both brands. Sustainable communication efforts continued throughout the year in line with the global marketing plans of Bentley Motors and Automobili Lamborghini.





Porsche has pioneered several projects in the field of electromobility in Turkey with the first fully electric sports car, Taycan.

Electric automobile investments

In 2020, preparations were started to provide both charging and after sales services to electric vehicles. Accordingly, 100 Porsche Destination charging stations that will serve Porsche and other electric cars were installed. In addition, Turkey's fastest charging station with a total power capacity of 1.05MW (three units with 350kW capacity each) was installed at İstanbul Park/Porsche Experience Center. Preliminary checks were carried out at 310 locations for charging station installations that will allow Porsche customers to charge their vehicles at homes and workplaces.

In order to provide services for Porsche electric vehicles, investments on training, special equipment and quarantine rooms for electric vehicles have been completed within Porsche Authorized Services. In addition, preparations have been finalized for the Battery Repair Center at Doğuş Oto Kartal location, which will provide services to Central and Eastern European countries.

Porsche Taycan: The best selling all-electric car!

Porsche Taycan, launched in Turkey in October 2020, has assumed the title of best selling all-electric car within a short period of 3 months.



Sales performance by model

The Porsche brand increased its sales by 71% in 2020 compared to 2019 and sold 619 vehicles. With a sales performance of 303 units, the Porsche Taycan, the first fully electric sports car which was added to the product line in October, has been the best-selling all-electric car in Turkey. Year 2020 also saw the sales of 222 Macans in the compact SUV segment and 46 Cayennes in the SUV segment. The 911 model reached a sales number of 21 units, the 718 model 17 units, and the Panamera 10 units.

Porsche Taycan communication strategy

During the second half of the year, Porsche followed a communication strategy focused on its first all-electric sports car, Taycan. As of September, pre-launch communication was initiated based on the Taycan model, with online customer delivery videos being taken and shared with customers at the special Taycan stand at Doğuş Oto Maslak Porsche Center.

Due to the receipt of countless questions even before Taycan, which represented a new era, was put on sale, #PorscheCevaplıyor (#AskPorsche) hashtag was created, and the questions collected via Instagram with the collaboration of Saffet Üçüncü were answered by Selim Eskinazi and Süleyman Bulut Ejder under different themes.

The 5-episode video series from Porsche Turkey posted on Instagram and YouTube channels has reached high viewing figures. An interview about Taycan Turbo S with the Porsche brand ambassador, Mark Webber, who visited Turkey for Formula 1, was held at Galataport İstanbul with the participation of Saffet Üçüncü and broadcast on NTV.

On December 2, press test drives were commenced with the Taycan 4S press test vehicle. Due to the pandemic, special videos and photos were shot and ready-made contents were made available to press members. The drives started with YouTuber communication and continued with other media

channels with contents about automotive related topics. As a result of the press reflections in December, 1,677,000 views and an income equivalent to 2,547,920 TRY of commercial earnings were achieved.

Communications during the pandemic

In 2020, when people were mostly online and had all their experiences on the Internet due to the pandemic, all communications took place on online platforms during the first half of the year, in parallel with Porsche's COVID-19 marketing strategy set forth for the countries in Central and Eastern Europe. Porsche Turkey has posted thematic content on its Instagram account, which encouraged its followers to interact more.

Communication regarding Porsche's sales, credit and approved used vehicle campaigns and special occasions were carried out on digital platforms during this period. In addition, an online appointment system via video calls was implemented for the first time in an attempt to offer alternative solutions to the decline in showroom traffic, which led to the sale of 1 Cayenne. In order to strengthen the digital communication, photo shootings took place in Bolu, İzmir and Galataport İstanbul, and local contents were posted on the Instagram account of Porsche Turkey.

Porsche's After Sales Services performance

Thanks to customer loyalty studies and efforts regarding Porsche Service, Porsche accessory, boutique, and extended warranty marketing in 2020, an increase of 20% in service revenues, 119% in accessory sales and 10% in extended warranty sales was achieved. The Porsche mobile application and Porsche online shop, which offer the opportunity to pay online for all services including charging have been renewed; and the N11-Porsche online store has been opened.

Doğuş Otomotiv - Porsche was awarded the PSEA (Porsche Service Excellence Award), which is given to Porsche Distributors and Authorized Services worldwide every year.



Ticari Araç

Volkswagen Commercial Vehicles maintained its third place in the light commercial vehicle market with a 7.4% market share in 2020, while maintaining its leadership in imported commercial vehicle sales. The brand was chosen by Volkswagen AG as the “Best Customer-Oriented Distributor” in 2020 for its success in sales and aftersales services.

Brand performance in 2020

In 2020, 162,679 vehicles were sold in the light commercial vehicle market, with a 77.2% growth compared to the same period of the previous year. Volkswagen Commercial Vehicles has a 7.4% share in the light commercial vehicle market, with a sales figure of 12,036 units, while maintaining its leadership in the imported commercial vehicle market with a market share of 20.4%.

Volkswagen Commercial Vehicle's Transporter model ranked second in its segment with a sales figure of 4,078 units and a market share of 29.6% in 2020, while the Caddy model maintained its second place in the segment with a market share of 12.8%, selling 6,166 units. The Amarok model reached 6.1% market share with 667 sales, and the Crafter model reached 2.7% market share with 1,125 sales.

New product launches

The Crafter family, a powerful representative of Volkswagen Commercial Vehicles in the C-D segment, expanded in 2020 with the introduction of the long chassis Crafter School and Service versions with a maximum load weight of four tons.

“Best Customer-Oriented Distributor”

In 2020, Volkswagen Commercial Vehicles was awarded the “Best Customer-Oriented Distributor” for its success in sales and aftersales services by Volkswagen AG.



Authorized Dealer and Service field activities

With the launch of Otomol Authorized Service in Izmir and Öztürk Authorized Dealer and Service in Aksaray, Volkswagen Commercial Vehicles began offering services through 69 Authorized Dealers and at 80 Authorized Service points across Turkey in 2020. Volkswagen Commercial Vehicles Authorized Services served an average of 10,552 customers per month with 126,623 vehicle entries in 2020.

In 2020, 56,994 customers were reached with the “Winning Service” (Kazandırın Servis), a customer loyalty-based service campaign for Aftersales Services. In addition, the scope of the Winning Service campaign was expanded, and five new campaigns were launched, namely the “Wear Parts Campaign”, “Running Parts Campaign”, “Brake Fluid Campaign”, “Heavy Maintenance Campaign”, and “Winter Check Campaign”. A total of 19,593 customers were contacted through these campaigns.

Maintenance and express services for vehicles continued at customers' locations with the privilege of the “Volkswagen Commercial Vehicles Mobile Service” project. In this context, 271 customers were provided services across Turkey in 2020, while the total number of the customers serviced since the beginning of the project in March 2019 has reached 820.

Expectations in 2021

Volkswagen Commercial Vehicles plans to relentlessly continue its activities in all fields in order to increase its share in the light commercial vehicle market and maintain its strong brand image by adding the rapidly transforming technology to its product innovations in 2021 and adapting itself to changing market conditions and customer needs.

The most important features in realization of Volkswagen Commercial Vehicles' vision will be the trust toward the Doğuş Otomotiv and Volkswagen brands, the Authorized Dealer and Service network spread across Turkey, and the Company's powerful communication with the customers.



With the motto, “Tailored for the only business that matters, yours” Scania has completed 2020 with an overall market share of 7% and 10% in the tractor segment, successfully leaving behind a challenging year for the heavy vehicle industry.

Next-generation Scania

Scania continued to make its business partners feel that the brand stands by them in every project and at the time of need in 2020 as well, and continued to support its customers at all times during and after sales with its “For the only business that matters, yours” approach. Scania has provided an uninterrupted after-sales service even when restrictions were imposed in every region of Turkey during the pandemic period.

Having provided its customers with new-generation vehicles on the roads of Turkey since 2018, which they started manufacturing after 10 years of research and development, 2 billion euros of investment, and over 10 million kilometers of test driving, Scania has updated the legendary V8 engine with new power options in 2020 and left behind another year in which the comfort and driving experience the Company provides have exceeded the standards.

Renewed V8 engine

The Scania brand renewed the V8 engine family in 2020 and presented its most powerful engine of 770 hp to its customers.



Scania is now more digital and eco-friendly

One of the leading applications in the sector, “Scania’m Cepte” (My Mobile Scania) reached a total of 10,000 downloads by the end of 2020, making it an important digital application for its users. Having reached a total of 36,900 users on its Instagram account in 2020, Scania also maintained its presence on Facebook and LinkedIn platforms.

In addition to the alternative CNG and LNG fuel vehicles, a fully-electric truck with about 350 hp and a range of 250 km on a full single charge was also introduced to customers in the L and P cabin vehicles segment.

2021 expectations

As in previous years, Scania will continue to work towards becoming the leader of the sustainable transportation world, especially in the alternative fuel vehicles segment in 2021, and will pursue to achieve the goal of fossil fuel-free transportation by 2040.





Scania Power Solutions responds to customer demands for all their needs by expanding its product range with the newly developed marine, industrial and generator engine models with low emission values.

Another year of success

Doğu Otomotiv offers its customers marine, industrial and generator engines under the Scania Power Solutions brand. Having increased its sales in 2020, Scania Power Solutions Turkey has kept its place among the largest engine vendors.

Scania Power Solutions has carried its market share in the marine engine industry to higher levels in 2020, thanks to domestic and international projects realized with shipyards and yacht manufacturers that manufacture pilot boats, fishing boats, and passenger ferries.

Solutions for every need

In 2020, Scania Power Solutions started working on engines with low emission levels, as well as hybrid products for use in the marine industry and industrial areas. Preparing to offer 100% electric powered engines to its customers in the near future, Scania Power

Powerful, robust, efficient...

Scania Power Solutions takes the standards one step further with its V8 industrial engines, thanks to their high performance, low fuel consumption, lightness, and long maintenance intervals.



Solutions aims to raise the quality standard with both eco-friendly and economical products.

Scania Power Solutions makes a difference with its 16 liter V8 engine and low emission values in industrial applications such as stone crushers, tracked loaders, and cranes. The 6x6 ARFF airport fire trucks manufactured with Scania engines that comply with Stage V emission values have begun to be exported to numerous countries around the world. The engine's high performance, lightness and low emission characteristics carry the standards beyond expectations.

Producing for several generator manufacturers in Turkey, Scania Power Solutions moved up its market share in the generator engine industry in 2020 and has continued its steady growth in this area by expanding its product range with the low-emission Stage III A engines.

Expectations in 2021

Scania Power Solutions will continue its activities in 2021 with the aim of increasing its sustainable quality and market share in different segments as a reliable solution partner.



Thermo King's new reefer unit series, **Advancer**, won the first place in the Smart Trailer category of the Trailer Innovation Awards!

The future of cold chain transportation: Thermo King Advancer series

Drawing attention to the importance of the amount of the power consumed while keeping the load cold in cold chain transportation, Thermo King has developed the smart reefer Thermo King Advancer series for this purpose and presented it for the use of customers.

The constant leader of the market with the SLXi units that offer unmatched efficiency and performance

Thermo King, which has been the market leader in the reefer unit industry for years, continued its success in 2020 with solutions that meet different needs and maintained its leadership in the cold chain transportation industry. Responding to the needs of its customers with different unit options and project-specific cooling and heating solutions, Thermo King continued to set the transport standards in Turkey in 2020 with the latest technological innovations it offers to its customers at the same time with the world.

Ultra low temperature, flexible and customizable refrigeration solutions

Thermo King provides a precise end-to-end temperature control at every stage of the cold chain transportation cycle, ensuring that the products transported are never affected by the fluctuating conditions encountered during shipment.



Protecting the quality of the products it carries until it reaches the end consumer, Thermo King is the most important guarantor of medicine and food transportation all over the world. The certificates and trainings it offers with the GDP convention in pharmaceutical transportation also make it the most significant solution partner in the health sector.

Ability to refrigerate to different temperatures within the same unit

Thermo King meets the needs of its customers in the most flexible way with its SLXi Spectrum model, which allows refrigeration at different temperatures within the same unit. The BlueBox device, which is standard in the SLXi Spectrum model, allows users to connect with their units at any time thanks to its Bluetooth technology.



Doğuş Oto continues to pursue the goal of being a pacemaker and setting an example in its sector, with its pioneering solutions, applications and operational excellence understanding that focuses on digital technologies.

About Doğuş Oto

Doğuş Oto offers new vehicle, used vehicle, spare parts, accessory sales and after-sales services, in addition to insurance and financing services, to its customers in İstanbul, Ankara, Bursa and Kocaeli provinces for a total of six brands it represents. Doğuş Oto provides Authorized Sales and After-Sales Services for Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Audi, Porsche, SEAT and ŠKODA brands, and carries out the sales of used vehicles as a DOD Authorized Dealer.

With 36 Authorized Sales and 33 Service points that operate in all seven geographic regions of Turkey with more than 1,400 employees, Doğuş Oto has a pioneering role in its sector with its strength and stability. Doğuş Oto's mission is to provide the highest quality sales and after-sales services for the passenger and commercial vehicle brands it represents in the regions where it operates.

7 regions, 36 Authorized Sales and 33 Service Points

Having a pioneering role in the sector with its widespread network, strength and stability, Doğuş Oto sold 40,613 new vehicles, 2,358 used vehicles and had 237,734 service entries in 2020.

The year 2020

Doğuş Oto sold 40,613 new vehicles and 2,358 used vehicles in 2020. The year 2020 has been a year that exceeded the financial targets set with a total of 237,734 service entries.

The Company has taken the necessary measures and provided detailed information regarding COVID-19, prioritizing the health of its employees and customers. All regions of operation have successfully passed the TÜV SÜD hygiene inspection.

Marketing activities

In line with the goal of maximizing customers' digital experiences, activities regarding the sales and after-sales services on the Doğuş Oto website were improved and continued in 2020, and accessibility was further increased via communications made through social media accounts.

The Doğuş Oto website offers a pioneering service channel where the customers can get the information and service they need at any time, with the ease of a single click, without having to come to the showroom. Users can view the Company's vehicle stock in real time, get information about prices and vehicle equipment, make comparisons, and book a vehicle whenever they want.

In 2020, Doğuş Oto maintained close contact with its customers and increased its accessibility through posts shared on its Twitter, Instagram, Facebook, YouTube and LinkedIn accounts.



The year 2021

Based on the fact that a brand new world in terms of sustainability, environment and technology will prevail in 2021, Doğuş Oto will continue its efforts in the field of technological infrastructure and digitalization without compromising on health measures.



In accordance with the dynamics of the year 2020, digital solutions such as "Sell to DOD" and "Vehicle Promotion by Video Call" have been swiftly implemented by DOD, the leading brand in the corporate used car market, and the Authorized Dealer network was supported while taking customer satisfaction into consideration.

Digital solutions

DOD, which has already brought many innovations to the used car market, in accordance with the dynamics of 2020, has launched the Vehicle Promotion by Video Call service in April 2020 in addition to the DOD 360 service, which is currently in use and offers a 360° view of the inside of the vehicle. The Vehicle Promotion by Video Call service, which can be easily accessed via DOD.com.tr and DOD Mobile, primarily aims to support sales negotiations digitally and to manage a significant part of the decision-making processes during the physical showroom visits of customers through digital platforms. Since the service was launched, 1,025 online interviews were conducted and 14 vehicles were sold using the service.

With the "Sell to DOD" service launched in the last quarter of the year, users who want to safely sell their vehicles at its actual value have found the opportunity to evaluate their vehicles without going to the sales points. Users can request a free appraisal appointment

"Sell to DOD" service is now available

With this service offered in the last quarter of the year, pre-valuations were made for approximately 17,500 vehicles, the 101-Point Control was performed on 300 of these vehicles, and of the inspected vehicles 12 were purchased.

by choosing from any of the 59 DOD Authorized Dealers in 28 cities with the pre-valuation amount they received for their vehicles. In 2020, pre-valuations were made for approximately 17,500 vehicles within the scope of this service, and the 101-Point Control was performed on 300 of the vehicles. Of the inspected vehicles, 12 were purchased.

The DOD Mobile application has been downloaded to approximately 900,000 smartphones or tablets so far and has become one of the most preferred mobile applications in this field.

The new DOD.com.tr and DOD Mobile platforms, which began to be designed at the end of 2020, are planned to be launched in June 2021.

DOD in 2020

In 2020, DOD Brand Management realized a cash vehicle sales figure of 1,007 units. A total of 14,625 vehicles were sold in cooperation with the 59 DOD Authorized Dealers operating in 28 cities.

Depending on the requirements of the time period, efforts were made to increase the sales and supply channels in 2020, while a cooperation with VDF (Volkswagen Doğuş Finans) led to an increase in the supply volume of consignment vehicles. In the last quarter of the year, the "Sell to DOD" project aimed at increasing the procurement of vehicles from individual customers was implemented. In addition, the Authorized Dealer network and DOD customers were supported with the loan campaigns from DOD Finance, organized throughout the year.

The DOD Warranty product, which makes customers feel safer in the second-hand car purchase processes, was simplified and the concentration of the Authorized



Dealers was increased. With the new scope, the penetration of vehicle sales with DOD Warranty increased by 13 points compared to the year 2019, reaching 34%.

Authorized Dealers

With the inclusion of Aykan Kartal and Başaran A.V., which started operations in 2020, DOD Authorized Dealers continued to provide services corporate used cars purchase and sale services continued at 59 sales points in 28 cities.

Showroom renovation works continued in 2020, with Bati and Vosmer Gaziemir showrooms switching to a showroom structure that suits the new corporate identity. In 2020, on-site training on the use of the Turkuaz system and the 101-Point Control was given to the new personnel of four Authorized Dealers.

Regulatory compliance practices

In accordance with the regulatory change published in the Official Gazette dated August 15, 2020 and numbered 31214, compliance practices on various topics such as registration certificate, authorization certificate, vehicle exhibition and publication criteria were carried out in the entire DOD network. Compliance practices will continue in 2021.

Communication activities

Digital platform advertisements for increasing awareness toward the DOD brand have continued throughout the year. DOD digital solutions were prioritized in communication activities, and various PR and social media activities have been carried out in this direction. In addition, social media management continued throughout the year with the production of platform-specific, interactive and rich content.



The vdf Group achieved its goals in 2020 with its finance, insurance, factoring and fleet companies which prioritize customer satisfaction when offering products and services.

The vdf Group achieved its goals in 2020 with its finance, insurance, factoring and fleet companies which prioritize customer satisfaction when offering products and services.

With an average of 27% penetration rate among the Volkswagen Group brands in vehicle loans, vdf attained a market share of 14% in vehicle loans in 2020.

Having provided 37,397 new loans in 2020, vdf reached its targets with a total of 61,237 performing loans. The total performing loan volume of vdf increased by 38% compared to the previous year and rose from 5.3 billion TRY to 7.3 billion TRY.

In 2020, vdf aimed to increase customer satisfaction and loyalty through sales, marketing and customer loyalty campaigns organized jointly with brands. According to the results of the survey conducted in 2020, vdf achieved a score well above the world and European averages in customer satisfaction

Better services through digital development

Providing their customers with their products and services whenever and wherever they need them through mobile and web-based applications, vdf group companies aim to provide the fastest service to their customers at every location by continuing their digital development and investments in 2021.



vdf FAKTORİNG HİZMETLERİ A.Ş.

Having begun its operations in 2010, vdf Factoring Inc. offers factoring and financing services to 110 Doğuş Otomotiv and Yüce Otomotiv Authorized Dealers across Turkey. In 2020, vdf Factoring reached a transaction volume of 18.5 billion TRY and a total asset value of 515 million TRY. vdf Factoring aims to increase its business volume in 2021 with the principle of continuous and stable growth.

vdf FİLO KİRALAMA A.Ş.

Taking its place in the operational leasing fleet industry in 2016, vdf Fleet has set out with the vision of not regarding the needs of its customers as car rental alone, but also with the vision of providing consultancy in fleet cost optimization, total ownership cost and fleet management.

In 2020, vdf Fleet reached a total of 12,178 active contracts, of which 57% were Doğuş Otomotiv group brand vehicles, and followed a strategy focused on efficiency and competent use of human resources. The Company will continue its services in line with the principle of providing the best to its customers by further improving its digital solutions in 2021 with its investments in robotic process automation and mobile and web-based applications.

assessments compared to the previous year. According to the survey, nine out of every 10 people stated that they would like to work with vdf again.

In 2021, vdf aims to continue to provide the best service to its customers in every step of the automotive value chain by expanding its loan, insurance and service packages tailored to the needs of its customers.

vdf SİCORTA VE ARACILIK HİZMETLERİ A.Ş.

vdf Insurance Services has achieved the highest level of customer satisfaction in 2020 with its extensive experience and special product range developed to identify and meet customer needs. Operating as an agent of a total of 12 insurance companies, vdf Insurance Services serves individual and group customers in several areas such as branded car insurance, traffic, extended warranty and credit protection insurance.

Operating within the Authorized Dealers of VW Group brands, vdf Insurance continued to provide its services in 125 showrooms in 2020. vdf Insurance Services has made a difference in its industry with brand-specific coverage, starting with Volkswagen Insurance and carrying on with SEAT, ŠKODA, Audi and Scania Insurance.

Preserving its title as the largest insurance agency in terms of total net premium generation and the number of performing policies in 2020, vdf Insurance continued its steady growth with a total net premium generation of 448 million TRY. vdf Insurance has also reached a number of 306 thousand in issued policies in 2020.



Leaving its 13th year behind in 2020, TÜVTÜRK has offered inspection services to 180 million vehicles to date. TÜVTÜRK, whose total investments have reached 1.5 billion USD since its first day of operations, has contributed 11.6 billion TRY to the public with its services.

Serving in 81 provinces of Turkey with 210 fixed, 74 mobile, five motorcycle and 16 mobile tractor stations, TÜVTÜRK grew in all business areas, mainly in periodic vehicle inspection services in 2020, and achieved an increase of 25.2% in revenues, bringing it to 3,198 million from 2,554 million TRY. The operations of TÜVTÜRK Istanbul accounted for 522 million TRY of the total revenue.

TÜVTÜRK, the most effective public-private sector collaboration in Turkey, has contributed a total of TRY 11.6 billion to the public since its first day of operations. This contribution amount in 2020 alone was 2.4 billion TRY.

Contributions to traffic safety

In 2020, periodic vehicle inspections of approximately 10 million 258 thousand vehicles were performed, which indicates an increase of 3% compared to the previous year. In these inspections, 29.07% of the vehicles were found to have major defaults or being

11.6 billion TRY contribution to the public

TÜVTÜRK, the most effective public-private sector collaboration in Turkey, has contributed a total of TRY 11.6 billion to the public since its first day of operations. This contribution amount in 2020 alone was 2.4 billion TRY.



dangerous. Of the 2.9 million vehicles that came for re-inspection, 97.6% were found to have their deficiencies and defects addressed, and these vehicles which passed the re-inspection were allowed to safely return to the streets.

Exhaust gas emission tests and roadworthiness inspection

In 2020, exhaust gas emission tests of 3.7 million vehicles were performed. The rate of exhaust gas emission tests to periodic inspections was 36.2%. Roadworthiness inspection services offered at 31 stations were given to 28,788 vehicles in 2020.

Social Responsibility Projects

The Traffic Responsibility Action has been in effect since 2010, under the coordination of the Ministry of Transportation and Infrastructure and in cooperation with institutions and organizations working in the field of traffic safety. The Traffic Responsibility Movement is based on multi-partner participation in creating solutions to the traffic problem, has created awareness in the partner network that consist primarily of public, non-governmental and media organizations working in this field with its training and communication activities, and has created platforms to bring this structure together in line with common goals. Thanks to these platforms, many activities have been carried out to encourage positive behavioral changes in the society regarding traffic safety. To date, approximately 1.5 million people have been directly accessed through training field activities and approximately 7.6 million people indirectly through communication activities.

Within the scope of the project, the sub-project for school bus drivers called "Now It's Your Turn to Learn, Mr. Driver" is still continuing successfully. Four sub-

projects ("Safe Vehicle Action", "Responsible Citizen Action", "Youth in Traffic Action" and "Bosom Buddies Action") carried out between 2010-2020 were ended after their goals had been met.

In addition to its contribution to traffic safety, another project realized by TÜVTÜRK in the process of combating the pandemic in 2020 was the "Primary Education from TÜVTÜRK". Children who had to continue their education online from home needed a computer during this process; and the children who attended the 1-4th grades and were the children of the employees who worked as assistant supervisors, vehicle inspection technicians, exhaust emission technicians and customer acceptance officers at TÜVTÜRK were given laptops as a gift.

In addition, 500,000 protective masks were donated during the pandemic period for the use of health workers in medical institutions across Turkey. TÜVTÜRK has also made cash donations of 2 million TRY to the "Biz Bize Yeteriz Türkiyem" (We Are Enough for Each Other) campaign, a national solidarity campaign for financial recovery during Covid-19.

TÜVTÜRK Application

The TÜVTÜRK application, which will reduce social contact at TÜVTÜRK stations, prevent possible crowds at stations' waiting areas, and facilitate the transactions was put in use in 2020. Thanks to the application, vehicle owners are now able to get and track vehicle inspection ticket numbers, which they could previously receive from the kiosks at vehicle inspection stations, via their smart phones. Thus, vehicle owners can follow when their turn is up sitting their own vehicles or wherever they want, instead of using the waiting areas in the stations.



Spare Parts and Logistics, which combines the technology of the future with a sustainable logistics management through the modern and best practices of synergy and creates a unique service for the world brands represented by Doğuş Otomotiv, ranked the first among the European logistics centers of VW AG with its Supply Chain Quality Ratio in 2020, a year full of challenges.

About Spare Parts and Logistics

Spare Parts and Logistics carries out the importation, warehousing and distribution of the vehicles and spare parts for some of the world's most prestigious brands such as Volkswagen, Audi, SEAT, ŠKODA, Porsche, Bentley, Lamborghini, and Scania, as well as Scania Power Solutions and Thermo King Mobile Transport Temperature Control Systems and their spare parts to Authorized Dealers.

Spare Parts and Logistics combines the technology of the future with a sustainable logistics management through the modern and best practices of synergy and creates a unique service for the world brands represented by Doğuş Otomotiv.

Providing fast and accurate service to the customer

Spare Parts and Logistics uses advanced technologies and stock management systems that adapt quickly to changing customer demands in order to run its operations smoothly. During the pandemic period where uncertainty was very high, safety stock levels

Fast and extensive service

Spare Parts and Logistics imported 101,176 vehicles and shipped 124,943 vehicles to Authorized Dealers in 2020.



were proactively increased, spare parts availability was maintained at 99% and potential customer complaints were prevented.

In addition to the effective pricing and price positioning policies followed, the common part usage rate approaching 50% creates an important synergy within the Spare Parts and Logistics organization.

Spare Parts and Logistics, with its pioneering vision in vehicle logistics, continued to successfully implement the "port shipment" management in 2020 and minimized delivery times by distributing vehicles to Authorized Dealers directly from the port.

Thanks to the priority given to digitalization, flexibility and rapid adaptation have been achieved with optimization, effective stock management and workload estimation models in the process of collecting parts using artificial intelligence. In addition, robotic process optimizations were also included in the business processes, thus manual workload has been minimized.

Spare Parts and Logistics has also reduced logistics-related CO2 emissions in 2020 with the intermodal route system it utilizes.

Products and services offered

Spare Parts and Logistics offers the following services to contribute to the happiness of the end customers by providing the goods and services required by Authorized Dealers and Services at a high standard:

- Carrying out the import and homologation operations of all group brand vehicles.
- Keeping the imported vehicles by the VW, Audi, SEAT, ŠKODA, Porsche, Bentley, Lamborghini and Scania brands in the warehouse and storage areas, and delivering them to Authorized Dealers.
- Ordering, importing, storing, stock management of spare parts and accessories of the VW, Audi, SEAT, ŠKODA, Porsche, Bentley, Lamborghini, Scania and

Thermo King brands and distributing them to the Authorized Services according to the orders.

- Monitoring of the goals and realizations related to the bonus criteria of the Authorized Services that include qualitative and quantitative components.
- Fulfilling the obligations of Doğuş Otomotiv, Inc. and Authorized Services arising from environmental legislation, and thus reducing our environmental impacts as part of our corporate responsibility.

Improving our quality-focused business approach

- Assuming a strategy-setter role in spare parts activities, creating a vision and sharing it with brand representatives, and creating added value in increasing the market shares of the group brands.
- Ensuring operational excellence in speed/quality/cost with employee participation.
- Pioneering digitalization investments in order to create an effective e-trade chain management (Industry 4.0) and implementing projects with the aim of continuous improvements in spare parts management systems.
- Reducing delivery times and costs in order to support new vehicle sales and enable the organization to operate with lower inventory costs.
- Creating new sales channels and increasing sales volume.

Importing 101,176 vehicles in 2020 and shipping 124,943 vehicles to Authorized Dealers, Spare Parts and Logistics ended the year with a revenue of 1,364.3 million TRY from the sales of spare parts and accessories.



With its 36 years of experience, Doğuş Insurance offers its customers reliable services that make a difference in the insurance industry.

An experienced intermediary

Doğuş Sigorta Aracılık Hizmetleri A.Ş. (Doğuş Insurance), a subsidiary of Doğuş Holding and Doğuş Otomotiv, was established in 1984 to offer insurance for the assets and commitments of Doğuş Holding companies in the most operational and cost-effective way. Having adopted the principle of providing the best insurance services to its customers within and outside Doğuş Group, Doğuş Insurance continued its activities in this direction in 2020 as well.

Insurance transactions of all companies in Doğuş Group which operate in six main industries; automotive, construction, media, food & beverage, tourism & retail, real estate and energy, were carried out by Doğuş Insurance in 2020. Within the framework of the Doğuş Combined Insurance program, Doğuş Group companies have been provided with significant coverage and price advantages both in the assessment and pricing of all risks in the policies issued in 2020 and in the creation of health and life policies.

In parallel to the fact that Doğuş Group companies operate in different industries, the insurance product range has been diversified and risk assessment updates have been made in all activities conducted throughout the year. Doğuş Insurance has achieved its goals by demonstrating a 31% growth in 2020 with a team of eight people.

Growth to continue in 2021

Having continued to add value to its services by advancing its digital development and increasing investments in 2020, Doğuş Insurance aims to continue its digital transformation investments in 2021 in line with the needs of the industry and customers.

CORPORATE SUSTAINABILITY

BIST SUSTAINABILITY INDEX

BIST Sustainability Index is calculated and published since November 4, 2014 with the aim of promoting corporate sustainability through improved understanding, knowledge and practices.

There is one index period for BIST Sustainability Index from November through next October. The companies are evaluated every year and those that meet the criteria are listed in the next Index period from November through the following October.

Based on the evaluations, the Company continues to be included in the BIST Sustainability Index since 2015. BIST Sustainability Index consists of companies, which are traded on Borsa İstanbul and which display high corporate sustainability performance. Doğuş Otomotiv has been listed in the December 2020 - October 2021 BIST Sustainability Index for the sixth time.



SUSTAINABILITY

Statement of Compliance to Sustainability Principles Framework

Based on the amendment made to the Corporate Governance Communiqué, numbered II-17.1 and published on October 2, 2020, our Company regularly discloses the information expected within the scope of the Sustainability Principles Framework within the Corporate Sustainability Report every year since 2009. In line with the principle of "Comply or Explain", our related goals, including the elements that may be involved in compliance with the principles or the scope and limitations in data collection, are explained in detail in the GRI (Global Reporting Initiative) Index we publish every year.

Corporate Sustainability

In terms of corporate sustainability, 2020 has been a difficult year in Turkey as well as around the world. Once again and more than ever, the management of non-financial risks was highlighted. Since March 2020, the Covid-19 pandemic, which has impacted both private and corporate lives, has given companies the opportunity to reflect, set new targets, evaluate opportunities in terms of competitiveness in the fields of domain management and risk management. The pandemic conditions that have a significant effect on the global automotive industry have been a time when Doğuş Otomotiv's processes and stakeholder impact analysis have been carried out and all steps have been prepared with great precision. The meticulous management of any process within the framework of business continuity, apart from the utmost importance of employees and public health,

Detailed explanations regarding the titles in the Sustainability Principles Framework are given in Appendix 3.

has helped our Company to successfully overcome this trying time.

The Covid-19 pandemic has gone down in history as the deadliest epidemic disease in history, according to the 2021 Global Risk Study released by the World Economic Forum (WEF) for 16 years, whereas the risk of infectious diseases, which has not been in the top ten for the last 15 years, has been put in the top two for global warming. Doğuş Otomotiv acknowledges this study on multiple stakeholder expectations in terms of both area of effect and potential risk as a guide in terms of sustainability strategies and stakeholder expectations. In addition to the Global Reporting Initiative (GRI) Reporting Principles, Volkswagen AG's Global Automotive Sustainability Guiding Principles (Drive Sustainability), applicable for



business partners worldwide, are also kept in mind as stakeholder requirements are a factor in deciding priorities for Doğaş Otomotiv.

Published with a content index since 2017 and in line with the United Nations Sustainable Development Goals, the Doğaş Otomotiv Sustainability Report continues to be published as the longest running report in its sector in terms of standard and core coverage.

During this challenging time, Doğaş Otomotiv has managed to be fast and effective in implementing facilitating elements for both its employees and customers, with its past equipment and e-management models, considering digital transformation at the top of its sustainability material issues.

Sustainability Strategy

At Doğaş Otomotiv, our sustainability strategy, which is focused on the efficient use of all our resources, the development of a positive impact and the encouragement of our stakeholders' confidence, is seen as the main element that will take our Company further into the future.

Our strategy for corporate sustainability is to manage our social and environmental impact and to be an important and reliable business partner for our stakeholders by concentrating on quality improvement across our value chain and by demonstrating superior performance with a full, timely and precise understanding of service. For Doğaş Otomotiv, corporate sustainability is the strategies we use to evaluate the solutions we create for our industry's social, economic and environmental challenges and our corporate conduct that encompasses all our activities.

Our Strategic Sustainability Management Approach

Since 2009, Doğaş Otomotiv has closely monitored, in line with these trends, all developments in the field of Strategic Corporate Sustainability in the world and various and changing corporate standards, and revised and updated its corporate sustainability strategies in this direction.

Anticipating and taking action on non-financial risks, a stakeholder participation strategy and openness, which the world's evolving and changing expectations consider to be crucial in the field of sustainability, are outlined by Doğaş Otomotiv's basic approach to sustainability. Our attempts to implement this approach into all of our Company processes keep on developing every year.

Managing Non-financial Risks

Management of the non-financial risks as a cornerstone of Doğaş Otomotiv's Sustainability strategy is overall addressed and monitored in line with the Impact and Materiality aspect. The non-financial risks identified as a

We believe that the effect of the transformative impact of Covid-19 in non-financial risk management on the business environment will be seen even more effectively in the future. We are aware that our stakeholders' expectations will change accordingly. With the same perspective for the post-pandemic, we have been carrying out our strategies in this way which we have been following for 11 years by building all our sustainability policies on stakeholder engagement.



Key Objectives of the Corporate Sustainability Strategy

- Becoming a Part of Economic Development**
We at Doğaş Otomotiv aim to be the industry's most preferred and trusted stakeholder, in particular for our employees, customers and partners. This is why we define our material issues as becoming a sustainable company that implements a reliable and sustainable supply chain model that creates value, meets the expectations of its stakeholders with all of its operations and ways of doing business, positively changes and develops its impact, and that is a part of economic development.
- Reducing Our Environmental Impact**
We regard raising our environmental awareness by reducing the consumption of natural resources among our most important objectives for long-term success. Therefore we strive to reduce our environmental impact in water consumption, energy efficiency and waste management.
- Reaching the Ultimate Standards in Governance and Business Ethics**
To create a culture of ultimate transparency and reliability at every stage of our operations, we constantly build on the corporate governance and ethics processes and support our organizational structure with corporate policies.
- Building a Culture of Safety in Traffic with the Traffic is Life! Program**
We continue to invest in the Traffic is Life! platform to raise awareness about safe driving in traffic as part of our product and service responsibility, and work to become a part of the solution in social and personal safety by instilling this culture in people of all ages.

Corporate Sustainability Management

Doğuş Otomotiv has been publishing Corporate Sustainability Reports since 2009 in accordance with the GRI (Global Reporting Initiative) Global Reporting Framework. Corporate policies related to the performance areas reported within this framework were studied in the sub-committees formed by members of the Corporate Responsibility Working Group in 2010, and the policies they prepared were submitted to the Corporate Sustainability Monitoring Committee for review and duly approved. In 2017, the material aspects of the time were updated with the participation of the Corporate Sustainability Council and the Corporate Sustainability Committee members. Implementation of the updated materiality aspects began in 2018, and the work plans in line with the targets of these performances were introduced in 2019.

In 2020, the Environmental Management System ISO 14001:2015 was formed and certification studies commenced. The system, which was set up to include the entire Doğuş Otomotiv Şekerpinar campus, will be audited in the first months of 2021 and a globally valid ISO 14.001 certificate will be obtained.

At Doğuş Otomotiv, we design all processes and set all targets with a view to adopting a responsible management approach across our entire value chain. This involves designing our corporate management approach with a focus on sustainability and building our management model on the pillar of sustainability.

At Doğuş Otomotiv, we follow sustainability developments both in Turkey and the world, observe the laws and regulations directly affecting our key stakeholders and plan our activities to integrate compliance requirements into our business processes as quickly as possible. As we move toward a strategic sustainability management that spans our entire value chain at Doğuş Otomotiv, we strive to build a sustainable supply chain that continually improves the culture of doing business right through an integrated compliance and risk management model within the organization.

We adopt a systematic approach to sustainability management to understand risks and to manage them proactively. The fact that our business decisions include diligently calculated risks and managing them sensibly delivers long-term value for all our stakeholders.

This business universe with very broad impact also requires managing different expectations of various stakeholder groups, accurate impact analysis and a risk management approach. Accordingly, the Corporate Governance Committee, which reports directly to the Board of Directors, was renamed Corporate Governance and Sustainability Committee in 2016 with the addition of sustainability to its duties, thus becoming officially responsible for all sustainability-related strategies, policies and targets. The Committee, which convened 4 times

in 2020, consists of five members and is headed by an independent Board Member. Two of the five committee members are non-executive directors. Two members of the Early Risk Detection Committee, which reports to Doğuş Otomotiv's Board of Directors and is directly involved in sustainability-related issues, are also members of the Corporate Governance and Sustainability Committee. The Company also has in place a Sustainability Council under the higher committee. The Investor Relations Representative, a member of the higher committee, also serves on this Council and assumes responsibilities such as gathering information for the committee, communicating the findings of the Council to the committee during decision-making processes and reporting the operational risks and opportunities to the committee when needed. The General Manager of Digital Transformation and Corporate Communications is a natural member of the Council and assumes responsibility as a member of the Executive Committee on sustainability issues. The Sustainability Council of Doğuş Otomotiv was formed by all the Company's organizational and administrative units and representatives of subsidiaries and met online 4 times in 2020 to assess the Company's sustainability objectives and results.

The members of the Environmental Committee needed to set up the ISO 14001 Environmental Management Framework were also formed consisting of representatives of the related departments among the members of the Council, thus directly connecting them to the Board of Directors' associated Corporate Management and Sustainability Committee.

Corporate Governance and Sustainability Committee is responsible for monitoring sustainability-related issues on behalf of the Board of Directors, and setting and managing targets. This committee identifies whether or not corporate governance principles are applied at the Company, reasons if not, and conflicts of interest that may arise due to lack of full compliance with these principles, and provides improvement recommendations to the Board of Directors for these practices. The committee also briefs the Board of Directors about preventive/remedial measures to ensure implementation of sustainability principles as well as opportunities and action results. In addition to implementing corporate governance principles, the Committee is furthermore involved in managing, providing advice and coordinating a number of activities that relevant institutions and stakeholders may require in line with the social, environmental, economic and ethical responsibilities of the Company. The Committee may delegate some of its duties and responsibilities by requesting the formation of a sub-committee directly under itself. Such a sub-committee must consist of senior executives appointed by the Board of Directors. The sub-committee performs its duties and responsibilities with the support of a working group or council formed by certain department managers designated for the job, and participates in the Committee meetings, and presents direct and regular

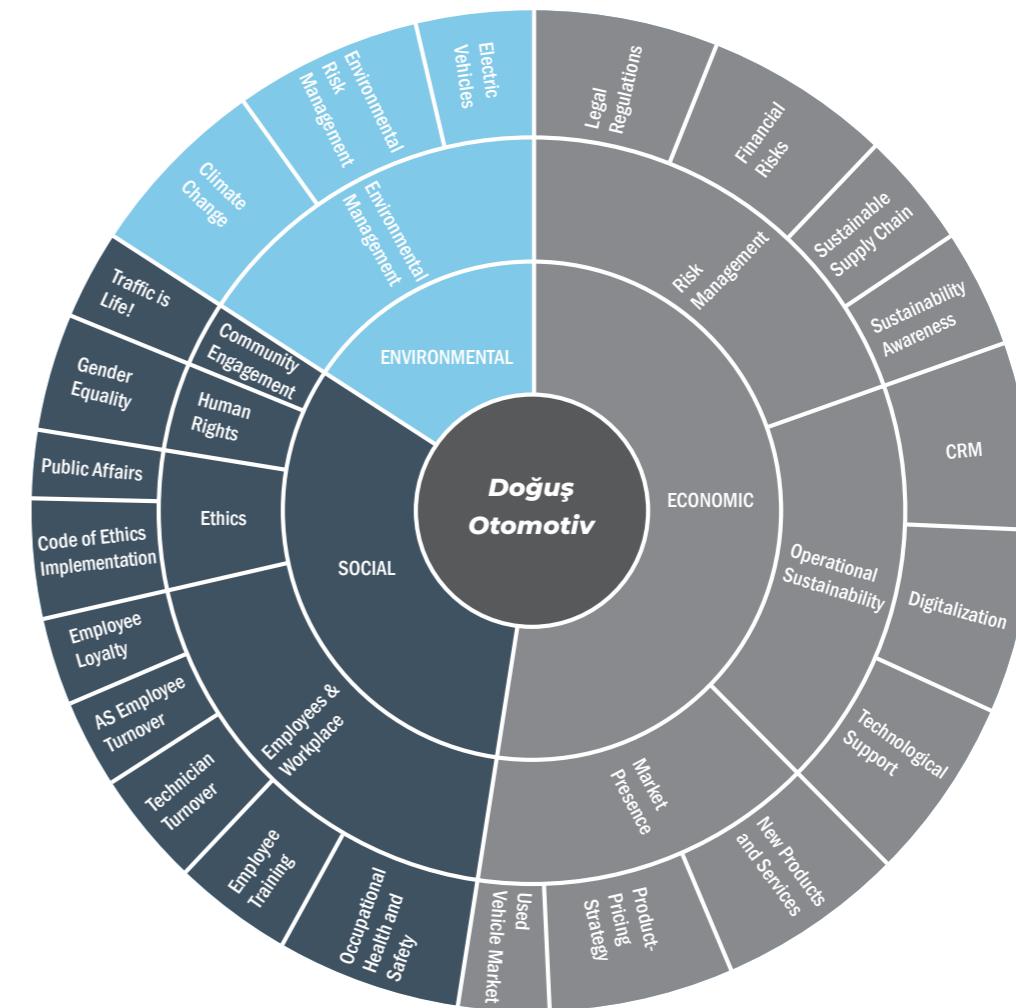
reports to the Committee. The Corporate Sustainability Council, which is composed of managers and employees from all departments within the Company, reports to the committee.

In line with current requirements and evolving procedures, Doğuş Otomotiv Sustainability policies are also reviewed and revised. The Bribery and Corruption Policy and the Anti-Money Laundering and Terrorist Financing Policies and the Policy on Energy and Environmental Management were revised in 2020 and added to the Code of Ethics of Doğuş Otomotiv. It is also shared on the website under the relevant title.
<https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies>

Detailed information on Corporate Sustainability Management is released on the Global Reporting Initiative (GRI) Index website every year as part of the Sustainability Report, and if any penalty is charged as a result of litigation brought against our Company on environmental, social and corporate governance issues.
<https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability-reports>

Since 2018, the Doğuş Otomotiv Sustainability Report has been subject to a selective audit by an independent assurance company and has been released alongside the assurance report.

Stakeholder Engagement Priority Focus Areas 2018-2025



Impact and Materiality

The social, environmental and economic aspects, which Doğuş Otomotiv affects directly due to its operations as well as those that have direct impact on its activities, lie at the core of its sustainability strategy focused on stakeholder engagement. This impact analysis that aligns with the expectations of the Company's key stakeholders is created by careful consideration of this foundation. In determining the Materiality Aspects disclosed in the 2018 Sustainability Report, the United Nations Sustainable Development Goals were also included in the process and the targets set according to these goals have also been considered since then. After a series of studies conducted in December 2017, new materiality aspects that match Doğuş Otomotiv's 2025 goals have been identified and defined. However, the material issues are updated with a multi-stakeholder participation approach and revised with the approval of the Committee in the event of changing economic and social conditions. As of 2020, the Compliance Framework for Sustainability Principles published on October 2, 2020 by the Capital Markets Board and the Sustainability Guidelines for the Automotive Sector published by the Drive Sustainability initiative and used by Volkswagen AG have also been included in the reporting scope.

Priority issues found as a result of the materiality research in social, environmental and economic areas were grouped under eight key headings. While risk management, organizational sustainability, market presence, social workers and the business climate are included in the economic field, ethics, human rights and community engagement have been listed as material topics. The Environmental Management issue comes to the fore with priority under the environmental title. In the 2020 Corporate Sustainability Report, comprehensive perfor-

mance and priorities regarding the areas are addressed in depth.

In line with the material issues, Doğuş Otomotiv Sustainability primary performance indicators are announced, and the available data is released in a 3-year comparison. As a company operating in the automotive sector in the sales and after-sales services segment, due to the absence of a prior reporting in the GRI comprehensive application level reporting option, our Company cannot conduct benchmarking studies in the local and international world. However, it primarily tracks and organizes its priorities according to the OEMs, who are main stakeholders in the first degree, and the challenges and opportunities in terms of sustainability across the industry.

Stakeholder Engagement

Being perceived as a company that values the importance of its stakeholders' opinions, respects the protection of their interests, and delivers creative services beyond expectations by identifying and constantly monitoring their expectations is of utmost importance for Doğuş Otomotiv's business objectives, strategic growth and community engagement policies. Doğuş Otomotiv plays active roles in civil society and trade organizations related to its business in line with its pioneering and leading position, enters into necessary collaborations and takes part in initiatives. Doğuş Otomotiv's corporate communications activities and relationships are based on ensuring integrity and transparency, providing information and engaging in dialogue. Communication strategies and practices of Doğuş Otomotiv are managed and performed by the Digital Transformation and Corporate Communications Department. All the information that Doğuş Otomotiv shares with its stakeholders regarding the Company and its spokespersons are prepared by the Digital Transformation and Corporate Communications Department, which uses an accountable and transparent communication method that prioritizes integrity.

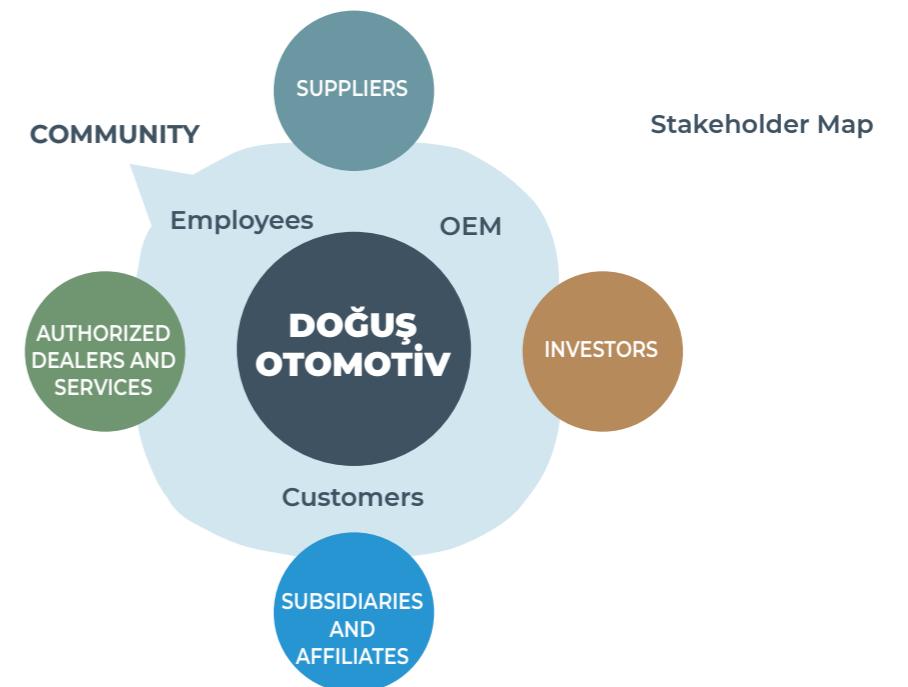
Stakeholder Engagement is a method that has long formed the basis of Doğuş Otomotiv's sustainability strategy and is integrated into the process with respect to all its brands and operations. However, given that the Company represents 12 brands in Turkey and deals with more than 8,000 direct or indirect employees and the management of over 570 sales and aftersales service lo-

cations, different expectations of numerous stakeholders arise in various environments. Stakeholder expectations may also vary depending on different regions and cultures or different industries.

This is why Doğuş Otomotiv defines its key stakeholders as "individuals, groups and organizations with direct impact on the Company's operations". In the key stakeholder study conducted in accordance with this definition, the key stakeholders of the Company, whose operations involve sales and aftersales services, have been identified as the employees, customers and manufacturers of the products imported directly. Our stakeholder engagement strategy is designed to create a responsive and transparent dialogue environment with all key stakeholders, to inquire about stakeholder expectations openly and regularly, and to develop solutions to meet these expectations or to set goals.

In line with its material issues, Doğuş Otomotiv publishes its annual sustainability report and updates website on which mechanisms of dialogue and how often it meets its main stakeholders.

<https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/stakeholder-engagement/stakeholder-engagement>



Sustainable Environment

With the changing expectations of consumers, rapid technological developments, globalization, new mergers and acquisitions, and collaborations, automotive ecosystem is also constantly evolving. We live in a new century when people's definition of mobility will also change rapidly. Multi-modal transportation systems are becoming increasingly more common while smart devices to respond to consumers' environmental responsibility, safety and information requirements are increasing in unprecedented rates. Meanwhile, automotive manufacturers are in fierce competition to develop new business models that will help them achieve responsible growth. In this dynamic new age, Doğuş Otomotiv believes that personalized mobility solutions, innovative sales techniques in the retail industry, broad partnerships and collaborations made possible with global regulations and practices will be the keys to success in the next decade. Doğuş Otomotiv also holds the belief that the companies that will lead such change are set to become the businesses of the future. As a distributor in the automotive ecosystem, Doğuş Otomotiv builds on its environmental performance every day and remains committed to:

- Reinforcing customers' trust,
- Driving change with its Authorized Dealer and After-sales Service Network,
- Raising awareness for waste management and efficiency, and
- Using resources responsibly by accepting the ecological environment as its key stakeholder.

Doğuş Otomotiv has openly disclosed its focus on protecting the ecological environment with its Environmental Policy published in 2010 and the Energy Efficiency, Water Management and Waste Management policies included in 2014.

Doğuş Otomotiv continues to be a role model in the industry on topics such as managing the short and long-term risks that may emerge from climate change and ensuring that the appropriate changes to the process are made. The development of the ISO 14001:2015 Environmental Management Framework, which includes all units in the Şekerpinar campus, began in 2020 and the certification process started in this direction. By implementing the system in 2021, Doğuş Otomotiv will be able to reach its stakeholders more clearly with concrete environmental goals and will also incorporate the ISO 14064 Greenhouse Gas Measurement and Control System and the ISO 50001 Energy Management System by the end of year.

Doğuş Otomotiv monitors and manages its environmental impact at every stage of the business lifecycle both as part of its risk management practices and also in terms of its environmental sustainability aspect. In line with the updated materiality aspects, the Company will continue to report its environmental sustainability performance under the following topics beginning with the 2018 Sustainability Report. In line with these goals, the ISO 14001 Environmental Management System, which was developed in 2020, has also been established

Environmental Sustainability

- Emissions
- Electric Vehicles

Environmental Risk Management

- Waste Management
- Water Management
- Energy Efficiency

Climate Change

- Business Continuity
- Awareness

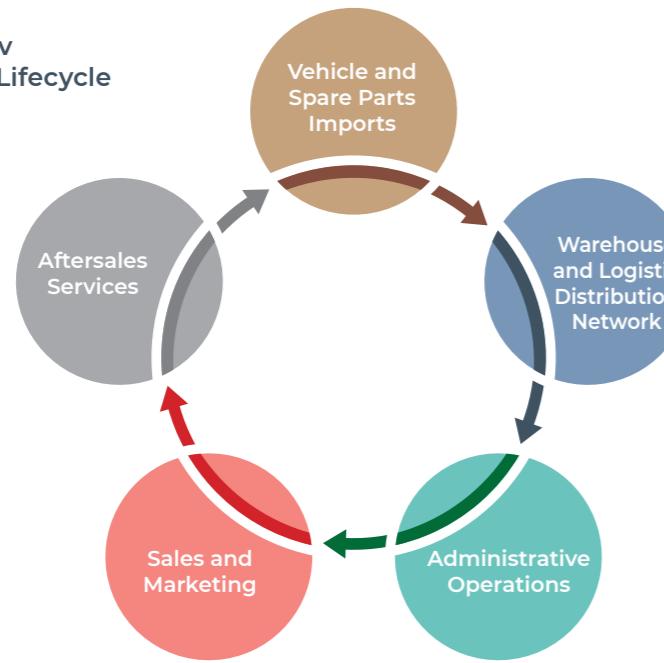
and demonstrated that these priorities remain valid in studies of environmental priorities, threats and opportunities and enforcement responsibilities.

For Doğuş Otomotiv, managing its impact across the environmental sustainability lifecycle means engaging in improvement activities to mitigate its potential negative impact, launching informative, educational and other relevant programs to raise environmental responsibility awareness among its key stakeholders, and particularly its employees, and ensuring efficient use of resources by setting targets and commitments for these purposes. Doğuş Otomotiv, which monitors its impact at every stage across the environmental lifecycle and

provides regular information to raise awareness among its stakeholders, has been disclosing its environmental data to the public since 2009 through Sustainability Reports:

<https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability-reports>

Doğuş Otomotiv Environmental Lifecycle



Transparency and Accountability

Doğuş Otomotiv has been openly reporting its social, environmental, economic and ethical performance in its fields of operation in international standards since 2009. The Company reviews the feedback received from stakeholders on these performances and sets its targets for the following year accordingly.

Doğuş Otomotiv also encourages the reporting within the supply chain of its subsidiaries, suppliers and authorized dealers and services in order to be open about their non-financial results, adds to its report each year a growing number of authorized dealers and services and suppliers, and offers consulting in the field of sustainability to these organizations.

Disclosures about administrative sanctions and penalties imposed on the Company, if any, due to violation of applicable regulations and legislation, are also disclosed in the GRI Index which is published alongside the Corporate Sustainability Report and is available on the website.

Doğuş Otomotiv's Corporate Sustainability Reports can be found on the corporate website <https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability-reports>

Doğuş Otomotiv and Sustainable Development Goals

The rapid changes in technology, innovation and digital transformation that the automotive industry has undergone in the past five years, both in our local market and across the world, demonstrate the need for companies like Doğuş Otomotiv to take serious responsibilities in terms of their impact.

This impact lies at the heart of the efforts to ensure the economic and social development of communities by pushing the United Nations Sustainable Development Goals high up on the agenda of the private sector. Doğuş Otomotiv believes that questioning the social, economic and environmental expectations of stakeholders, improving responsiveness, determining future strategies based on expectations and analyzing these to anticipate risks and opportunities are all critical for sustainability.

Accordingly, Doğuş Otomotiv continues to publish the United Nations Sustainable Development Goals index as part of its Corporate Sustainability Reports since 2017 and discloses its performances in line with these goals. In the content of the Sustainability Report, our Company will continue to include in a detailed index the sub-

goals of the goals that align with the areas of focus and the corporate performance relevant to these goals.

Doğuş Otomotiv has also been a signatory to the Global Compact of the United Nations (UNGC) since 2010 and, for 11 years, has included the UNGC Index in the Sustainability Report. On the website, the index in question is provided.



- » Growth to increase employment (Authorized Dealers and Services)
- » Activities to increase female employment (Equality at Work)
- » Cooperation with vocational high schools



- » Traffic is Life! platform
- » Doğuş Otomotiv Volunteering Platform
- » Informative seminars on health and well-being



- » Cooperation with vocational high schools
- » TEV partnership



- » Equality at Work platform
- » Female executive programs
- » Mentoring for female students
- » Number of women on the Board of Directors



- » Energy Efficiency Policy
- » Activities to reduce energy consumption



- » Expanding the Authorized Dealer and Services network
- » Employment of people with disabilities
- » Increasing the number of female employees
- » OHS Policy and Training Programs
- » Child employment policy
- » Employment in Value and Care Center



- » Digital transformation practices
- » Climate Change Policies as part of reducing carbon emissions



- » All practices related to human rights and employee rights
- » Activities to increase employment and educational support



- » Waste Management Policies and practices
- » Activities and practices to promote waste management at suppliers, Authorized Dealers and Services



- » Hazardous waste management
- » Sustainability Report
- » Sustainable Sourcing Policies
- » Sustainable Supply Chain Management



- » Policy and goals related to climate change
- » Policy on Reducing Emissions
- » Environmental Risk Management



- » Activities to prevent tree cutting with environmental management and waste management



- » Doğuş Otomotiv Code of Ethics and related practices



- » UNGC signatory
- » TEV partnership

The Human Resources department at Doğuş Otomotiv acts with the vision of becoming Turkey's most preferred automotive company where employees feel valued and part of a common culture with innovative and sustainable human resource practices. In addition to attracting employees who can sustain long-lasting high performance, employ a system-oriented approach, take efficiency as reference, are eager to learn and develop, understand the importance of the customer, have the competencies required by the dynamism of the Company, and adopt the values of Doğuş Group, the Human Resources policy shaped with this vision also aims to contribute to their professional and personal development and assist them in realizing their full potential.

With the pandemic that came to the fore in 2020 and impacted both the health and working habits of employees in our country in March, several procedures have been introduced to protect the physical and mental health of all employees, their families and subcontractors serving under Doğuş Otomotiv and to preserve high morale in growing instability, maintaining the integrity of communication and trust.

New work patterns have been implemented throughout 2020, while taking into account the number of cases across the nation and keeping the wellbeing of workers and their families at the forefront. Throughout the process, the working styles of office workers has changed, remote working and rotational working models were put into use, and in the first stage, field workers also moved to the rotational working model. Furthermore, as of the first day, all steps relating to the layout, sanitization, food, cafeteria and service vehicles related to the outbreak of Covid-19 were taken at the highest level and a healthy working environment was provided.

A survey was conducted with Kincentric Company to see the needs and desires of the office employees, about the transition to remote working, where questions were asked in different categories, and the results of the survey were evaluated on topics such as virtual work performance, employee health / well-being, workplace safety, management approach and link building, and behavior in line with the results were determined.

On the other hand, for the Go Development School, Doğuş Otomotiv has began the new training cycle by switching the classroom training entirely to online platforms in order not to disrupt the personal development of employees and support their individual motivation during the pandemic process.

As every year, new initiatives unique to this period have been added to the contents of the Go Development School, in addition to training planned according to competency development needs. In 2020, the emphasis was on programs that would encourage the social, emotional and physical well-being of employees due to the pandemic. Under the name GOWell, training and webinars covering these subjects have started to reach employees.

Activities were also carried out under this concept to inspire staff to remain healthy, to run towards goals as a team, and to provide social benefits at the same time. Podcasts to promote employee training and development, webinars from various sources, mobile applications, sports & healthy life tips are also offered to employees under the name GOClick during the transition of working from home due to the pandemic. Yoga sessions conducted with internal yoga trainer and sessions with Company dietician continued online to assist the workers during this time of inactivity with the pandemic.

GO Development School is awarded by PERYÖN

Doğuş Otomotiv's online and social education platform GO Development School was awarded first in the "Development and Talent Management" category under the PERYÖN Awards in 2020.



Drive Human Resources Awards

Drive Human Resources Awards, launched by Drive in 2020, were given to Authorized Dealers who exhibited outstanding success in the "Human Resources Excellence" and "Employer Brand Changemakers" categories.



with teachers and students. In order to guide 9th grade students to the automotive sector before choosing a career, Volkswagen Laboratory class descriptions were made within the scope of the visits.

In 2020, Drive launched the "Drive Human Resources Awards" program, which is scheduled to take place annually and where the Authorized Dealers, who are the most effective and has made a difference in the activities carried out to improve and institutionalize human resources practices in all of Doğuş Otomotiv's Authorized Dealers, are awarded. These awards have found their owners in two distinct categories in this sense, namely the Drive Human Resources Excellence Award and the Drive Employer Brand Changemakers Awards.

This award was presented to the first three Approved Dealers who achieved the highest scores in the category of "Drive Human Resources Excellence Award" in which the infrastructure work of Authorized Dealers in the recruiting and promotion processes, employee turnover rate, training and employee satisfaction are measured within the scope of standards.

53 separate projects nominated by Authorized Dealers were evaluated in the 'Changemakers For The Employer Brand Awards' category. Here, a process was carried out in which an independent jury consisting of Doğuş Otomotiv executives assessed activities that improve employee engagement, build human resources and programs introduced to achieve new talents, and practices that will ensure employee loyalty to the Company. In this group, the initiatives that stood out and won awards were the work carried out by Approved Dealers in the employment of female technicians, a special nursery procedure within the Company for the children of parents employed during working hours and employee-oriented practices in seniority awards. Both of these projects assessed the employees' morale and devotion and ensured the consistency of employee-oriented and sustainable employer branding activities in the Authorized Dealer network.

Digitalization in Human Resources

The development of Human Resources systems that prioritize digitalization has received significant attention in 2020. With the impact of the technology invested in the field of human resources, several organizational processes have begun to be carried out on digital platforms after the implementation of the infrastructure in line with the requirements has been completed. Sustainability plans and policies were also contributed as one of the consequences of the ongoing digital transition, as all human resources processes were moved to individual-independent systems. BI monitoring and easy access to Human Resources data analytical reports, the D-Human performance system, which was renewed in 2019 and continues to be developed in 2020, and the review procedures in the recruiting processes can be presented as examples in this direction.

Usage of the gamification-based Mobile Orientation Program developed in 2019 to allow new employees to get to know the Company better and to be ensure their adaptation faster, and through the online system, applicant recruitment review and personality inventory processes were carried out. Furthermore, the promotion of the various departments to new employees was carried out online through a digital orientation process unique to 2020.

Together with the Digital Transformation department, Development of Digital Competencies (GO-DGTL Academy) project was launched in 2020 to facilitate the digital transformation in Doğuş Otomotiv and contribute to the development of employees' "digital" competencies. As the first step of the project, the Company competencies were renewed in line with the needs of the changing world of business with digital technologies. A survey was conducted in which views on digital competencies were

collected in order to recognize the needs of the employees. Following the survey, training programs were developed and collected under the title of GO-DGTL Academy for the development of these competencies and digital skills. While all employees were assigned to video training on Basic Digital Knowledge, the involvement of cross-functional employees was targeted at specific development programs such as Digital Transformation, Data Analytics, Customer Experience and Trends, Artificial Intelligence and Robotic Process Automation (RPA) in collaboration with Sabancı University.

With the "New Administrative Affairs Software" in 2020, Doğuş Otomotiv has begun monitoring the outsourcing services it receives in the digital world. In this way, in terms of quality, cost and standardization, it can manage the services it provides to its customers and build a framework for continuous improvement. The inventory of our facilities was moved to the digital environment (Technical Inventory Software) and started to be followed from there with a project carried out in 2019. By 2020, the stock surplus fixtures in the inventories of our facilities have been moved to the digital environment by using the related software. In this way, in the event of need in another region, it was possible to immediately inquire and pass inventory surplus fixtures by the appropriate region, and savings were gained by not bearing an additional purchasing expense.

In addition, by implementing static engineering service, load-bearing systems and other structural elements of our buildings against earthquake risk were examined and an action plan was developed against the identified risks. Related studies have also been approved by experts from Istanbul Technical University.



GO-DGTL Academy

In 2020, Doğuş Otomotiv launched the "Development of Digital Competencies" (GO-DGTL Academy) project in order to facilitate the digital transformation in Doğuş Otomotiv and contribute to the development of employees' "digital" competencies.

Our Primary Stakeholder: Our Employees

Doğuş Otomotiv believes that its employees are the biggest force that will ensure the stability of its business and continue to provide reliable, ethical and quality service in the future.

We are mindful that by improving the productive working processes of our employees, who we see as our main stakeholder, with an awareness of obligation, it is an important contribution both to society and to the business value. In the Corporate Sustainability Report published in 2010 and its policy on its website, Doğuş Otomotiv indicated that its workers and the good working environment that should be given for them are the foundation of its definition of corporate sustainability.

Our Company puts employee satisfaction and engagement at the top of its business priorities, attributing the key reason for the improvement in the success of Corporate Sustainability day by day to the efforts of its employees and the awareness achieved.

The evolving structure of the business world, various demands and circumstances require companies not only to manage their staff, but also to collaborate with them in order to create communication and challenge their expectations, and to engage in all processes by ensuring that senior management receives their advice and input on business processes directly.

A much more productive working atmosphere is generated in this way, a creative and competitive business system is built, and better relationships are provided with other stakeholders by employees. 1,577 suggestions were submitted to the Suggestion Platform 2020, which was designed to create successful and sustainable development activities and encourages employees to share all their suggestions for in-house procedures or business processes. Of these suggestions, 725 have been accepted, 527 have been adopted and Company processes have been enhanced.

In addition, by improving their work processes in their professional fields every year, employees adopt process improvement programs in the areas of productivity, quality, cost savings, additional turnover, customer satisfaction, employee satisfaction, corporate responsibility and occupational safety and welfare. In 2020, 143 projects have been implemented within this framework. Among these improvement projects the ones that have the potential to become widespread have been introduced to all employees by the project owners at the Birth of Ideas Event Projects in the areas of efficiency, Robotic Process Automation (RPA), additional income and customer satisfaction in 2020 were introduced and shared with all employees at the Birth of Ideas Event, which was arranged to share the projects and to reveal new ideas.

Human Resources Policy

Doğuş Otomotiv, as a service provider, derives its power from human capital, which it finds to be of corporate importance. Our Human Resources Strategy emphasizes the recruitment of workers to our organization in this sense, leading to their professional and personal growth and enabling them to make the most productive use of their potential. The expectations from the employees are as follows:

- Adopting the Doğuş Group's ideals,
- Having the skills needed by the Company's dynamism,
- Knowing the client's value,
- Willing to learn and develop,
- Focused on administrative efficiency,
- System-oriented policy,
- Able to maintain high performance for a long time.

In addition to the Human Resources Policy, with our "Employees and Good Work Environment Policy" our priorities of employee happiness, employee health and safety, sustainable jobs, equal treatment of employees and open and consistent contact with employees, direct interaction channels with senior management have been revealed to the public.

Equal Rights

The title "Justice and Equality" which is the third article of the Ethical Principles of Doğuş Otomotiv, has been defined as "We treat all our stakeholders and each other fairly and avoid discrimination".

Independent of faith, language, ethnicity, color, gender, age, ethnic origin, disability, citizenship or other social status, Doğuş Otomotiv implements a "Employees and Good Work Environment Policy" protected by legal regulations. This policy is constantly supported by Human Resources programs in motion. Benefits for women and mothers, Reverse Mentorship Programs carried out within the framework of cooperation with the Company senior management and Generation Y, meetings with university and high school interns at regular intervals, organizations together with disabled employees and activities that support diversity are implemented.

The reverse mentoring process was improved with "Reverse Mentorship" training program in 2020. Younger employees started their role in 2020 were included as mentors and paired with executive professionals in the process. Doğuş Otomotiv seeks to raise the number of female employees and to make them more effective in decision-making mechanisms with the "Equality at Work" initiative, which has been continuing since 2010. Supportive training for all parents, especially female employees, and guidance videos for spending beneficial time with children at home were prepared in 2020.

Benefits Provided to Our Employees

In the Doğuş Otomotiv Basic Rights and Responsibilities Procedure, it is stated clearly that all employees of Doğuş Otomotiv, all of whom work full time, have equal rights and that each employee is one of our Company's main stakeholders. Economic benefits enjoyed by all our workers are health care, life insurance, food and service. With the insightful presentation prepared for them, it is ensured that our pregnant workers are aware about the whole process and they bid farewell to their maternity leave by arranging a special celebration with their teammates. In addition, the salaries and SGK payments of our employees who take maternity leave are not deducted, and maternity compensation paid to our Company by the SGK are also credited to our employees in the form of supplementary benefits. Furthermore, there are nursery and shuttle services for mothers working in Doğuş Otomotiv. In addition to their wages, workers who do not bring their children to the Company kindergarten receive daycare assistance.

In order for our employees to evaluate their children's school preferences in the 2020-2021 academic year, corporate discount agreements have been concluded between four separate private education institutions and the company. In addition, Doğuş Otomotiv provides its employees with funding for graduate and doctoral programmes within the framework of university cooperation.

In our Corporate Sustainability Report, detailed information on other benefits and training programs given to Doğuş Otomotiv employees is shared with the public every year.

Communication With Our Employees

The briefings of the Board of Directors and Chief Executive Officer of Doğuş Otomotiv on the measures taken and the changing agenda due to the 2020 pandemic were shared on a regular basis with all staff in writing. In addition, all employees were instructed by the Human Resources and Administrative Affairs webinar about the hygiene steps taken within the Company and the working order efforts. The news from Us e-bulletin containing various contents per week was prepared for a month to improve contact during the first period of the pandemic, which included various posts, online training material, suggestions for films and books, and activities that employees can do with their children.

For those working periodically in the field as required by their duty, all health measures were taken at the highest level, and attempts were made to improve employee motivation for organizations held in the field.

In 2020, through workshops where one employee from each department was invited as a representative, employee opinions and feedback were received at the Bir'iz (We Are One) Employee Committee held three times in 2020 regarding the tasks and activities carried out within the framework of the Employer Brand of One and Human Resources practices. In the business plan, feasible ideas are included and information about the organization is regularly exchanged via intranet and e-mail with employees within the framework of legal regulations.

In the Corporate Sustainability Report each year, dialogue platforms, training and all employee strategies and policies developed by Doğuş Otomotiv with its employees are listed in detail:

<http://www.dogusotomotiv.com.tr/tr/surdurulebilirlik/surdurulebilirlik/surdurulebilirlik-raporlari-2020>

Doğuş Otomotiv aims to build a view of the future of our country and our world, to propagate this perception and to deepen it where it is widespread, to function in a supra-sectoral role with the vision of being an example to the whole society, and has published the Code of Ethics, which clearly reveals the way of doing business with all its stakeholders in 2012.

The Doğuş Otomotiv Code of Ethics is the first code of ethics in Turkey to be established according to global standards and not adapted from abroad. Our Company has reported its relationships with its employees, customers, business partners and peers by agreeing to demonstrate fair and ethical actions.

By following high standards of professionalism, fairness, dignity and ethical conduct and promoting dialogue with all its stakeholders in a fair and open way, Doğuş Otomotiv carries out its operations. In accordance with the Code of Ethics, any breach that occurs or has the potential to occur is seriously addressed in our Company, irrespective of the cause.

In the complete and proper application of the Doğuş Otomotiv Code of Ethics, the level of expertise and the sensitivities of our employees and managers on the subject are of great importance. For this reason, Doğuş Otomotiv Ethics Line acts as an audit system that can be accessed at any time by all our employees and is managed by an independent agency.

Our efforts continue to raise awareness of the Code of Ethics and to provide all our stakeholders, especially our employees, with its content. Although the pandemic in 2020 did not include face-to-face instruction, ethics training proceeded through the e-learning system, both through the threshold employees' orientation training and through the training given to individuals.

In 2020, data on the Code of Ethics was also included in the e-orientation training provided to 228 employees in Doğuş Oto and Otomotiv companies within the framework of 570 employee / hour training.

The training conducted between 2015-2020 are as follows:

- 1,746.5 employees/hour for 833 people at Doğuş Otomotiv
- 2,493.5 employees/hour for 1,454 people at Doğuş Oto

100% of our executives have completed the global ethics training produced by Volkswagen AG within the framework of the Business Partners Code of Conduct in 2020. The training was attended by a total of 76 executives.

Over the year, the Compliance Function revised the Code of Ethics and changes were made to the policies and associated procedures within the framework of the Code of Ethics. The Code of Ethics contains the Anti-Bribery and Anti-Corruption Policy and the Anti-Money Laundering and Terrorist Financing Policy, and during the development of the ISO 140001 Environmental Management System, the Environment and Energy Management Policy was revised and added to the Code of Ethics.

The Code of Ethics of Doğuş Otomotiv contains the commitments and strategies of our Company on all ethical issues and is publicly disclosed on the official website of the Company:

<https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics>



Leaving its 16th year behind, the longest running social responsibility platform of the automotive industry, Traffic is Life!, aims to develop a positive culture and increase the safety awareness in traffic, with the practices implemented in the light of the needs and expectations of the society.

Considering sustainability as part of its strategy, Doğuş Otomotiv carries out its activities with a sense of responsibility towards its stakeholders and the society. Starting off with the aim of creating a long-term positive cultural transformation regarding traffic safety in the society, Doğuş Otomotiv has launched a social responsibility platform in 2004, Traffic is Life!, that would contribute to social development and leave its mark in the future.

As the longest running corporate responsibility project in the sector, The Traffic is Life! platform has been conducting awareness raising activities for different target audiences for 16 years in order to change the behavior and habits of individuals of all age groups regarding traf-

fic safety and to ensure the integration of traffic safety into our daily lives. The platform believes that a positive cultural transformation in traffic will make a positive contribution to all areas of life, which will pave the way for more livable cities and a better future.

Adapting to the rapidly changing habits and living conditions that came along with the pandemic in 2020, the Traffic is Life! platform has set its focus on the changing understanding of mobility and distance education. In addition, the platform, which aims to convey its messages to large segments of the society using the right channels, has followed a strategy to increase its effectiveness in social media and digital platforms, taking the changing media consumption habits into account.

Traffic is Life! and EBA TV collaboration

Along with the move of education to online platforms in 2020, Traffic is Life! has taken action together with the Ministry of National Education for the 5-19 age range, which is the group most affected by the traffic accidents in Turkey, and prepared educational videos for primary and secondary school students on EBA TV, a national television network launched by the Ministry of National Education where students attend online classes, in order to raise awareness of traffic in children. Training videos on traffic, safe walking on the sidewalks, safe crossing, the importance of seat belts, and many other topics have been permanently added to the EBA TV Education Library. The educational videos have been accessed by 1 million students daily.

Distance education for more than 25 thousand students in 14 universities

The Traffic is Life! platform has continued the "Distance Education for Traffic Safety", which was initiated in 2013 in order to create a positive cultural transformation in the society regarding traffic, which is its main mission. Distance education on traffic safety offered in the "Social Elective Course" category has been recommended by the Council of Higher Education (Yükseköğretim Kurulu, YÖK) and is the first corporate responsibility project included in the universities' SCORM system. More than 25,000 students in 14 universities have been reached so far with the project. In 2020, a conference meeting with the Istanbul Technical University students was held on the online platform and current issues on traffic were discussed for about one hour.

Interactive communication

Putting emphasis on dialog-based communication, the Traffic is Life! platform has come together with a significant portion of the society as a target audience, using different social media channels throughout the year. The platform mainly focused on YouTube, a social media channel whose number of active users is ever increasing, and prepared safe driving videos with Safe Driving

Instructor, Ahmet Özgün. The training videos prepared with more than 20 different topics, including contents recommended by the General Directorate of Security, also reached out to female viewers who are not as active as the male target audience on social media, thus increasing the ratio of female followers to 44%. Additions were made to the content according to the comments and requests received from the followers.

Thanks to the active communication strategy followed throughout the year, Traffic is Life! interacted with 26,236,040 people on social media accounts. In 2020, more than 25,000 followers were gained on social media channels, reaching 169,598 followers on Facebook, 22,613 followers on Instagram, and 4,200 followers on YouTube.



"There are newcomers among us!"

New mobility solutions that increase day by day require new approaches and habits in traffic.



Safe driving with Ahmet Özgün!

Dozens of training videos on the Traffic is Life! YouTube channel give drivers tips on safe driving on many different topics.

Changing understanding of mobility

With the rapid change in technology and people's needs and expectations, increasing urbanization, livable cities and changing mobility solutions have become parts of our lives. Due to the increase in collective or individual solutions in mobility, special content for novel and different solutions in traffic has been created in social media, while innovations in communication have been taken into account.

Preparing for the driving test with the Facebook Chatbot

As in previous years, those who would take the driving test in 2020 were given the opportunity to take an exam including the questions sampled from previous years' questions approved by the Ministry of National Education, using the Facebook chatbot application utilized for the first time in a social responsibility project. Since it was first offered in December 2017, 185,338 users have benefited from the application which aims to evaluate the knowledge of the participants prior to the test.

Goals for 2021

The Traffic is Life! platform will continue to work towards creating a positive culture and increasing awareness in traffic in all segments of the society, through interactive projects and field activities that will reach a large target audience and make a great impact in 2021. Depending on the pandemic process, a special project for face-to-face education is being developed in order to shift the educational project initiated with the Ministry of National Education from theory to practice.

CORPORATE GOVERNANCE REPORT

“Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi” (Doğuş Otomotiv Service and Trade Corporation) has applied the Corporate Governance Principles issued by

the Capital Markets Board of Turkey in the fiscal year that ended on December 31, 2020 in accordance with the following explanations.

Declaration of Compliance with Corporate Governance Principles

In the fiscal year that ended on December 31, 2020, the Company has adopted the principles of equality, transparency, accountability and liability in accordance with the Corporate Governance Communiqué (“Communiqué”) No: II-17.1 issued by the Capital Markets Board of Turkey and published in the Official Gazette No: 28871 on 3 January 2014. According to the statement of the Capital Markets Board of Turkey in its bulletin no. 2020/4 dated 09 January 2020, the Company is listed among the BIST 2nd Group Companies. Following an evaluation of 401 criteria defined in the methodology prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş., it has been determined that the Company has complied with the Communiqué to

a great extent. The Company's Corporate Governance Rating, which was 96.50 (9.65 out of 10) as of 17 December 2019 rose to 96.73 (9.67 out of 10) on 17 December 2020 as a result of the constant improvement efforts by the Company.

This outcome demonstrates that the risks that may threaten the Company have been largely identified and are under control and that the rights of shareholders and stakeholders are justly protected. Furthermore, a high level of performance has been attained in terms of public disclosures and transparency. In this respect, the structure and working conditions of the Board of Directors comply with the Corporate Governance Principles.

SUB CATEGORIES	WEIGHT	RATING
Shareholders	0.25	96.36
Public Disclosures and Transparency	0.25	97.67
Stakeholders	0.15	95.95
Board of Directors	0.35	96.67

The Corporate Governance Rating Report is available on the corporate website and can also be accessed via this link: <http://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/kobirate-corporate-governance-compliance-rating-report>.

Overall, the Company fully complies with all mandatory principles in the Communiqué as well as most of the non-mandatory principles and continues to further improve its Corporate Governance efforts. No conflict of interest has arisen due to the below listed issues, which are not yet implemented and remain outside the scope of principles currently applied.

Even though there are no provisions or applications in the Articles of Association concerning the issues mentioned below, the Turkish Commercial Code, the Capital Markets Law and relevant regulatory provisions are applied.

Support mechanisms and models have been devised to ensure the employees' and stakeholders' participation in the management of the Company. Detailed information on this matter is provided in the Corporate Sustainability section under Human Resources, Participation of Stakeholders in Management.

Diligence is paid to the exercise of minority rights. However, broadening the scope of rights and extending these rights to shareholders holding less than one-twentieth of the capital of the corporation are not included in the Articles of Association.

Pursuant to the Board of Directors resolution no. 2016/69 dated 9 December 2016 regarding the Board of Directors Selection Criteria upon the proposal of the Remuneration and Nomination Committee, formed by the Board of Directors of the Company in accordance with the Capital Market Board's Corporate Governance Principles, two (2) female members serve on the Company's Board of Directors in line with the General Assembly Resolutions dated 29 March 2018 and 30 March 2020. As such, female members constitute 33% of the Board of Directors, and compliance with the Corporate Governance Communiqué is ensured.

Even though self-criticism and performance assessments are carried out on the Board of Directors, members are neither awarded nor discharged from their duties as a result of these evaluations. However, participation of the Board Members in the Board of Directors and Committee meetings, their contributions, and sharing of knowledge, knowhow and experience are taken into account, and the performance of the Board of

Directors as a whole is assessed biannually. A number of firms providing such services were considered and upon reviews, the Board of Directors has selected one firm that began to work in 2019 and completed its job in 2020. The job involved conducting surveys and face-to-face interviews with individual Board members and analyzing the responses. The firm also held interviews with senior executives with administrative responsibilities to obtain their feedback on the Board of Directors.

Results of the Board of Directors' Performance Appraisal were shared with the Board on 14 May 2020 and action plans were determined according to the identified development areas. These actions, which were discussed and resolved by the Board on 15 June 2020, are currently in the process of implementation.

Pursuant to Article 4.6.5 of the Corporate Governance Principles, all remunerations as well as all benefits provided to Board Members and executives with administrative responsibilities are disclosed to the public in total sum through the Annual Report.

The Company's current management practices are in compliance with the Corporate Governance Principles and in the event that we have plans in the future to make any changes within the framework of the Corporate Governance Principles, our stakeholders will be duly informed.

Stakeholders

Stakeholder Participation in Management

Channels for the participation of stakeholders in management are implemented while continuous enhancements are introduced within the Corporate Governance Principles framework.

Shareholders: Shareholders' participation in management and protection of their rights are ensured within the framework of applicable laws and regulations.

Employees: In addition to involving employees in decision-making mechanisms to the extent of their authority and responsibilities, online platforms have been established on the intranet for them to submit their requests, suggestions and opinions. The contributions that employees provide as part of the Suggestion and Reward System are reviewed by the relevant teams and rewarded when deemed suitable. The answers to the social, environmental and economic topics included in the employee satisfaction surveys to understand employee expectations are consolidated and published in the Corporate Sustainability Report and regularly presented to senior management. The Employee Committees, which have representatives from each department, provide input from employee suggestions and opinions in regard to the Company's practices and operations. Activities of the Corporate Sustainability Working Group, composed of members that represent the critical majority of all de-

As in 2020, the Corporate Governance Principles and Sustainability Principles will continue to be internalized in the upcoming period taking into account the relevant requirements and developments in the regulations and we will maintain our willing and resolute approach to creating solutions to areas that require compliance and improvement.

The Sustainability Principles Compliance Framework was added to Corporate Governance Communiqué No II-17.1 with an amendment published on October 2, 2020. Due to the “comply or explain” basis introduced by this regulation on Environmental, Social and Corporate Governance (ESG) performance, disclosure of the framework consisting of 56 basic principles is voluntary. Accordingly, this framework has been included in the Statement of Compliance with Sustainability Principles as article 3.

Corporate Governance Principles Compliance Report Template (URF) and Corporate Governance Information Form Template (KYBF) of our Company can be accessed from the Corporate Governance button on the Public Disclosure Platform. (<https://www.kap.org.tr/en/sirket-bilgileri/ozet/1391-dogus-otomotiv-servis-ve-ticaret-a-s>)

partments, are regularly shared with the Corporate Governance and Sustainability Committee reporting to the Board of Directors.

Customers: An independent firm conducts regular customer satisfaction surveys. Customer requests received by Customer Relations and the results of customer surveys are evaluated by the relevant departments and necessary updates are implemented. Furthermore, customers are informed of the Company's strategies and plans at Authorized Dealer events organized throughout the year. In line with the philosophy of serving more effectively, efficiently and with higher quality, holding regular meetings with stakeholders to shape corporate policies and decisions, and taking the necessary actions according to the evaluation of the results are also a part of this participation process.

On the other hand, shareholders - who are not controlling shareholders that directly take part in management - participate in management via General Assemblies.

Board of Directors

Board of Directors' Function

The Board of Directors has maintained the Company's risk, growth and return balance at optimal levels by making strategic decisions and managed and represented the Company by first and foremost protecting the long-term interests of the Company through rational and prudent risk management. Driven by the Company's vision and mission, the Board of Directors has coordinated the operations performed by the executive body and at the same time overseen Company management's performance, monitoring how the Company's operations and activities complied with the legislation, the Articles of Association, internal regulations and policies. The Board is the highest authority in the Company for decision-making, strategy and representation.

Board of Directors' Working Principles

The Board of Directors conducts its activities in a transparent, accountable, fair, and responsible manner.

The Board of Directors plays a key role in maintaining effective communication with shareholders and resolving possible disputes. For this purpose, the Board of Directors works in close cooperation with the Investor Relations Department.

While performing its duties and responsibilities, the Board of Directors engages in continuous and effective collaboration with executives. When deemed necessary, executives participate in the Board meetings. The responsibilities and duties of the Board members and executives are covered in Articles 9 through 13 of the Articles of Association.

The Board Members of the Company are covered by an umbrella insurance, the "Directors and Officers Liability Insurance Policy" by Doğuş Holding A.Ş. as insurer for an amount of \$25 million per annum against any damages resulting from their managerial misconduct that may have adverse financial consequences to the Company.

The working principles and procedures of the Board of Directors regulate the following:

- Administrative structure, duties and responsibilities of the Board of Directors
- Processes for calling Board members to meetings and preparation for meetings
- Information on the frequency and planning of annual meetings
- Method used to set meeting agenda
- Process of sharing information and documents with the Board members regarding agenda items
- Each member having the right to one vote,
- Obligation of the Board members to share information with one another, and of executives to inform the Board of Directors.
- Distribution of duties and responsibilities within the Board of Directors, and committees,

- Performance appraisal of the Board of Directors, and several other topics. In execution, this regulation is applied.

Structure of the Board of Directors

The Company's Board of Directors is made up of six (6) directors; one (1) chairman and five (5) members. In this respect, the rule of having at least five (5) directors to set up a Board is complied with. This number is sufficient for the Board to carry out efficient and constructive work and to effectively form committees and organize their activities.

The Board of Directors has one (1) executive and five (5) non-executive directors. Most of the members are therefore in non-executive roles. On the other hand, two (2) members of the Board of Directors who are non-executive are also independent directors, as required by the Corporate Governance Principles. The independent directors have submitted to the Board of Directors their written declaration stating their independence within the framework of relevant legislation, Articles of Association and the criteria set forth in the Principles. Currently there are two (2) female directors serving on the Board. In its current state, the Company's Board of Directors consists of 33% female directors.

The selection of Board Members in the Company complies with the qualifications mentioned in Chapter IV of the CMB Corporate Governance Principles and is carried out in accordance with the relevant articles of the Turkish Commercial Code.

The Board Members of the Company are Emir Ali Bilaloğlu, Gür Çağdaş, Koray Arıkan, Özlem Denizmen Kocatepe, Adalet Yasemin Akad and Adnan Memiş. The Board of Directors was elected during the General Assembly meeting on 29 March 2018 and announced on PDP and Emir Ali Bilaloğlu was named Chairman. Due to the decrease in the number of directors on the Board and considering Chairman Emir Ali Bilaloğlu's long years of experience serving both as a Board member and also as CEO, it has been found appropriate that the positions of Chairman of the Board of Directors and CEO are filled by the same person.

The two (2) independent directors on the Board are Adalet Yasemin Akad and Adnan Memiş. At the General Assembly meeting on 30 March 2020, Adnan Memiş was elected to serve one (1) year. At the General Assembly meeting on 28 March 2018, the other directors were elected to serve three (3) years.

The résumés of the Directors can be found under the "Management Report" menu.

Declarations of Independence by the Independent Board Members

February 26, 2018

DECLARATION OF INDEPENDENCE

I hereby declare my confidence to serve as an independent director of the Board of Directors of Doğuş Otomotiv Turkuaz A.Ş. ("Company") within the framework of applicable regulations, the Corporate Governance Principles registered by the Capital Markets Board, and certify that:

at the last fiscal year, there has been any relationship in terms of employment in a key management position with significant duties and responsibilities, or that would involve access to commercially confidential information between the Company, the Company's related parties or its associates, which are related to management with direct or indirect capital shares of 5% or more in the management and capital of the Company, and myself, my spouse, my dependents or family members or to the related persons;

at the last fiscal year, I have not, had total shares (at 5% or more) in, or been employed in a key management position with significant duties and responsibilities, or, or served in a board position for one person, while the Company prepares financial reports to any possible services or a substantial role under any respective interests, involving Company audit or particular (including but not limited to, legal inspections and review, audit, consulting and consultancy services, during the period of just 60 days in services);

(i) I have not, had total shares (at 5% or more) in, or been employed in a key management position with significant duties and responsibilities, or, or served in a board position for one person, while the Company prepares financial reports to any possible services or a substantial role under any respective interests, involving Company audit or particular (including but not limited to, legal inspections and review, audit, consulting and consultancy services, during the period of just 60 days in services);

(ii) I have not, had total shares (at 5% or more) in, or been employed in a key management position with significant duties and responsibilities, or, or served in a board position for one person, while the Company prepares financial reports to any possible services or a substantial role under any respective interests, involving Company audit or particular (including but not limited to, legal inspections and review, audit, consulting and consultancy services, during the period of just 60 days in services);

(iii) I am not a member of Turkey under the Insurance Law;

(iv) I am not serving as a director or trustee, administrator and/or committee member of any entity that may also serve as a director or trustee, administrator and/or committee member of the Company and its shareholders, and to make independent decisions taking into consideration the rights of the shareholders;

(v) I am not able to devote time to the extent required to follow the functions of the Company and to fully perform the duties;

(vi) I have not agreed on the board of directors of the company for more than six years in the last twelve months;

(vii) I do not serve as an independent member on the Board of Directors of more than three companies in total in the Company or its shareholders that have management control over the Company have management control, and a total more than five companies listed as the most valuable, and that;

(viii) I have not been appointed and assessed to serve in the board with another director;

(ix) I have not been appointed and assessed to serve in the board with another director;

(x) I have not been appointed and assessed to serve in the board with another director;

Emre

ADALET YASEMIN AKAD



January 2, 2020

DECLARATION OF INDEPENDENCE

I hereby declare my confidence to serve as an independent director of the Board of Directors of Doğuş Otomotiv Turkuaz A.Ş. ("Company") within the framework of applicable regulations, the Corporate Governance Principles registered by the Capital Markets Board, and certify that:

at the last fiscal year, there has been any relationship in terms of employment in a key management position with significant duties and responsibilities, or that would involve access to commercially confidential information between the Company, the Company's related parties or its associates, which are related to management with direct or indirect capital shares of 5% or more in the management and capital of the Company, and myself, my spouse, my dependents or family members or to the related persons;

at the last fiscal year, I have not, had total shares (at 5% or more) in, or been employed in a key management position with significant duties and responsibilities, or, or served in a board position for one person, while the Company prepares financial reports to any possible services or a substantial role under any respective interests, involving Company audit or particular (including but not limited to, legal inspections and review, audit, consulting and consultancy services, during the period of just 60 days in services);

(i) I have not, had total shares (at 5% or more) in, or been employed in a key management position with significant duties and responsibilities, or, or served in a board position for one person, while the Company prepares financial reports to any possible services or a substantial role under any respective interests, involving Company audit or particular (including but not limited to, legal inspections and review, audit, consulting and consultancy services, during the period of just 60 days in services);

(ii) I have not, had total shares (at 5% or more) in, or been employed in a key management position with significant duties and responsibilities, or, or served in a board position for one person, while the Company prepares financial reports to any possible services or a substantial role under any respective interests, involving Company audit or particular (including but not limited to, legal inspections and review, audit, consulting and consultancy services, during the period of just 60 days in services);

(iii) I am not a member of Turkey under the Insurance Law;

(iv) I am not serving as a director or trustee, administrator and/or committee member of any entity that may also serve as a director or trustee, administrator and/or committee member of the Company and its shareholders, and to make independent decisions taking into consideration the rights of the shareholders;

(v) I am not able to devote time to the extent required to follow the functions of the Company and to fully perform the duties;

(vi) I have not agreed on the board of directors of the company for more than six years in the last twelve months;

(vii) I do not serve as an independent member on the Board of Directors of more than three companies in total in the Company or its shareholders that have management control over the Company have management control, and a total more than five companies listed as the most valuable, and that;

(viii) I have not been appointed and assessed to serve in the board with another director;

(ix) I have not been appointed and assessed to serve in the board with another director;

(x) I have not been appointed and assessed to serve in the board with another director;

Adnan Memiş



Board of Directors Meeting Procedures

The Board of Directors meets as needed when Company business makes it necessary. The Board is required to meet at least once a month. The Articles of Association includes provisions on the number of meetings and quorum for Board meetings. Board meeting dates are set at the beginning of each year and announced to all participants. Pursuant to the working principle of the Board of Directors, relevant information and documentations are shared with the members ahead of the meeting.

The Board of Directors convened 12 times in 2020, all of which were attended. In the absence of some members, they were duly informed and their opinions were taken in accordance with the general principles. Topics addressed in Board of Directors meetings are recorded as minutes of the meeting and saved. Board Members have the right to declare different opinions on any subject and to get their reservations recorded in the min-

utes. The Company's operational results, performance indicators as well as financial, operational and sustainability targets are monitored regularly by the Board of Directors through monthly meetings.

Each member of the Board of Directors has the right to one vote and none of the members has a right to veto. The Board of Directors meetings are held in compliance with the legislation and the relevant sections of the Articles of Association.

Attendance ratios of the Board members in the Board of Directors Meetings in 2020 are listed below:

Attendance Ratio (%)	
Emir Ali Bilaloğlu	100
Gür Çağdaş	100
Koray Arıkan	100
Özlem Denizmen Kocatepe	92
Adalet Yasemin Akad	100
Adnan Memiş	100

Committees Formed under the Board of Directors

Audit Committee, Corporate Governance and Sustainability Committee, Early Risk Detection Committee, and Remuneration and Nomination Committee have been formed in order for the Board of Directors to fulfill its duties and responsibilities in a healthy manner. Separate Nomination and Remuneration Committees have not been established due to the structure of the Board of Directors, and their duties are fulfilled by a single Remuneration and Nomination Committee.

Duties, working principles and members of the Committees have been determined by the Board of Directors, publicly disclosed through approved written documents and announced on the corporate website. All members of the Audit Committee are independent Board Members. Among the Corporate Governance and Sustainability Committee, the Early Risk Detection Committee, and the Remuneration and Nomination Committee, at least one Committee Head is an independent Board Member while the Chairman/CEO does not serve on any of these committees.

The Board of Directors has provided the Committees with all kinds of resources and support required to fulfill their duties. The Committees may invite independent specialists and related executives to the meetings to obtain their views on matters that they find necessary with regard to their operations. The committee reports have been evaluated by the Board of Directors, and necessary actions taken by our Company.

Board of Directors' Performance Appraisal

A performance appraisal of the Board of Directors is conducted at the Company every two or three years. In 2019, the Remuneration and Nomination Committee evaluated the offers of three independent firms for this work and decided to propose ARGE consultancy firm to the Board of Directors for the job. The firms that can provide this service were evaluated during the Board meeting on 24 October 2019 with the resolution to initiate appraisals within the year and to work with ARGE consultancy firm.

ARGE, the firm selected for the job, began its work in late 2019 and completed it in 2020. As part of the Board of Directors' Performance Appraisal, the firm conduct-

ed surveys and face-to-face interviews with individual Board members and analyzed the responses. The firm also held interviews with senior executives with administrative responsibilities to obtain their feedback on the Board of Directors.

The appraisal addressed various topics, including "Board structure, functioning of the committees, working principles of the Board, information submitted/provided to the Board, Board culture, how the Board leads the organization in areas such as sustainability and digitalization, etc., and the risk management approach of the Board."

Results of the Board of Directors' Performance Appraisal were shared with the Board on 14 May 2020 and action plans were prepared by the Remuneration and Nomination Committee according to the identified development areas. These actions, which were discussed and resolved by the Board on 15 June 2020, are currently in the process of implementation.

The details of the resolutions include the following:

- Two General Managers, who are also Executive Board members, will attend the Board meetings in turns for six months.
- As an agenda item of the monthly Board meetings, one General Manager will give a presentation about the operations of his/her respective department.
- As an agenda item of each Board meeting, topics such as customer, new developments in digitalization/technology, and innovation will be discussed for 15 minutes each.
- During the Board meetings, two special sessions will be held with only Board members in attendance at least twice a year. Some of these sessions will focus solely on addressing three issues related to the Board of Director's development areas. Furthermore, the Remuneration and Nomination Committee will bring the topic of following through and evaluating the actions determined according to the Board of Directors' Effectiveness Assessment study to the agenda of a special session.

Audit Committee

Adnan Memiş (Head of Committee - Independent Board Member)
Adalet Yasemin Akad

The Audit committee, consisting of Independent Board Members as defined by the CMB's Corporate Governance Principles, carries out its activities according to the Audit Committee Bylaws approved by the Board of Directors. The Committee assists Board of Directors in the oversight of accounting, auditing, internal control system and financial reporting practices.

In this respect, the Audit Committee, on behalf of the Board of Directors, defines methods and criteria for internal audits, effectiveness and adequacy of internal control and risk management, functioning of the accounting and reporting systems in accordance with the Capital Markets Law and the principles therein, integrity of information, confidential assessment and resolution of complaints communicated to the Company regarding the internal control system and independent auditing and discretion in evaluation of notifications.

In addition to public disclosure of financial information and regular monitoring of independent auditing activities, the Audit Committee also reports its findings as a result of its own duties and responsibilities and evaluations to the Board of Directors.

Corporate Governance and Sustainability Committee

Adalet Yasemin Akad (Head of Committee – Independent Board Member)
Gür Çağdaş
Koray Arıkan
Hasan Hüsnü Güzelöz
Halide Müge Yücel

The Corporate Governance and Sustainability Committee identifies whether or not Corporate Governance Principles are applied, the reasons if not and conflicts of interest that may arise due to lack of compliance and fulfills its public disclosure duty with the Corporate Governance Compliance Report. The Committee also informs the Board of Directors on preventive/remedial measures for ensuring the implementation of sustainability principles, areas of opportunity and operational results. The Committee consists of five (5) members, including the Head of the Committee, who is an Independent Board member and two (2) non-executive Board members, with the fourth member the Manager of the Investor Relations Department and is an appointed member of the Corporate Governance and Sustainability Committee, pursuant to the CMB Communiqué No. II-17.1.

When the Corporate Governance and Sustainability Committee consists of two members, both of the mem-

The Audit Committee provides written information about its evaluations with regard to the veracity and accuracy of the annual and interim financial statements to be disclosed to public, supported by the opinions of the Company's responsible executives and independent auditors. Accordingly, four (4) written briefs were presented to the Board of Directors in 2020.

The Committee convened eight (8) times in 2020. In the presentations by the Internal Audit Department, the Committee was informed about internal control, risk management, governance and sustainability processes as a result of audits and the decisions reached were recorded in the minutes of the Committee meeting. The Committee Members gave four (4) presentations to the Board of Directors in 2020 about audit findings.

bers should be non-executive, whereas if there are more than two members, then the majority of the members should be non-executive. Currently, the Committee complies with the Corporate Governance Principles in terms of its formation. The Committee has convened four (4) times in 2020 and regularly reported its findings and resolutions to the Board of Directors.

According to Communiqué (II-17.1.a) Amending the Corporate Governance Communiqué (II-17.1) of the Capital Markets Board published in the Official Gazette no. 31262 on 02.10.2020, sustainability principles have been included in the scope. As such, companies are required to disclose their compliance with sustainability principles in the corporate governance compliance reporting. The Corporate Governance and Sustainability Committee has resolved to add these principles to the senior management's KPIs, determine the Company's goals and inform the Board at regular intervals by including the topic in the meeting agenda.

Early Risk Detection Committee

Adnan Memiş (Head of Committee - Independent Board Member)
Koray Arıkan
Gür Çağdaş
Hasan Hüsnü Güzelöz

The Early Risk Detection Committee consists of four (4) members, with the Head of the Committee an independent director. The Committee was severed from the Corporate Governance and Sustainability Committee as of April 2013 and its working principles were established. The Early Risk Detection Committee fulfills its duties and responsibilities in accordance with the legislation. The Committee, formed for early diagnosis of causes that threaten the Company's existence, development and continuity, taking precautions/remedies for their prevention, and managing risks, is responsible for running and developing the system. The Committee held a total of five (5) meetings in 2020, including one joint meeting with the Audit Committee. The Commit-

tee also presented regular reports of risk assessments to the Board of Directors every two months and shared the said reports with the auditor as well.

The Compliance Function, which reports to the Early Risk Detection Committee, held its first meeting with its working group in 2019. The tasks of the Compliance Function are defined as ensuring compliance Company policies, requirements of applicable regulations and relevant legislation, international standards and processes, and identifying and reporting the risks in the relevant processes. The Compliance Function, as part of its 2020 activities, aims to minimize risks within its scope of operation and to promote commitment to ethical principles and values in line with the Compliance Policy.

Remuneration And Nomination Committee

Adalet Yasemin Akad (Head of Committee - Independent Board Member)
Özlem Denizmen Kocatepe

The Remuneration and Nomination Committee consists of the two members listed above and the head of the committee is an independent director. Based on specific topics, managers of relevant departments can be invited to a meeting when their opinions and assessments are needed. At Doğuş Otomotiv, the tasks of the nomination committee are performed by the Remuneration and Nomination Committee.

The Committee has convened three (3) times in 2020, and the issues identified in the meeting, the actions taken and the results obtained were presented to the Board of Directors.

The Remuneration and Nomination Committee has reviewed the skill sets previously defined for the Board of Directors and added some skills (E.g., agility and adaptability, and command of technological changes that impact the industry) to align with new requirements.

The Remuneration and Nomination Committee is responsible for organizing the "Board of Directors' Appraisal and Improving Its Effectiveness" studies conducted regularly in the Company and ensuring that they are carried out. The pay raises of the independent directors are also determined during the General Assembly period based on the proposal of the Remuneration and Nomination Committee.

The nomination committee plays an active role in ensuring that there are designated successors for inde-

pendent directors on the Board. Given that the term of an independent director would end in March 2020, the committee conducted a thorough search to identify new independent director candidates. The newly appointed Board Member went through a Company orientation on 21.04.2020. Furthermore, Board members also attend briefings to gain detailed information on the Company, including the current status of each business unit, and medium- and long-term strategies and outlook.

Succession Plan

The performances of the Executive Board members are measured annually based on their business targets, and their finance, customer, process and learning and development targets versus their performances in these areas are evaluated in detail according to a specific methodology. In annual round table meetings, executive board members' career development, succession plans, strengths and development areas are evaluated and recorded in the system.

Upon the Remuneration and Nomination Committee's recommendation regarding career planning for senior executives and preparing them for Board roles, the Board of Directors reached a number of resolutions in 2020: On June 15, 2020, the Board of Directors resolved that two General Managers, who are also Executive Board members, attend the board meetings in turns for six months in preparation for Board roles. There are also plans for one General Manager to attend a board meeting each month and give a presentation about his/her respective department's operations.

Human Resources And Disciplinary Committee

Emir Ali Bilaloğlu (Head of Committee)
Gür Çağdaş
Koray Arıkan
Özlem Denizmen Kocatepe

This committee has been formed by the authority of the Board of Directors to provide guidance for human resources practices and disciplinary actions, monitor the activities and make decisions on these matters. The committee convened one (1) time in 2020.

Financial Benefits Provided to the Board of Directors and Executives with Administrative Responsibilities

The remuneration principles for the Board of Directors and executives with administrative responsibilities have been put into writing, presented to the General Assembly for approval and disclosed electronically to the general public. In remuneration of independent members of the Board of Directors, payment plans such as dividend, stock options or payment options based on the Company's performance have not been considered. The remuneration of independent members of the Board of Directors has been set at a level to maintain their independence.

The Company has not extended loans or credit to any members of the Board of Directors or executives with administrative responsibilities, nor granted anyone any loan through a third party under the guise of personal loans, nor given securities on their behalf. Performance

appraisals of the Board members have been conducted with the support of a professional organization using objective criteria.

Our Company has compensated members of the Board of Directors and Senior Executives who have administrative responsibilities as key management personnel, since they are responsible for the planning, management and control of the Company's operations a sum of TRY 138,930 thousand in 2020.

GENERAL INFORMATION

This Annual Report covers the period from 1 January 2020 to 31 December 2020.

General Information on the Company

Company Title :	Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi
Company Address :	Maslak Mahallesi, Ahi Evran Cad. No: 4 İç Kapı No: 3 Sarıyer / İSTANBUL
Head Office :	Şekerpınar Mahallesi, Anadolu Caddesi, No: 22 41420 Çayırova / KOCAELİ
Phone :	(0262) 676 9090
Fax :	(0262) 676 9096
Corporate Website :	www.dogusotomotiv.com.tr
Founded on :	19.11.1999
Trade Registry No :	429183 / 376765

Managing Body, Senior Executives and Employees

In 2020, the Company has employed 785 blue-collar (31 December 2019: 826) and 1,343 white-collar (31 December 2019: 1,445) employees on average.

Information on Senior Executives and Board Members' Duties in 2020

Name Surname	Position	Starting Date	Term (years)
Emir Ali Bilaloğlu	Chairman of the Board of Directors, CEO	29 March 2018	3
Gür Çağdaş	Vice Chairman of the Board of Directors, Corporate Governance and Sustainability Committee Member, Early Risk Detection Committee Member	29 March 2018	3
Koray Arıkan	Board Member, Corporate Governance and Sustainability Committee Member, Early Risk Detection Committee Member	29 March 2018	3
Özlem Denizmen Kocatepe	Board Member, Remuneration and Nomination Committee Member	29 March 2018	3
Adalet Yasemin Akad	Board Member, Head of Corporate Governance and Sustainability Committee, Audit Committee Member, Head of Remuneration and Nomination Committee	29 March 2018	3
Adnan Memiş	Board Member, Head of Audit Committee, Head of Early Detection of Risk Committee	30 March 2020	1

Employees with Senior Management Duties

Name & Surname	Position	Education
Emir Ali Bilaloğlu	Chairman of the Board of Directors/CEO	M.Sc. in Engineering
Kerem Talih	Chief Financial Officer	Economics
Koray Bebekoğlu	Chief Digital Transformation and Corporate Communications Officer	Mining Engineering / MBA
Giovanni Gino Bottaro	Chief Brand Officer - Volkswagen Passenger Cars	Mechanical Engineering
İlhami Eksin*	Chief Brand Officer - Scania, Thermo King, DOD Heavy Vehicles, Scania Industrial and Marine Engines	Economics
Anıl Gürsoy	Chief Brand Officer - SEAT, Porsche and DOD	Business Administration & Marketing
Kerem Galip Güven	Chief Brand Officer - Audi, Bentley, Lamborghini and Bugatti	Tourism & Hotel Management
Mustafa Karabayır	Chief Spare Parts and Logistics Officer	Geology Engineering / M. Sc. in Civil Engineering
Ela Kulunyar	Chief HR and Process Management Officer	Business Administration
Tolga Senyücel*	Chief Brand Officer - VW Commercial Vehicles	Business Administration / MBA

* As announced in the material disclosure submitted to the Public Disclosure Platform on 02.12.2020, with İlhami EKSİN appointed CEO of D-Serve, the purchasing company of Doğuş Group, Doğuş Otomotiv has resolved to manage the Scania, Thermo King and Scania Engines brands together with Volkswagen Commercial Vehicles brand, and to appoint Tolga SENYÜCEL, currently the General Manager of Volkswagen Commercial Vehicles brand, as the General Manager of the newly-established organization. Tolga SENYÜCEL's appointment became effective as of 01.01.2021.

Remuneration of the Board Members and Senior Executives

Information pertaining to the remuneration of the governing body members and senior executives may be found in the Corporate Governance section under "Fi-

nancial benefits provided to the Board of Directors and Executives with Administrative Responsibilities".

Research & Development Activities

The Company has not carried out any research & development activities in 2020.

Material Developments Regarding Company Operations

Investments

In 2020, the Company invested TRY 141,967 thousand in fixed assets including vehicle purchases, showroom renovations, service equipment, IT equipment, software updates and fixture purchase costs.

Information on Direct and Indirect Subsidiaries and Share Ratios

Detailed information about the transactions performed during the year pertaining to the Company's Direct and Indirect Subsidiaries is provided in the footnotes of the consolidated financial statements for the year ending on 31 December in "Note 28: Balances and Transactions with Related Parties".

Information on Direct and Indirect Subsidiaries and Share Ratios

Company Title	Area of Operation	Paid-in / Issued Capital	Company's Share in Capital	Company's Share in Capital (%)	Relation to Company
Doğuş Holding A.Ş.	Holding Company	862,837,305.00	31,839,470.00	TRY 3.69	LONG TERM SECURITY
vdF Sigorta Aracılık Hizmetleri A.Ş.	Insurance and Brokerage Services	2,000,000.00	40.00	TRY 0.00	LONG TERM SECURITY
D-Auto Limited Liability Company	Vehicle Trading & AS Services - Iraq	150,000,000.00	150,000,000.00	IQD 100.00	SUBSIDIARY
Doğuş Oto Pazarlama ve Ticaret A.Ş.	Vehicle Trading & AS Services	45,000,000.00	43,288,272.00	TRY 96.20	SUBSIDIARY
Doğuş Bilgi İşlem ve Teknoloji Hizmetleri A.Ş.	IT Infrastructure & Software	226,400,000.00	49,255,692.00	TRY 21.76	AFFILIATE
Doğuş Sigorta Aracılık Hizmetleri A.Ş.	Insurance and Brokerage Services	1,265,000.00	531,232.00	TRY 41.99	AFFILIATE
vdF Servis ve Ticaret A.Ş.	Automotive Products & Services	5,100,000.00	2,499,000.00	TRY 49.00	AFFILIATE
Volkswagen Doğuş Finansman A.Ş.	Automotive Consumer Financing	180,000,000.00	86,399,987.00	TRY 48.00	AFFILIATE
Yüce Auto Motorlu Araçlar Ticaret A.Ş.	ŠKODA Turkey Distributor	2,100,000.00	1,049,999.70	TRY 50.00	AFFILIATE
TÜVTURK Güney Taşıt Muayene İstasyonları Yapım İletim A.Ş.	Vehicle Inspection Stations	25,250,000.00	8,332,836.00	TRY 33.00	BUSINESS PARTNERSHIP
TÜVTURK Kuzey Taşıt Muayene İstasyonları Yapım İletim A.Ş.	Vehicle Inspection Stations	67,100,000.00	22,143,895.00	TRY 33.00	BUSINESS PARTNERSHIP

Information on the Company's Share Buy-Back Policy and Program

In the event that the Board of Directors of Doğuş Otomotiv resolves to buy back its shares or accept them as pledge, all necessary public disclosures and announcements will be made pursuant to "Communiqué No: II-22.1 on Share Buy-Back", which was published in the Official Gazette No. 28871 on 3 January 2014.

The Company currently retains the shares, corresponding to 10% of its capital, traded on the stock exchange and bought back in 2016 in accordance with CMB regulations.

Information on Private and Public Audits within the Fiscal Period

An investigation has been launched pursuant to the Competition Board's resolution no. 20-35/456-M dated 24.07.2020, "To determine whether or not the distributors and car rental firms operating in the new and second-hand vehicle sales markets have violated Article 4 of the Competition Law" against 23 companies, including ours. The companies involved in the investigation include 16 automotive distributors and 7 car rental firms.

Information on the Legal Actions Brought Against the Company, Actions that may Affect The Company's Financial State and Operations, and Their Possible Consequences

There is an active lawsuit filed with the Second Tax Court of Kocaeli on 09.09.2020 against the penalties and additional accrued amounts imposed for the 95 import declarations issued by the Dilovası Customs Directorate.

Information on the Administrative and Judicial Sanctions Imposed on the Company and its Managing Body due to Noncompliance with Legislative Provisions

No administrative or judicial sanctions have been imposed on the members of the governing body due to practices against legislation within the reporting period.

Although there are some administrative fines imposed on the Company pursuant to various legislation and as part of its regular activities, those are not of a nature that could materially affect the Company's operations.

Information on Materially Significant Asset Acquisitions or Sales

Information on asset acquisitions or sales is provided in the footnotes of the consolidated financial statements of the years ending on December 31, under "Note 12 - Property, Plant and Equipment" and "Note 13 - Intangible Assets".

Information on Possible Conflicts of Interest with Service Providers

During the reporting period, there were no conflicts of interest between the Company and other firms that provide investment consultancy, rating and other services. Diligent efforts are made to prevent conflicts of interest via agreements and in-house activities in line with the Company's Code of Ethics.

Information on Some Legislative Changes that may Materially Affect the Company's Operations

The following legislative changes with possible impact on the automotive industry have occurred during the reporting period:

- "Regulation on Recycling Participation Share", published in the Official Gazette on 31.12.2019
- "Regulation Amending the Regulation on Commercial Communications and Commercial Electronic Messages", published in the Official Gazette on 04.01.2020
- "Regulation Amending the Aftersales Services Regulation", published in the Official Gazette on 12.02.2020
- "Law No. 7226 Amending Certain Laws", published in the Official Gazette on 26.03.2020
- "Law No. 7244 on Mitigating the Impact of the New

Coronavirus (COVID-19) Pandemic on Economic and Social Life and the Law Amending Certain Laws", published in the Official Gazette on 17.04.2020

- "Regulation Amending the Regulation on Opening Workplaces and Operation Licenses", published in the Official Gazette on 09.06.2020
- "Personal Data Protection Board's resolution no. 2020/482 dated 23/06/2020", published in the Official Gazette no. 31166 dated 25.06.2020
- "Law No. 7252 on Establishing a Digital Media Commission and Amending Certain Laws", published in the Official Gazette on 28.07.2020
- "Decree Amending the Decree on Determining the Value Added Tax Rates applicable for Goods and Services", published in the Official Gazette no. 2812 dated 31.07.2020
- "Regulation Amending the Regulation on the Trade of Second-hand Land Vehicles", published in the Official Gazette on 15.08.2020
- "Decree on Revising the Special Consumption Tax Rates of Some Goods listed in Annex (II) of Law No. 4760 on Special Consumption Tax", published in the Official Gazette no. 2912 dated 30.08.2020
- "Regulation Amending the Regulation on Opening Workplaces and Operation Licenses", published in the Official Gazette on 09.09.2020
- "Communiqué (II -17.1.a) Amending the Corporate Governance Communiqué (II -17.1)", published in the Official Gazette on 02.10.2020
- "Law on Restructuring Some Receivables and Amending Certain Laws", published in the Official Gazette on 17.11.2020
- "General Communiqué on Motor Vehicle Tax", published in the Official Gazette on 29.12.2020
- Signing of the Turkey - United Kingdom Free Trade Agreement (FTA) on 12.29.2020
- "Personal Data Protection Board's resolution no. 2020/966 dated 22.12.2020", published in the Official Gazette no. 31365 dated 15.01.2021

Information on Attaining Targets Set in the Previous Terms and Fulfilling General Assembly Resolutions

There were no targets that the Company did not attain, nor any General Assembly resolutions unfulfilled by the Company during the reporting period. Detailed information about the Company's overview of 2020 is provided in the sub-heading "Evaluation of 2020 and Expectations for 2021" in the Management Report section.

Information on the Extraordinary General Assembly

The Company did not convene an Extraordinary General Assembly in 2020.

APPENDIX 1. STATEMENT OF RESPONSIBILITY ON FINANCIAL REPORTS

Grants and Aid

No changes were made to the Doğuş Otomotiv Grant and Aid Policy, and the donations made in 2020 are listed below:

Group of Companies

Transactions carried out by our Company with the parent company and its subsidiaries within the group of com-

panies in 2020 are ordinary business activities. In 2020, the Company did not engage in any actions/transactions unjustly serving to the advantage of these companies. Therefore, the Company does not have any assessments for the compensation made for disadvantages and for the measures taken regarding the transactions made with the parent company and its subsidiaries, as required by Article 199 of the Turkish Commercial Code.

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş. and SUBSIDIARIES

Grants and Aid in 2020

EXPLANATION	DOS	DOP	D-Auto	Total (TRY)
Biz Bize Yeteriz Türkiyem	5,000,000	-	-	5,000,000
Darüşşafaka Society	1,479,775	591,910	-	2,071,685
Fenerbahçe Sports Club Association	1,000,000	-	-	1,000,000
Association for the Support of Contemporary Living	-	28,000	-	28,000
Ayhan Şahenk Foundation	18,900	-	-	18,900
Other Associations and Institutions	5,600	100	-	5,700
TOTAL (TRY)	7,504,275	620,010	-	8,124,285

Financial Standing

Operational and Financial Indicators

The equity of the Company is TRY 2,295,734 thousand, and the capital is secured and covered, without running into debt.

The Company presents a robust financial standing and does not plan to take further actions to improve its financial structure.

The Company's revenue, sales volume and net profit increased by 92%, 63% and 1,269% respectively, year on year.

The Company also succeeded to maintain its OpEx/Sales ratio at 5.45% as an indication of the importance that the Company attaches to maintaining a lean management and dynamic structure.

A summary of the consolidated financial information can be found on page 24 and the financial indicators on page 26.

Dividend Distribution Proposal

The Board of Directors proposal dated 23.02.2021 and published on the public disclosure platform will be submitted for the approval of the General Assembly. Of the profit generated in the 2020 operating year; the proposal states that in accordance with the objectives and targets determined in our profit distribution policy and within the scope of the legislation, the amount of profit to be distributed as stated in the profit distribution table is determined as 600.000.000 TL and the distribution payments are to be made in two equal installments not exceeding the date of April 30, 2021 and November 30, 2021.

Miscellaneous

After the end of the fiscal period, there has not been any incident of material significance that may affect the rights of the shareholders, creditors and other relevant persons or institutions.

This report has been prepared in compliance with the provisions of the Turkish Commercial Code, the Capital Markets Law and relevant regulations and has been signed and approved by the members of the Board of Directors pursuant to the Board resolution no. 2021/12 dated 23.02.2021.

The Responsibility Statement by the Board members responsible for financial reporting and the executive re-

sponsible for financial reporting for the 2020 fiscal period is presented in ANNEX 1.

Further to the Board of Directors resolution no. 2021/12 dated 23.02.2021, it has been agreed to approve the Company's Consolidated Financial Statements and its Notes for the fiscal year that ended on 31 December 2020 and prepared in compliance with Capital Markets Board standards and to disclose the Independent Audit Report prepared and submitted by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi with the Financial Statements and Footnotes on the Public Disclosure Platform (KAP).



RESOLUTION OF THE BOARD OF DIRECTORS CONCERNING THE APPROVAL OF FINANCIAL STATEMENTS AND ANNUAL REPORTS

RESOLUTION DATE: 23 February 2021
RESOLUTION NUMBER: 2021/12

STATEMENT OF RESPONSIBILITY PURSUANT TO THE ARTICLE 9 OF THE CAPITAL MARKETS BOARD'S COMMUNIQUE ON THE "PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS"

We have examined the Consolidated Financial Statements, the Annual Report of the Board of Directors, the Corporate Governance Compliance Report (URF) and the Corporate Governance Information Form (KYBF) prepared for the fiscal year ending on 31 December 2020 pursuant to the Capital Markets Board Communiqué on the "Principles of financial Reporting in Capital Markets, and we hereby state, the best of our knowledge with respect to our duties and areas of responsibility in the Company, that;

- a) The consolidated financial statements and notes contain no misrepresentation of the fact on any major issues or any omissions that may be construed as misleading as of the date of the related disclosure;
- b) The financial statements, including those subject to consolidation, prepared in accordance with Turkish Accounting Standards, accurately reflect the fact about the Group's assets, liabilities, financial position, profit and loss and other comprehensive income.

Respectfully yours,

Doğuş Otomotiv Servis ve Ticaret A.Ş.

Adnan MEMIS

Board Member and
Head of Audit Committee

A. Yasemin AKAD

Board Member and
Member of Audit
Committee

Kerem TALIH

Chief Financial Officer

Doğuş Otomotiv Servis ve Ticaret A.Ş.

Headquarters
Muşak Mah. Avn. Livan Cd: No: 55
(Doğuş Center Mafak)
Sarıyer / İstanbul - TURKEY
P: +90 (212) 325 32 32
F: +90 (212) 335 30 93
Central Registration System Number: 0-3090-8917-500010

Management and Communication
Şekerpınar Mah. Anadolu Cd: No: 22 ve 15-14/20
Ceyhan - Kocaeli - TURKEY
P: +90 (262) 626 90 90
F: +90 (262) 626 90 96
www.dogusotomotiv.com.tr

APPENDIX 2. INDEPENDENT AUDITORS' REPORT RELATED TO ANNUAL REPORT



CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH

To the General Assembly of Doğuş Otomotiv Servis ve Ticaret A.Ş.

1. Opinion

We have audited the annual report of Doğuş Otomotiv Servis ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2020 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 23 February 2021 on the full set consolidated financial statements for the 1 January - 31 December 2020 period.

4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;



- b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.
- c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Group's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

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

Cihan Harman, SMMM
Partner

Istanbul, 23 February 2021



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ON THE EARLY RISK IDENTIFICATION SYSTEM AND COMMITTEE
ORIGINALLY ISSUED IN TURKISH**

To the Board of Directors of Doğuş Otomotiv Servis ve Ticaret A.Ş.

1. We have audited the early risk identification system and committee established by Doğuş Otomotiv Servis ve Ticaret A.Ş. (the "Company").

Board of Directors' Responsibility

2. Pursuant to subparagraph 1 of Article 378 of Turkish Commercial Code ("TCC") No. 6102; Board of Directors is required to form an expert committee, and to run and to develop the necessary system for the purposes of early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and managing the related risks.

Auditor's responsibility

3. Our responsibility is to reach a conclusion on the early risk identification system and committee based on our audit. Our audit was conducted in accordance with TCC and "Principles on Independent Auditor's Report on the Early Risk Identification System and Committee" issued by the Public Oversight Accounting and Auditing Standards Authority. Those principles require us to identify whether the Company established the early risk identification system and committee or not and, if established requires us to assess whether the system and committee is operating or not within the framework of Article 378 of TCC. Our audit does not include evaluating the adequacy of the operations carried out by the management of the Company in order to manage these risks.

Information on the Early Risk Identification System and Committee

4. The Company established the early risk identification system and committee and it is comprised of 4 members. The Committee has submitted the relevant reports for the period 1 January - 31 December 2020 to the Board of Directors that had been prepared for the purpose of early identification of risks that jeopardize the existence of the Company and its development, applying necessary measures and remedies in this regard, and managing the risks.



Conclusion

5. Based on our audit, it has been concluded that Doğuş Otomotiv Servis ve Ticaret A.Ş.'s early risk identification system and committee is sufficient, in all material respects, in accordance with Article 378 of TCC.

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

Cihan Harman, SMMM
Partner

Istanbul, 23 February 2021

APPENDIX 4. STATEMENT OF COMPLIANCE TO SUSTAINABILITY PRINCIPLES FRAMEWORK

No	Principle Content No.	Principle Headlines	Declaration of Conformity	Background	Motive	Compensating Action	Conformity Plan
A. General Principles							
A 1 - Strategy, Policies and Goals							
1	A 1.1	The Board of Directors determines the ESG material issues, risks and opportunities and develops ESG policies accordingly. For effective implementation of the aforementioned policies, internal directives, business procedures, etc. may be prepared. The Board of Directors takes decisions regarding these policies and discloses them to the public.	YES All Sustainability Management and related policies are publicly disclosed on the following website: https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies				
2	A 1.2	Designates the Partnership Strategy in conformance with the ESG policies, risks and opportunities. Determines its short and long-term goals in line with the partnership strategy and ESG policies and discloses them to the public.	PARTIAL Doğu Otomotiv has started its assessment on the risks and opportunities in 2020 in line with its areas of focus related to sustainability and will publish them in the 2020 Sustainability Report. The strategy and the targets in line with the areas of focus are explained in the Sustainability Report. For Doğu Otomotiv's Sustainability Strategy visit: https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/strategy-and-management	In line with the updated areas of material issues in 2018, a risk and opportunities assessment will be carried out in accordance with the changing conditions and circumstances.	Changing areas of focus and risk areas.	Current risks and opportunities assessment.	Related targets will be announced in the 2020-2021 Reporting Period.
A 2 - Implementation/Follow-up							
3	A 2.1	Determines the committees/units responsible for the implementation of ESG policies and discloses them to the public. The responsible committee/unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year, and in any case, within the maximum periods determined for the public disclosure of the annual activity reports in the relevant regulations of the Board.	YES Detailed information within the context of Doğu Otomotiv's Sustainability Management is published in the Sustainability Report every year. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/strategy-and-management				
4	A 2.2	Creates implementation and action plans in line with the short and long-term goals established and discloses them to the public.	YES Goals in line with Doğu Otomotiv's Sustainability Strategy are announced annually in the sustainability report. Doğu Otomotiv's Sustainability Reports are published every June, in accordance with the BIST (Borsa İstanbul) Sustainability Index dates, covering the previous year's performances. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				

5	A 2.3	Determines the Key Performance Indicators (KPI) of ESR and announces them on a yearly basis. In the presence of verifiable data, it presents the KPIs with comparisons of the local and international sectors.	PARTIAL Doğu Otomotiv reports the Company performances in accordance with the GRI Standards Reporting Principles every June in line with the sustainability-prioritized areas of focus determined in accordance with the AA1000SES Standard. Although the available data are presented with 3-year comparisons, due to some variables such as changes in laws and regulations, internal and external factors, and due to the fact that our Company does not have a reporting counterpart in its segment, the sectoral comparison can be made with similar factors within the Company. Since 2009, our Company has committed to advanced comprehensive reporting with international standards. All reports are available on our website.	Since there are still no national and international peers in its sectoral segment, our Company conducts comparative studies within the Company with the close sectors. The Company's sustainability reports for the last 11 years are publicly available on the website.	N/A	N/A	Comparison studies may be planned if public information is to be shared at global standards between competitors or peers in the future.
6	A 2.4	Discloses the innovation activities that improve the sustainability performance for business processes or products and services.	YES Doğu Otomotiv annually discloses its sustainability performance and improvement activities in the areas it determines in accordance with the global standards throughout its life cycle, in the sustainability report: https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
A 3 - Reporting							
7	A 3.1	Reports its sustainability performance, goals and actions at least once a year and discloses them to the public. Provides information on sustainability activities in the annual report.	YES Doğu Otomotiv annually discloses its sustainability performance and improvement activities in the areas it determines in accordance with the global standards throughout its life cycle, in the sustainability report: https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
8	A 3.2	It is essential to share information that is important for stakeholders to understand the position, performance and development of the partnership in a direct and concise manner. It can also present detailed information and data on the corporate website, and prepare separate reports that directly meet the needs of different stakeholders.	YES Sustainability has a separate section on the Doğu Otomotiv Website. This section includes both the Company's report and the performance of its subsidiaries, Authorized Dealers and Services, and Suppliers. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				

9	A 3.3	Pays maximum attention in terms of transparency and reliability. Within the scope of a balanced approach, objectively announces all kinds of developments on primary issues regarding disclosures and reporting.	YES Doğu Otomotiv's Materiality Study was conducted twice in 12 years. The results of the works performed with a methodology in accordance with the AA1000SES Standard are published in the relevant sections of both the sustainability report and the website. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/impact-and-materiality			
10	A 3.4	Provides information about which of its activities are related with the United Nations' (UN) Sustainable Development Goals for 2030.	YES Doğu Otomotiv's study addressing the material issues related to sustainability in line with the UN's Sustainable Development Goals started in 2017, and since then the UN SDG Index has been included in the sustainability report. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports			
11	A 3.5	Provides information regarding the lawsuits filed and/or concluded against environmental, social and corporate governance issues.	YES Doğu Otomotiv has been publishing its reports on comprehensive reporting application level in accordance with the GRI Standards Reporting Framework since the first sustainability report. Every year, it publishes all its statements, regarding the lawsuits filed against environmental, social, ethical and corporate governance issues, on the GRI Indexes: https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports			
A 4 - Verification						
12	A 4.1	If verified by independent third parties (independent sustainability assurance providers), it discloses its sustainability performance measurements to the public and strives to promote such verification processes.	YES Doğu Otomotiv's Sustainability Report has been verified by PwC within the scope of a limited assurance in the last 2 years. Relevant documents are included in the report. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports			

B. Environmental Principles							
13	B 1	Declares the policies and practices, action plans, environmental management systems (known by the ISO 14001 standard), and programs in the field of environmental management.	PARTIAL Doğu Otomotiv initiated its Environmental Management System attempts in 2019 and completed the installation of the system in 2020. The certification process has been initiated as of the publication date of the report. In addition, environmental and related policies are announced on the website and in the Sustainability Report every year. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies	The ISO 14001 Certification process has been initiated and will be completed in 2021.	ISO 14001 system setup has been completed.	ISO 14001 system setup has been completed.	In 2021, the system will be operated as certified.
14	B 2	Complies with environmental laws and other relevant regulations and announces them.	YES Doğu Otomotiv complies with all environmental laws and regulations and oversees the process through an ISO 14001 compliance obligations document. Our Company has an appointed environmental manager. We also have an Environment Committee that report directly to the Corporate Governance and Sustainability Committee.				
15	B 3	Explains the limitations regarding the boundaries, reporting period, reporting date, data collection process and reporting conditions of the environmental report to be prepared within the scope of the Sustainability Principles.	YES Since 2009, Doğu Otomotiv has been regularly disclosing its sustainability performance at comprehensive reporting application level, using the reporting framework of the GRI Standards and in line with the priorities determined in accordance with the AA1000SES Standard methodology. In accordance with reporting principles, all details regarding environmental data are disclosed to the public. Data methodology and details about the scope are presented under 'the scope of the report' heading. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				

16	B 4	Declares the highest level person responsible, and relevant committees and their tasks in the partnership on the issue of environment and climate change.	YES Doğuş Otomotiv has a supreme committee, the Corporate Governance and Sustainability Committee, which is directly under the Board of Directors and is responsible for the management of all sustainability issues, including those related to environment and climate change. The Sustainability Council directly reports to this Committee. There is also an Environment Committee and an appointed Environmental Manager. Doğuş Otomotiv is the first company in its segment to accept climate change as a financial risk and disclose its policies regarding this issue. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies						19	B 7	Discloses the sustainability performance regarding business processes or products and services, and the activities carried out to improve this performance.	YES All relevant performances are disclosed to the public through sustainability reports. Details and statements are also included in the GRI Index. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
17	B 5	Announces the incentives it offers for the management of environmental issues, including the achievement of objectives.	PARTIAL Doğuş Otomotiv announces its environmental data every year in line with its material issues and shares its goals with the public under relevant headings that can be shared. It encourages its partnerships, authorized dealers, services, and suppliers to disclose their environmental data throughout the value chain. It has integrated the sustainability principles to its categorization and inspection processes in the purchasing processes with its suppliers and started to include these stakeholders in the sustainability report since 2015. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports	With the initiation of the ISO 14001 process, concrete goals will also be shared.	With the initiation of the ISO 14001 process, concrete goals will also be shared.	With the initiation of the ISO 14001 process, concrete goals will also be shared. Within the scope of the 2021 Sustainability Report, environmental data and goals will be disclosed to the public in accordance with the ISO 14064 Greenhouse Gas Emission management standard.			20	B 8	Describes how it manages the environmental issues and how it integrates the suppliers and customers into its strategies, not just in terms of direct operations but throughout the partnership value chain.	YES Since 2014, Doğuş Otomotiv has started to include not only its subsidiaries but also its suppliers and authorized dealers and services in the Sustainability Report. It also manages and encourages data collection processes after one-to-one briefings. All relevant reports are published both in the sustainability report and on the website. https://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performances-of-subsidiaries https://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performance-of-suppliers https://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performance-of-authorized-dealers-and-services				
18	B 6	Explains how environmental problems are integrated into business goals and strategies.	YES Doğuş Otomotiv has been announcing its environmental data since 2009 in line with the priorities it has determined in accordance with the AA1000SES Standard. Material issues were revised in 2018 in line with changing conditions and stakeholder expectations, and since then reporting has been performed in line with new issues. All details regarding integration into business strategies are published within scope of the Sustainability Report. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports						21	B 9	Explains whether it is included in the policy-making processes on environmental issues (sectoral, regional, national and international), its cooperation with the associations, related organizations and non-governmental organizations it is a member of, and the tasks it has undertaken, if any, and the activities it supports regarding environmental issues.	NO Doğuş Otomotiv is not yet involved in the formulation of public policies on environmental issues, in line with its environmental priorities. However, it follows and monitors the developments through sectoral unions and associations it is a member of, and the tasks it has undertaken, if any, and the activities it supports regarding environmental issues. In addition, in accordance with the laws and regulations regarding the environment, it disposes of its waste in line with its business partnerships with PETDER and ÇEVKO.	If deemed necessary and in line with the Company's priorities, studies regarding collaborations with environmental unions and associations are conducted and future collaboration alternatives are evaluated.	In line with concrete goals, collaboration with a non-governmental organization will be considered if deemed necessary.	Plays a role in sectoral associations and unions regarding the follow-up of periodically developing environmental regulations and related processes.	In line with concrete goals, collaboration with a non-governmental organization will be considered if deemed necessary.
									22	B 10	In the light of environmental indicators (greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect) 1), air quality, energy management, water and wastewater management, waste management, biodiversity impacts), it reports information regarding environmental impacts in a periodically comparable manner.	PARTIAL Doğuş Otomotiv has published its environmental data with comparisons in its sustainability reports since 2009, in line with its priorities. The Company plans to start reporting in accordance with the GHG or ISO 14064 standard after the receipt of ISO 14001 certification.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.

23	B 11	Discloses the details of the standard, protocol, methodology and base year it uses to collect and calculate its data.	YES In the disclosure of its environmental data, Doğuş Otomotiv uses the methodology suggested by the GRI Standards as well as the reporting of local laws and regulations. The data are collected and consolidated by the members of the Sustainability Council, which is created within the Company and has members from each unit. By 2021, the data will be rearranged and declared in accordance with ISO 14001 Environmental Management System processes.				
24	B 12	Explains the status of the environmental indicators (increase or decrease) for the reporting year in comparison with previous years.	YES Due to the changes in material issues between the years 2009-2017 and 2018-2020, there has been also a change in the comparable data. However, since 2018, the necessary comparisons can be made since reporting has been performed using the same factors in the reports published regularly.				
25	B 13	Sets short- and long-term goals to reduce its environmental impact and discloses these goals. It is recommended that these goals be determined based on science as suggested in the United Nations Conference of the Parties on Climate Change. If there is an actual progress in the reporting year according to the targets set before, it provides information on the subject.	YES Doğuş Otomotiv publishes its environmental performance in the Sustainability Reports in accordance with international standards. At the same time, as a UN Global Compact signatory since 2010, it has included the UN Global Compact Index in its reports and announced its commitments. https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-planet-and-environmental-sustainability/our-planet-and-environmental-sustainability				

27	B 15	Explains the program or procedures to prevent or minimize the potential negative impact of the products and services it offers; explains the actions of third parties toward reducing greenhouse gas emissions.	YES All actions in line with the environmental impact of the products and services management policy and the related sub-domain performances are explained within the scope of material issues. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performances-of-subsidiaries https://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performance-of-suppliers https://www.dogusotomotiv.com.tr/en/sustainability-2019/impact/sustainability-performance-of-authorized-dealers-and-services				
28	B 16	Explains the actions taken to reduce its environmental impacts, the total number of projects and initiatives carried out, and the environmental benefits/gains and cost savings they provide.	YES Disclosed in the Sustainability Report. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
29	B 17	Reports the total energy consumption data (excluding raw materials) and details the energy consumption as Scope-1 and Scope-2.	PARTIAL Total energy consumption is explained as 'Scope 1' in the Sustainability Report. Scope 2 data are planned to be disclosed in the 2021 report, in line with the targeted ISO 14064.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.
30	B 18	Provides information on the heat, steam, cooling, and the electricity generated and consumed in the reporting year.	PARTIAL Data are disclosed to a limited extent. The scope of the disclosure will be expanded after the inclusion of the Carbon Footprint calculation.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.	ISO 14001 setup has been completed, the certification process has been initiated and ISO 14064 is targeted.
31	B 19	Conducts studies toward increasing the use of renewable energy and transition to zero or low carbon electricity, and discloses these studies.	YES Doğuş Otomotiv supplies its electrical energy from companies that produce 100% renewable energy. The Company has initiated the calculations regarding Carbon Footprint and plans to make the necessary disclosures in the 2021 Sustainability Report.				

32	B 20	Discloses the renewable energy production and usage data.	YES Doğu Otomotiv does not generate energy. However, it shows the necessary sensitivity toward the procurement of the energy it uses from 100% renewable energy sources. Energy usage data are disclosed in the sustainability reports.				
33	B 21	Designs energy efficiency projects and discloses the amount of reduction in energy consumption and emission, owing to these studies.	YES Efficiency studies are carried out in necessary areas, benefits and reductions are published every year in the sustainability report.				
34	B 22	Reports the amount of water withdrawn, used, recycled and discharged from underground or aboveground, its sources and procedures (total water withdrawal by source, the water resources affected by water withdrawal, the percentage and total volume of the recycled and reused water, etc.).	YES Water consumption is among Doğu Otomotiv's material issues. Since 2009, the Company has disclosed the water consumption amount per vehicle sold and carried out studies on reducing consumption. Comprehensive data with comparisons are included in the Sustainability Report.				
35	B 23	Explains whether operations or activities are included in any of the carbon pricing systems (Emissions Trading System, Cap-and-Trade or Carbon Tax).	NO	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	Developments are followed and briefings are made.
36	B 24	Discloses the carbon credit information accumulated or purchased during the reporting period.	NO	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	Developments are followed and briefings are made.
37	B 25	Discloses the details if carbon pricing is implemented within the partnership.	NO	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	Developments are followed and briefings are made.
38	B 26	Discloses all mandatory and voluntary platforms on which its environmental information is announced.	YES Doğu Otomotiv publicly shares all its sustainability data on its website, within the scope of the basic indicators of the standards. Except for the notifications made to public authorities due to legal requirements, it is evaluated in the BIST Sustainability Index in line with these data.				

C. Social Principles							
C1 - Human Rights and Employee Rights							
39	C 1.1	Formulates the Corporate Human Rights and Employee Rights Policy, which is fully compliant with the Universal Declaration of Human Rights, the ILO Conventions that Turkey has confirmed, and the legal framework and regulations governing the human rights and working life in Turkey. Discloses the policy in question and the roles and responsibilities associated with its implementation.	YES Doğu Otomotiv's human rights policy, material issues on human rights, its sub-policies associated with the employees and work environment policy, and Doğu Otomotiv's Code of Ethics meet the requirements within the scope of the principle. All the necessary details and performances are explained in the sustainability reports and on the website. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics				
40	C 1.2	Provides equal opportunity in recruitment processes. Taking the effects of the supply and value chains into account, it includes fair labor, improvement of labor standards, women's employment, and inclusion issues (such as gender, religious belief, language, race, ethnic origin, age, disability, refugee, etc.) in its policies.	YES Employees and Workplace Policy, Equal Opportunity Policy and Doğu Otomotiv's Code of Ethics, Sustainable Purchasing Policy https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics				
41	C 1.3	Describes the measures taken along the value chain to observe the rights of certain fractions sensitive to economic, environmental, social factors (low-income groups, women, etc.) or to observe minority rights/equal opportunity.	YES Equality at Work Program, Human rights policy, anti-discrimination policy https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/equality-at-work https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics				

42	C1.4	Reports developments regarding discrimination, inequality, human rights violations, practices to prevent and correct forced labor. Discloses the regulations for not employing child labor.	YES Diversity and Equal Opportunity Policy, Human rights policy, Doğuş Otomotiv's Code of Ethics, Anti-Discrimination Policy, Child Labor Management Approach, UN Global Compact Commitment https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/equality-at-work https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics				
43	C1.5	Explains policies regarding investment in employees (training, development policies), compensation, vested benefits, right to unionize, work/life balance solutions, and talent management. Determines dispute resolution processes by creating mechanisms for employee complaints and dispute resolution. In addition, it regularly announces the activities carried out to ensure employee satisfaction.	YES All relevant details are published every year in the sustainability reports. At the same time, information about the Code of Ethics, Ethics Hot Line and related processes are included in the Code of Ethics. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
44	C1.6	Creates occupational health and safety policies and discloses them to the public. Discloses the precautions taken to prevent work accidents and to preserve health, and the accident statistics.	YES Occupational Health and Safety is among the sustainability-material issues of Doğuş Otomotiv. Policies are available on the website. Relevant data are published with comparisons in the Sustainability Report. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies				
45	C1.7	Creates personal data protection and data security policies and discloses them to the public.	YES Improvements have been made in accordance with all legal regulations regarding the Protection of Personal Data, and the process is managed at the highest level. https://www.dogusotomotiv.com.tr/en/terms-of-use-and-privacy-policy				

46	C1.8	Creates an ethics policy (including practices regarding work, work ethics, compliance processes, advertising and marketing ethics, public briefing, etc.) and discloses it to the public.	YES Doğuş Otomotiv's Code of Ethics has been published since 2012 as a public commitment on the website accessible to all our stakeholders. https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics				
47	C1.9	Explains its activities within the scope of social investment, social responsibility, financial inclusion and access to finance.	YES Doğuş Otomotiv discloses its community engagement policies and performances in the sustainability report, and its data regarding access to finance and financial inclusion in the annual report every year. Doğuş Otomotiv community engagement programs and volunteering platforms determined in the field of social responsibility are also published every year in sustainability reports. https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/community-engagement https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
48	C1.10	Organizes informational meetings and training programs for employees on ESG policies and practices.	YES All trainings and practices related to sustainability, and policy briefings are updated and published every year in the sustainability reports. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				
C 2 - Stakeholders, International Standards and Initiatives							
49	C 2.1	Carries out its activities in the field of sustainability by taking the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.) into account.	YES Doğuş Otomotiv identified key stakeholders using the AA1000SES methodology at a workshop held in 2009, and focused its sustainability strategy on stakeholder engagement. All relevant strategies and practices, and the stakeholder engagement platforms are announced on the website. Current performances are included in the sustainability reports. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/stakeholder-engagement https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports				

50	C 2.2	Formulates a customer satisfaction policy regarding the management and resolution of customer complaints and discloses it to the public.	YES Customer Management and related strategies and practices are explained in detail in the sustainability reports. https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-business-and-economical-development/customer-relations-management https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports			
51	C 2.3	Conducts a continuous and transparent communication with stakeholders; explains the purpose, the subject and the frequency of the communication with the stakeholders, and the progresses in sustainability activities.	YES Doğuş Otomotiv identified key stakeholders using the AA1000SES methodology at a workshop held in 2009, and focused its sustainability strategy on stakeholder engagement. All relevant strategies and practices, and the stakeholder engagement platforms are announced on the website. Current performances are included in the sustainability reports. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/stakeholder-engagement https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports			
52	C 2.4	Discloses the international reporting standards it has adopted (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), The Task Force on Climate-Related Financial Disclosures (TCFD), etc.) to the public.	YES Doğuş Otomotiv has been annually publishing a sustainability report since 2009 in accordance with the framework of the GRI Global Reporting Initiative. The Company publishes its reports at a comprehensive application level and according to the GRI Standards, the latest reporting framework of the initiative. Relevant indexes are available on the website. https://www.dogusotomotiv.com.tr/en/sustainability-2019/sustainability/sustainability-reports			

54	C 2.6	Makes concrete efforts to be included in the Borsa İstanbul Sustainability Index and in international sustainability indexes (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indexes, etc.)	YES Doğuş Otomotiv has been included in the BIST Sustainability Index since 2014-2015. Monitoring and planning activities for international indexes are ongoing.				
D. Corporate Governance Principles							
55	D 0	Makes maximum effort to comply with all Corporate Governance principles as well as the mandatory Corporate Governance principles within the scope of the Capital Markets Board Communiqué on Corporate Governance, numbered II-17.1.	YES Fully complies with Doğuş Otomotiv's Corporate Governance Compliance Principles and is subject to assessment by an independent rating agency every year. https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/kobirate-corporate-governance-compliance-rating-report				
56	D 1	Takes the sustainability issue, the environmental impacts of its activities and the relevant principles into account when determining its corporate governance strategy.	YES At Doğuş Otomotiv, sustainability issues are managed by the Corporate Governance and Sustainability Committee, which was created directly under the Board of Directors. https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/committees-and-working-principles/corporate-governance-and-sustainability-committee				
57	D 2	As stated in the Corporate Governance Principles, it takes the necessary measures to comply with the principles regarding the stakeholders and to strengthen the communication with them. The Company also seeks the views of the stakeholders when determining the measures and strategies in the field of sustainability.	PARTIAL Detailed information is provided in the Corporate Governance Compliance Report and the Sustainability Report. https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/corporate-governance-principles-compliance	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.
58	D 3	Works on raising awareness on the issue of sustainability and its importance through social responsibility projects, awareness activities and trainings.	YES Sustainability is strategically addressed throughout our value chain, in which all our stakeholders are included, and informational activities are carried out through face-to-face trainings and meetings that also include third parties. Social responsibility is encouraged at Doğuş Otomotiv through a volunteering platform. In addition, Traffic is Life! Program is carried out as a community engagement program. Relevant details are disclosed to the public in the Corporate Governance Compliance Report and Sustainability Report.				

APPENDIX 5. DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2020

59	D 4	Strives to become a member of the international standards and initiatives on sustainability and to contribute to activities.	PARTIAL Doğuş Otomotiv follows all standards and voluntary codes in the world in the field of sustainability and applies them in its processes in accordance with a time schedule. The Company observes global standards in public statements such as reporting and Code of Ethics. In addition, other global initiatives are also regularly followed. ISO 14001 set up has been completed and the certification process has been initiated. Moreover, works for ISO 14064 and ISO 50001 will be completed in 2021.	Works are in progress.	Works are in progress.	Works are in progress.	Works are in progress.
60	D 5	Discloses the policies and programs regarding the fight against bribery and corruption, and the principle of tax integrity.	YES Doğuş Otomotiv's Fight Against Bribery and Corruption policy is available on the website. In addition, all relevant management approaches are covered by the Code of Ethics. https://www.dogusotomotiv.com.tr/en/sustainability-2019/strategy-and-management/sustainability-policies https://www.dogusotomotiv.com.tr/en/sustainability-2019/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics				

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.					
DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2020 (TL)					
1- Paid -in /Issued Capital			220.000.000,00		
2- Legal Reserves (According to Legal Records)			130.368.612,00		
3- Information on the profit distribution privilege, if any, as required by the articles of association			-		
	According to the CMB	According to legal records			
3- Profit for the period			1.287.663.000,00		
4- Taxes(-)			(245.793.000,00)		
5- Net profit for the period (*)			1.037.334.000,00		
6- Accumulated losses (-)			- (116.261.575,38)		
7- Legal Reserves(-)			- -		
8- NET DISTRIBUTABLE PROFIT FOR THE PERIOD			1.037.334.000,00		
Dividend advances made through the year (-)			- -		
Distributable Net Income for the Period excluding dividend advances			1.037.334.000,00		
9- Donations made through the year (+)			8.124.285,00		
10- Distributable Net Income for the Period including Donations			1.045.458.285,00		
11- First Dividend to the Shareholders			522.729.143,00		
- Cash			522.729.143,00		
- Non-paid			-		
12- Dividend Distributed to Privileged Shareholders			-		
13- Dividend Distributed to			-		
- Board members			-		
- Employees			-		
- Other than shareholders			-		
14- Dividend Distributed to Redeemed Shareholders			-		
15- Second Dividend to Shareholders			77.270.857,00		
16- Legal Reserves			58.900.000,00		
17- Statutory Reserves			- -		
18- Special Reserves			- -		
19- EXTRAORDINARY RESERVES			378.434.000,00		
20- Other Reserves Distributable			- -		
DIVIDEND RATIO TABLE					
DIVIDEND INFORMATION (**)	TOTAL DIVIDEND PAYOUT AMOUNT		TOTAL DIVIDEND DISTRIBUTED /NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND PER SHARE OF 1 TL NOMINAL VALUE	
	CASH (TL)	FREE OF CHARGE (TL)		RATIO (%)	AMOUNT (TL)
-GROSS	600.000.000,00	-	57,8	2,7272700	272,727
-NET	510.000.000,00	-	49,2	2,3181800	231,818
(*)	Net profit for the period for the Parent, except Non- controlling interest.				
(**)	Represents the amounts in case of gross distribution or net distribution after 15% withholding tax.				