



# ANNUAL REPORT

# 2022

A wide-angle photograph of a large solar panel array installed on the roof of a building. The panels are dark grey and reflect the warm orange and yellow light of a setting or rising sun. In the background, there are several low hills or mountains under a sky with soft, pastel-colored clouds.

**Renewable energy can  
pave the way for a  
sustainable future\***

\* Doğuş Otomotiv now meets its annual energy needs from renewable sources and has achieved a 45% reduction in its carbon emissions per year, thanks to the solar energy system it has established on the roof of the company's Logistics Center with an investment of 2.4 million dollars.

We are deeply saddened by the earthquakes  
that were centered in Kahramanmaraş  
and have affected a very large region.

May God have mercy on our citizens who lost their lives.  
We send our condolences to their relatives and  
wish the injured a quick recovery.

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## MESSAGE FROM THE CEO & CHAIRMAN



Dear Stakeholders,

The automotive sector made a cautious start to the year 2022, during which expectations for normalization in the aftermath of the pandemic had increased. The chaotic environment created by the pandemic within the commodity markets and supply chains continued to be felt in 2022. While production problems stemming from the chip crisis and raw material issues that were taken over from the previous year continued to exist in the automotive industry, recession expectations across the world and rising inflation changed the dynamics in the sector. The automotive industry entered a difficult period once again when the effects of the Russia-Ukraine crisis which broke out in February on mainly the energy and raw material prices were combined with the production and logistics problems.

While the increasing production costs caused an increase in automobile prices in Turkey, the sudden movements in exchange rates led to significant price fluctuations, especially in the second quarter. The difficulties faced by consumers in accessing reasonable loans, the expectations for a reduction in the special consumption tax that remained on the agenda throughout the year, and the regulation on the tax base that was announced towards the end of the year but failed to meet the sector's expectations were the main factors that affected the outlook in the automotive industry in the year 2022. Despite such adversities, the fact that automobiles are seen as investment tools in Turkey ensured that the demand remained high.

**Growth of the market led to a surge in demand for used vehicles**  
The number of automobile and light commercial vehicles sold reached 783,283 with a 6.2 percent increase from the previous year. The leading

role in this increase was assumed by light commercial vehicles, whose market share grew by 8.6 percent. Despite the sale of 592,660 automobiles, which reflected a growth rate of 5.5 percent, the results fell short of expectations due to supply issues. Although the regulation on the tax base introduced in November increased vehicle sales partially, it failed to produce the expected effect in the markets due to supply problems and increased prices. The used vehicles market experienced significant price increases because of the bottleneck encountered in new vehicles.

### **Doğuş Otomotiv continues its success despite difficulties**

As Doğuş Otomotiv, we have left behind a successful year in terms of finance, investments, and productivity despite the year 2022 being filled with difficulties caused by extraordinary developments in the world and their different reflections on the Turkish market. Although we had difficulties in catering to demands from time to time, we have preserved our leadership status among imported brands with a 13.3 percent market share at the end of the year 2022, thanks to the measures we adopted and our ability to rapidly adapt to changing circumstances.

One of the most remarkable successes of 2022 came with our brand CUPRA, which we introduced to the market in 2021. The CUPRA, which sold 2,792 units after a nine-fold increase in sales in the second year of its launch, clinched its success with ODMD's 'Fastest Growing Automotive Brand of the Year' award.

### **The electric vehicle sector is rapidly growing**

Significant developments took place in terms of electric mobility in 2022, including the launch of TOGG's serial production. Switching to electric vehicles is one of the important processes regarding the future of our planet, which is under climate crisis threat. The regulations and incentives introduced in recent years towards sustainable mobility ensured that the sector entered a fast transition period in this area. In addition to the developments in demand, the day-by-day increase in the number of buyers who prefer electric vehicles gives hope for the future despite the road ahead of us being very long.

In 2022, a total of 7,733 electric automobiles were sold in Turkey. Hybrid automobile sales have reached a 10.9 percent market share with sales of 64,387 units. These numbers point to nearly a 30 percent growth in the hybrid automobile market and a 2.7-fold one in the electric automobile market compared to the year 2021.

The Volkswagen Group, which we are a distributor of, is among the manufacturers that invest the most in electric vehicles worldwide. We started to introduce the e-tron SUV, e-tron Sportback, e-tron GT, and RS e-tron GT models of Audi, which is getting prepared to market only electric models as of 2026, to Turkish consumers in the last months of the year. Volkswagen Commercial Vehicles' fully electric new model ID. Buzz also took the road in 2022. We brought Porsche's first electric vehicle, the Taycan, and its full

model range to the market. These will be followed by other brands and models that we will be introducing to the market in 2023 and 2024.

We foresee that the increase in the number of electric vehicles will continue at an accelerated pace. For this reason, in 2022, we continued the investments we had initiated to provide charging and servicing to electric vehicles. We are offering more than 500 charging stations that serve Porsche and other electric automobiles to customers. Following the installation of Turkey's fastest charging station with 320 kW power in 2021, we completed the installation of five charging stations with 350 kW power in Istanbul, Ankara, Bursa, Izmir, and Antalya in 2022. Moreover, we have opened Turkey's first battery repair center in Doğuş Oto Kartal to serve electric vehicles. Our investments to increase the number of such centers are ongoing.

**Our top priorities are sustainability and climate change**  
Being one of the first companies in Turkey to disclose policies on climate change, we had sustainability and climate change topics at the top of our agenda as we entered 2022. Extreme climate events that took place throughout the year showed us once again that we have no time to lose in the fight against climate change. While plenty of countries struggled against record-high temperatures and drought, especially during summer, countless people have lost their lives because of floods and landslides in other parts of the world. Falling insufficient against climate change is pointed to as the biggest global risk in the next 10 years in the World Economic Forum's 2023 Global Risks Report. The report foresees that the effects of the events that would accelerate the ecosystem's collapse and natural disasters would increase each year unless necessary measures are adopted.

On the other hand, legal regulations and investor expectations force companies to transform their

business models and institutional structures into more sustainable models. Nowadays, companies are expected to adopt a more action-oriented approach by inclining towards environmental, social, and governance-based investments, as well as to assume a larger role in the solution of various threat factors from climate change to biodiversity, poverty, and the digital divide.

In light of these facts, as Doğuş Otomotiv, we deem our understanding of sustainability that is built on constant development, productivity, stakeholder engagement, and respect for the environment as a top priority for our company's existence and growth in new areas. Considering sustainability a vital component of the strategic management model, we are constantly reviewing our business model and operations to be compatible with sustainability standards and the United Nations Sustainable Development Goals. As an example of our efforts in this direction, we have put the solar power plant that we installed with a \$2.4 million investment on the roof of our Logistics Center in Şekerpınar to use in 2022. In this way, we aim to meet our annual energy needs from a renewable source and reduce our carbon emissions by 45 percent annually.

The investments we make in electric vehicles constitute one of the most important pillars of our efforts toward sustainability. In 2022, we received an Electric Vehicle Financing Loan worth €8.7 million within the scope of Combating Climate Change and Sustainable Financing to be used in the import of electric vehicles. In line with sustainability practices, we provide our suppliers and Authorized Dealers with consultancy and encourage them to share their environmental data. Another one

of our achievements in 2022 was improving our compliance score on BIST's Corporate Governance Principles Compliance Score Report to 9.74, up from 9.70 the previous year.

#### **We make a difference with technology and digitalization**

As part of digital transformation, which is one of the necessities of being a sustainable company today, through expanding the use of machine learning and artificial intelligence, we aim to become an organization that follows a data-based analytical approach, rapidly perceives changes and adapts to them, and develops new digital business models and implements them. We continue working for this goal, towards which we took our first step in 2017 via bringing the Digital Transformation Department to life, with process automation, programs towards improving our employees' digital competencies, training, data analytics studies, and agile project management works.

To date, we have formed countless project and solution teams by creating alternative scenarios with an agile management understanding. Our progress in digital transformation processes has provided us with an important advantage in overcoming the pandemic's negative effects and increased our IT software development outputs. While we completed 15 major software development projects in 2019, this number increased to nearly 70 in 2022. Today, where all products are similar to each other, we are closely following the developments in areas such as customer service management, call center management, and quality standards management with the understanding that technology and digital services are among the main factors in making a difference.

Improving our digital supply chain is also among our top priorities. With fully integrated systems, agile supply chains, advanced forecasting systems, and augmented reality applications in the supply chain, we invest in technologies that spearhead our sector in logistics. As Doğuş Otomotiv, we obtain more than 250 parts belonging to brands we represent from nine countries and 25 locations. Thanks to the advanced forecasting mechanisms that we use to manage an organization this size, we provide services that exceed the distribution centers in Europe by ensuring over a 99 percent availability for parts.

The digital infrastructure that we have successfully integrated into our business models will continue to be one of our most important competitive advantages in the upcoming period. We aim to increase and intensely continue our technology investments that gained even further importance with the pandemic with a focus on productization and data. The fact that the software investment budget we plan for 2023 is at 250 million TRY is an indicator of this approach.

**The most valuable investment is the investment in people**  
The innovations brought about by the digital age not only affect the working styles but also the business world's expectations, and hence the innovations that we need. In the automotive sector which necessitates its workers to constantly improve themselves due to its dynamics, digital literacy especially becomes important. For this reason, we make extensive efforts to prepare our human resources at all levels for digital transformation.

As part of the Digital Competency Development Program which we have developed to support our coworkers' mastery of basic and advanced technological implementations, we organized pieces of training and webinars in areas such as RPA, Customer Experiences and Trends, and Digital Transformation in the Automotive Sector in 2022. While some 581 people attended the digital webinars, a total of 109 people attended the RPA and Customer Experience Improvement Program.

Supporting innovativeness within the company significantly contributes to the processes of constant learning and self-improvement. Doğuş Otomotiv and Doğuş Oto have made an income worth over 17 million TRY by bringing nearly 2,000 ideas suggested by its employees and more than 100 process improvement projects to life.

#### **2023 will be the year where we continue to make breakthroughs despite hardships**

Although making forecasts for 2023 is not easy, I believe that the postponed demand that continues to exist in Turkey will offer new opportunities to the industry. Under the current circumstances, the issue of supplying vehicles will continue to be significant in 2023 as well. We will continue to develop mutual solutions with producers and our Authorized Dealer organization for all of our brands in case the negative circumstances that affect the sector's production and supply sides persist. On the other hand, the following couple of years will witness a spirited performance of the electric models of Doğuş Otomotiv brands.

In such a dynamic environment, I sincerely believe that we will leave behind another successful year thanks to the uninterrupted support of our stakeholders and the unwavering trust of our investors, as always, by maintaining our focus on issues such as digitalization, service-oriented work, operational efficiency, and optimum profitability.

Kind regards,

**Emir Ali Bilaloğlu**  
CEO & Chairman



# DOĞUŞ OTOMOTİV IN BRIEF

## CORPORATE PROFILE

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 2022. 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, CUPRA, ŠKODA, Bentley, Lamborghini, 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 and Doğuş Marine Services brands, 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 630 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 9.74 in 2022 (2021: 9.70).

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 in the BIST Sustainability Index in 2022.

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 18 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 21,000 employees, the Group serves its customers with advanced technologies, highest brand quality and a dynamic human resource.

## AUTHORIZED DEALERS AND SERVICES NETWORK



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

11 international brands,  
12 product groups and  
more than 80 models...

2.5 mio

A total vehicle park  
of 2.5 million...

2,000+

A large family  
comprising more than  
2 thousand employees...

630+

Over 630 customer  
touch points...

10 mio

Providing value to  
more than 10.031.000  
customers...

1 mio

Yearly 1.017.000 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

## 1995

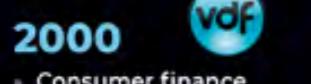
- » Scania Industrial and Marine Engines distributorship agreement



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



- » Second hand car operations established



- » Consumer finance JV with Volkswagen Financial Services AG

## 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



## 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 Meiller Doğuş Tipper Plant
- » Establishing Porsche Lausanne D-Auto Suisse SA



## 2009

- » Doğuş Otomotiv 15th anniversary
- » All brands located under the same roof at Şekerpinar
- » 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

## 2022

- » Corporate Governance Rating Score increased to 9.74
- » Integrated Management Systems established and received certificates
- » Signatory to the United Nations Women's Empowerment Principles (WEPS)
- » Listed in the BIST Sustainability 25 Index
- » Sustainability Rating upgraded from B to A-
- » Distribution of advance dividend amounting to 4.09 TRY gross and 3.68 TRY net to the shareholders

## 2021

- » ISO 14001:2015 Environmental Management System was formed
- » Corporate Governance Rating Score increased to 9.70
- » Doğuş Marine Services established



## 2019

- » 25th anniversary celebration
- » Corporate Governance Rating Score increased to 9.65

## 2017

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

## 2016

- » Corporate Governance Rating Score increased to 9.51
- » Distributorship agreement with Meiller came to an end
- » Sustainability Committee established

## 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
- » Meiller production came to an end (though Meiller distributorship continues)

## ABOUT DOĞUŞ GROUP

Doğuş Group, with more than 300 companies and 21 thousand employees from diverse backgrounds, operates in seven major industries with specific dynamics, including automotive; construction; media; hospitality; real estate; energy; and technology.

While our sector is diverse in many ways, the one commonality is our focus on people. We prioritize understanding the expectations of the younger generation and creating more avenues for them.

Understanding the expectations of the younger generation and provide more space for them are among our key priorities.

The synergy created by our group companies fosters the 'Doğuş' brand. And 'Doğuş 3.0' is our culture, driven by vast information and data, focused on creating new, agile experiences, and built on the principles of sustainability and collaboration. Since 1951, we have launched and funded a variety of initiatives to improve society, always led by the vision of our founder Ayhan Şahenk, to serve the country. We leverage our social responsibility platforms to address sustainability as a multi-dimensional topic in both our companies and the Group and develop projects that create value.

We aim to use available resources consciously by recognizing our responsibility for next generations while ensuring our social, environmental and financial sustainability. Our Group's DNA is made up of dreaming, believing, creating brands, and turning experiences into legendary tales.

We collaborate with respected businesses to market the most valuable Turkish brands internationally and to introduce our people to the top global brands. Our global business partners include major companies such as Volkswagen AG and TÜVSÜD in automotive, Hyatt International Ltd. in tourism, the international Azumi Group, the parent company of Roka, Zuma, and Oblix in food & beverage, and Paraguas Group, the parent company of Amazonico, Ten Con Ten, and El Paraguas, and the South Korean SK Group in e-commerce. With our comprehensive range of services, in-depth expertise, and extensive global network, we engage in activities that are advantageous to society and the local economy.

We strive with all our might to contribute to the local economy by creating and providing employment and regard it as our duty to drive social and economic development.

## MANAGEMENT REPORT

## BOARD OF DIRECTORS



**Emir Ali BİLAOĞLU**

CEO & Chairman



**Gür ÇAĞDAŞ**

Deputy Chairman of the Board of Directors



**Koray ARIKAN**

Board Member

Mr. Emir Ali Bilaloğlu, a graduate of the Faculty of Engineering at Berlin Technical University, started his career in 1991 as the Financial Control and Regional Sales Manager at Audi AG headquarters in Germany. Mr. Bilaloğlu, who started working at Doğuş Otomotiv in 2000 as responsible for Business Development and Strategy, took office in the United Arab Emirates in 2001 as the Founding General Manager of Audi AG in charge of Dubai. Following his return to Turkey in 2004, he was appointed as General Manager for Audi and Porsche brands at Doğuş Otomotiv. Mr. Bilaloğlu, who became Doğuş Otomotiv's Chief Executive Officer (CEO) in June 2007, was unanimously elected Chairman of the Board of Directors at Doğuş Otomotiv's 2017 Annual General Assembly Meeting held on March 29, 2018. Emir Ali Bilaloğlu currently serves as the Chairman of the Executive Board as well as the Chairman of the Board of Directors. Mr. Bilaloğlu serves as the Chairman of the Board of Doğuş Oto Pazarlama, one of the companies within the Doğuş Group, and as a Member of the Board of Doğuş Holding, Yüce Auto, Volkswagen Doğuş Finans (vdf), and Doğuş New Ventures and Projects (InvenDO). In addition to the abovementioned duties, Mr. Bilaloğlu served as the Vice President of the Automotive Distributors and Mobility Association (ODMD) between 2011 and 2018 and as the President between 2018 and 2022. Emir Ali Bilaloğlu also plays an active role as a member of the Turkish-German Business Council Executive Board at the Foreign Economic Relations Board, which provides consultancy on foreign economic relations, and as a Member of the Advisory Board in the Turkey: Culture of Change Initiative affiliated to TUSIAD. As of 2021, he is on the Board of Trustees of İşık University.

Mr. Gür Çağdaş graduated from the Faculty of Political Sciences at Istanbul University in 1983 and completed his master's degree at the Institute of Business Economics of the same university in 1985. Mr. Çağdaş started to work as an Investment Specialist at Eczacıbaşı Securities in 1986, after which he founded VakıfBank Istanbul Securities Center in 1988 and served as the director of this institution until 1990. Mr. Çağdaş joined Doğuş Group in 1990, and acted as the Capital Markets Group Manager at United Turkish Gulf Bank, Assistant General Manager at Garanti Securities, Inc. and Garanti Investment and Trade Bank, and successively as General Manager, Deputy Chairman of the Board of Directors, and Chairman of the Board of Directors at Garanti Asset Management, Inc. As of January 1, 2016, Mr. Çağdaş has been appointed to Doğuş Holding as the Advisor to the Chairman and a Member of the Board of Doğuş Group Companies. Having served as the President of the Turkish Institutional Investment Managers' Association (TKYD) between 2007 and 2014, he represented Turkey at the European Fund and Asset Management Association (EFAMA). Mr. Çağdaş acted as a Member of the Board of Directors at the Corporate Governance Association of Turkey (KYD) between 2013 and 2014 and as Vice President between 2015 and 2018. He is still a Member of the Board of Directors of Doğuş Holding as of 2019, along with his duties as a Member of the Board of Directors, Chairman and Vice Chairman in Doğuş Group companies.

A graduate of Boğaziçi University Mechanical Engineering, Harvard Business School (AMP), and Virginia Commonwealth University (MBA), Mr. Koray Arikан served as Country Manager and Representative at JPMorgan Bank for 23 years. He has particularly extensive experience in investment banking, wealth management, corporate governance, and family businesses. Mr. Arikан assumed the Head of the Privatization Department at the Turkish Prime Ministry between 1989 and 1991 after working as a Project Engineer and Consultant in the USA between 1983 and 1989. After his move to Doğuş Group in 2014, Mr. Arikан continues to serve as the Chairman of the Board of Directors of Doğuş Energy, Advisor to the Board of Directors of Doğuş Group, Vice Chairman of the Board of Directors of Pozitif Companies, and as a Board Member of Doğuş Finansal ve Ticari Yatırım Danışmanlık A.Ş. Mr. Arikан is currently a Member of the Board of Trustees of Boğaziçi University and has also held the post as a member of the Board of Directors of the Harvard Business School MENA Research Center (2014-2019) and the Eisenhower Fellowship Board of Trustees (2018-2020). Mr. Arikан took an active role in various positions including Board Memberships in private sector companies and many non-governmental organizations and served as the President of the Boğaziçi University Alumni Association between 2003 and 2005. Mr. Arikан, the Regional President of The Propeller Club of the US, is married and has two children.



**Özlem Denizmen KOCATEPE**

Board Member



**Adalet Yasemin AKAD**

Independent Member



**Adnan MEMİŞ**

Independent Member

Özlem Denizmen Kocatepe completed her undergraduate education at Cornell University, Department of Industrial Management, and received her MBA degree at MIT Sloan School of Management. She completed the Influence Techniques program at Stanford, the Leadership program at the GE Crotonville Center, and the Advanced Management program at Harvard Business School. Mrs. Denizmen Kocatepe, who has undertaken various duties on Strategy, Planning, Budget, Business Development, and Investor Relations at Doğuş Group since 2000, is a Member of Doğuş Otomotiv's Board of Directors. In the field of community service, Mrs. Denizmen Kocatepe is the founder of Money Situation Personal Finance Social Initiative and FODER Financial Literacy Association. Mrs. Denizmen Kocatepe also served as the first representative of Turkey on the Board of Directors of the Global Reporting Initiative (GRI) between 2014 and 2020. In 2020, she launched Moneye, a fintech company based on artificial intelligence.

After completing her Bachelor of Business Administration and Master of Organizational Behavior at the University of Ottawa, Mrs. Adalet Yasemin Akad worked as the Head of the Training and Promotion Group at the Banks Association of Turkey, followed by the position of Assistant General Manager in Charge of Human Resources first at Osmanlı Bank, then at İş-Tim Telekomünikasyon A.Ş. (Aria). In 2004, she established her own consultancy firm and provided consultancy services to many companies in various sectors on subjects such as training, change management, and human resources management. Mrs. Akad, who acted as the Human Resources and Corporate Management Systems Group Director of Rixos Hotels between 2009 and 2012, held the Executive Board Member in charge of Human Resources position at Carrefoursa between 2012 and 2014. Since 2014, she has served as the Executive Board Member in charge of Human Resources at Netaş Telekomünikasyon A.Ş. and as a member of the Board of Directors of Netaş's subsidiaries; Netaş Bilişim Teknolojileri A.Ş., BDH Bilişim Destek Hizmetleri San. Tic. A.Ş., and NETRD Bilgi Teknolojileri ve Telekomünikasyon A.Ş. Mrs. Akad also worked as a member of the Board of Directors of Kron Telekomünikasyon Hizmetleri A.Ş. Mrs. Akad has been working on Human Resources and Corporate Sustainability Strategies since 2021.

After receiving his graduate degree from the Faculty of Economics and his postgraduate degree from the Institute of Business and Economics at Istanbul University, Mr. Adnan Memiş's career took off as an inspector on the Board of Inspectors of T. Garanti Bank. Having served as a representative in Germany and then as the Accounting Group Manager at the Head Office, he assumed the Credits Manager position as of January 01, 1985. Mr. Memiş has been in the senior management of the Bank since May 1991. He chaired the Financial Restructuring Working Group at the Banks Association of Turkey and designed the program known as the Istanbul Approach. Mr. Memiş served as a Member of the Board of Directors and Chairman of the Bank's subsidiaries. He is still a member of the High Advisory Board of the Darüşşafaka Society, where he served as a Member of the Board of Directors between 2008 and 2014. He is also a member of the Board of Trustees of the Contemporary Life Support Foundation and the Advisory Board of the Institute of Business Economics. Mr. Memiş is a shareholder and chairman of the board of directors in various companies and a member of some NGOs. He led the Starfish Project, which consists of a secondary school and four high schools, built with the voluntary support of bank employees in Darıca. Mr. Memiş is also the founder of the Adnan Memiş Education, Culture, and Art 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**  
CEO & Chairman

**Koray BEBEKOĞLU**  
Executive Board Member

**Anıl GÜRSOY**  
Executive Board Member

**Kerem TALİH**  
Executive Board Member

**Giovanni Gino BOTTARO**  
Executive Board Member

## TURKEY'S ECONOMY AND AUTOMOTIVE SECTOR

The pandemic, which led to unforeseen challenges and uncertainties in global economy, was replaced with the crisis that started with occupation of Ukraine by Russia in 2022. The crisis not only played a determinant role on energy and commodity prices, but also emphasized the polarization in Eastern-Western axis further and increased geopolitical risks. This led to consequences such as increases in manufacturing costs, food and agricultural commodity prices, and disruptions in supply processes, as well as a decrease in the factor of reliance in global economy.

Inflation-growth based concerns also increasingly continued in 2022. High inflation and tight monetary policy pursued by leading central banks throughout the world fueled the fears that global stagnation and recession might be experienced. OECD announced that 3.1% growth was expected in global economy in 2022, while such ratio would decline to 2.2% in 2023.

Interest rate hike and fiscal tightening policies of the central banks of developed countries put pressure on particularly the emerging economies. Annual inflation rate, which used to be 48% at the beginning of 2022 in Turkey, exceeded 85% and peaked in October, and completed the year at 64.3%. Central Bank of the Republic of Turkey announced inflation

projections for 2022 and 2023 year-ends respectively as 65.2% and 22.3% in the last inflation report of the year. In line with forecasts shared by leading international organizations and goals announced by the government, it is expected for Turkish economy to grow by almost 5% in 2022.

Borsa İstanbul, positively differentiated from the rest of the world in 2022, renewed its record as a consequence of domestic investors particularly at the end of the year. Prominent risks faced by Turkey in the upcoming period are slowdown in exportation due to the impact of weakness in foreign demand, failure of the country to attract foreign capital due to high risk premium, and financial uncertainties.

Chip (semiconductor) and supply issues, which was experienced by automotive industry after the pandemic, were influential in 2022 as well, while production issues arising from raw material supply continued throughout the year. It is estimated that 66.2 million automobiles were sold globally in 2022 with 3.6% decline in comparison with the previous year, while automobile market shrunk by 4.1% to 11.3 million vehicles in Europe.

### Automotive Market Sales Units (Wholesale Units)

	2022	2021	2020
Passenger Vehicles	563,281	547,141	627,359
Light Commercial Vehicles	188,065	174,877	163,723
Heavy Commercial Vehicles	32,388	25,908	16,447
<b>TOTAL</b>	<b>783,734</b>	<b>747,926</b>	<b>807,529</b>

## DOĞUŞ OTOMOTİV IN 2022

Despite the increased economic problems and uncertainties across the globe brought on by the pandemic and the Russia-Ukraine crisis in 2022, Doğuş Otomotiv left behind a successful year in terms of finance, investments, and productivity.

In 2022, the main items on Doğuş Otomotiv's agenda were digital transformation, electric mobility, and sustainability practices, in addition to efforts to eliminate bottlenecks in the supply chain. Considering digital transformation as one of the fundamental elements of corporate culture and sustainable success, the Company continued its efforts to increase the digital competencies of its employees and carried out projects aimed at process automation, artificial intelligence applications, data analytics, and agile project management. Software development projects, which increased after the pandemic, continued to increase in 2022.

Supporting the supply chain with digital systems has been among Doğuş Otomotiv's priorities in recent years, during when logistics challenges have increased. The company makes significant breakthroughs in this area with integrated systems, process management, advanced forecasting systems, and augmented reality applications in the supply chain. Our brands carry out many projects to digitize their sales and after-sales processes at the highest level. In this area, some processes have achieved a digitalization rate of up to 95%.

The Volkswagen Group predicts that one out of every four vehicles produced by 2025 will be fully electric and thus is investing heavily in this



### 150 charging stations

In 2022, a total of 150 charging stations, primarily fast charging stations, were put into service for Porsche and all electric vehicle users, with an investment of 1.5 million Euro.



integrates all its business processes and its Authorized Dealer and Service network into the electric mobility transformation, meets the training needs of its employees in this area, and ensures their certification. Doğuş Otomotiv considers its sustainability approach based on continuous improvement, efficiency, stakeholder participation, and respect for the environment a prerequisite for the long-term existence and success of the Company. Doğuş Otomotiv continued to review all its operations according to sustainability standards throughout the year. In addition, thanks to the solar panels installed at the logistics center in Şekerpinar with an investment of 2.4 million dollars in 2022, all electrical energy is now obtained exclusively from solar power. The new hybrid operating model is expected to result in a reduction of 1,063 tons of CO<sub>2</sub> emissions per year.

As a service company, the strength of Doğuş Otomotiv lies in its human resources, which it considers a corporate value. Doğuş Otomotiv, which has adopted the remote working model to its business processes at every possible point since the beginning of the pandemic, switched to the hybrid working model in 2022 with its new office structure designed in accordance with the

new working model that allows working remotely up to 3 days a week. In 2022, 3,245 ideas were conveyed to the 'Idea Platform', where employees can share all their ideas, big and small, on process improvement projects, in-house entrepreneurship, and new business opportunities, with its interface renewed in 2021. Of these ideas, 744 were approved and 666 were implemented. In addition, 121 projects were developed in line with the suggestions of the teams to improve their work processes related to their work areas and put into practice. A return of approximately 26 million TRY was obtained from the ideas and projects shared by the employees; with this figure going up to 35 million TRY with the inclusion of the Authorized Dealer and Service network.

Doğuş Otomotiv won with its Digital Competency Development Program and its Doğuş Otomotiv's Route People and Education (Doğuş Otomotiv'in Rotası İnsan ve Eğitim, DRIVE) organization two awards at the Brandon Hall Group Excellence Awards, where the world's best employers and successful HR practices

are evaluated. Doğuş Otomotiv has also become one of the most preferred companies in Turkey by improving its ranking in the "Universum Turkey's Most Attractive Employers 2022" research conducted in 59 universities in Turkey.

#### Digital transformation in brands

Volkswagen Passenger Cars continued to offer new solutions in 2022 in line with its target of 100% digitalization in Sales and After-Sales Services. The 3D CGI Visualization Project, which enables the vehicles to be modeled in great detail, the transfer of Authorized Dealer satisfaction calls completely to the digital environment, and the dissemination of Volkswagen Kiosk Digital Vehicle Cards, which provide information about vehicles to visitors in an interactive way, to all Authorized Dealers were the main innovations implemented on the sales side in 2022. In the After-Sales wing, functions such as 'Online Additional Job Approval', 'Online Leave Satisfaction Survey', and 'Warning Lamps Glossary' of the My Volkswagen (Volkswagenim) mobile

application were put into use. The digitization rate in After-Sales Services reached 95%.

SEAT has accelerated digitalization in all its service processes and has implemented the SEAT Online Mobile Application, Warranty Portal, My Declaration Net, SEAT Academy, and Digital Scorecard projects in this context. In addition, systems such as online appointments, contactless payment, and payment at the consultant's desk were put into practice. All features and the membership system for Volkswagen Commercial Vehicles mobile application were transferred to the Company website in 2022. The website now includes a vehicle building feature that enables users to search for vehicle features and access information such as stock status and customer reviews of Authorized Dealers and Service points. The Volkswagen Commercial Vehicle mobile application is now available also in the Huawei App Gallery.

The number of downloads of the Scania Mobile Application (Scania'm Cepte), which took

the digital customer experience in its sector to the next level, reached approximately 15,000. In an attempt to reduce its environmental impact, the brand has moved all event communications to digital channels in 2022.

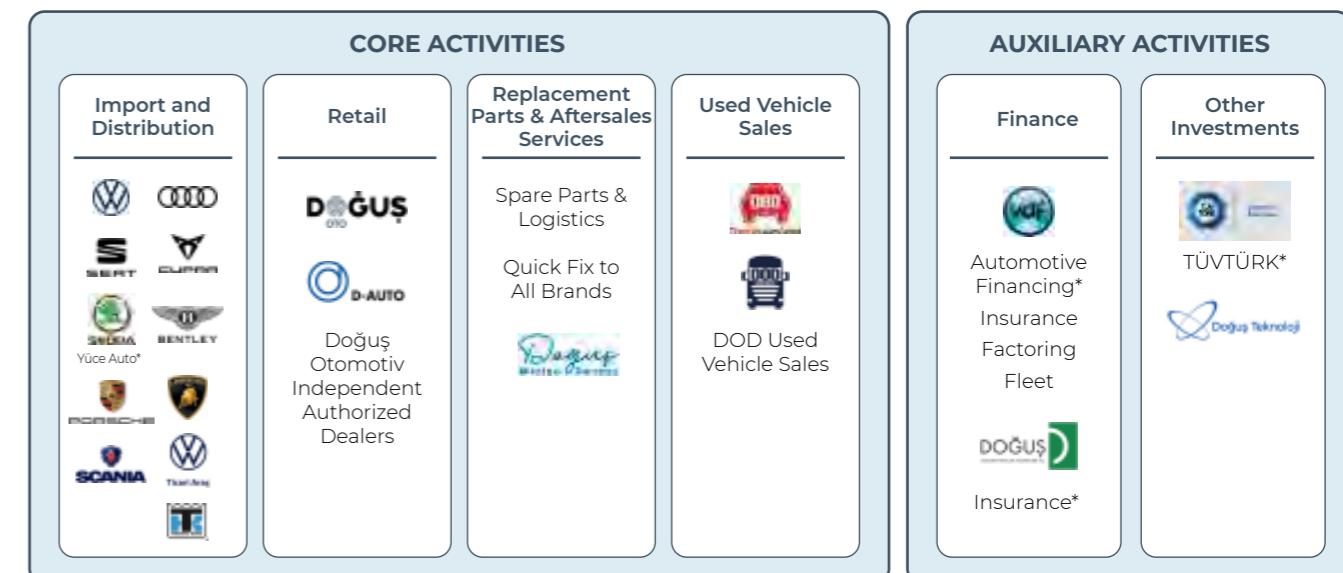
#### Sales achievements and launches

Volkswagen Passenger Cars maintained its third place in the passenger car market with retail sales of 49,695 units and a market share of 8.4% in 2022. In March 2022, the brand launched three new models in the B SUV segment: Taigo, T-Cross, and facelifted T-Roc. In addition, the brand, which increased its SUV concentration with its big model family consisting of the Tiguan and the Tiguan Allspace in the C segment and the Touareg in the D segment, increased the share of SUV models in its total sales from 31% to 53.5%, while increasing its share in the segment from 8% to 16%. The Passat, which was discontinued in the second half of the year, maintained its segment leadership in 2022, reaching a sales figure of 8,243 units. The Golf R, the sporty version of Golf, one of the

iconic models of the Volkswagen brand, achieved significant success by reaching a sales figure of 121 units after it was introduced to the Turkish market in March 2022 with its 5th generation model.

Displaying a spirited performance in electrification, Audi is preparing to offer only electric models to the market as of 2026, while it has started to present the e-tron SUV, e-tron Sportback, e-tron GT, and RS e-tron GT models to Turkish consumers as of November 2022. Audi reached a sales figure of 14,554 units in 2022 and became the 3rd best-selling brand with a 22.95% share in total in the premium market. The A3 Sportback, the leader of its class in the premium segment in 2022, closed the year with sales of 1,417 units, while the total sales figure of the A3 Sedan and A3 Sportback reached 3,716 units. In 2022, the A4 Sedan, A4 Avant, and A4 allroad models sold 1,713 units, while the A5 family realized a total sales figure of 862, the A6 family 1,722, the A7 Sportback 180, the A8 L 149, and the S8 six units. The e-tron and e-tron Sportback sold 129 units, while the total sales figure for the e-tron GT and RS e-tron GT models

### DOĞUŞ OTOMOTİV VALUE CHAIN 2022



\* Subsidiaries

was 50. On the other hand, the Q2 model sold 1,312 units, while the Q3 SUV and Sportback reached a total sales figure of 4,449, the Q5 SUV and Sportback 137, the Q7 61, and the Q8 and the RS Q8 together 68 units.

The Ibiza model of the SEAT brand reached a segment share of 1.8% with sales of 1,760 units in 2022. The Arona, the brand's entry model in the SUV segment, reached a segment share of 3.3%, selling 3,288 vehicles. SEAT's model in the A-HB segment, the Leon, completed the year with sales of 223 units and a segment share of 1.2%. The Tarraco, SEAT's B-SUV model, achieved a 0.8% segment share with the 187 units sold. The Ateca, another SUV model of the brand, sold 685 units and completed the year with a segment share of 0.6%.

In the second year of its launch, the CUPRA brand increased its retail sales by 880% to a total of 2,792 units and received the 'Fastest Growing Automobile Brand of the Year' award by the Automotive Distributors' and Mobility Association. The CUPRA Formentor managed to rank among the top 10 in its segment with sales of 2,791 units and reached a segment share of 2.5%. In 2022, alongside the CUPRA Corner concept, new sales points with the CUPRA Garage concept were added to the network, increasing the total number of Authorized Dealers to 12.

Škoda's sales decreased by 22.8% compared to the previous year to 19,464 units due to the negative impact of the Ukraine-Russia crisis on production. Due to the bottleneck experienced especially in the supply of the new Fabia and renewed Karoq models, which were put on sale in the second quarter of the year, the sales of special series models were prioritized. Škoda's best-selling model in Turkey was the Superb with 4,440 units, while the Kamiq, the brand's strong representative in the A0 SUV segment, caught attention with its sales figure of 3,839 units. While the Scala and Octavia models, which attracted attention from



### CUPRA Garage

**The first showroom with the CUPRA Garage concept in Turkey opened its doors at Doğuş Oto's Esenyurt venue.**

both corporate and individual customer groups, stood out with their sales performance of 3,292 and 2,982 units, the brand's powerful SUV models Kodiaq and Karoq reached sales figures of 2,483 and 1,542 units, respectively. The New Fabia ended the year with sales of 940 units due to supply cuts. Škoda attained a 3.3% market share in 2022.

Bentley launched the Continental GT Speed in 2022, and also introduced the extended model of the Bentley Bentayga, which stands out with its luxury design and off-road performance. Lamborghini, on the other hand, introduced the Urus Performante, the new version of the Urus, the world's first super SUV.

Continuing its transformation into electromobility, Porsche increased its sales by 7% to a total of 668 units in 2022. The Macan, Porsche's compact SUV model, has played the biggest role in this success, reaching a sales performance of 303 units with a 38% growth. Macan T joined the Macan model family in May. Again in May, with the launch of the new Cayenne Platinum Edition model, a total of 134 Cayennes were sold throughout the year, an increase of 319% compared to the previous year. The Taycan, which

added the Taycan Sport Turismo model to its product range in February, reached a total of 182 vehicle sales. As for other models, 35 units of Panamera, 10 units of 911, and four units of 718 were sold in 2022. Porsche continued its investments to provide charging and servicing to electric vehicles in 2022. In 2022, the brand installed and put into use a total of 150 charging stations with an investment of 1.5 million Euros. Turkey's fastest 5 charging stations with a power of 350 kW have also been put into service.

Volkswagen Commercial Vehicles had a share of 5.6% in the light commercial vehicles market with a sales figure of 10,646 units and ranked third in the imported commercial vehicles market with a 13.6% market share. The Transporter ranked second in its segment in 2022 with a sales figure of 5,283 units and 24.8% market share, while the Caddy model ranked sixth in its segment with sales of 4,566

units and 7.6% market share. The Crafter model reached a market share of 2.1% with sales of 797 units in 2022. The world premiere of Volkswagen Commercial Vehicle's fully electric model ID. Buzz and the new generation of the Amarok model, an important performer in the pick-up class, was held in 2022. ID. Buzz family's model intended for hauling, the ID. Buzz Cargo, was awarded the 2023 International Commercial Vehicle of the Year award.

Scania attained a market share of 5.6%, with sales of 1,804 units in the total heavy commercial vehicles market of 32,388 units in 2022 by selling 38 trucks and 1,766 tractor.

Scania introduced its 770 hp vehicle, the most powerful engine option in the V8 product range, to its first customer in the Turkish market in 2021. Continuing its development activities by switching to Mach chassis and D-form fuel tanks, Scania has achieved faster gear ratios with the new R756 axle gear and added the overdrive feature to the geared vehicles with the G33/25CM transmissions it launched in 2022, thus providing fuel savings.

Thermo King has developed the Advancer series of smart reefers to achieve maximum cooling capacity with maximum fuel efficiency, presenting the Advancer AxlePower, Advancer Spectrum, and Advancer-e models to its users, as well as different models such as A360, A400, and A500. Thanks to its smart energy generation system, Advancer AxlePower provides fully electric, low or zero-emission autonomous trailer cooling with the energy converted from the movement of

### Porsche Center

**The first Porsche Center with the Destination Porsche concept in Turkey started serving customers in 2022.**

the trailer's axle during driving or braking

### After Sales Services

Volkswagen Passenger Cars continued to provide service at 80 points in 2022. In 2022, an average of 44,430 customers were served at the Authorized Services, with a total of 533,155 vehicle entries per month. Volkswagen Passenger Cars took second place in Turkey according to the results of the IACS (International After-Sales Customer Satisfaction) research.

Having completed the infrastructure and preparatory work at the Authorized Services for the electric period, Audi started to serve customers after the high-voltage training of the personnel.

In 2022, SEAT Authorized Services, which provide service at 48 points throughout Turkey, served an average of 6,589 customers per month with 79,068 vehicle entries. Customer loyalty was supported with the customer recovery projects implemented for the first time this year. The customer experience survey score in After-Sales Services was 4.83 out of 5 in 2022.

Thanks to customer loyalty, service, accessories, boutiques, and extended warranties activities carried out in 2022, the Porsche

brand achieved an increase of 135% in service turnover, 107% in accessory sales, and 42% in extended warranty.

Volkswagen Commercial Vehicles continued to provide services at 80 Authorized Service points across Turkey in 2022. Authorized Services had 130,346 vehicle entries annually, with an average of 10,862 vehicle entries on a monthly basis. In 2022, 36,979 customers benefited from the "Winning Service" (Kazandıran Servis), a customer loyalty-oriented service campaign of After-Sales Services. Within the scope of "Volkswagen Commercial Vehicles Mobile Service", on-site maintenance and express services to 1,038 customers were provided throughout Turkey in 2022.

Scania provides services at 17 Authorized Service points throughout Turkey. In 2022, about 60,000 work orders were created at Scania Authorized Services and 17,400 different vehicles were serviced. Through the "Old Friends", the customer loyalty-oriented service campaign of After-Sales Services, 8,500 vehicles aged four years and above were serviced in 2022. Moreover, 2,000 vehicles were serviced through various campaigns throughout the year. Within the scope of service and maintenance



contracts, maintenance contracts were signed for 3,260 vehicles in 2022, and these vehicles received 8,800 maintenance services. 1,800 vehicles benefited from Scania Fix packages with advantageous parts and labor prices. Training and certification of employees working at Scania Service points continued throughout the year.

#### Awards

Volkswagen Kiosk Digital Vehicle Cards, which are available at all Volkswagen Authorized Dealers, won the Gold award in the 'In-Store Experience' category at the Istanbul Marketing Awards 2022. #Loveswagen, a successful social media project about the stories of Volkswagen passenger car owners with their Volkswagen, won the Social Media Application of the Year Award at the 2022 Automotive Distributors and Mobility Association Gladiators Sales and Communication Awards.

Doğuş Oto Audi After-Sales Services team won the second prize in the service category at the Audi Twin Cup world final held in Munich with the participation of 21 countries. The company also achieved great success in sales, taking first place in the VW Passenger Car International Sales Representative Certificate program.

CUPRA clinched its success by winning ODMD's "Fastest Growing Car Brand of the Year" award.

#### Doğuş Oto

Offering its services with more than 1,300 employees at 37 Authorized Sales and 34 Service points in six regions, Doğuş Oto left behind a successful year with 33,138 new vehicle sales, 3,111 used vehicle sales, and 240,444 service entries. Continuing with its new investments, Doğuş Oto opened the first showroom in Turkey with the concept of CUPRA Garage in Doğuş Oto's Esenyurt venue. The first Porsche Center with the Destination Porsche concept in Turkey started serving customers in 2022. Porsche Doğuş Oto Esenyurt Service, which can serve 124 vehicles a day and 3,591 vehicles a year,

offers its customers brand new experiences with its pleasant and reliable service while maintaining and repairing their vehicles with its new concept.

Doğuş Oto Esenyurt Škoda digital showroom, which was opened in 2022, offers innovative technologies that customers can configure and examine the vehicles as they wish, and experience them in a digital environment. The renewed Doğuş Oto Esenyurt Škoda Service, with a capacity of 14 lifts, is expected to serve 6,000 customers annually.

Continuing its digital innovations, Doğuş Oto achieved successful results with applications that offer vehicle reservations and service appointments on its website. In 2022, all processes were analyzed and 36 digital process development activities were finalized. Doğuş Oto utilizes a data-oriented approach both to create value for its customers and to optimize operational efficiency and cost. The "RPA" project developed with Doğuş Teknoloji has received the "Future of Work – Automation Award" at the IDC CIO Awards 2022.

#### Spare Parts and Logistics

Importing 84,351 vehicles and shipping 103,045 vehicles to Authorized Dealers in 2022, Spare Parts and Logistics ended the year with a turnover of 3.853 million TRY from the sales of spare parts and accessories. Spare Parts and Logistics, which uses stock management systems that make use of advanced technologies and quickly adapt to changing customer demands to carry out its operations in the most efficient way, stands out among the logistics centers in Europe with its 99% availability of spare parts. Spare Parts and Logistics uses advanced technologies and stock management systems

that adapt quickly to changing customer demands to run its operations most efficiently.

Within the scope of Industry 4.0, new digitalization efforts were initiated in 2022.

All the dealers to whom spare parts are shipped were integrated into the D-BIS communication platform, daily operations began to be carried out through mobilized, single-channel, and standardized communication. The 'Smart Equipment Tracking Project', which uses IoT (Internet of Things) technology and is the first project of Doğuş Otomotiv to use this technology, was also put into use in 2022.

#### DOD

DOD's brand Management sales reached 1,437 units in 2022, while a total of 16,893 vehicles were sold with the inclusion of the sales at 64 DOD Authorized Dealers operating in 32 cities. With the participation of Aykan Osmaniye, Başaran, and Özön İstanbul dealers, the DOD organization expanded further in 2022. Corporate used vehicle purchase and sales services continued at 64 sales points in 32 cities with DOD Authorized Dealers. During the year, the scope of the cooperation with vdf Fleet (vdf Filo) was expanded and vehicles were continuously supplied to the Authorized Dealer organization. In addition, following cooperation with vdf Fleet, a used car rental service was launched as a first in the market, and 96 rentals were made through online channels.

Improvement efforts toward the digital experience of internal and external customers continued throughout the year. The DOD.com.tr website and DOD Mobile application were relaunched in May 2022 with their completely renewed looks. The DOD Mobile application has been downloaded to approximately



1,060,000 mobile devices to date and has become one of the most preferred mobile applications in its field. The 'DOD Auction' platform, where the vehicles of DOD Brand Management and contracted fleet companies are offered to DOD Authorized Dealers, was launched in August 2022.

A 'Suggestion System' has been designed, which aims to make suggestions for used vehicle alternatives, present brand new vehicle options, and offer additional services of the group to users looking for or planning to sell vehicles on our digital platforms. In the first phase of this project, a content-based suggestion system for used vehicles was implemented. The 'Image Processing Project', which will improve and standardize the advertisement photos, was initiated in 2022.

#### Doğuş Marine Services

Doğuş Marine Services, which has been undertaking electrical/electronic, mechanical operations, inboard and outboard engine maintenance/repairs, and refit projects that may be needed on a boat, has increased its business volume approximately 10 times with the boat maintenance/repair works it received in 2022 in Bodrum, Marmaris, Didim, and Göcek regions. In the hangar, which was put into operation in

Göcek, the company has hosted 30 different boats for winter storage.

#### TÜVTÜRK

Serving in 81 provinces of Turkey with 210 fixed, 77 mobile, 6 motorcycles, and 17 mobile tractor stations, TÜVTÜRK achieved growth in all fields of activity in 2022 and increased its turnover by 35.4% from 3.784 million to 5.215 million TRY. TÜVTÜRK, Turkey's most effective public-private partnership project, contributed 3.8 billion TRY to the public in 2022. Periodic vehicle inspections of approximately 11.2 million vehicles were carried out and exhaust gas emission tests of 3.7 million vehicles were performed during the year.

Investments continued uninterruptedly in 2022 to increase vehicle inspection capacity and service quality. In the provinces of Elazığ, Adiyaman, Batman, Niğde, and Balıkesir, one new station and four additional inspection pits in four stations were built with an investment of approximately 33.5 million TRY.

Currently, the construction of five new stations and one additional inspection pit is underway. Sustainable energy investments have been initiated for 26 stations with Solar Power Plant features throughout Turkey. As a result of these investments, when the

project is completed, it is aimed that the total production capacity will be close to 3 MWh.

Furthermore, within the scope of sustainability practices, significant progress has been made in the 'paperless' operation. The Traffic Responsibility Movement, which has been ongoing since 2010 under the coordination of the Turkish Ministry of Transport and Infrastructure, continued in 2022 with the new project 'Smart Children of the City' with the partnership of the MAPFRE Foundation.

#### vdf Automotive Finance

The vdf Group, which includes finance, insurance, factoring, and fleet companies, provided 16,012 new loans in 2022 and reached its targets with a total of 37,270 performing loans. The total performing loan volume of vdf is 7.7 billion TRY

vdf Insurance continued to provide its services in 176 showrooms in 2022. Preserving its title as the largest insurance agency in terms of total net premium generation and the number of performing policies in 2022, vdf Insurance continued its steady growth with a total net premium generation of 1.2 billion TRY, issuing 295 thousand policies the same year.

In 2022, vdf Factoring started to offer the financial solutions it provides to its stakeholders in the automotive value chain to Doğuş Holding companies with supplier financing.

In this context, the procurement by 10 Group companies from 42 suppliers was financed by vdf Factoring. In 2022, vdf Factoring reached a transaction volume of 44.3 billion TRY and a total asset value of 1.7 billion TRY.

Taking its place in the operational leasing fleet industry in 2016, vdf Fleet reached more than 15,000 active contracts in 2022.

## 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.

	2022	2021	2020
<b>Consolidated Income Statements</b>			
Sales / Unit (Wholesale, excl. ŠKODA)	85,928	94,839	100,130
Sales (mio TRY)	46,781	24,306	18,900
Gross Profit (mio TRY)	10,526	3,521	2,475
Operating Expenses (mio TRY)	2,601	429	1,031
Selling and Marketing Expenses (mio TRY)	988	433	265
General Administrative Expenses (mio TRY)	1,752	759	613
Warranty Expenses, net (mio TRY)	230	134	100
Other Operating Expenses, (Income) net (mio TRY)	-369	-897	53
EBIT (mio TRY)	7,925	3,093	1,444
EBITDA (mio TRY)	8,222	3,275	1,575
Income from Investment Activities, net (mio TRY)	244	32	14
Income from Investments Accounted by Equity Method (mio TRY)	1,032	441	248
Net Financial Expenses (mio TRY)	680	597	419
Net Profit for the Period (mio TRY)	7,848	2,336	1,042
Earnings Per Share	39.41	11.78	5.24
Price/Earnings Ratio (%)	4.97	3.72	5.49
Gross Profit Margin (%)	22.5%	14.5%	13.1%
Operating Expenses/Sales (%)	5.6%	1.8%	5.5%
EBIT Margin (%)	16.9%	12.7%	7.6%
EBITDA Margin (%)	17.6%	13.5%	8.3%
Net Profit Margin (%)	16.8%	9.6%	5.5%
<b>Consolidated Statements of Financial Position</b>			
Total Assets (mio TRY)	20,665	9,755	7,117
Cash and Cash Equivalents (mio TRY)	3,366	3,410	656
Trade Receivables (mio TRY)	3,332	1,011	1,047
Inventories (mio TRY)	4,270	1,969	2,752
Tangible and Intangible Non-current Assets (mio TRY)	2,170	1,186	956
Right of Use Asset (mio TRY)	151	109	76
Investments in Equity Accounted Investees (mio TRY)	1,682	880	791
Financial Investments (ST+LT) (mio TRY)	4,380	832	562
Net Financial Debt* (mio TRY)	-772	-381	1,731
Trade Payables (mio TRY)	3,587	1,231	1,854
Provisions (mio TRY)	1,423	539	137
Total Equity (mio TRY)	11,707	4,364	2,296
Net Working Capital (mio TRY)	5,008	2,221	448
Net Cash Position (mio TRY)	841	485	-1,722
CapEx** (mio TRY)	1,089	330	142
Receivable Turnover (day)	26	15	20
Inventory Turnover (day)	43	35	61
Payable Turnover (day)	36	22	41
ROA (%)	38.0%	23.9%	14.6%
ROE (%)	67.0%	53.5%	45.4%
Net Debt/ EBITDA	-0.1	-0.1	1.1
Net Financial Debt/Equity	-0.07	-0.09	0.75

\* 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)	2022	2021	2020
<b>Passenger Vehicles</b>	<b>93,344</b>	<b>106,183</b>	<b>107,283</b>
Volkswagen	49,695	53,523	52,740
Audi	14,554	14,036	18,168
SEAT	6,142	12,457	11,551
CUPRA	2,792	285	-
ŠKODA	19,464	25,228	24,175
Porsche	668	627	619
Bentley	15	11	11
Lamborghini	14	16	19
<b>Light Commercial Vehicles</b>	<b>10,646</b>	<b>14,663</b>	<b>12,036</b>
Volkswagen	10,646	14,663	12,036
<b>Heavy Commercial Vehicles</b>	<b>1,804</b>	<b>2,192</b>	<b>1,157</b>
Scania	1,804	2,192	1,157
<b>TOTAL</b>	<b>105,794</b>	<b>123,038</b>	<b>120,476</b>
Doğuş Otomotiv Market Share (retail) *	13,3%	16,4%	15,4%
Used Car Sales (DOD)	16,893	17,001	14,625

\* Including ŠKODA

## FINANCIAL INDICATORS



## INVESTOR RELATIONS

**Investor Relations Department**  
The Company's Investor Relations Department carries out relations with shareholders.

**Head of Investor Relations (\*)**  
**Damla Çobanoğlu**  
Capital Market Activities Level 3 License (214070)  
Corporate Governance Rating Expertise License (703242)

**Investor Relations Department Supervisor and Corporate Governance and Sustainability Committee Member**  
**Yavuz Arda Yıldız**  
Capital Market Activities Level 3 License (925504)  
Corporate Governance Rating Expertise License (925505)

**Investor Relations and Risk Management Specialist**  
**Seçkin Aymak**

**Investor Relations Contact Details:**  
Phone: (0262) 676 90 58-59 / Fax: (0262) 676 7665  
Email: [yatirimciiliskileri@dogusotomotiv.com.tr](mailto:yatirimciiliskileri@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 2022, 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 2022 started with the effects of the COVID-19 pandemic, geopolitical risks, and semiconductor supply problems. Thus, a total of 51 domestic and foreign analysts and investors came together as part of a webinar event, during the meetings held in the virtual environment with the purpose of presenting the year-end consolidated financials. Due to the uncertainties of the period, most of the conference organizations moved to the digital environment.

In this context, our company has made virtual roadshow organizations to ensure the continuity of its communication with its stakeholders. The Company's performance, operations, and the effects of the chip crisis were discussed with more than 300 investors and analysts through meetings held via video and teleconference on the MS Teams, Zoom, Webex, and Closir platforms. During the reporting period, 4 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 2022 with a proactive approach. In addition to the periodic information meetings mentioned above, four virtual Analyst and Investor Days were organized on separate dates, and briefings were made

about the Company's activities. The department also sent out more than 500 informative e-mails to target foreign investors with a strategic approach. The department contacted more than 200 investor firms based in cities such as Amsterdam, Boston, Cape Town, Chicago, Frankfurt, Hong Kong, Johannesburg, Copenhagen, London, Miami, Milano, Monaco, New York, San Francisco, Singapore, Stockholm, 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 Presentation" 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.

(\*) Since Damla Çobanoğlu, the Executive Manager of the Investor Relations Department, has assumed other duties within the company, Yavuz Arda Yıldız, who holds a Capital Markets Activities Level 3 License and a Corporate Governance Rating License, has been appointed as the Investor Relations Department Supervisor.

### Announcements and Material Event Disclosures from 31 December 2022 to 28 February 2023:

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

January 05, 2023 – About the Update on Registered Authorized Capital and Validity Date - CMB Approval

January 17, 2023 - About the DOAS Disclosure Policy

February 15, 2023 - About the Annual Financial Calendar

### Information on Capital Structure and Shareholding

As of December 31, 2022, no changes have occurred in the Company's issued share capital. During the reporting period, the Company has not increased its capital or issued any capital market board instruments.

### 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](http://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 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.

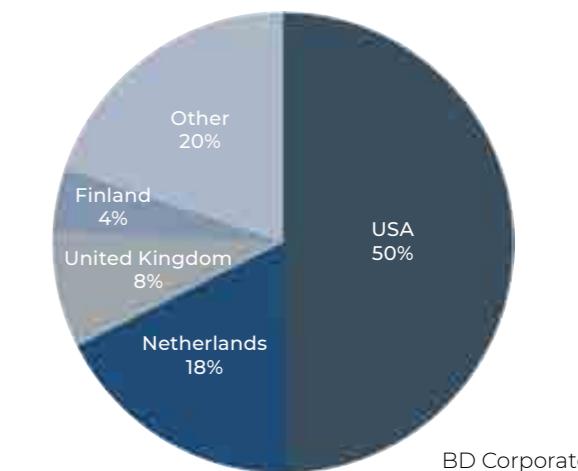
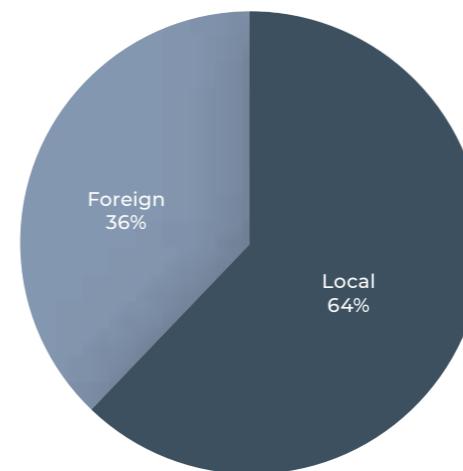
### Privileged Shares

The current shareholding structure of the Company as of December 31, 2022 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

### Distribution of Free Floating Shares



At the Ordinary General Assembly Meeting held on March 29, 2022, it was approved that the profit and loss incurred in the year 2021 will be subject to distribution and will be distributed as shown in the profit distribution table.

#### 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.

In November 2022, our company distributed advance dividends for the first time in its history. Detailed information on advance dividends is given in the "Dividend Distribution Information by Years" table presented below.

### 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.

### General Assembly Meetings Ordinary General Assembly Meeting

The Ordinary General Assembly convened on March 29, 2022, at 10.00 am at "Maslak Mahallesi, Ahi Evran Caddesi (Doğuş Power Center) No: 4, İç Kapı No: 3 Sarıyer/İstanbul" to review the 2021 activities.

Shareholder's Commercial Title	Share in the Capital (TRY)	Share in the Capital (%)
Doğuş Holding A.Ş.	144,099,708	65.50%
Doğuş Otomotiv Servis ve Ticaret A.Ş.*	21,485,007	9.77%
Doğuş Sigorta Aracılık Hizmetleri A.Ş.	292	0.0%
Free Floating Shares	54,414,993	24.73%
<b>Total</b>	<b>220,000,000</b>	<b>100%</b>

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

**Profit Distribution by Years**

	Dividend**	2022 (Dividend Advance)	2021	2020
<b>Total dividend distribution, TRY million</b>	Gross	900,000,000	1,250,000,000	600,000,000
	Net*	810,000,000	1,125,000,000	510,000,000
<b>Earnings per share, TRY</b>		27.58	11.78	5.24
<b>Dividend/Net profits (%)</b>	Gross	16.4	53.6	57.8
	Net*	14.7	48.3	49.2
<b>Dividend per share with TRY 1 nominal value</b>	<b>Amount (TRY)</b>			
	Gross	4.0909090	5.6818181	2.7272700
	Net*	3.6818181	5.1136362	2.3181800
	<b>Ratio (%)</b>			
	Gross	409.091	568.182	272.727
	Net*	368.182	511.364	231.818
<b>Announcement date</b>		09.11.2022	29.03.2022	30.03.2021
<b>Actual payment date</b>		16.11.2022	12.04.2022	04.05.2021 02.12.2021

\* (The aforesaid amount) Indicates the amounts to be reached if the entire dividend distribution is paid in gross or net with 10% (15% for previous years) withholding tax.

\*\* Refers to the dividend amount paid in the following period for the related years.

To encourage 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 Turkish Trade Registry Gazette No: 10530 on March 4, 2022. 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.

Out of 220,000,000 shares corresponding to 220,000,000 TRY of capital, a total of 177,647,988 shares were represented at the Ordinary General Assembly Meeting, of which 590 were represented in person, 165,585,007 by proxies, and 12,062,391 by the representatives of the depositors.

At the Ordinary General Assembly on March 29, 2022, 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 2022 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-17.1, the General Assembly was informed about the 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. During the period, the article titled "3 - Purpose and Subject Matter" of our Company's Articles of Association was amended.

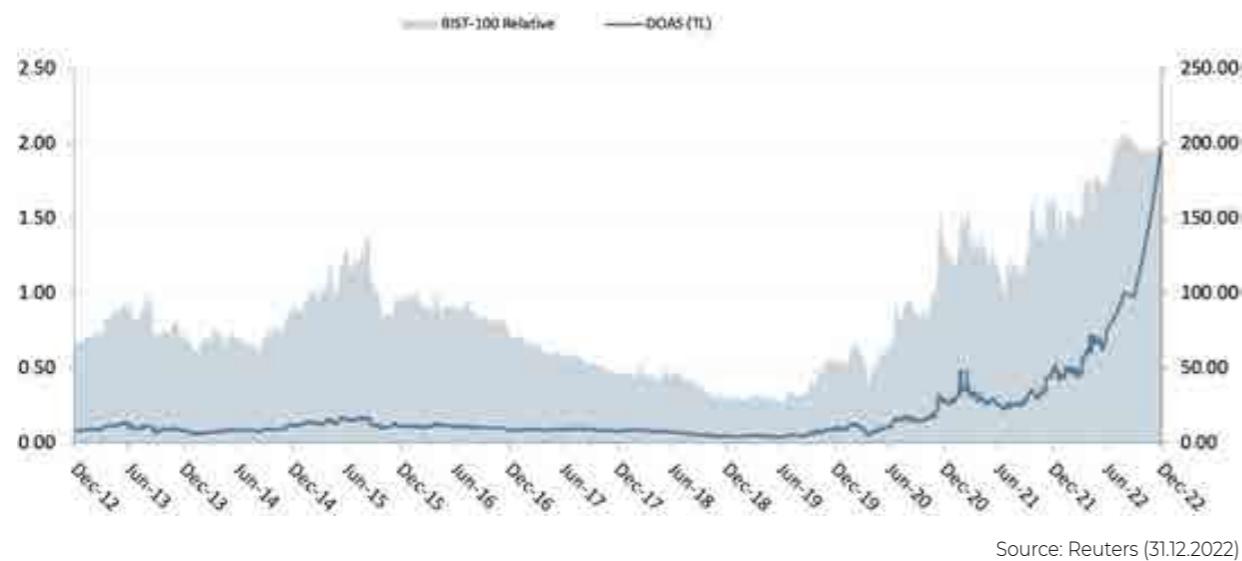
## STOCK PERFORMANCE

**BIST Code:** DOAS.IS  
**Reuters Code:** DOAS.IS  
**Bloomberg Code:** DOAS.TI  
**Initial pub. offering:** 17.06.2004

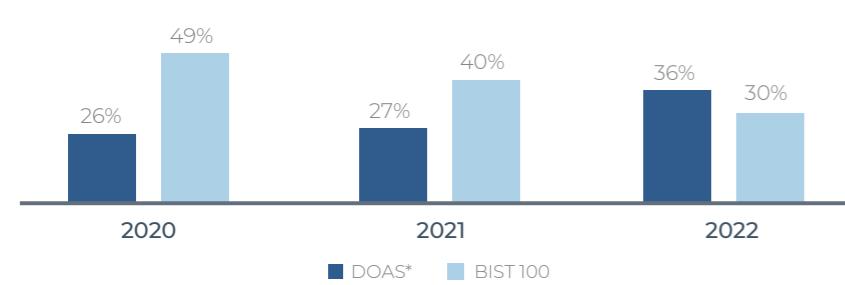
**Number of stocks:** 220,000,000  
**Free float rate:** 24.73%

### Stock Performance in 2022

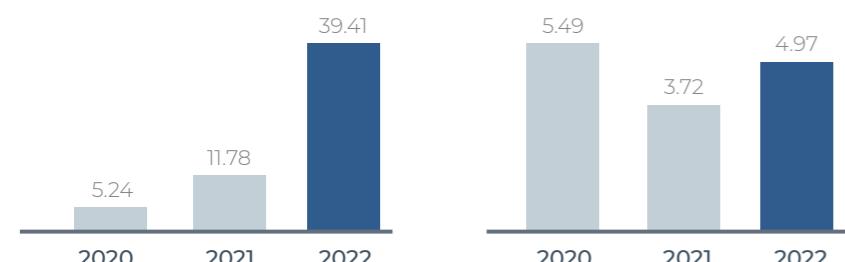
	TL	USD
Share price (30.12.2022)	196.00	10.48
Lowest (10.01.2022)	43.28	3.15
Highest (30.12.2022)	196.00	10.48
Market Cap. (30.12.2022)	43,120 mn	2,306 mn
Daily average trading volume	135.1 mn	7.8 mn



### PERCENTAGE OF FOREIGN OWNERSHIP (%)



### EARNINGS PER SHARE



The Percentage of Foreign Ownership in DOAS was realized as 36% in 2022.

\*Within the scope of our Company's Share Buyback Program initiated with the decision of the Board of Directors, Doğuş Otomotiv repurchased 22,000,000 of its shares traded on the Stock Exchange in accordance with the CMB legislation in 2016 and in return for a total payment of 220,274,251.16 TRY. Following the sale of 514,993 repurchased shares on December 13, 2022, the number of repurchased shares held as of December 30, 2022 is 21,485,007.

In 2022, Earnings per Share was realized as 39.41.

In 2022, the Price/Earnings Rate was realized as 4.97.

## CORPORATE VISION, MISSION AND STRATEGY

Doğuş Otomotiv has strived to balance profitability levels and market share in 2022. 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 630 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.
- » Our Employer Brand communication is handled by the Digital Transformation and Corporate Communications Department. In 2022, the department organized an Office opening event for employees in the last week of the year. In addition, the Company extensively used social media platforms such as Facebook, Instagram, and LinkedIn to communicate about our employees and their functions in 2022, both within and outside of the organization.
- » "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.

#### Mobility

#### Digitalization

#### Service Areas

#### Operational Efficiency and Cautious Expenditure Management

#### Optimum Profitability

- » 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 630 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.

#### Our Digital Transformation Strategy

The foundations of digital transformation activities at Doğuş Otomotiv were initiated with the establishment of the Digital Transformation department in 2017 with the motto of 'identifying current trends and customer expectations within the context of operational excellence, redefining the value chain, and restructuring the future', and gained pace with the expansions made in the following years.

#### Digitalization in the Automotive Industry

The automotive industry is going through a swift digitalization process towards the more widespread use of digital technologies in vehicles, with the development of vehicles that ensure an easy and safe drive, offer autonomous driving features, and can communicate with their surroundings. The automotive industry is rapidly digitizing in a manner starting from the product and extending to all processes in the automotive industry, expectations from the industry, consumer demands, technologies used, and internal workflows. This suggests that "digital products" or "digital services" will gain prominence

in the future business models of organizations operating in the automotive industry. Particularly in the automotive sector, where fast communication, data-based proactive service provision, and high-tech solutions such as artificial intelligence are hot topics, digitalization has

become one of the priorities of organizations.

#### Agile Management as Corporate Culture

Agile project management means having the flexibility, capacity, and capability to respond to change and improve to be successful even in an uncertain environment. Agile management enables giant 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 emerged in the world of software development, has already become a part of our lives as a new way of doing business and a management norm. As Doğuş Otomotiv, our goal is to adopt 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 has been 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 them all in a single portfolio.

Accordingly, as of 2019, the Digital Board, where all digital projects of the Company are evaluated in a single pool and all brands and business units are represented, was established. Convening every three weeks, the Digital Board is responsible for identifying and

prioritizing the digital projects that Doğuş Otomotiv brands and its departments want to implement.

#### Digital Project Portfolio

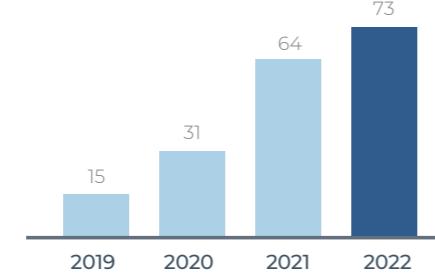
IT software development investments and digital project works progressed with increasing momentum in 2022 as well. While the development of a total of 15 digital projects was completed in 2019, a total of 31 digital projects were launched in 2020 and 64 projects in 2021. As of the end of 2022, a total of 73 digital projects have been completed, while software development works for 39 projects continue.

In addition to processes such as sales, after-sales services, and marketing of the brands, different projects implemented using digital technologies such as RPA, IoT, ERP, Web/Mobile, Machine Learning, and Artificial Intelligence in areas such as Value and Care Center (Değer ve İlgı Merkezi, DIM) and Spare Parts and Logistics, where we directly touch our customers, are among these projects.

#### Data Analytics Studies on Machine Learning / Artificial Intelligence

'Data' and related new technologies such as 'artificial intelligence', 'cloud' and 'machine learning' form the core of digital transformation. Data analysis is the process of analyzing, cleaning, transforming, and modeling raw data to retrieve useful information, inform the results, and support decision-making. On the other hand, artificial intelligence is a set of advanced technologies that enable machines to sense, comprehend, act, and learn. The world, driven by artificial intelligence, is undergoing a massive change. As most of the technological developments are centered around artificial intelligence today, this trend is expected to continue for the next 30 to 40 years.

#### Digital Portfolio Management (Number of Completed Projects)



In the next 10-15 years, artificial intelligence will be able to be trained to be customized in certain areas, particularly the automotive industry. As a company that considers digital transformation a part of its strategy, Doğuş Otomotiv puts digitalization and emerging technologies at the center of its activities. In this direction, Data Analytics Studies on Machine Learning / Artificial Intelligence were initiated in 2019. The Artificial Intelligence, Machine Learning and Data Analytics studies, which started to be projected in 2020, gained momentum in 2021 with the support of the competency development program and continued with broad participation in pieces of training and information seminars in the field of data in 2022.

While projects related to machine learning and artificial intelligence were developed in areas such as warehouse, spare parts, and after-sales services, pieces of training for the roles of 'data translator' and 'data scientist' within the company were given with the support of the country's leading educational institutions and universities. The main purpose of these efforts is to increase the digital competencies within the company and to invest in human resources for future activities on related subjects such as Data Science and Machine Learning.

#### Connected Vehicles

Connected vehicles are smart vehicles that carry out two-way

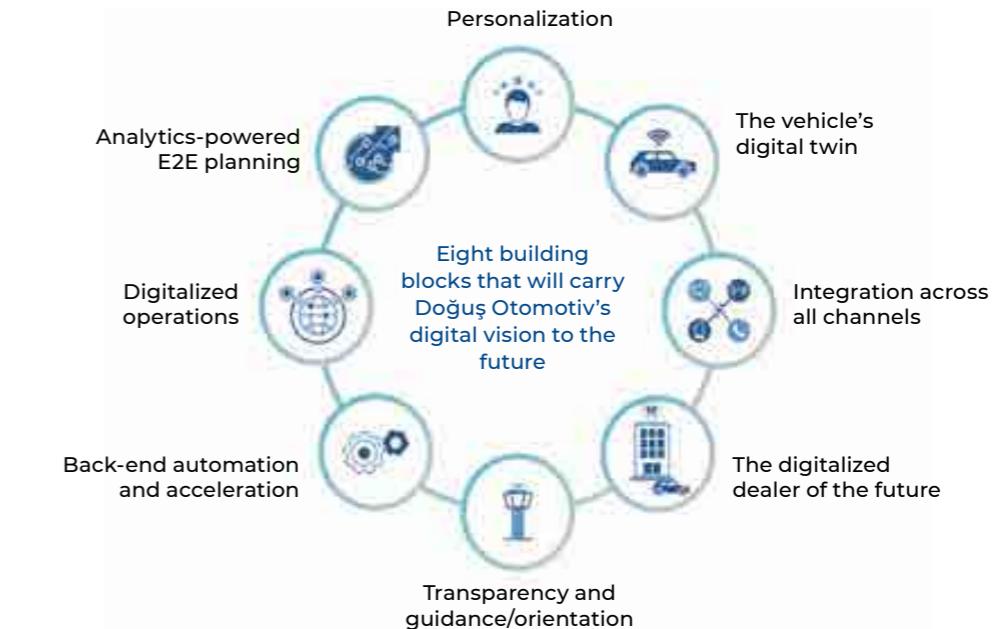
communication with other systems outside the vehicle. As such, sharing internet access and therefore data with other devices inside and outside the vehicle is possible. Autonomous vehicles are smart vehicles that can move without the need for a driver. Electric vehicles, autonomous driving, connected vehicle software, and ride-sharing are just some 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 in the automotive industry work to contribute to these developments.

#### Digital Competence Development Activities

As a joint work of Doğuş Otomotiv's 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 programs were determined within the scope of this program to raise awareness of digitalization and digital technologies within the Company. Horizontal programs cover Digital Transformation Training, while Vertical Programs focus on Data Science School, Robotic Process Automation (RPA), Customer Experience and Trends, and Artificial Intelligence. In 2021 and 2022, competence development activities continued to be implemented within the scope of the Digital Competence Development Program under the GO-DGTL Academy. Related studies will continue in 2023 with awareness-raising webinars and training.

#### Data

Today, both people and companies create and disseminate data in many different fields 24/7. Controlling and processing such amounts of data that never stops



flowing and becomes a huge chunk requires distinctive expertise. To determine these data processing strategies, 'Data Strategy and Data Roadmap' works were started. These works aim to develop data, use it correctly, manage its storage and destruction, increase its quality, establish systems (architecture) that meet the needs, and ensure maximum benefit from data analytics studies. These long-term studies, which are planned to manage data in an effective and professional manner in general, are carried out in a way that maximizes the use of data and technology.

At the end of the 3-month program carried out with the experts in the subject;

- » The maturity of the existing data has been determined for numerous different data types and titles within the scope of 'Customer Journey's at Doğuş Otomotiv.
- » In this context, a 'Data Roadmap' has been prepared that will shed light on our path by conducting situation analyses that will fit our data strategy.

Within the scope of this roadmap, a total of 16 projects have been drawn up, and the efforts for the implementation of the projects within a 2-to-3-year time frame were started,

so that data can be managed in a quality and effective manner, covering all processes from its creation to its processing.

Along these lines, Doğuş Otomotiv harmonizes its business strategy with its data strategy and implements its data infrastructure, governance, and analytical processes with the Data Roadmap. In 2022, within the scope of our data roadmap, 12 projects on data strategy and governance, data architecture and modeling, metadata, data quality, and data operations were initiated. Among these projects, five have been completed, while seven projects continue. In the process, 50 employees from Doğuş Automotive and Doğuş Technology took an active role. Within the scope of the data governance process, in addition to the roles such as the leaders responsible for Data Groups, the leader responsible for Data Management, and the leader responsible for Data Privacy, technical data roles have been defined with Doğuş Teknoloji. Within the context of data group projects, technical pieces of training on data were given to business units working

in relevant roles, and process, time saving, and data quality improvements were made. In 2023, we will proceed in line with our dissemination targets.

#### ISO 27001

As Doğuş Otomotiv, new steps are taken with the responsibility of always carrying further the value we place on information and information security. In a world where digitalization is increasing day by day, the last of the efforts to protect, improve, and develop digitalization and all the processes it brings along with proven and verified methods has been the acquisition of the DIN EN ISO-27001 Information Security Management Systems Certificate. With the ISO-27001 Certificate, Doğuş Otomotiv, as an automotive company, has proven the importance it attaches to information. This step, taken in line with our goal of continuous improvement, supported the documentation and announcement of 360-degree assurance in Doğuş Otomotiv's digitalization journey. Doğuş Otomotiv is the holder of the ISO 27001 Information Security Management Systems certificate as of July 2022.

## ULTIMATE CUSTOMER SATISFACTION

### CRM - Customer Relations Management Unit

To manage the experience of our customers in the best manner possible throughout their lifecycle in the best way according to innovations and changing dynamics, simplify customer communication processes with a proactive approach, design personalized offers and services with 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 Communications 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 (CEM, DSS) to improve processes, and measuring, evaluating, and reporting the results;
- » Measuring and reporting the outcome of direct marketing activities (email, SMS, MMS, direct mailing, and web) in line with the demands of authorized dealers and brands;
- » Developing and carrying out analytical projects in collaboration with third parties for the brands, authorized dealers, and 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;
- » Managing the data on the Turkuaz system, which is used by all brands and Authorized Dealers, in a fashion that will improve the customer recognition, monitoring, and information functions and thus render 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 online and face-to-face 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 the integration of offline services with online services.

### The Customer Experience Activities Carried Out in 2022

Customer experience management is the whole of perceptions and emotions that result from the relationships established with customers at each contact point we engage with them. To manage customer communications proactively and seamlessly by placing the customer at the center, the business and process steps in the pre-sales, sales, and after-sales phases of the Volkswagen, Audi, Porsche, SEAT, CUPRA, Scania, and DOD brands that Doğuş Otomotiv represents are monitored using the customer contact maps.

Preparations were completed on the infrastructure prepared for the times when telephone surveys will decrease and online surveys will increase due to the requirements brought by digitalization, and the work of online surveys has continued. Within the scope of the research, system integration was ensured for the automatic transfer of customer data to an independent company, and in this way, important steps were taken in terms of data quality control. In 2022, more than 47 thousand customers, 9 thousand of which were online, were interviewed, their satisfaction with sales and after-sales services was questioned, and improvement actions were planned by the relevant management units. As of 2022, online surveys through SMS and e-mail have been started instead of telephone surveys for our SEAT and CUPRA brands.

Dealer Satisfaction Survey (DSS) was conducted to measure the satisfaction of our Authorized Dealers and After-Sales Service Centers with Doğuş Otomotiv's related units. In the online study, 370 questionnaires were evaluated, and as a result of the analysis, studies on development areas were started.

In line with the increasing use of mobile applications, our brands' communications and campaigns via the ZUBIZU loyalty platform continued in 2022. Doğuş Otomotiv customers gain several privileges in companies from different sectors through the brand mobile applications on ZUBIZU. Our ZUBIZU-Shell fuel advantage program partnership continued throughout 2022.

With the 'Service Estimation Project', a model was created to predict the probability of customers coming for maintenance the next month. The project, whose tests were completed with the Audi brand, was implemented for all brands in 2022.

The Lead Database Management project, which aims to improve the customers' experience with a holistic perspective from the first moment they contact Doğuş Otomotiv, was launched in 2022. The improvement efforts for the Lead process, which aim to renew it from start to finish and make it traceable through automatic, user-friendly, and effective reporting, include the review of the digital, showroom, activity, etc. lead collection methods in the existing structure and to work it in an integrated manner with the CRM 2.0 project.

The 'Autopilot Project', which was implemented to determine the communication scenarios in the customers' life journey on the Customer Contact Map, perform individualized automatic



communication according to the usage preferences and habits of each customer, use new micro-targeting technologies, and redesign new campaign ideas in the process in accordance with fast feedback, have been added six different scenarios.

Within the framework of Data Governance, our efforts on issues such as integrations, processes, authorizations, Personal Data Protection Law, and information security on Doğuş Otomotiv data continued in 2022 according to the priorities determined on our current ERP system Turkuaz, on which Data Security, Data Identity, Data Warehouse, and Data Quality headings in addition to Data Usage and Analytical CRM studies are followed in a multi-faceted manner.

A fully integrated Payment System has been developed for our ERP system, Turkuaz, for the use of all our brands and dealers. Within the scope of this work, full integration with the contracted payment system provider company was achieved. In this way, our customers are offered web-based, mobile, and remote payment opportunities. Our dealers who wish to join the system, which was used by nine of our dealers in

2022, will have the opportunity to do so in 2023.

The project of renewing the algorithms of our CRM Artificial Intelligence projects to render them more efficient and transforming them into an open-source code system, which started with Sales Forecasting, Service Appointment Estimation, Churn, and Recycling solutions, continued in 2022 with the Behavior-Based Segmentation and Optimal Vehicle Estimation projects. In addition, the Churn project, which had been previously carried out for individual customers only, was also made available to corporate customers. In 2023, the transition to other artificial intelligence projects by corporate customers will be ensured.

The 'Potential Part Sales Estimation Project', which proactively predicts the brake pad, brake fluid, and sunroof replacement dates of our customers' vehicles and invites the customers to our authorized service centers for a better experience, has been tested with VW Passenger cars and is aimed to be put live in 2023 and extended across the organization. In 2022, the 'Digital Power Plant

Project' was implemented to improve digital communication infrastructure systems by taking advantage of the opportunities offered by today's advanced technology. The project covers the works focused on the renewal of the communications system infrastructure to provide our customers with uninterrupted communication and a superior experience. As a result of the project, which will be implemented primarily with the renewal of the network infrastructure and the new switchboard system to be installed on it, all digital communication projects that have been made or planned for the future will be able to be realized quickly and easily on this healthy technical infrastructure.

#### 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 the 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 Sekerpınar 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 (Dialog):

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.

The number of roadside assistance calls handled in 2022 was 194,277. The average speed of answer (ASA) for roadside assistance calls was 8 seconds, and our service level was 90%.

In 2022, DIM successfully answered 150,006 dialog phone calls. The average speed of answer (ASA) of dialog phones was 6 seconds\* in 2022, and our service level was 92%.

#### Value and Care Center (DIM)

DIM, which was put into service in 2014, aims to increase the number of "fan customers" while supporting Doğuş Otomotiv brands at every point in the customer lifecycle.

Customer e-mails answered totaled 109,247 with an average email response time of 58 seconds in 2022. The number of answered emails increased by 48% compared to 2021. In 2022, 88,658 live chat calls were answered within an average of 19 seconds. 27,971 notifications posted on social media (Twitter, Facebook) were answered by DIM within 19 seconds.

**2. Roadside Assistance:** This service includes roadside assistance services for vehicles imported by Doğuş Otomotiv, vdf Insurance policyholders, and vdf Fleet Rental vehicle users. The 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.

In 2022, the number of 'Emergency Service's offered by DIM to its customers was 20,627. The Emergency Service is a positive one for our brands to solve our customers' demands at

the point of incident and ensure their uninterrupted mobility.

Again in 2022, the number of 'Towing Services' offered by DIM to its customers was 20,230. The number of temporary vehicle allocations provided by DIM to its customers, which is another service we provide within the scope of field operations, was 1,799 units.

In 2022, the number of tickets opened for road assistance was 98,904. Customer satisfaction with roadside assistance was rated at 95%.

**3. Surveys:** Surveys are conducted by calling customers to verify data and service quality and getting targeted answers over a certain text. 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 the CRM operations accurately and effectively to maximize the sales opportunities with new and loyal customers and use potential and existing customers' data properly. In 2022, DIM conducted 137,658 surveys for 31 different projects. The joint activities of the brands and the CRM department are supported by this unit, while field studies are conducted by the survey team.

**4. Appointments:** Appointment is the booking and planning of an appointment for maintenance or repair issues, which is the first communication of the Authorized Services with the customer after a sale. Attending to the customer's needs and expectations forms the basis of this process, which also involves coordination with the relevant Authorized After-Sales Service regarding workshop planning. In this context, Arca Automotive has been included in our appointment service network for vdf Fleet Leasing and Doğuş Oto in 2022, which covers all

regions. In this context, 236,827 calls were received, and as a result, a total of 83,936 appointment records were created for all our brands. In addition, a total of 6,468 appointments were created in the Appointment project over IVR, which was implemented in 2020.

**5. Used Vehicle Sales:** This service includes the analysis of 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 options, sharing of the results with the customers, and establishing contact between customers and Authorized Dealers. The number of DOD calls increased by 43% to 5,068 in 2022.

While the world average for Service Level, which is one of the most important criteria evaluated in the call center sector in general, is 75%, DIM reached a level of 91% in 2022 as a mean value for all its units.

As for the NPS results, in which customer representatives are evaluated and the quality of the service provided and the feeling it evoked in the customer are measured, DIM had an NPS of 90% in 2022. As a result of the quality measurement of DIM customer representatives, the quality of the calls with customer representatives was scored at 95 in 2022.

DIM always considers privileged service a priority in the services it provides to its customers. In this sense, DIM signs special contracts with tow trucks in important and dense regions and then measures the quality of these towing companies. In this way, high service standards are aimed both in terms of quality and efficiency. The employees at DIM also contributed to all processes of Doğuş Otomotiv. In 2022, 293 suggestions were made by DIM employees, and as in the previous year, DIM ranked first by

making the highest number of suggestions.

#### 6. Other applications:

**DIM Rent A Car (RAC):** Since 2015, DIM has been providing temporary car rental services for authorized dealers with VW and Audi brands to better serve our customers stranded on the road. Thus, our customers had the opportunity to experience our high-end vehicles such as the VW Passat or Audi A4 instead of their vehicles.

**D-Pedia Dictionary:** A web-based Frequently Asked Questions section has been created that will enable customer representatives to respond quickly to customer questions and easily store customer questions and problems in corporate memory.

**Online Performance System:** The new software developed especially for DIM has been integrated into the performance system. Thanks to this system, the results measured (call quality, exam, etc.) are transmitted to customer representatives simultaneously.

**Diyalog Mobile App:** The first phase of the DİYALOG 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 smartphones. The app helps customers to benefit from roadside assistance services with one tap.

**Automation of NPS Calls:** The NPS calls, which measure the satisfaction of customers with the service they receive from DIM and were previously made by customer representatives, started to be placed

through the automatic IVR system in 2017. This has resulted in savings in the workforce and receiving more information from customers to improve and enhance the work processes.

**Decision Support Assistant:** This application helps fresh DIM Road Assistance customer representatives to take the right decision through a special chatbot created from the frequently asked topics. One of the important features of the Decision Support Assistant is its capability to learn using historical data.

**WhatsApp Business:** With the WhatsApp Business project implemented by DIM in 2021, customers were provided with a new communication channel and the load on the phone lines was lightened. Within the scope of the project, 2,296 WhatsApp correspondences/meetings were held in 2022.

**Dashboard Studies:** With the Brand Reports Dashboard project implemented by DIM in partnership with D-Technology, approximately 40 reports were automated and made available to 8 brands. In addition to this study, a pilot study was conducted specifically for Audi, and brand-specific dashboard studies were carried out based on KPIs determined entirely by the brand officials. The project also contributed to raising awareness within the company about designing and creating dashboards.

**Invoice Automation:** Automation of DIM's Emergency Service and Towing Service invoices was ensured with RPA technology, while labor loss was minimized. Within the scope of the project, which was implemented in 2022, approximately 24,000 invoices were automatically approved, resulting in 0.6 person-year savings.

**Automated Road Assistance Surveys:** Road Assistance Satisfaction Surveys, which DIM conducts to measure the Emergency Services and Towing Services provided to customers after its Road Assistance

service, were automated with the implementation of the IVR system, as was the case with Customer Representative NPS Automation. Within the scope of the project, which was put into practice in the second half of 2021, a total of 5,282 questionnaires, of which 3,056 were related to Emergency Services and 2,226 to Towing Services, were successfully filled by customers.

In 2022, DIM continued using the speech-to-text system, which was implemented in 2017 as an important technology investment. In this system, all recorded calls are automatically converted to text using speech-to-text technology, while 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 also started to carry out the Porsche Premium Customer Representative project, which was launched in 2019. As part of the project, the Dialog and Roadside Assistance calls made to DIM are answered by a dedicated consultant of the Porsche brand. This project has also been extended to VW's commercial and Scania brands.

With the Positive Discrimination Project launched in 2016, DIM has implemented a new practice to provide faster service to people with disabilities, women and the +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:

- » Analyzing and reporting requests, complaints and demands received from the field and implementing improvement projects,
- » Giving regular feedback to aftersales service teams regarding emergency services, contributing to the efforts for compensating for shortages and maintaining standards,
- » 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, meeting periodical campaign demands (all the time open showroom, etc.), and Scania Corporate operations),
- » Updating customer data on project basis by calling customers of a specific brand or authorized dealer,
- » Developing projects for brands by taking part in their annual planning process,
- » 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,
- » 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.

#### Doğuş Otomotiv Plus Galataport

Doğuş Otomotiv Plus Galataport Customer Experience Center provides service between 10:00 and 22:00, 7 days a week, with the aim of promoting the products and services of the brands within the Group according to a certain schedule and rendering the Doğuş Otomotiv staff a contact point for visitors.

Doğuş Otomotiv Plus Galataport aims to maximize the customer experience in the digital field, in line with its goal of working with a focus on customer satisfaction and being a solution center in all matters. The venue combines the company's digital transformation strategy and sustainability vision with art and technology and acts with the mission of contributing to the perception of being a pioneer in digital transformation among all automobile brands.

The venue also provides information and support to its visitors regarding the brand, product, and services offered by Doğuş Otomotiv and meets their demands regarding purchasing (sales and test drives) and After-Sales Services (service, complaints, requests, and boutique).

Doğuş Otomotiv Plus Galataport aims to provide a distinctive experience to its visitors by using digitalization and technology. In the context of brand or special days and events, the contents are constantly updated on three large LED screens inside and two LED screens outside the venue, while the music playback changes in accordance with the content, providing the visitors with an environment that suits different concepts.

Doğuş Otomotiv Plus Galataport, which periodically

carries out joint events and projects with the company brands, aiming to contribute to digital transformation and sustainability, ensures increased customer satisfaction by sharing the information, requests, suggestions, and complaints it receives from its visitors with the company brands.

#### Doğuş Otomotiv Plus Galataport events in 2022

Doğuş Otomotiv Plus – Galataport, which was opened on October 21, 2021, hosted 2,349 visitors in 2022, bringing the total number to 2,861 visitors. Vehicles with low or zero emissions, which were introduced to the Turkish market and planned to be offered in the future, are exhibited alternately in the exhibition area. The schedule of the brands and the models exhibited has been as follows:

- » CUPRA Born (December 22 - January 18, 2022)
- » VW Commercial Vehicle California (January 19-27, 2022)
- » CUPRA Leon (January 28 - February 9, 2022)
- » Porsche Cross Turismo (February 10-23, 2022)
- » Bentley Bentayga (February 24, 2022)
- » VW Taigo (February 25 - March 14, 2022)
- » Audi A8L (March 31 - April 19, 2022)
- » VW T-Cross (April 20 - May 3, 2022)
- » CUPRA Formentor (May 4-24, 2022)
- » Skoda Kodiaq RS (May 25 - June 7, 2022)
- » Porsche Panamera Platinum Edition (June 8 - July 13, 2022)
- » Bentley Flying Spur (July 14-20, 2022)
- » CUPRA Formentor (July 21 - September 22, 2022)
- » CUPRA Leon (September 23-27, 2022)
- » VW Golf R (September 28 - October 13, 2022)
- » Bentley Bentayga S (October 14-20, 2022)

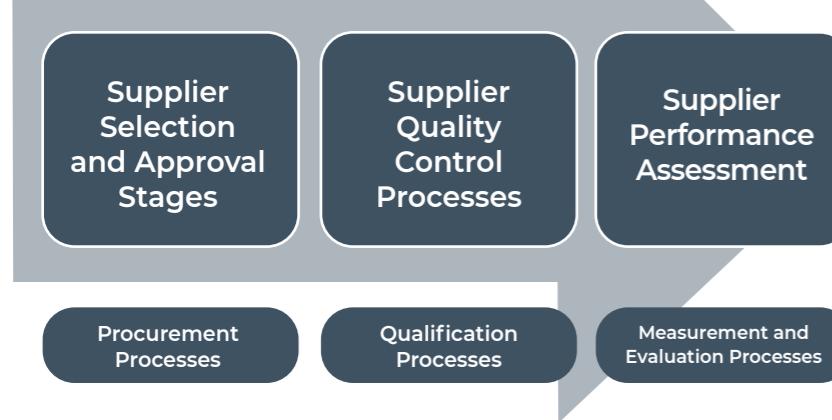
- » VW ID Buzz (October 21-30, 2022)
- » Lamborghini Urus (October 31 - November 13, 2022)
- » Audi e-tron GT (November 14 - December 4, 2022)
- » Porsche Taycan Cross Turismo (December 5-24, 2022)
- » Bentley Continental GT (December 14-15, 2022)
- » Skoda Superb (December 24 - January 7, 2023)

In 2022, the 'Recycled Art' exhibition continued with the theme of living things in danger of extinction depicted by using products of the brands we represented and waste automobile parts.

Between January 30 and February 9, 2022, we held a digital exhibition and conversation with the participation of wildlife and bird watcher photographer Alper Tüydeş within the framework of our 'Opening Our Wings to Nature' project.

Other events including our educational traffic activity for children, held within the framework of our social responsibility project "They Too Are in Traffic" and with the participation of road safety expert Ahmet Özgün, took place on April 23, 2022, followed by Doğuş Otomotiv Career Day – A Day With Doğuş, organized by the HR department and with the participation of Sabancı University students, on May 23, 2022, a Village School event, held with the participation of Kocaeli Çubuklu and Osmaniye Village Primary School students, on May 26, 2022, and A Day With Doğuş event, held with the participation of Koç University students, on December 19, 2022.

The first of our Film Workshop events took place on September 14, 2022. The work discussed in this context met with the participants of the event in the accompaniment



of the film analysis techniques and comments of Mehmet Sindel. Our Film Workshop event continued with different films on October 12, November 9, and December, 22.

On October 21, 2022, the 'New Generation Young Investors' Training Meeting, organized by the DRIVE department, hosted by Doğuş Otomotiv senior management, and participated by those who took an active role in our current authorized dealer network from 27 different cities, was held at Doğuş Otomotiv Plus Galataport.

A special event, organized for Fleet customers by the VW Commercial Vehicles department and within the framework of the launch of the new product ID Buzz, took place on October 24-27.

Among its communication efforts in 2022, Doğuş Otomotiv Plus had 1,105 news-related posts and 6,8 M visits on social media, including 4,6 M visits on Instagram and 2,2 M visits on Facebook.

#### Our Suppliers

Doğuş Otomotiv has considered supply chain management as a part of risk management in terms of sustainability since 2014. The company has aimed to create awareness toward sustainability among its suppliers and has supported this process by encouraging the consciousness of collecting environmental and social data and giving training.

such as reducing environmental impacts, circular economy and waste management, occupational health and safety, business ethics, and employee satisfaction.

Doğuş Otomotiv has a risk management system that identifies and manages critical suppliers. Accordingly, the company has conducted a Risk Categorization study to identify the risks and monitor the identified ones.

In addition, our company conducts sustainability risk evaluations for Supplier Quality Management processes and strategic suppliers, supported by ISO 9001 assessments, with its purchasing experts. In 2022, 100% of our 30 critical suppliers were audited. Since 2014, Doğuş Otomotiv has been encouraging its suppliers to measure and evaluate their sustainability performance and improve themselves in this regard to minimize their risks.

Our company addresses its legal and commercial risks, which it manages in accordance with international standards within its own structure, in the same way within the scope of the supply chain.

#### 

In 2022, risk management has become a very important topic in Doğuş Otomotiv's supply chain, with more than 700 suppliers and a total purchase amount of 640 mio TRY. Doğuş Otomotiv, which has a complex supply chain structure, prioritizes transparency and dialog in its relations with its suppliers.

Our company addresses its legal and commercial risks, which it manages in accordance with international standards within its own structure, in the same way within the scope of the supply chain.

In this context, sustainability criteria have an important place in all supply chain management stages of Doğuş Otomotiv. The 'Sustainable Supply Chain Model', which we have developed for our suppliers to predict their social, environmental, and economic risks, consists of three stages.

The sustainability topics, which Doğuş Otomotiv pledges to transparently share their performances with its stakeholders in line with its priority areas of focus, are evaluated and proactively managed at every single stage of the 'Sustainable Supply Chain Management' processes. In this direction, our suppliers cooperate with Doğuş Otomotiv to have the opportunity to take advantage of important opportunities in areas

## EVALUATION OF 2022 AND EXPECTATIONS FOR 2023

	2022 Expected	2022 Realized	2023 Expected
Total Automotive Market (Passenger + Light Commercial + Heavy Commercial) (thousand units)	830	783.7	775
Doğuş Otomotiv Sales Volumes (excluding ŠKODA) (thousand units)	97	85.9	96
Investment Expenditures (TRY million)	399	1,219	1,450

While 2021 passed with expectations of normalization from COVID-19 and the effects and results of vaccination processes, 2022 was a year in which the effects of COVID-19 weakened significantly, with normalization being a popular topic. In addition, 2022 had significance as a year dominated by high volatility in global and local markets. The BIST100 index increased by 197% in 2022.

The automotive industry ended the year 2021 with a 7% contraction, whereas due to reduced semiconductor supply problems and relatively more stable exchange rates in the last quarter of 2022, the industry closed the year with a 5% growth, with total sales of 783,734 units. The Turkish lira depreciated by 36% nominally against the USD and EUR basket in 2022.

During this period, our company has achieved significant success and gains by impressively strengthening its financial and operational performance, thus closing the year with total sales of 85,928 units, excluding ŠKODA, and after completing the necessary portions of investment expenditures, the company has realized the entire projected investment of 399 million TRY.

In 2023, our company aims to:

- » Maintain the optimum level of operating profitability and preserve the market share (excluding

ŠKODA) at 14-15%, which it deems necessary for long-term success,

- » Maintain the prudent expense management structure in light of all re-evaluated project and marketing plans,
- » Realize necessary improvements and strengthen operational efficiency through regular monitoring of key performance indicators.

Our investment expenditure plans for 2023 consist of the following headings:

- » Expenditures made for the Head Office, logistics, spare parts, training areas, and our subsidiaries,
- » Machinery and equipment investments,
- » Test vehicles,
- » Information technology investments,
- » Solar Energy Panel (SEP) investment,
- » Investments that we believe can generate significant value,
- » Electric vehicle charging station investments.

Our company will refrain from operations that do not have high potential in the short term, while the activities focused entirely on domestic operations in addition to mobility, digitalization, and service-oriented activities in the medium-long term will be carried out meticulously. Moreover,

critical business processes will be strengthened as part of continuous development and within a holistic structure where digitalization trends and manufacturer strategies will be also taken into account. In addition, our company will continue to maintain its position in the market with the strong image of the international brands it distributes.

The risks to our 2023 expectations may be listed as follows:

- » Geopolitical risks and delays in procurement processes,
- » Currency fluctuations and their impacts on strategic financial risk management,
- » Protectionist policies and liquidity movements depending on developments in global markets,
- » Efficient use of energy resources, climate change, and other risks regarding sustainability,
- » Risks related to cybersecurity and information security.

The principles regarding the management of risks are detailed in the following section under the "Overview of the Risk Management System" title.

# 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 all 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 based on probabilities and possible effects of processes and scenarios, has been redefined and expanded to include our growing sensitivity to health, safety, legal, technology, environment, business continuity, and sustainability in recent years. Risk measurement and assessment parameters, the use of common terminology, the 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 is 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 to our organization, assets, and stakeholders, taking measures, and improving the effectiveness of oversight will always determine the direction of our efforts. The Company's risk management framework is summarized as follows:

## Early Risk Detection Committee Activities

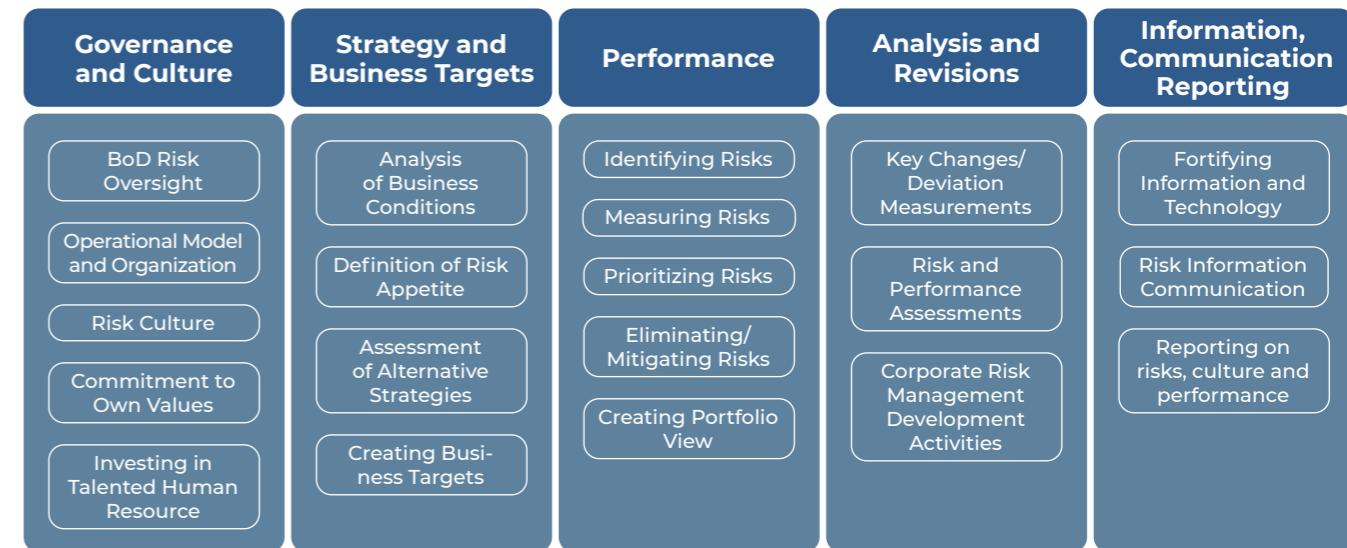
The Early Risk Detection Committee conducts activities

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 an 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 them 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 carried out using an integrated blueprint and 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.

Doğuş Group Risk Management System was launched in 2021. This system, created with the contributions of Doğaş Teknoloji and the infrastructure of Doğaş Group, contributes to Doğaş Otomotiv's ability to monitor its risks in a more dynamic environment and to manage them in a more agile and analytical manner. Within the scope of the system, all departments of our Company have defined the risks they manage and the actions taken regarding these risks to the system. Updates to the Risk Management System are planned in the coming period. In 2022, the Doğaş Group Risk Management System maintained its critical position within Doğaş Otomotiv's risk management strategy.

Again in 2021, consultancy for the 'Risk Maturity Level' topic was

obtained from Ernst & Young Turkey. As a result of the outputs of this study, short, medium, and long-term strategic risk management plans were created. Each plan includes improvement areas and action plans for these areas. The Risk Management Working Group was established within the scope of the short-term strategic risk management plan, by assigning a risk ambassador from each department in our Company. The updates of the procedures and regulations regarding the Enterprise Risk Management function have also been completed and risk management responsibilities that are planned to be added to the job descriptions of our employees have been determined. In 2022, the Company continued to implement a dynamic and proactive approach to risk management. With the effect of this approach and efficient risk management practices, significant financial and operational successes have been achieved.

## 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, based on 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 the 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

Doğuş Otomotiv's approach to sustainable supply chain management is rooted in a commitment to business continuity and quality service. The company's efforts for risk categorization include taking precautions against risks that may occur in the future. Thus, it is possible to reduce the operational risks that may arise from the suppliers, to understand and evaluate how our suppliers manage social, environmental, and economic risks, and to diversify the supplier portfolio by minimizing these risks. For Doğuş Otomotiv, Sustainable Supply Chain Management is defined as the function of designing and implementing relevant processes to manage risk, as well as anticipating and mitigating existing risks.

Doğuş Otomotiv has established the necessary evaluation, inspection, and monitoring mechanisms against interruptions in the supply chain, possible delivery and quality problems, and the risks that arise from the supplier's financial and technical competence. Some of the practices within the aforementioned mechanisms are the monitoring of supplier performances, evaluation of minimum bid and tender terms, establishing a binding basis with contracts and protocols including sustainability principles, and securing the service provided through legal approval, letters of guarantee, and similar instruments when necessary. Sustainable Supply Chain Management and awareness activities regarding the management of social, environmental, and economic risks of suppliers, the measures taken, and auditing issues are explained in detail within the scope of the Sustainability Report.

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

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

#### 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. Within the scope of OHS, risk analyses of our facilities and work environments, accident studies, civil defense pieces of training and drills are carried out. Furthermore, current circumstances and legal responsibilities are regularly reviewed during OHS committee meetings and monitored. Pieces of training 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/sustainability-reports>

#### Business Continuity and Crisis Management

In 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 it 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 a 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 several 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's operations. The Code of Ethics has been adopted with exemplified narrative content in a simple blueprint and carefully prepared as a guide for all stakeholders. Regular internal pieces of training 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.

#### Compliance Function of Doğuş Otomotiv

The compliance approach at Doğuş Otomotiv includes full compliance with existing laws and regulations, as well as compliance with internal policies and procedures, social norms, Doğuş Otomotiv's Code of Ethics, and relevant international standards.

Doğuş Otomotiv has engaged in internal communication activities and published four Compliance Bulletins and four Personal Data Protection (PDP) Bulletins in 2022, aimed at increasing awareness of the policies within the Company, to ensure that the corporate policies are fully understood within the Company and to support the duties of the Compliance Function. While with the Compliance Bulletin, the Company aims to refresh the information on Compliance and Ethics issues and to convey the current news and developments in the field of Compliance in the world and in Turkey to the employees, the aim of the PDP Bulletin, which includes the decisions of the PDP Authority and global developments, is to inform the employees about current news and developments. Briefings and bulletin boards about the policies were located in areas that are frequently visited by the employees throughout the day, and the details about the contents of the policies were shared.

Due to the requirements in line with Doğuş Otomotiv's sustainability strategies, 'Compliance Training' was given to all company employees to share essential information on Ethics, Compliance, and Sustainability.

The scope of compliance training included topics such as corporate compliance and basic principles, important developments related to compliance, Code of Ethics and compliance relationship, compliance within the scope of sustainability, basic risks related to compliance, competition and compliance, and 196001 Compliance Management System.

The Compliance Function, which reports to the Early Risk Detection Committee, a subcommittee of the Board of Directors, held three committee meetings in 2022 with its working group. It is aimed to submit the final version of the Compliance Function Procedure for the approval of the senior management in 2023, after receiving the opinions and suggestions of the relevant units.

In 2022, Doğuş Otomotiv's Compliance Function and Homologation Unit established the Monitoring and Steering of Regulations ("MsoR") Working Group to manage the company processes adhering to legal obligations and deadlines and to effectively exchange information with the OEMs.

Doğuş Otomotiv's Information Security Management System organizes and updates the security processes and defines the roles and responsibilities within these processes to ensure the confidentiality, accessibility, integrity, and full compliance of the Company's information assets with the applicable legal regulations. Doğuş Otomotiv has registered its activities in the field of information security with international standards in 2022 and received the ISO 27001 Information Security Management System Certificate. In this context, the number of procedures related to the Information Security Policy increased from 11 to 14.

## AUDIT COMMITTEE REPORT

### Internal Control and Internal Audit Activities

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

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 is 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 a triple line 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, take place as the second line of defense. Functioning directly at the operational level, Financial Control and Risk Management acts in coordination with the other control departments such as Legal. Our third and final line of defense is 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 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. In 2022, a total of eight (8) meetings were held with the Audit Committee regarding the results of independent audits and the regular audit, inspection, and investigation activities carried out by the Internal Audit Department. In addition, the meetings of the Early Detection of Risk Committee were attended.

The Internal Audit Department, taking 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 2022.

With the remote working model that started with the pandemic, the effectiveness of internal Auditing continued without compromising and focusing on remote auditing techniques, and the entire audit plan was completed as determined. In this context, efforts were also focused on the digitalization of auditing. Auditing activities were continued, and in this context, improvements were made in the relevance, efficiency, and effectiveness of audits by performing daily, weekly, and monthly reporting using the system, and by maintaining audit methodology practices that can produce results on all data instead of sampling. The objective for 2023 is to increase the effectiveness of continuous

auditing in regular audit activities.

Quality Assurance Review (QAR) service was received from the independent audit firm Ernst & Young in 2021 in order to measure and monitor the audit quality and to evaluate the compliance of Internal Audit Department activities with leading practices, professional practice standards, and ethical rules of the International Institute of Internal Auditors (IIA). As a result of the study, the highest grade, "Generally Compatible", was obtained.

### Audit Committee Briefing

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 the 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, the integrity of information, the assessment and resolution of the complaints made to the Company regarding the internal auditing system, and confidential evaluation of notifications and notices on accounting and independent auditing issues.

All members of the Audit Committee, which I am chairing, are Independent Board Members defined within the framework of CMB's Corporate Governance Principles.

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 contribute to the committee with our extensive experience in finance, accounting, and auditing, which we have gained through our professional activities.

As the Audit Committee, we carry out our activities in accordance with the Committee Regulations approved by the Board of Directors and assist the Board in its oversight role regarding accounting, auditing, internal control system, and financial reporting practices. In this context, we are responsible for the following issues, which are also specified in our regulation:

- » Taking necessary measures to ensure that independent external audit is conducted effectively, adequately, and transparently.
- » Discussing with independent auditors whether 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 set in the legislation.
- » Assessing whether 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 developed by the Company for compliance with laws and regulations, disciplinary penalties, and the results of the investigations and follow-ups 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 their footnotes to be disclosed to the public with the current legislation, the accounting principles followed by the Company, and reality, and reporting these opinions together with our comments to the Board of Directors.
- » Reviewing the annual report to be disclosed to the public to ensure whether the information contained herein is accurate and consistent with the information held by the Committee.

The Committee convened eight (8) times in 2022, including 4 meetings with the external audit firm and 4 meetings with the Audit Department. The independent external audit firm submitted its review of the consolidated financial statements and the audit results. In the presentations made to the Committee by the Internal Audit Department, evaluations of the findings regarding internal control, risk management, and governance processes were performed. In addition, separate meetings are held at least once

a year with the Chief Financial Officer, Accounting Manager, and independent external auditors in the absence of executive directors. These meetings enable us to consider the issues that may be brought to the agenda by the auditors or to our attention about the auditors.

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

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 the productivity and efficiency of operations.

The 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 gained importance as an electronic audit process that provides assurance by the auditors. In this context, an ongoing continuous audit methodology was introduced to generate results across all data instead of sampling and create periodic reporting. These continuous auditing activities, which enhance the relevance, effectiveness, efficiency, and timeliness of the audits, continued in 2022. Risks related to the Company's Information Systems processes were reviewed and the

effectiveness of the controls in place was 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 2022, the findings from the previous periods were also followed up and the statuses of the actions to be taken regarding the deficiencies were evaluated.

We have an Ethics Hotline, which is fully controlled by an independent institution, where all employees of the Company can openly or anonymously report any violations or potential violations of the Code of Ethics. In 2022, the complaints and notices received from the Ethics Line were evaluated and necessary investigations and examinations were carried out.

The effectiveness of the audit process depends primarily on defining the appropriate audit risks. Accordingly, our independent audit firm shares a detailed quarterly audit plan, which includes basic risk assessments, with us and the audited units. An annual survey is conducted by the independent audit firm regarding the audits carried out to receive feedback from the management about the effectiveness of the audit process.

In 2021, Quality Assurance Review (QAR) service was received from the independent audit firm Ernst & Young to ensure that the internal audit activities carried out within the company have been carried out in accordance with the International Internal Audit Standards and Professional Ethics Rules determined by the International Institute of Internal Auditors. As a result of the studies carried out, the Internal Audit Department received the highest grade of "Generally Compatible".

We work with PwC, one of the well-known companies in the industry, to receive service for the independent external auditing of our company activities. 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.

At the Audit Committee meeting held regarding the independent external audit firm selection process, offers received in response to the Company's tender are shared with us. The final decision is made as a result of the evaluations we have made as a committee. As a result of the tender opened in 2019, we started to work with PwC in line with our decision, considering that the firm possesses the necessary knowledge, competence, expertise, and assurance that it will conduct the audits in accordance with national legislation and international audit standards. The next audit tender is planned to be held at the end of 2025.

**Adnan Memiş**  
Head of the Audit Committee

## OUR BRANDS



Volkswagen Passenger Cars, which ranked third in the passenger car market with a market share of 8.4% in 2022, increased the concentration of SUVs by introducing the Taigo, T-Cross, and facelifted T-Roc models to the Turkish market

#### VOLKSWAGEN PASSENGER CARS



Despite the supply problems experienced in 2022, Volkswagen Passenger Cars maintained its third place in the passenger car market with a retail sales figure of 49,695 units and an 8.4% market share. In March 2022, the brand launched three new models in the B SUV segment, including the Taigo, the first SUV Coupe model, the flexible and versatile T-Cross, and the facelifted T-Roc. In addition, it increased its SUV concentration with its big model family consisting of Tiguan and Tiguan Allspace in the C segment and Touareg in the D segment.

One of the pioneering and iconic models of the Volkswagen brand, Golf R, the sporty version of the 8th generation with a timeless design concept, was put on sale in Turkey in March 2022 with its 5th generation. Golf R sold 121 units in 2022, reaching the highest annual sales figure ever.

#### Performance of the models

VOLKSWAGEN PASSENGER CAR MAINTAINED ITS THIRD PLACE IN THE PASSENGER CAR MARKET WITH RETAIL SALES OF 49,695 VEHICLES IN 2022.

the B SUV segment. Thus, the brand increased its share in the segment from 8% to 16%. The Passat, which was discontinued in the second half of the year, continued its segment leadership in 2022, reaching a sales figure of 8,243 units. Successful models of the Passat family, Passat Variant and Alltrack, increased their sales by 133% and strengthened their position in the segment. Despite the supply problems that continued throughout 2022, another model that maintained its leadership in the segment was the Golf. The model attained a 31.9% share in the C Hatchback segment.

#### Digital transformation in Sales and After-Sales Services

Volkswagen Passenger Cars continued to offer new solutions in 2022 in line with the brand's customer base's expectation of 100% digitalization in Sales and After-Sales Services. In this context, the 3D CGI Visualization Project, which enables vehicles to be modeled down to the smallest detail, was implemented on the sales side. In addition, customer satisfaction calls by Authorized Dealers, which are made after each new vehicle delivery, were completely moved to digital, achieving a savings of 86 person-

day in the workforce and a 119% increase in survey filling rates. Volkswagen Kiosk Digital Vehicle Cards, which were made available at all Authorized Dealers in 2022, interactively presented all details about the vehicles on display.

The brand, which offers digital applications aimed at efficiency and making a difference in After Sales Services with its 'Volkswagenim' (My Volkswagen) application, launched functions such as "Online Additional Work Approval", "Online Exit Satisfaction Survey", and "Warning Lamps Dictionary" in 2022. With these new functions, the digitization rate of 95% in After Sales Services is also reflected in the usage statistics of the application. The number of annual downloads increased by 277% to 201,930, monthly active users increased by 188% to 39,969, and the time spent on the application increased by 73% to 7.27 minutes.

#### Another year full of awards

Volkswagen Passenger Car's digital and social media activities were deemed worthy of prestigious awards this year as well. Volkswagen Kiosk Digital Vehicle Cards, which are available at all Volkswagen Authorized Dealers, won the Gold award in



Volkswagen Passenger Cars took second place in Turkey according to the results of the IACS (International After-Sales Customer Satisfaction) survey conducted by the manufacturer through an independent company to measure customer satisfaction in after-sales processes and in which all automotive brands in Turkey participated.

#### Three new SUV models introduced to the market

Volkswagen Passenger Cars launched three new models in the B SUV segment in 2022; the Taigo, the first SUV Coupe model, the flexible and versatile T-Cross, and the facelifted T-Roc.



Having introduced its e-tron models to the Turkish market in 2022, Audi has completed its investments and preparations for the electric era

AUDI



#### Audi's pioneer in electric mobility, e-tron, debuts in Turkey

Displaying a spirited performance in electrification, Audi is preparing to offer only electric models to the market as of 2026, while it has started to present the e-tron SUV, e-tron Sportback, e-tron GT, and RS e-tron GT models to Turkish consumers as of November 2022. Audi Authorized Services started servicing its customers following the completion of the infrastructure works and high-voltage training. Aiming to become a sustainable electric premium mobility provider, the Audi brand has continued to pursue a clear and bold electrification strategy on the path to the era of electromobility since day one.

#### Success despite the impact of the crisis

DESPITE SUPPLY PROBLEMS, AUDI HAS REALIZED SALES OF 14,554 UNITS IN 2022, **TAKING 22.95% SHARE IN TOTAL IN THE PREMIUM MARKET AND BECOMING THE 3rd BEST-SELLING BRAND.**

semiconductor crisis it triggered has continued.

The A3 Sportback, the leader of its class in the premium segment in 2022, closed the year with sales of 1,417 units, while the total sales figure of the A3 Sedan and A3 Sportback reached 3,716 units. In 2022, the A4 Sedan, A4 Avant, and A4 allroad models sold 1,713 units, while the A5 family realized a total sales figure of 862, the A6 family 1,722, the A7 Sportback 180, the A8 L 149, and the S8 six units. The e-tron and e-tron Sportback sold 129 units, while the total sales figure for the e-tron GT and RS e-tron GT models was 50. On the other hand, the Q2 model sold 1,312 units, while the Q3 SUV and Sportback reached a total sales figure of 4,449, the Q5 SUV and Sportback 137, the Q7 61, and the Q8 and the RS Q8 68 units.

#### Brand image on the rise with continuous communication

Acting in line with the global brand communication strategy revamped by Audi AG last year, Audi Turkey carried out the FiAA 2.0 campaign in 2022, a follow-up of the global brand campaign "Future is an Attitude" held in 2021. In line with this



strategy, which holds the main idea of shaping the future through premium mobility, a 360-degree communication of the e-tron, e-tron Sportback, e-tron GT, and RS e-tron GT models was realized. In addition to Sky Sphere and Grand Sphere, two concept cars developed and showcased within the scope of future premium mobility solutions in the past years, Audi's new concept car Urban Sphere was showcased and communicated by Audi Turkey this year. All these efforts have contributed to Audi's brand

image, which was again on the rise globally.

Audi Turkey maintained its active presence in social media in 2022, and managed to make a name for itself with the project #BirYolunuBul, which was shot in various regions of Anatolia and published on all social media channels. Audi Turkey, which still has the highest number of followers on Twitter among automobile brand pages in Turkey, has managed to become a trending topic on Twitter with this project.

#### Electromobility and Audi

In 2022, Audi's all-electric model family members; the e-tron, e-tron Sportback, e-tron GT, and RS e-tron GT models have been introduced for sale in Turkey



The CUPRA brand, which started to be sold in Turkey in April 2021, increased its retail sales by 880% in its second year and was awarded the “Fastest Growing Automobile Brand of the Year” in the Sales and Communication Awards organized by ODMD.

## SEAT & CUPRA



### Sales performance by model

In the second year of its launch, the CUPRA brand increased its retail sales by 880% to a total of 2,792 units and received the “Fastest Growing Automobile Brand of the Year” award by ODMD. The CUPRA Formentor managed to rank among the top 10 in its segment with sales of 2,791 units and reached a segment share of 2.5%. In 2022, CUPRA's Authorized Dealer network continued to expand. Alongside the CUPRA Corner concept, new sales points with the CUPRA Garage concept were added, increasing the total number of Authorized Dealers to 12.

The Ibiza model of the SEAT brand reached a segment share of 1.8% with sales of 1,760 units in 2022. The Arona, the brand's entry model in the SUV segment, reached a segment share of 3.3%, selling 3,288 vehicles. SEAT's model in the A-HB segment, the Leon, completed the year with sales of 223 units and a segment share of 1.2%. The Tarraco, SEAT's B-SUV model, achieved a 0.8% segment share with the 187 units sold. The Ateca, another SUV model of the brand, sold 685 units and completed the year with a segment share of 0.6%. In 2022, there were 30 operational SEAT sales points throughout Turkey.

### After-sales services

In 2022, SEAT Authorized Services, which provide service at 48 points throughout Turkey, served an average of 6,589 customers per month with 79,068 vehicle entries. Customer loyalty was supported with the customer recovery projects implemented for the first time this year, while discounts were provided for vehicles aged 2 years and over with the mobile campaign in addition to the 30% discount campaign which was continued for special maintenance services for Ibiza and Leon vehicles aged 5 years and above.

Digitalization was expedited in all service processes, and within this scope, the SEAT Online Mobile Application, Garanti Portal, My Declaration Net (Beyanım Net), SEAT Academy, and Digital Scorecard projects were implemented. In addition, options such as online appointments, contactless payment, and payment at the consultant's desk were put into practice.

Thanks to its customer-oriented service approach, the customer experience survey score in After-Sales Services was 4.83 out of 5 in 2022. After the pandemic, pieces of training with SEAT Authorized



Service employees continued both online and face-to-face.

### Communication activities

As part of the communication activities of the Formentor model, which has 100% CUPRA DNA, local exhibitions were organized in different provinces with the expansion of the Authorized Dealer network, and Intense outdoor advertisements were carried out. Additionally, advertising activities, which continued throughout the year in TV/radio broadcasts and digital platforms, were proceeded by sponsorships work in the second

half of the year. In this context, CUPRA's prominence was ensured in different locations throughout the year, İzmir/Çeşme 9.5 Beach and Köyiçi Restaurant CUPRA visibility throughout, Soundgarden and Babylon Radio Eksen parties in Bomontiada were hosted, while the vehicle exhibition event held at Zorlu Performance Arts Center attracted various types of audiences.

In addition, vehicle exhibition events held at Doğuş Automotive Plus Customer Experience Center and D-Gym in Galataport. A COTY test drive was organized at

Intercity Istanbul Park with SEAT S.A. specifically for the CUPRA Born, the first 100% electric model of the brand. In addition, a special PR project, including the CUPRA Born, on the Carviser YouTube channel was carried out at Galataport Terminal Bus Area.

By participating in the “The Unstoppable Impulse” event held in Barcelona for all countries by SEAT SA in June through the press and Authorized Dealers, CUPRA Turkey had the opportunity to experience this excitement in Terramar, where the story of the brand had begun.

In the second half of the year, the first showroom with the CUPRA Garage concept in Turkey opened its doors at Doğuş Oto's Esenyurt venue. The brand has provided car lovers with a unique experience with Authorized Dealer Erya, which offers CUPRA City Garage features.



# 2,792

IN ITS SECOND YEAR, THE CUPRA BRAND INCREASED ITS SALES TO 2,792 UNITS AND WON ODMD'S “FASTEST GROWING CAR BRAND OF THE YEAR” AWARD.

Škoda has continued to improve its brand strength in 2022

ŠKODA

SKODA

#### Global supply bottleneck and new factors

In 2022, Škoda has been under the influence of the Ukraine-Russia Crisis, which broke out in a region close to its main production facilities, despite the expected easing of the supply restrictions caused by semiconductor system shortages that started in the second half of 2021. This situation, which led to the revision of the vehicle supply and launch plans targeted for 2022, caused the brand's sales to decline by 22.8% to 19,464 units compared to the previous year. Škoda attained a 3.3% market share in 2022.

#### 2022

In 2022, while the total passenger car market grew by 5.5% compared to the previous year, Škoda sales contracted by 22.8%. The global sales of the brand decreased by 16.7% compared to the previous year and amounted to 733 thousand units. Production bottlenecks in the semiconductor supply chain due to COVID-19 measures, as well as the unpredictable production halts created by the Ukraine-Russia war in sub-suppliers were the reasons for this contraction.

Supply constraints adversely affected the production numbers

of the New Fabia and Renewed Karoq models, which were put on sale in the second quarter of 2022, and caused the said models to remain below their actual sales performance. In addition, the brand's supply ability has been optimized in the most effective way, and the sales weight of the special series models that will improve brand perception and diversify the user profile has been increased.

The Sportline series, offered for sale under the Karoq and Kodiaq models, two powerful members of the SUV product group, together with traditional sedans such as Octavia and Superb, the L&K series that are preferred by high-end customers, the Scout series offered with combi body option, and four special series consisting of the RS series appealing to performance enthusiasts attained 14% of the individual sales.

#### Performances of the models

Attracting the attention of consumers with seven main models, Škoda's best-selling model in Turkey was the Superb with 4,440 units, while the Kamiq, the brand's strong representative in the A0 SUV segment, caught attention with its sales figure of 3,839 units. While the Scala and

Octavia models, which attracted attention from both corporate and individual customer groups, stood out with their sales performance of 3,292 and 2,982 units, the brand's powerful SUV models Kodiaq and Karoq reached sales figures of 2,483 and 1,542 units, respectively. On the other hand, the New Fabia, which has been on sale since April, ended the year with sales of 940 units due to supply cuts.

#### 2023 innovations

Škoda, which plans to maintain its presence in the market with seven main models and special series product groups in 2023, plans to attract the attention of young and stylish customers by adding a new model to its special series product range. The Fabia Monte Carlo, scheduled to go on sale in March, is expected to meet many expectations in terms of performance with its high-class equipment, design-oriented details, and 1.5 TSI 150 PS engine. With the Fabia Monte Carlo, Škoda will strengthen its position among the brands that offer performance-oriented products in the A0 HB market.

#### "Heart of the Mind" beats with Škoda

A brand campaign was launched for the first time in line with brand awareness targets. Starring the

famous actor Mehmet Günsür, who has been the brand face of Škoda since 2021, and directed by Icelandic director Thor Saevarsson, the commercial film "Heart of the Mind" was shot and shared primarily on TV and on other social media and digital platforms.

#### Two launch campaigns

In 2022, the Fabia was presented to the market with its renewed face and the Karoq with its facelift version. The New Fabia met its target audiences on digital platforms with the slogan "Follow your different and the New Karoq with the slogan "In Every Moment/ At All Times".

#### "Your Škoda Authorized Services have the best way with your Škoda!"

To enable customers to bring their vehicles to Škoda Authorized Services at regular intervals, two commercials with local production companies were produced for the first time and the films were broadcast on digital platforms.

#### Kodiaq RS at Galataport

Offering performance and luxury together, the Škoda Kodiaq RS was exhibited at Doğuş Automotive's Plus Experience Center in Galataport between May 25 - 8 June 8.



19,464

ŠKODA SOLD 19,464 VEHICLES  
IN 2022, ATTAINING A MARKET  
SHARE OF 3.3%.

#### Superb's sales success

Attracting the attention of consumers with seven main models, Škoda's best-selling model in Turkey in 2022 was the Superb with 4,440 units.

#### Goodness Car, "Vehicle to Happiness"

The social responsibility project Škoda Goodness Car, which has been ongoing since 2020, has set out again in 2022 to become a "Vehicle to Happiness". Reaching healthcare workers, stray animals, healthcare organizations, and those in need during the pandemic period, Škoda Goodness Cars visited designated schools in Kahramanmaraş, Van, Gümüşhane, Balıkesir, and Şanlıurfa provinces between September and December and met with more than 2,000 children in five rotations. Theater artists Sevinç Erbulak and Füsun Erbulak accompanied the Škoda Goodness Cars, which brought the culture, art, and activities of their dreams to the children living in rural areas and gave them a carnival-like day, during the fairy tale reading event in Şanlıurfa, their final destination.

In 2022, Bentley launched the Continental GT Speed, which uniquely combines the brand's perception of luxury and sports cars. Lamborghini brand introduced the Urus Performante, the new version of the Urus, the world's first super SUV.

#### BENTLEY & LAMBORGHINI



##### **The most prestigious and luxury models in automobile history**

Bentley Motors was founded in 1919 by Walter Owen Bentley, a railroad engineer. Bentley, a British brand, has been known as the brand that makes the most prestigious and luxurious cars in automobile history since the early 1910s. 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 made a rapid rise by offering new models equipped with powerful and superior technology.

##### **Continental GT Speed arrives in Turkey**

The "Speed" models produced by Bentley Motors in 2022 highlight the brand's sportiness in addition to its luxurious looks. Having taken its place in showrooms in the last quarter of the year, Continental GT Speed boasts a 650 HP W12 engine that produces 900 NM torque and

accelerates from 0 to 100 km in 3.6 seconds. Sporty details such as a glossy black front grille, air intakes, and side rocker panels stand out in the exterior design, while the Speed versions offer you Alcantara upholstery and carbon interior decor option.

##### **A new model in luxury SUV: Bentayga EWB**

In 2022, Bentley Motors introduced the extended model of Bentley Bentayga, which stands out with its luxury design and off-road performance. The Bentayga Extended Wheelbase, which is 18 cm longer than the previous version, has a total length of 5,305 mm. The Bentayga EWB also features a world-first optional Airline Seat with climate sensing and advanced seat adjustment systems. Plans are in place to offer Bentayga EWB with 4.0 liter 550 HP V8 for sale in Turkey in the second half of the year.

##### **Lamborghini Urus Performante introduced with 666 Hp**

Lamborghini introduced the new version of the Urus, the world's first super SUV. The Urus Performante, whose 4.0 liter V8



##### **Bentley and Lamborghini on social media**

Within their frameworks of a global marketing and communication approach, both the Bentley and Lamborghini brands prioritized communication using the Instagram platform in 2022 along with ongoing efforts for special news feeds and communications for magazine ads.

#### **FAREWELL TO THE AVENTADOR**

Lamborghini has discontinued its iconic model Aventador, which has been on sale since 2011, with a special version, the Ultimae. The Aventador Ultimae was produced as the most powerful Aventador with 780 hp. A total of 600 units of Ultimae were produced, 250 of which were Roadsters.



## **TWO NOVELTY MODELS**

IN 2022, BENTLEY INTRODUCED THE CONTINENTAL GT SPEED AND LAMBORGHINI THE URUS PERFORMANTE, THE NEW VERSION OF URUS.

Porsche continued to be a leading brand with its privileged sales and after-sales services by advancing its investments and communication activities in the course of transformation to electromobility

## PORSCHE



### Electric car investments

Investments to provide charging and servicing to electric vehicles continued in 2022. More than 500 charging stations serving Porsche and other electric cars are made available to customers via the Porsche Mobile application. More than 1,500 charging unit installations were realized free of charge at Porsche Taycan customers' homes and workplaces. Following the launch of the fastest charging station in Turkey with a power of 320 kW, which was commissioned in 2021, the installation of five charging stations with a power of 350 kW was completed in Istanbul, Ankara, Bursa, Izmir, and Antalya provinces in 2022, claiming the 'fastest charging station in Turkey' title. In 2022, a total of 150 charging stations, primarily fast charging stations, were put into service for Porsche and all electric vehicle users, with an investment of 1.5 million.

In addition to the Doğuş Oto Kartal Battery Repair Center, which was put into service for the first time in Turkey to serve electric Porsche vehicles in our country and abroad, investments were launched to establish battery repair centers at seven Porsche centers.

### Sales performance by model

The Porsche brand increased its sales by 7% to a total of 668 units in 2022. The Macan, Porsche's compact SUV model, has played the biggest role in this success, reaching a sales performance of 303 units with a 38% growth. Macan T joined the Macan model family in May. Again in May, with the launch of the new Cayenne Platinum Edition model, a total of 134 Cayennes were sold throughout the year, an increase of 319% compared to the previous year. Taycan, which added the Taycan Sport Turismo model to its product range in February, reached a total of 182 vehicle sales. As for other models, 35 units of Panamera, 10 units of 911, and four units of 718 were sold in 2022.

### Porsche's marketing communications

The year 2022 took off with the broadcast of the "Macan Brave Routes: Black Sea" series consisting of five videos within the context of Macan's social media communication, and high interaction rates were achieved. The special video production prepared with the actor Metin Akdülger, using the #ILovePorsche hashtag for February 14 Valentine's Day, reached high viewing rates on



social media. As a follow-up communication of February 14, Taycan Cross Turismo vehicle with a floral design was exhibited at Doğuş Automotive Plus Customer Experience Center in Galataport. The "Daddy Cool" work performed for Father's Day with the Panamera Platinum Edition model and the "Anamorphic" digital art application presented with Taycan models at the end of the year were among other activities of Doğuş Otomotiv Plus Customer Experience Center.

Within the context of Authorized Dealer marketing communication, vehicle exhibition in Kalamış Marina, Macan shootings in Bursa Uludağ, Hello to Summer Party at Ankara MAG, Maintenance-Repair Center video production, Esenyurt Destination Porsche video production, and "Do It Yourself" activities were carried out. In line with the global Porsche communication strategy, tennis and golf events continued as well. In this context, we sponsored the WTA Tennis Tournament and co-sponsored the Golf Tournament with Tag Heuer. The fifth video of the #PorscheBuluşuyor (#PorscheMeets) series has been

published with Sinem Güven, the first female guest of the series.

As part of the Global Soho House sponsorship agreement, the Istanbul Halloween Party, Porsche Club's 70th Anniversary, and the New Year Event were held. In addition, social media was heavily fueled by the Porsche Club's 70th Anniversary Festival, Yacht TR 200th Issue Celebration Event, and Cayenne's 20th Anniversary Interview. As part of the 'Porsche on Track' track-driving experience, Porsche enthusiasts enjoyed adrenaline-filled hours with different Porsche models for four days at the Porsche Driving Center.

Cooperating with a local fashion brand within the scope of its sustainability project, Porsche made remarkable communication with the new season gifting event with the Taycan model, which is a sustainable vehicle for sustainable fashion.

### After Sales Services performance

Thanks to the Porsche customer loyalty activities and marketing efforts for Porsche Service, Porsche accessories, boutiques, and extended warranties carried out in 2022, an increase of 135% in service turnover, 107% in accessory

### Continuing investments in electric vehicles

In 2022, a total of 150 charging stations were put into service for Porsche and all electric vehicle users with an investment of 1.5 million Euros.

sales, and 42% in extended warranty sales was achieved.

In 2022, battery repairs of 11 electric vehicles were carried out at Doğuş Oto's Kartal Battery Repair Center. Two technicians from the Porsche Turkey After-Sales Service team were awarded HVE (High Voltage Expert) certificates. All 48 new generation test devices, which were renewed to provide faster data transfer, were put into use in 2022.

With the e-Performance day, which was held for the first time in 2022, customers had the opportunity to test the Taycan model and electric vehicles of other brands in turn and to obtain detailed information about electric vehicle technology. With the participation of Porsche AG senior management, the Thrive project, which aims to improve both Sales and After-Sales Services processes of Porsche Turkey, was launched in 2022.

# 668

IN 2022, THE PORSCHE BRAND  
**INCREASED ITS SALES BY 7%**  
**TO 668 UNITS.**

The new fully electric model of Volkswagen Commercial Vehicles, the ID. Buzz, and the New Amarok, a key player in the premium pick-up class, were awarded the highest rating of "5 Stars" by Euro NCAP

#### VOLKSWAGEN COMMERCIAL VEHICLES



Ticari Araç

##### Brand performance in 2022

In 2022, 190,623 vehicles were sold in the light commercial vehicles market, exhibiting a growth of 8.6% compared to the previous year. Volkswagen Commercial Vehicles had a share of 5.6% in the light commercial vehicles market with a sales figure of 10,646 units and ranked third in the imported commercial vehicles market with a 13.6% market share.

The Transporter ranked second in its segment in 2022 with a sales figure of 5,283 units and 24.8% market share, while the Caddy model ranked sixth in its segment with sales of 4,566 units and 7.6% market share. The Crafter model reached a market share of 2.1% with sales of 797 units in 2022.

##### Brand communication

Within the scope of the communication activities of the California model family, which has a large fan base consisting of camp and nature enthusiast caravan users, Volkswagen Commercial Vehicles participated in Karavanist 2022, a caravan and outdoor fair, in January. California models were also exhibited at Doğuş Otomotiv Plus Customer Experience Center in Galataport, in an attempt to

bring them to wider audiences. In addition, collaborations were made with nature and travel photographers and social media phenomena Mücahit Muğlu and Neşem Çelikkaya.

The fully electric model ID. Buzz, which carries the genes of Bulli (T1), the legendary iconic model of Volkswagen Commercial Vehicles, and the new generation of the Amarok model, which has been leading the segment for years and is a key player in the premium pick-up class, made their world premiere in 2022. The ID. Buzz Cargo model, an ID. Buzz family member intended for freight and goods transportation, was awarded the 2023 International Van of the Year award by the International Van of the Year (IVOTY) jury.

In the final test results of 2022, announced by Euro NCAP, Europe's independent testing organization, two new models of the brand with completely different technical design features, the ID. Buzz and the New Amarok, were given the highest rating of "5 Stars".

The brand carries out pioneering works in the industry with its customer-oriented innovative



# 10,646

VOLKSWAGEN COMMERCIAL VEHICLES ATTAINED A **5.6% SHARE IN THE LIGHT COMMERCIAL VEHICLES MARKET WITH SALES OF 10,646 UNITS** IN 2022.

applications on social media platforms such as Facebook, with more than 1 million friends, Instagram and YouTube with more than 127,000 followers, and with the customer satisfaction-enhancing services it offers on online channels. In collaboration with comedian and social media phenomenon Gökhan Ünver, a content project called "Value Adders" (Değer Katanlar) was designed and shared on Instagram and YouTube.

Volkswagen Commercial Vehicles continued its "A Master, A Story" (Bir Usta, Bir Hikaye) series, which it started in 2021, in 2022 as well. By meeting with people, including masters who are practicing the lost professions and included in UNESCO's Living Human Treasure list, stories about how Caddy and Transporter models contribute to the needs of craftsmen in their business and daily lives were shared on social and digital media accounts in the project.

##### Digital innovations

In 2022, all the features developed to date for the Volkswagen Commercial Vehicles Mobile Application and its membership system were transferred to the website. In addition, Volkswagen Commercial Vehicles Mobile Application, with all its services and features, was also made

available to customers through the Huawei App Gallery.

By adding the vehicle builder function to the Volkswagen Commercial Vehicles website, users were given the opportunity to query vehicle characteristics and access information such as stock status and customer comments regarding Authorized Dealers and Service points.

##### Field activities of the Authorized Dealers and Service

Volkswagen Commercial Vehicles continued to provide services at 69 Authorized Dealer and 80 Authorized Service points across Turkey in 2022. With 130,346 vehicle entries at Volkswagen Commercial Vehicles Authorized Services, an average of 10,862 vehicle entries were realized on a monthly basis.

In 2022, 36,979 customers benefited from the "Winning Service" (Kazandırın Servis), a customer loyalty-oriented service campaign of After Sales Services. In addition, 34,388 customers benefited from the ongoing Wear Parts, Drivetrain, Brake Fluid, Heavy Maintenance, and Spring and Winter Check campaigns.

Thanks to the "Volkswagen Commercial Vehicles Mobile

##### International Commercial Vehicle of the Year

The ID. Buzz Cargo model, the fully electric member of the ID. Buzz family intended for freight and goods transportation, was awarded the 2023 International Van of the Year award.

Service" privilege, on-site maintenance and express services to customers' vehicles continued. In this context, 1,038 customers were served throughout Turkey in 2022, while the number of customers benefiting from the service has reached 2,449 since 2019 when the application was put into use.

##### Expectations in 2023

Volkswagen Commercial Vehicles will broaden its product range with the launch of the New Amarok, the California model family and the T7 Multivan Plug in Hybrid model in 2023. The brand will continue its activities uninterruptedly to increase its share in the light commercial vehicles market and to maintain its strong brand image by adding rapidly transforming technology to the services it offers and through its communication activities.

Scania Turkey has contracted 44% of its total vehicle park in 2022. Aiming to offer its customers safe use with more well-maintained vehicles and to extend their time on the road. Scania pioneers a more sustainable transportation with its practices.

## SCANIA



### Brand performance in 2021

Scania attained a market share of 5.6%, with sales of 1,804 units in the total heavy commercial vehicles market of 32,388 units in 2022 by selling 38 trucks and 1,766 tractor.

### New product launches

Scania introduced its 770 hp vehicle, the most powerful engine option in the V8 product range, to its first customer in the Turkish market in 2021. With its superior features, the 770 hp 16-liter V8 engine with a torque of 3700 Nm has received the appreciation of customers.

Scania switched to Mach chassis and D-form fuel tanks at the end of 2022 as part of its philosophy of continuous improvement. Thus, while the usable volume of the fuel tanks increased, the amount of dead fuel that could not be used was further reduced. With the new R756 axle gear, faster gear ratios have been achieved and with the G33/25CM gearbox introduced in 2022, the overdrive feature has been added to the geared vehicles. In this way, vehicles have been supplied to achieve lower fuel consumption.

### Field operations of the Authorized Dealers and Services

Scania provides services at 12 Authorized Dealer and 17 Authorized Service points throughout Turkey. In 2022, about 60,000 work orders were created at Scania Authorized Services and 17,400 different vehicles were serviced. Through the "Old Friends", the customer loyalty-oriented service campaign of After Sales Services, 8,500 vehicles aged four years and above were serviced in 2022. Moreover, throughout the year four new campaigns, namely "Scania Motor Campaign", "Over 10 Years Old Vehicles Maintenance Campaign", "Scania Maintenance Advantage Campaign", and "Scania Advantage Campaign" were launched and through these campaigns, 2,000 vehicles were serviced. Thanks to the maintenance agreement campaigns, 1,470 new maintenance agreements were sold at two-year maintenance agreement was sold to 1,040 chassis. In addition, customers' loyalty to the services has been restored.

Within the scope of service and maintenance contracts, maintenance contracts were signed for 3,260 vehicles in 2022, and 8,800 maintenance services



were given to these vehicles. All Scania vehicles are sold with the Scania Plus service package, which offers free maintenance and a vehicle warranty. In 2022, 1,800 vehicles benefited from Scania Fix packages that offer advantageous parts and labor prices.

### Brand communication

Scania carries out pioneering work in the sector with its services on social media platforms such as Facebook, where it has more than 220,000 followers, and Instagram, YouTube, and LinkedIn, followed by close to 49,000 people. Compared to the previous year, the number of followers increased by 13% on Instagram, 6% on Facebook, 45% on LinkedIn, and 11% on YouTube in 2022. Within the scope of the influencer projects carried out in the field of After-Sales Services, including original spare parts and maintenance packages, significant ratings have been achieved. The delivery of the first Scania XT model was made through a joint event with influencers. Scania also presented its first Scania collection, designed and produced in Turkey, to its customers in 2022.

### Digital solutions

"Scania'm Cepte" (Scania Mobile App) is an application that takes the digital customer experience

to the next level in its sector with a market score of 4.5 and approximately 15,000 downloads. To reduce the brand printed material environmental impact, all event communication was carried out through digital channels in 2022.

### Authorized Dealer and Service trainings

Throughout 2022, a total of 897 man/day of training was provided to 468 participants at all Scania Authorized Dealers and Service points. Thirty-two candidates working at the service points were prepared for the certification process after receiving six separate pieces of training to improve their knowledge level. The development of the certified teams working at the sales points was supported by five different pieces of training. In addition, with the newly established Customer and Driving Experience Unit, approximately 350 corporate and fleet customers were provided with safe and economical driving training.

### Expectations in 2023

As in previous years, Scania aims to strengthen its leading position in the world of sustainable transportation and maintain its high standards, especially in After Sales Services, with the understanding of "Scania, Always by Your Side". Furthermore, Scania will implement the seed ball project with the vehicles to be sold within the scope of its carbon-neutral targets, in addition to its current sustainability efforts, and will initiate the 'Green Dealer' application.

# 1,804

IN 2022, SCANIA ATTAINED  
**A MARKET SHARE OF 5.6%,**  
**WITH SALES OF 1,804 UNITS IN**  
THE TOTAL HEAVY COMMERCIAL  
VEHICLE MARKET OF 32,388 UNITS.

Scania Power Solutions responds to customer needs in every aspect by expanding its product range with its newly developed hybrid electric motor and marine, industrial, and generator engine models with low-emission values

#### SCANIA POWER SOLUTIONS



##### Another year of success

Doğuş Otomotiv offers marine, industrial, and generator engines to its customers under the Scania Power Solutions brand. Thanks to the domestic and international projects realized with shipyards and yacht manufacturers that manufacture pilot boats, fishing boats, and passenger ferries, Scania Power Solutions has increased its market share in the marine engines segment to higher levels in 2022.

##### Solutions for every need

In 2022, Scania Power Solutions continued its works on hybrid products for use in the maritime and industrial sectors, as well as engines with low emission levels. The company plans to introduce a hybrid engine model with a special clutch system that

allows automatic and seamless switching between all-diesel or all-electric operations in the first quarter of 2024. Scania Power Solutions, which also continues to work on 100% electric motors, aims to raise the quality standard with both environmentally friendly and economical products.

Scania Power Solutions makes a difference with its 16-liter V8 engine and low emission values in operations carried out in heavy-duty industries which use stone crushers, crawler loaders, and cranes.

The 6x6 ARFF airport fire trucks, manufactured with Scania engines with Stage V emission values, are exported to numerous countries in the world. The

## STABLE GROWTH

IN 2022, SCANIA POWER SOLUTIONS ELEVATED ITS MARKET SHARE IN THE MARINE ENGINES SEGMENT.



engine's high performance, lightness, and low emissions have pushed standards beyond expectations.

Scania Power Solutions took its place in the product range of several generator manufacturers that serve in Turkey, increasing its market share in the generator engine segment in 2022, and continued its steady growth in

this area by expanding its product range with low-emission Stage III engines.

##### Expectations in 2023

As a reliable solution partner, Scania Power Solutions will continue its activities in 2023 to increase its sustainable quality and market share in different segments.

## More environmentally friendly, more economical...

In 2022, Scania Power Solutions continued its work on hybrid products for use in the maritime and industrial sectors, as well as engines with low-emission levels.



Thermo King, the market leader in the cold chain transportation industry for years, continued its success in 2022 with its products that met different needs and maintained its leadership in temperature-controlled logistics solutions

## THERMO KING



### The future of cold chain transportation: Electric and Green Thermo King Advancer Series

As the market leader in cold chain transportation, Thermo King brings the ambient temperature to the desired level thanks to its temperature control system, while paying maximum attention to energy efficiency. Thermo King has developed the Advancer series of smart reefers to achieve maximum cooling capacity with maximum fuel efficiency, presenting the Advancer AxlePower, Advancer Spectrum, and Advancer-e models to its users, as well as different models such as A360, A400, and A500.

#### More efficient, sustainable, and innovative

The Advancer series, which has been rendered more efficient and sustainable than ever before, provides solutions to the industry's needs by offering the opportunity to carry the goods at different temperatures within the same unit with the Advancer Spectrum model.

Thanks to its smart energy generation system, Advancer AxlePower provides fully electric, low or zero-emission

autonomous trailer cooling with the energy converted from the movement of the trailer's axle during driving or braking. The all-electric Advancer-e model, which can run using various power sources for zero-emission trailer cooling, sheds light on the future by working in harmony with 100% electric vehicles, which are the future of the transportation sector.

#### Offering unmatched efficiency and performance, Thermo King is the unwavering leader of the market with its traditional and new model units

Thermo King, which has been the market leader in the refrigeration unit industry for years, continued its success in 2022 with its solutions that met different needs under difficult pandemic conditions and maintained its leadership in cold chain transportation, especially in the pharmaceutical industry. Meeting the needs of its customers with different unit options and project-specific cooling and heating solutions, Thermo King continued to set the transportation standards in our country in 2022 with the latest technological innovations it offered to its customers at the same time as the world.

## MARKET LEADER

**THERMO KING, THE MARKET LEADER IN THE COOLING UNIT INDUSTRY FOR YEARS, CONTINUED ITS SUCCESS IN 2022.**



### Reliable solutions in pharmaceutical transportation

Thermo King units, which preserve the quality of the products they transport until they reach the end consumer, and provide their customers tracking opportunities with the TouchPrint printer and door sensor, are the most important ensurers of pharmaceutical and food transportation all over the world. The certificates and pieces of training it provides with the GDP convention in pharmaceutical transportation render the brand the most important solution partner of the health sector.



### Emission-free trailer cooling

Thermo King's fully electric Advancer-e model sheds light on the future of the transportation industry by providing zero-emission trailer cooling.



Doğuş Oto aimed to provide the best service to its customers by increasing its service quality with the projects it has implemented in 2022. The company added new investments to its successful business operations to serve its customers under better conditions

## DOĞUŞ OTO



Doğuş Oto offers new vehicles, used vehicles, spare parts, accessories sales, and after-sales services for the VW Passenger Car, Audi, Seat, CUPRA, Skoda, Porsche, and VW Commercial Vehicle brands it represents in the provinces of Istanbul, Ankara, Bursa, and Kocaeli. The company also sells used vehicles as a DOD Authorized Dealer. Offering its services with more than 1,300 employees at 37 Authorized Sales and 34 Service points in six regions, Doğuş Oto maintains its pioneering presence in the sector with its strength and stability.

### 2022

Despite the economic fluctuations and new vehicle shortages, 2022 was a year in which the Doğuş Oto achieved its goals. The sales performance of Doğuş Oto in the brands it represents is also reflected positively on the service entries. The company left behind a successful year with sales of 33,138 new vehicles, 3,111 used vehicles, and 240,444 service entries.

### New investments aimed at fostering closer connections with customers

Doğuş Oto added new investments to its successful

business operations in 2022 in an attempt to serve its customers under better conditions. The first showroom in Turkey with the concept of CUPRA Garage was opened in Doğuş Oto's Esenyurt venue. Visitors can enjoy 13 vehicles at the same time in the showroom, which has been specially designed to reflect the spirit of the brand.

The first Porsche Center with the Destination Porsche concept in Turkey started serving customers in 2022. Porsche Doğuş Oto Esenyurt Service, which can serve 124 vehicles a day and 3,591 vehicles a year, offers its customers brand new experiences with its pleasant and reliable service while maintaining and repairing their vehicles with its new concept.

Doğuş Oto Esenyurt Škoda digital showroom, which was opened in 2022, offers innovative technologies that customers can configure and examine the vehicles as they wish, and experience them in a digital environment. The renewed Doğuş Oto Esenyurt Škoda Service, with a capacity of 14 lifts, is expected to serve 6,000 customers annually.

# 33,138

DOĞUŞ OTO CAPPED OFF A  
SUCCESSFUL YEAR WITH **SALES  
OF 33,138 NEW VEHICLES**, 3,111  
USED VEHICLES, AND 240,444  
SERVICE ENTRIES.



### Achievements in 2022

Doğuş Oto Audi After Sales Services team won the second prize in the service category at the Audi Twin Cup world final held in Munich with the participation of 21 countries. Doğuş Oto team managed to outperform their tough competitors in the competition, which consists of many categories such as virtual room, augmented reality, e-tron, service process, product information, and technical problem solving. The company also achieved great success in sales, taking first place in the VW Passenger Car International Sales Representative Certificate program.

### Sustainability

Doğuş Oto has demonstrated its leadership in the industry with its approach to sustainability and started to work in the designated main improvement areas. As a result of these activities, the company's CO<sub>2</sub> footprint has been reduced thanks to energy and resource savings achieved with the right facility and resource management. In 2022, savings in electricity consumption equivalent to 3,000 trees and in natural gas consumption equivalent to 16,725

trees was achieved. With the solar power plants to be established in the facilities in 2023, it is aimed to further reduce the carbon footprint. Within the scope of the Zero Waste Project, all wastes are separated and sent for recycling.

### Marketing Activities

In 2022, vehicle exhibition and promotion activities were held with the aim of increasing Doğuş Oto's brand awareness, supporting service vehicle entries and sales, and increasing customer loyalty and satisfaction through customer-oriented communication. In addition, the company continued to offer new avenues and increase its accessibility for customers in all digital channels by actively using its social media accounts.

### Digital process development

Nearly 3,500 vehicles were reserved using the Doğuş Oto website in 2022, and of them 443 vehicles were sold. Using the service appointment forms, 55,000 service appointments were given, reaching a rate of 41% among the total appointments. Approximately 11 million pages were visited by 2.5 million users on the website. The website, which is the first point of contact for customers, is planned to be renewed in terms

16,893

THE TOTAL SALES FIGURE OF THE  
DOD ORGANIZATION WAS **16,893**  
UNITS IN 2022.**DOD in 2022**

Despite the difficulties experienced in new vehicle supplies in 2022, the automotive market experienced a stagnant second half with low activity due to high financing costs, difficulties in accessing financing, and the expectations for a reduction in Special Consumption Tax. Brand Management sales reached 1,437 units during this period, while a total of 16,893 vehicles were sold, including the sales at 64 DOD Authorized Dealers operating in 32 cities. Group brand vehicles under Doğuş Otomotiv constituted 54% of the total sales.

During the year, the scope of the cooperation with vdf Fleet (vdf Filo) was expanded, and in addition to the existing supply channels, vehicles were continuously supplied to the Authorized Dealer organization using vdf Fleet vehicles. In addition, following cooperation with vdf Fleet, a used car rental service was launched as a first in the market, and 96 rentals were made through online channels.

Owing to the DOD Warranty product, which allows the customers to feel more secure in used car purchasing processes,

vehicle sales penetration was realized at 19%.

**Digital solutions**

In 2022, DOD has focused on improving the digital experience of internal and external customers. The DOD.com.tr website and DOD Mobile application were launched in May 2022 to offer a faster, more holistic, and a more user-oriented experience with their completely renewed technical infrastructure and front-end and back-end codes.

The DOD Mobile application has been downloaded to approximately 1,060,000 mobile devices to date and has become one of the most preferred mobile applications in its field. The "DOD Auction" platform, where the vehicles of DOD Brand Management and contracted fleet companies are offered to DOD Authorized Dealers, was launched in August 2022.

A "Suggestion System" has been designed, which aims to make suggestions for used vehicle alternatives, present brand new vehicle options, and offer additional services of the group to users looking for or planning to sell vehicles on our digital platforms. In the first phase of

this project, a content-based suggestion system for used vehicles was implemented. Efforts on a user-based suggestion system are ongoing and the system is aimed to be implemented in 2023.

The "Image Processing Project", whose preparations began in 2022, aims to eliminate foreign artifacts in the advertisement photos and to obtain a standard appearance that focuses only on the vehicle. The project, whose works are ongoing, is aimed to be implemented in April 2023.

**Authorized Dealers**

With the participation of Aykan Osmaniye, Başaran, and Özön İstanbul dealers, the DOD organization expanded further in 2022. Corporate used vehicle purchase and sales services continued at 64 sales points in 32 cities with DOD Authorized Dealers. Avek Karşıyaka, Erçal Çatalca, Erçal Sancaktepe, Erçal İzmir, Demoto Salihli projects which is planned to open in 2023, approved in 2022 and the construction process has begun. With those new showrooms 69 sales points will be reached in 2023.

To improve the current competencies of our sales teams

and make our organization even more equipped in the corporate used vehicle market, DOD Sales and Purchasing Training was organized in the digital environment and 172 person/day training was provided.

With the new sales points scheduled to be opened in 2023, DOD aims to increase the number of locations operating throughout Turkey and bring the DOD service quality to wider audiences.

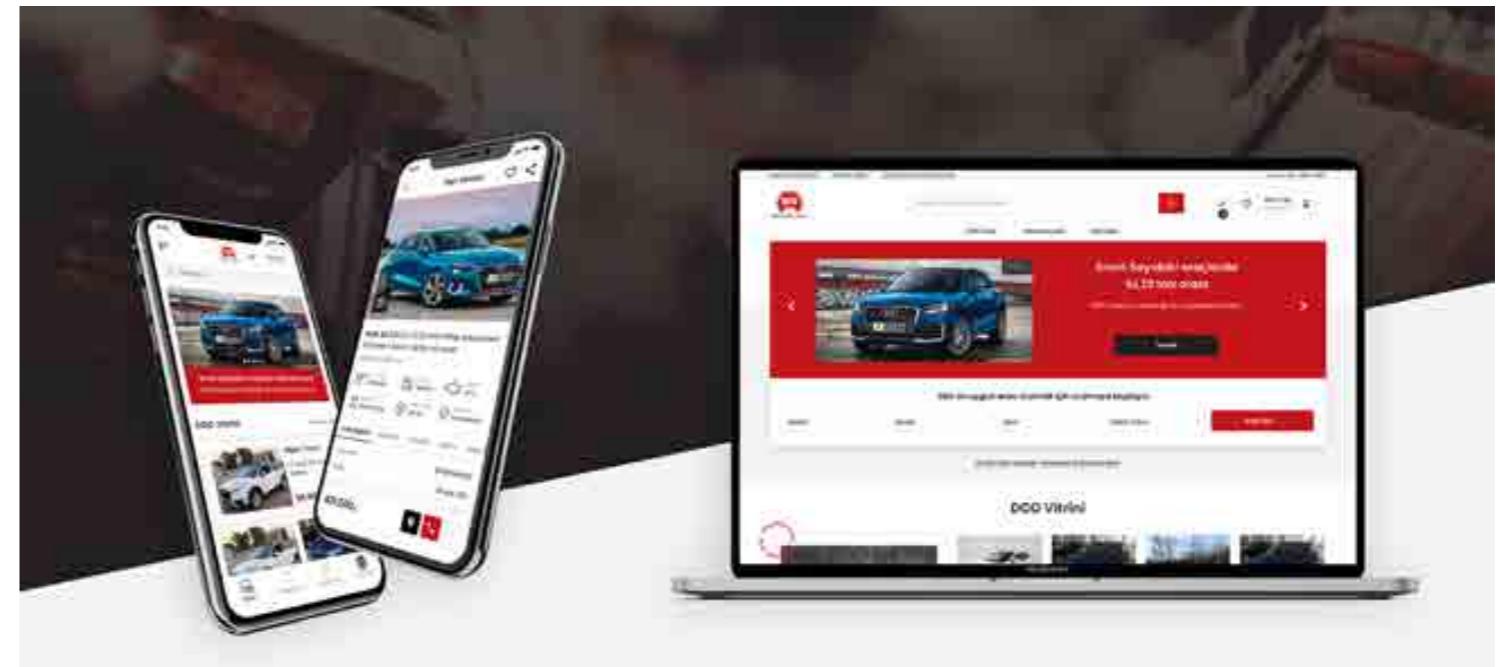
**Communication activities**

Digital platform advertisements aimed at increasing DOD brand awareness continued throughout the year. DOD digital solutions were prioritized among all communication activities, while various promotional and social media activities were

carried out in this direction. In addition, local communication efforts of Authorized Dealers were supported. Social media management continued with the production of platform-specific, interactive, and rich content throughout the year.

**Practices for regulatory compliance**

The amendment to the "Regulation on the Trade of Used Motor Vehicles" was published in the Official Gazette dated August 16, 2022 and numbered 31925. Accordingly, as of September 15, 2022, the trade of vehicles that have not exceeded 6 months and 6,000 km from the date of first registration in the used vehicle trade has been ceased until July 1, 2023, while compliance practices were carried out on digital platforms.



Doğuş Marine Services was established to maintain high quality aftersales services, customer satisfaction beyond expectation that we constructed in automotive business and bringing a new perspective to the marine sector. Doğuş Marine Services achieved significant growth by expanding its business volume and business lines in 2022.

#### DOĞUŞ MARINE SERVICES



##### Doğuş Marine Services

Doğuş Marine Services has been undertaking electrical/electronic, mechanical operations, inboard and outboard engine maintenance/repairs, and refit projects with its expert team. Doğuş Marine Services started boat park operations in 2022 in Göcek. In addition to this, Doğuş Marine Services also offers to its customers boat pick up/drop off and hull bottom washing services. Doğuş Marine Services expanding its boat portfolio both in the boat park and the boats servicing in the region.

##### Brands

In addition to the engine brands it represents, such as Mercury, Suzuki, Mercruiser, Cummins, and Nanni, Doğuş Marine Services will add new brands with a significant market share in the maritime sector in the coming period and will continue to represent its region in the best way with customer satisfaction beyond expectations. Doğuş Marine Services stands by its customers wherever needed with its experienced staff and marine assistance vehicles.

##### Goals

Doğuş Marine Services had

a broad boat portfolio in 2022. Apart from Göcek, it increased its business volume approximately 10 times with the boat maintenance/repair works it received in 2022 in Bodrum, Marmaris, and Didim regions. In the boat park, which was put into operation in 2022, the company has hosted 30 different boats for winter storage. In the coming period, it plans to increase its winter storage capacity to 50 units.

Doğuş Marine Services aims to have a distributorship of reputable boat/yacht brands, establish new workshops in marinas with high potential, increase the number of outboard and inboard engine brands it represents, focus on the sale of marine engines and equipment to commercial boats and make a significant income from these sales in the upcoming period.

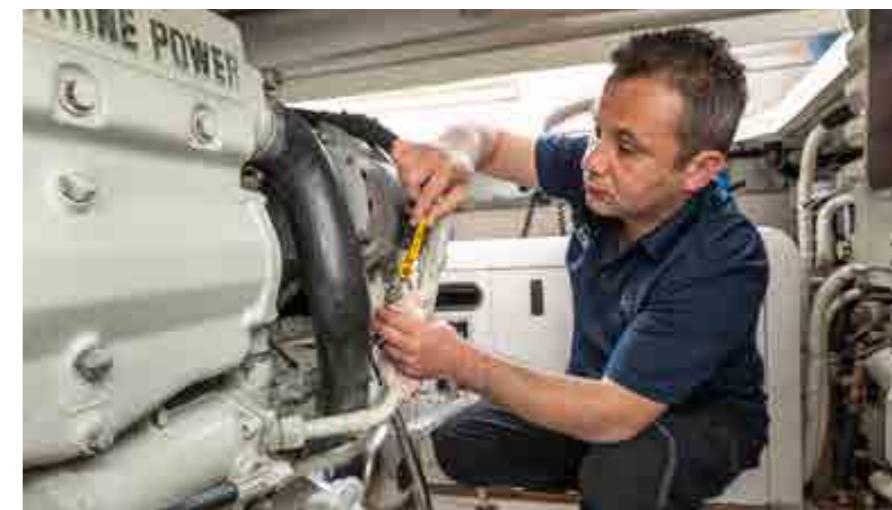
#### 10x GROWTH

DOĞUŞ MARINE SERVICES  
INCREASED ITS BUSINESS  
VOLUME 10 TIMES WITH THE  
BOAT MAINTENANCE/REPAIR  
WORKS IT HAS UNDERTAKEN IN  
2022.



#### Boat park service at Göcek

Doğuş Marine Services started its boat park operations in 2022. In the first year, Doğuş Marine Services hosted 30 different boats where there is 7/24 security service in the entire facility. Doğuş Marine Services plans to increase its capacity to 50 boats in the coming period.



37,270

IN 2022, VDF PROVIDED 16,012  
NEW LOANS, REACHING A TOTAL  
OF 37,270 PERFORMING LOANS.

## vdf - VOLKSWAGEN DOĞUŞ FINANS



The vdf Group achieved its goals in 2022 with its finance, insurance, factoring and fleet companies which prioritize customer satisfaction when offering products and services. The Group has an average of 11,2% penetration rate among the Volkswagen Group brands.

Having provided 16,012 new loans in 2022, vdf reached its targets with a total of 37,270 performing loans. The total performing loan volume of vdf is 7.7 billion TRY.

In 2023, 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 SİGORTA VE ARACILIK HİZMETLERİ A.Ş.**

vdf Insurance Services has achieved the highest level of customer satisfaction in 2022 with its extensive experience and special product range developed to identify and meet customer needs. Operating as an agent of a total of 13 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 176 showrooms in 2022. 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 2022, vdf Insurance continued its steady growth with a total net premium generation of 1.2 billion TRY. vdf Insurance has also reached a number of 295 thousand in issued policies in 2022.

**vdf FAKTORİNG HİZMETLERİ A.Ş.**

Having begun its operations in 2010, vdf Factoring Inc. offers factoring and financing services to 104 Doğuş Otomotiv and Yüce Otomotiv Authorized Dealers across Turkey. Commencing with the fourth quarter of

2022, vdf Faktoring started to offer the financial solutions it provides to its stakeholders in the automotive value chain to Doğuş Holding companies with supplier financing. In this context, the procurement by 10 Group companies from 42 suppliers were financed by vdf Factoring. In 2022, vdf Factoring reached a transaction volume of 44.3 billion TRY and a total asset value of 1.7 billion TRY. vdf Factoring aims to increase its business volume in 2023 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 2022, vdf Fleet reached more than 15,000 active contracts, of which 50% 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 2023 with its investments in robotic process automation and mobile and web-based applications.

**Improved service through digital development**

Vdf Group companies, which deliver their products and services to their customers through mobile applications and websites whenever and wherever they need, will continue investments in digital development in 2023 as well.



Having left its 15th anniversary behind in 2022, the number of vehicle inspections carried out by TÜVTÜRK to date has reached 211 million. TÜVTÜRK, whose investments totaled 1.5 billion USD, has contributed 18.6 billion TRY to the public through its services.

## TÜVTÜRK



Serving in 81 provinces of Turkey with 210 fixed, 77 mobile, 6 motorcycle, and 17 mobile tractor stations, TÜVTÜRK achieved growth in all fields of activity in 2022, led by periodic vehicle inspection services, and increased its turnover by 35.4% from 3,784 million to 5,215 million TRY. The operations of TÜVTÜRK İstanbul accounted for 838 million TRY of the total revenue.

TÜVTÜRK, the most effective public-private sector collaboration project in Turkey, has contributed 18.6 billion TRY to the public since it commenced operations. The contribution amount was 3.8 billion TRY in 2022.

### Contributions to traffic safety

Periodic vehicle inspections of approximately 11.2 million vehicles were carried out in 2022. During these inspections, 28.4% of the vehicles were found to be severely defective or unsafe. It was also noted that the deficiencies and defects of 97.2% of the 3.1 million vehicles that came for re-inspection were addressed, and these vehicles which passed the re-inspection were allowed to safely return to the streets.

## 5,215 MILLION TRY

ACHIEVING GROWTH IN ALL FIELDS OF ACTIVITIES IN 2022, TÜVTÜRK INCREASED ITS TURNOVER BY 35.4% TO 5,215 MILLION TRY.

### Exhaust gas emission tests and roadworthiness inspection

In 2022, exhaust gas emission tests of 3.7 million vehicles were performed. The rate of exhaust gas emission tests to periodic inspections was 33.4%. Roadworthiness inspection services offered at 31 stations were given to 36,222 vehicles in 2022.

### Social Responsibility Projects

The Traffic Responsibility Movement 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 primarily consists of public, non-governmental, and media organizations working in this field with its training and communication activities, and has built 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 society regarding traffic safety.

Within the scope of the project, five sub-projects, named "Safe Vehicle Action", "Responsible Citizen Action", "Youth in Traffic Action", "Best Buddies Movement", and "Have A Good Class Mr. Driver" and carried out between 2010-2021, were ended after their goals had been met. To date, approximately 1.5 million people were directly accessed through training field activities while approximately 9.2 million people were reached indirectly through communication activities.

During the 2021-2022 period, a new project, called "Smart Children of the City", implemented with the partnership of the MAPFRE Foundation, started its activities under the Traffic Responsibility Movement.

### Sustainable energy and digital transformation

Sustainable energy investments have been initiated for 26 stations with Solar Power Plant features throughout Turkey. As a result of these investments, when the project is completed, it is aimed that the total production capacity will be close to 3 MWh.

With the full capacity put into use, the project aims to prevent the emission of 2,170 tons of CO<sub>2</sub>, equivalent to planting 40,950 new trees.

Within the scope of sustainability and digital transformation,

significant progress has been made in the "paperless" operation that will eliminate the use of inspection reports and labels. In this way, it is predicted that 76.5 tons of paper will be saved annually.

### New investments

Investments continued uninterruptedly in 2022 to increase vehicle inspection capacity and service quality. In the provinces of Elazığ, Adiyaman, Batman, Niğde, and Balıkesir, one new station and four additional inspection pits in four stations were built with an investment of approximately 33.5 million TRY. Currently, the construction of five new stations and one additional inspection pit is underway.

### A sustainable future

Continuing its investments to increase its vehicle inspection capacity and service quality, TÜVTÜRK has started the installation of Solar Power Plants at 26 stations for a sustainable future.



Spare Parts and Logistics, which combines the technology of the future with sustainable logistics management through the modern and best practices of synergy, ranked first among the European logistics centers in the VW AG world with its Spare Parts Availability Rate in 2022, a year full of challenges.

#### SPARE PARTS AND LOGISTICS

##### About Spare Parts and Logistics

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

Spare Parts and Logistics combines the technology of the future with 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 to run its operations smoothly. During the pandemic period where uncertainty was very high, safety stock levels 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.

Spare Parts and Logistics, with its pioneering vision in vehicle logistics, continued to successfully implement the "port shipment" management in 2022 and minimized delivery times by distributing vehicles to Authorized Dealers directly from the port. Ship unloading, stock area management, and vehicle shipment processes to Authorized Dealers carried out using RFID technologies in vehicle logistics continue to be strengthened with digitalization steps and new infrastructures.

In April 2022, a warehouse affiliated with the Gulf (of Izmit) Petrochemicals Customs Directorate started its operations for oil coming from foreign countries. In this way, while cost advantage is provided, delivery times are shortened.

Within the scope of Industry 4.0, new digitalization efforts

were initiated in 2022. The D-BIS communication platform, which is one of the most important projects for the digitalization of the dealer communication process, has integrated all the dealers to whom spare parts are shipped, while the communication with the dealers during daily operation through different media and tools such as e-mail and telephone was transformed into a mobilized, single-channel, and standardized communication for the spare part logistics processes. The "Smart Equipment Tracking Project", which uses IoT (Internet of Things) technology and is the first project of Doğuş Otomotiv to use this technology, was also put into use in 2022. The project aims to monitor the effective and efficient use of forklifts and similar equipment, detect unsafe traveling maneuvers, and eliminate accident risks.

Spare Parts and Logistics has also reduced logistics-related CO<sub>2</sub> emissions in 2022 with the intermodal route system it manages.

**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 VW, Audi, SEAT, CUPRA, ŠKODA, Porsche, Bentley, and Lamborghini brand vehicles in the warehouse and storage areas, and delivering them to Authorized Dealers.
- » Ordering, importing, storing, and stock management of the spare parts and accessories of the VW, Audi, SEAT, CUPRA, 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 regarding qualitative and quantitative components.
- » Fulfilling the obligations of Doğuş Otomotiv, Inc. and Authorized Services arising from environmental legislation, and thus reducing the environmental impacts, which are an important part of corporate responsibility.

##### Improving the quality-focused business approach

- » The priority goals of Spare Parts and Logistics include:
- » 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 84,351 vehicles and shipping 103,045 vehicles to Authorized Dealers in 2022, Spare Parts and Logistics ended the year with a turnover of 3,853 million TRY from the sales of spare parts and accessories.

## 3,853 MILLION TRY

### SPARE PARTS AND LOGISTICS

#### COMPLETED THE YEAR WITH A

#### TURNOVER OF 3,853 MILLION

TRY, IMPORTING 84,351 VEHICLES AND SHIPPING 103,045 VEHICLES IN 2022.



With its 38 years of experience, Doğuş Insurance offers its customers reliable services that make a difference in the insurance industry.

#### DOĞUŞ INSURANCE



##### **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 2022 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 2022. 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 2022 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 72% growth in 2022 with a team of 9 people.

##### **Growth to continue in 2023**

Having continued to add value to its services by advancing its digital development and increasing investments in 2022, Doğuş Insurance aims to continue its digital transformation investments in 2023 in line with the needs of the industry and

# %72

DOĞUŞ INSURANCE HAS  
ACHIEVED ITS GOALS BY  
DEMONSTRATING A 72%  
GROWTH IN 2022

# CORPORATE SUSTAINABILITY

## BİST SUSTAINABILITY INDEX

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

Until 2021, the BIST Sustainability Index was calculated annually over an index period, evaluating the companies once a year, and was published in the November-October period. However, with the implementation of the changes in the valuation methodology announced by Borsa İstanbul on July 16, 2021, it was announced that a new era for the BIST Sustainability Index would begin as of October 1, 2021.

Using Refinitiv's valuation methodology, which consists of three main headings: environmental, social, and corporate governance, 10 categories, 25 themes, and more than 450 data related to these themes, investors can easily access the sustainability ratings of the companies evaluated. Relevant stakeholders can access the sustainability data and ratings of the companies that have had sustainability assessments using Eikon terminals and, with the exception of non-compliance notes, on Refinitiv's website.

Sustainability assessment, which was previously carried out once a year to identify the companies that would be included in the BIST Sustainability Index, is now performed on a continuous basis in this new period in which Refinitiv's valuation methodology is used. In the new period, companies will update their sustainability data throughout the year, the sustainability ratings of companies will be revised accordingly, and the companies that meet the criteria will be included in the Sustainability Index with the

beginning of the following first quarter. The sustainability ratings of the companies that enter the index upon meeting the criteria will be monitored weekly, and companies with lower sustainability ratings will be removed from the index.

The relevant assessment was started to be implemented in 2022 (including the datasets for the year 2021). Doğuş Otomotiv started to convey information regarding its preparations for the process to its stakeholders by including the necessary regulations in both the annual report and the integrated sustainability report in 2021. Progresses on the subject continued in 2022, while new regulations were followed closely.

As a result of the evaluation, our Company continues to be included in the BIST Sustainability Index since 2015, where the shares of the companies that are traded on Borsa İstanbul and display a high corporate sustainability performance are included. Pursuant to the latest regulations and evaluation methodology, our company was included in the BIST Sustainability Index in 2022 and continued its stable performance.

Borsa İstanbul has started calculating a new sustainability index as of November 21, 2022; the BIST Sustainability 25 Index. The index was formed by selecting large and liquid companies among companies with a high sustainability performance. Among the companies with the designated minimum sustainability rating, the 25 companies with the highest daily average transaction

volume and market value of their shares in actual circulation are selected for the index. Doğuş Otomotiv has been included in this index as of December 2022. The sustainability rating used in the index calculations is provided by Refinitiv.

The companies to be included in the index and those who are already included in the index are evaluated by Borsa İstanbul according to the "Environment, Biodiversity, Climate Change, Board Structure, Anti-Bribery, Human Rights, Supply Chain, Health and Safety, Banking Criteria" headings.

## SUSTAINABILITY



### Statement of Compliance with Sustainability Principles

Pursuant to the announcement of the Capital Markets Board with the "Announcement Made Pursuant to the Decision of the Board Decision Making Body, dated June 23, 2022, and numbered 34/977" heading published on the Bulletin dated June 23, 2022, and numbered 2022/32 and pursuant to the Corporate Governance Communiqué numbered II-17.1, Doğuş Otomotiv has been disclosing the information expected within the context of the Sustainability Principles Compliance Framework on a regular basis every year since 2009 within the scope of the Corporate Sustainability Report. In line with the "Comply or Explain" principle, the relevant targets, including the factors that may be in question when complying with the principles or the scope and limitations of data collection, are also

explained in detail in the GRI (Global Reporting Initiative) Index published every year.

A detailed template including the titles in the Sustainability Principles Compliance Framework is given in Appendix 4.

### Sustainability Developments in 2022 and Expectations in 2023

The year 2022 was marked by disasters caused by climate change, along with the Russia-Ukraine Crisis, inflation and high cost of living affecting all countries across the world, volatile energy markets, rising interest rates, the high volume of transactions in the markets after the pandemic, and political uncertainties. In this direction, many developments were also witnessed in the field of sustainability. A new legal environment has begun to emerge that shapes both the investment environment and the challenges faced by companies and the opportunities that come with it. In 2022, we realized that the strong trends shaping the ESG investments in 2022 have been actually slowly affecting the business world since 2019. At the top of these issues were the risk of climate change and the things that need to be done on the way to net zero. Biodiversity loss, energy problems, social inequalities, new regulations coming with laws and regulations, and recent discussions about exactly which performance topics ESG should include were also among the topics of the past year.

Due to the Russia-Ukraine Crisis in 2022 and the high inflationary environment felt in all countries, many countries gave prioritized energy security and access to energy issues. Therefore, the reduction of the near-term pressure to reduce global greenhouse gas emissions was among the expectations. Still, in 2023, large companies are expected to allocate significant budgets to long-term decarbonization efforts and renewable energy opportunities.

As for the investors' behavior, we see that more investors were focused on companies' emission reduction targets in 2022 compared to 2021. Investors challenged the fact that the targets of the companies were below the global targets. Nonetheless, the year 2022 was a period during which the energy crisis and security issues had much more impact than reducing emissions.

Until 2022, ESG-focused funds had to comply with some limited regulations. Significant progress has been made in this regard over the past year. With the expectations of more transparent reporting for ESG funds, countries started to put

signatures to new regulations in this regard, following the Sustainable Finance Disclosure Regulation issued in the European Union last year.

In recent years, China and the European Union have strengthened their policies and regulations regarding the reuse of all waste, including electronic waste (e-waste). In September 2022, a law on the recycling of electric vehicle batteries went into effect in the US.

Although it is not new for investors to consider ESG-related factors, these issues will become even more important in 2023 and beyond, given the increasing number of regulations, stakeholder demands for greater transparency, and the ongoing efforts to develop new and global standards. Because developments related to ESG both include the changing expectations of society and create new risks and opportunities for companies.

Since consumers and investors, who are among the key stakeholders of the companies, closely follow the advice of thought leaders and scientific organizations about the urgency of taking immediate action, companies need to shift their corporate structures to more sustainable models. Therefore, they are expected to take a proactive role. For example, in April 2022, the Intergovernmental Panel on Climate Change (IPPC) published a report explaining that global emissions must decline after 2025 to meet the targets under the Paris Agreement.

The issue of protecting the ecological environment continues to be a hot topic on the agenda of companies in 2023. Companies will have to explain through ESG reports to their stakeholders what they are doing to reduce negative impacts on the environment and society through transparent and traceable actions.

International research on sustainability and ESG conducted



at the end of 2022 clearly reveals that companies will be much more action-oriented on ESG in 2023, and they will assume a greater role in solving many threats from climate change to biodiversity, economic crisis, and the digital divide.

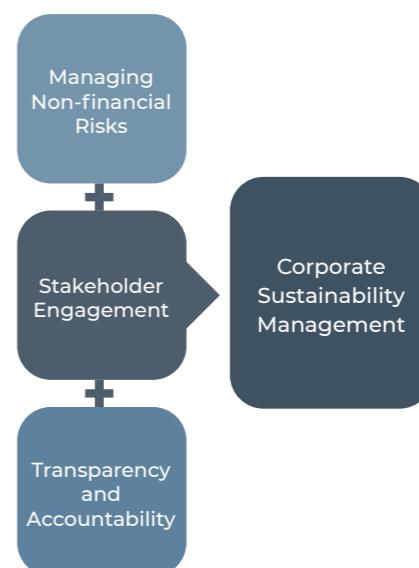
#### Sustainability Strategy

As Doğuş Otomotiv, our sustainability strategy, which is based on using all our resources efficiently, creating a positive impact area, and further strengthening the trust of our stakeholders, is considered the key element that will carry our Company into the future. Our Corporate Sustainability strategy is to focus on continuous improvement within our value chain, to manage our social and environmental impact by showing superior performance with a full, timely, and accurate service approach, and to be an indispensable and reliable business partner for our stakeholders. For Doğuş Otomotiv, Corporate Sustainability is the methods we use while

determining the solutions we develop for the social, economic, and environmental problems of our sector, and our corporate behavior that covers all our operations.

#### Our Strategic Sustainability Management Approach

Since 2009, Doğuş Otomotiv has been closely reviewing



and updating its Corporate Sustainability strategies in line with all the developments in the world in Strategic Corporate Sustainability matters and the corporate standards that have differentiated and changed in line with these developments.

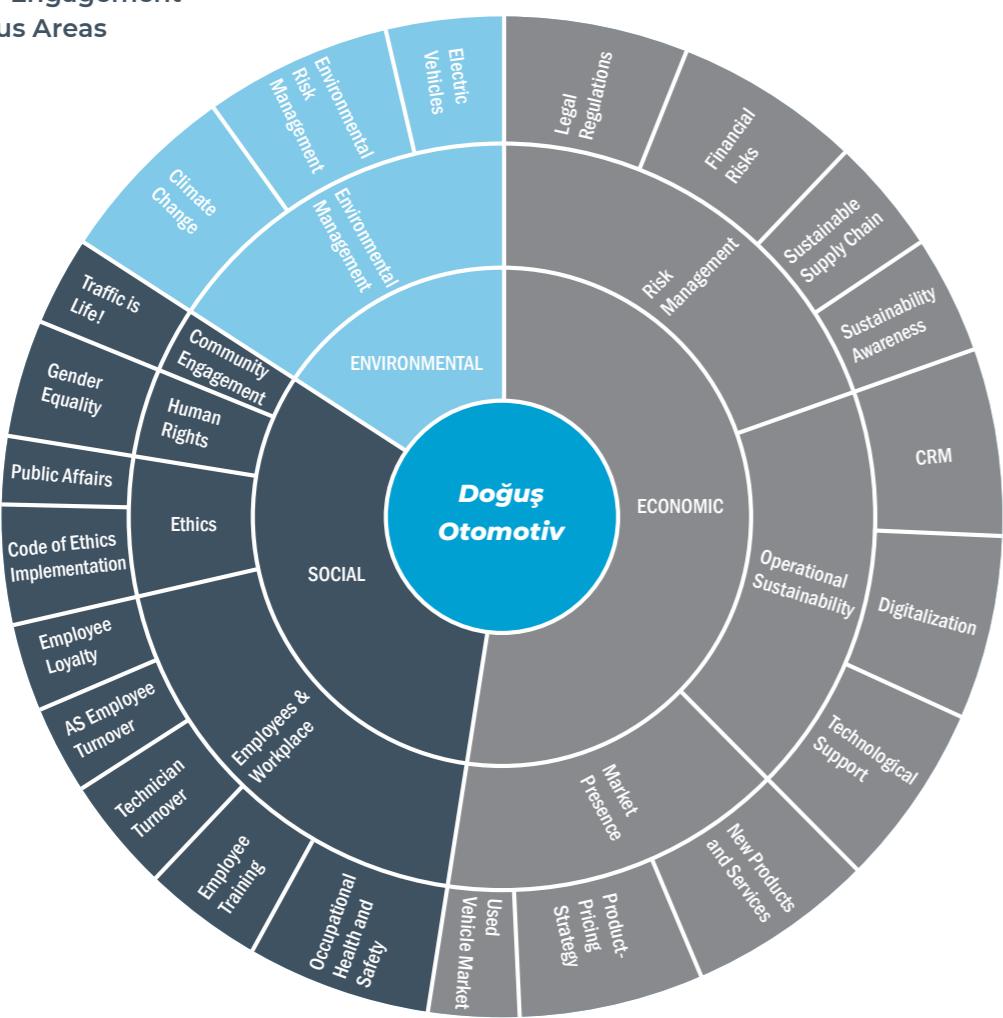
Predicting and taking precautions against non-financial risks, and stakeholder participation approach and transparency, which are seen as indispensable factors in sustainability issues by the developing and changing standards in the world, summarize Doğuş Otomotiv's basic sustainability approach. Our efforts to integrate this approach into all our business processes continue to evolve every year.

#### Management of Non-Financial Risks

The management of non-financial risks, which constitute the cornerstone of Doğuş Otomotiv's sustainability strategy, is generally handled and monitored in line with the Principle of Impact Management and Materiality.

The material issues disclosed within the scope of the Corporate Sustainability Report published in 2018 are managed as non-financial risks by the Corporate Governance and Sustainability Committee directly reporting to the Board of Directors. Besides, depending on the economic impact, Financial Risks under the title of Risk Management are also considered the subject of primary area of focus. In the context of the members of the Corporate Governance and Sustainability Committee, a direct link with the Committee for Early Detection of Risks has been established.

#### Stakeholder Engagement Priority Focus Areas 2018-2025



#### Main Objectives of the Corporate Sustainability Strategy

1. *Being a Part of Economic Development*  
As Doğuş Otomotiv, we aim to be the most preferred and trusted stakeholder in the sector we operate in, primarily for our employees, customers, and business partners. For this reason, we determine our priorities to be a sustainable company focused on implementing a reliable and value-producing sustainable supply chain model, meeting the expectations of our stakeholders with all our activities and business conduct, changing and
2. *Reducing Our Environmental Impact*  
We consider raising our environmental awareness by reducing the use of natural resources among our most important goals for long-term success. For this purpose, we work to reduce our environmental impact on water consumption, energy efficiency, and waste management practices.
3. *Achieving the Highest Standards in Governance and Business Ethics*  
In order to create a culture of transparency and reliability
4. *Developing a Culture of Safety in Traffic with the Traffic is Life! Program*  
As part of our product and service responsibility, we invest in the Traffic is Life! Platform to raise awareness of safe driving in traffic, and we contribute to being a part of the solution to social and personal safety issues by making individuals of all ages adopt this culture.

developing its impact positively, and being a part of economic development.

at the highest standards at every stage of our business, we improve our structure in our corporate governance and ethical processes each day and support it with our corporate policies.

#### 4. Developing a Culture of Safety in Traffic with the Traffic is Life! Program

As part of our product and service responsibility, we invest in the Traffic is Life! Platform to raise awareness of safe driving in traffic, and we contribute to being a part of the solution to social and personal safety issues by making individuals of all ages adopt this culture.

#### Corporate Sustainability Management

Doğuş Otomotiv has been publishing a Corporate Sustainability Report since 2009 in accordance with the GRI (Global Reporting Initiative) Global Reporting Framework. Corporate policies related to the performance areas reported within the scope of the said framework were worked on by the subcommittees established by the members of the Corporate Sustainability Council in 2010, and the policies prepared were presented to the Corporate Sustainability Monitoring Committee and approved.

In 2017, our material issues were updated with the participation of the Corporate Sustainability Council and Corporate Sustainability Committee members, taking into account the changing terms and conditions and stakeholder expectations. Performances related to the updated material issues started to be implemented in 2018, while the work plans created in line with the targets related to these performances were implemented in 2019.

In 2020, the ISO 14001:2015 Environmental Management System was implemented and in

2021, the audits were successfully completed, and the certificate was obtained. In addition, in 2021, the implementation of the ISO 9001 Quality Management System, ISO 27001 Information Security Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 50001 Energy Management System, covering all Doğuş Otomotiv sites and operations, were completed and the certificate was obtained.

As Doğuş Otomotiv, we design all our processes and set our targets to act with a responsible management approach throughout our entire value chain. This approach means constructing our corporate governance understanding with a sustainable logic and placing transparency at the core of our management model.

As Doğuş Otomotiv, we follow the developments regarding sustainability not only in our country but also in the world, monitor the laws and regulations that directly affect our key stakeholders, and plan our works to integrate the necessary compliance practices into our business processes as soon as possible. In addition to our transition to strategic sustainability management that covers our entire value chain at Doğuş Otomotiv, we strive to create a sustainable supply chain that constantly improves the culture of righteous business conduct with an integrated compliance and risk management model within the Company.

We follow a systematic approach in our sustainability management to understand and proactively manage the risks associated with our operations. The fact that the decisions we make regarding our business include carefully calculated risks and sensitive management of these risks

provides long-term value for all our stakeholders.

This business universe, which has a wide impact, also requires the management of different expectations from different stakeholder groups, an accurate analysis of the sphere of influence, and a risk management approach. For this reason, Doğuş Otomotiv changed the name of the Corporate Governance Committee, which works directly under the Board of Directors, to the Corporate Governance and Sustainability Committee in 2016, adding sustainability to the duties of the committee, and commissioned it as an official committee responsible for the company's strategies, policies, and goals related to sustainability. The committee convened 4

times in 2022. The Chairman of the Committee, which consists of five people, is an independent board member while the other two members are non-executive board members. Two of the members of the Committee for Early Detection of Risks, which is affiliated with Doğuş Otomotiv's Board of Directors and which directly concerns sustainability-related matters, are also members of the Corporate Governance and Sustainability Committee. There is also a Sustainability Council linked to the upper committee. The Investor Relations Representative, one of the members of the Upper Committee, is also a member of the Sustainability Council and undertakes duties such as collecting information for the committee when necessary, conveying the Council's findings to the committee during the committee's decision-making processes, and reporting operational risks and opportunities to the committee. In addition, the Managing Director of Digital Transformation and Corporate Communications is also a member of the Executive Board on sustainability issues as a natural

member of the Council. Doğuş Otomotiv Sustainability Council has members from all operational and administrative units of the Company and representatives of its subsidiaries and convened two times in 2022 with online meetings to evaluate the targets and performances concerning the Company regarding sustainability. The members of the Environmental Committee, which is required for the implementation of the ISO 14001 Environmental Management System, were also formed from the representatives of the relevant units among the members of this council and were directly linked to the Corporate Governance and Sustainability Committee under the Board of Directors.

The Corporate Governance and Sustainability Committee is responsible for monitoring the areas related to sustainability and determining and managing the targets at the level of the Board of Directors. The Committee determines whether the corporate governance principles are implemented in our Company, and if not the reason for it, identifies the conflicts of interest that occur due to not fully complying with these principles, and makes recommendations to the Board of Directors to improve the practices. In addition, the Committee informs the Board of Directors about preventive/remedial measures to ensure the implementation of sustainability principles, areas that may create opportunities, and operational outcomes. In addition to the implementation of corporate governance principles, the Committee carries out management, consultancy, and coordination activities that may be needed by our relevant institutions and stakeholders, in line with our Company's social, environmental, economic, and ethical responsibilities. Besides, the Committee may delegate some of its duties and responsibilities by requesting the formation of a subcommittee directly subordinate to it. It is essential that this subcommittee consists of

senior executives appointed by the Board of Directors. The subcommittee, with the support of a working group or council created by its proposal, fulfills its duties and responsibilities, participates in Committee meetings, and reports directly and regularly to the Committee. The Corporate Sustainability Working Group, which consists of managers and employees from all units of our company, reports to the committee. In addition, Corporate Governance and Sustainability Manager and Director are appointed within the Digital Transformation and Corporate Communications Department within the company.

Doğuş Otomotiv's sustainability policies are also reviewed and updated in line with current requirements and changing processes. In 2020, the Anti-Bribery and Corruption Policy, the Prevention of Money Laundering and the Financing of Terrorism policies, and the Environmental and Energy Management Policy were updated and added to Doğuş Otomotiv's Code of Ethics. The policies are also shared under the relevant heading on the company website. <https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies>

Detailed information on Corporate Sustainability Management and any fines paid as a result of lawsuits filed against our Company on environmental, social, and corporate governance issues are published on the website within the scope of the Global Reporting Initiative (GRI) index every year: <https://www.dogusotomotiv.com.tr/en/sustainability/sustainability/sustainability-reports>.

Doğuş Otomotiv's Sustainability Report has been subjected to limited audit by an independent audit firm since 2018 and

published together with the Audit Report.

#### **The Impact Management and Materiality Principle**

Social, environmental, and economic issues, which are directly affected by Doğuş Otomotiv's activities and directly affect the company's activities, form the basis of its stakeholder engagement-oriented sustainability strategy. The impact analysis, which overlaps with the expectations of the Company's key stakeholders, is created on this basis. In the determination of the Primary Areas of Focus announced within the scope of the 2018 Sustainability Report, the UN's Sustainable Development Goals were also included in the process, and as of this year, the targets set under these goals have been also considered. Following a series of studies carried out in December 2017, new material issues were determined in line with Doğuş Otomotiv's 2025 targets.

On the other hand, when it comes to changing economic and social conditions, priority areas were revised with a multi-stakeholder engagement strategy and updated with the Committee's approval. As of 2020, the Sustainability Principles Compliance Framework published by the Capital Markets Board on October 2, 2020, and the Automotive Industry Sustainability Guiding Principles published by the Drive Sustainability Initiative and used by Volkswagen AG have been also included in the reporting process.

Material issues in the social, environmental, and economic domains identified as a result of the primary area of focus study were grouped under eight main headings. While risk management, operational sustainability, and market

#### **Stakeholder Map**



presence are included in the economic domain, priority topics in the social domain were determined as business environment, ethics, human rights, and social participation. Under the 'environment' title, Environmental Management comes to the fore with priority. The details of the performances and targets related to priority areas are discussed in detail in the 2022 Corporate Sustainability Report. Doğuş Otomotiv has realigned its priorities in 2022 due to new standards and laws enacted by the European Union and updated it in accordance with the Double Materiality principle. In addition, the European Union has updated the Non-Financial Reporting Directive (NFRD) and published the new Corporate Sustainability Reporting Directive (CSRD). Doğuş Otomotiv will review its reporting systems in accordance with the regulations to be implemented as of 2024 and will continue to announce its sustainability performance to its stakeholders

as soon as possible in line with the relevant directives. Doğuş Otomotiv's key performance indicators of sustainability are disclosed in line with the areas of focus, and the available data are published on a three-year comparative basis. As a company operating in the sales and after-sales services segments of the automotive industry, we cannot conduct a comparison study since there is no peer reporting within the comprehensive reporting option of the GRI on a local and international basis. In addition, our company primarily monitors the OEMs, which are its primary key stakeholders, and the risks and opportunities in terms of sustainability throughout the sector and sets its targets accordingly. In 2021, a survey was conducted based on the UN Guiding Principles on Business and Human Rights for Companies in order to

determine the priority issues on Human Rights and to manage risky topics with risk management perception. Following a survey conducted in 2022, a workshop was held with the participation of 20 executives from within the company to determine the priority topics regarding Human Rights. In the workshop, the United Nations Guiding Principles on Business and Human Rights framework was used for the determined priorities, and the indicators of other global standards under the human rights heading were also taken into account. Details on Human Rights priorities are explained in detail in the 2022 Integrated Sustainability Report.

#### **Stakeholder Engagement**

Being perceived as a company that gives importance to its stakeholders' assessments, respects the protection of their interests, and provides creative services beyond expectations by identifying and constantly monitoring the stakeholders' expectations is of great importance in terms of Doğuş Otomotiv's business goals, strategic growth, and social participation policies. Doğuş Otomotiv takes active roles in non-governmental and professional organizations related to the business world, in line with its pioneering and leading position, builds necessary collaborations, and takes part in initiatives.

Doğuş Otomotiv's corporate communication efforts and relations are based on honesty, transparency, information, and dialog, while the communication strategies and practices are managed and carried out by the Company's Digital Transformation and Corporate Communications Department. All information about the Company and its spokespersons, shared by Doğuş Otomotiv with its stakeholders, is prepared by the Digital Transformation and Corporate

Communications Department using an accountable and transparent communication method, keeping the principle of honesty in the foreground.

Stakeholder Engagement is a method that has been the basis of Doğuş Otomotiv's sustainability strategy for many years and has been integrated into the process in all its brands and operations. Nevertheless, our company, with its representation in Turkey of 11 international brands and 12 affiliated product groups, with more than 2 thousand employees and more than 630 service points, faces the different expectations of many stakeholders in different environments. Stakeholder expectations may also change in different regions, different cultures, or different sectors. For this reason, Doğuş Otomotiv describes its key stakeholders as "persons, groups, and organizations that directly affect the Company's activities and that are directly affected by the Company's activities". In a key stakeholder study conducted in line with this definition, as a company whose activities are focused on direct sales and service, our primary key stakeholders have been determined as our employees and customers, as well as the manufacturers (OEMs) of the products which we directly import.

Our stakeholder engagement strategy aims to create a responsive and transparent dialog environment

with all our key stakeholders, inquire about the expectations of stakeholders in an open-ended and regular manner, and develop solutions or set goals to meet these expectations.

In line with its priorities, Doğuş Otomotiv shares information regarding the dialog platforms and the frequency it meets with its key stakeholders in its sustainability report published on its website and updates it every year. <https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/stakeholder-engagement/stakeholder-engagement>

#### **Sustainable Environment**

The ecosystem of the automotive industry is also undergoing a major change due to the changing expectations of consumers, the rapid development of technology, globalization, new merger and acquisition operations, and collaborations. We live in a new century where the approach of individuals to the definition of mobility will also change rapidly. Multi-model transportation systems are becoming more and more common; smart tools to meet consumers' demands regarding environmental responsibility, security, and information are proliferating. Automotive

companies compete to develop new business models that will help them achieve responsible growth. In this dynamic new age, Doğuş Otomotiv believes that tailor-made mobility solutions, innovative sales techniques in the retail industry, and comprehensive partnerships and collaborations with global regulations and practices will be the key to success in the next 10 years. Believing that the companies that will lead this change are candidates to be the companies of the future, Doğuş Otomotiv further improves its environmental performance as a distributor in the automotive ecosystem and pledges to:

- » Strengthening the trust of customers,
- » Creating change within the impact with its Authorized Dealer and Service Center Network,
- » Raising awareness about waste management and efficiency,
- » Undertaking to use resources sparingly with the consideration that the ecological environment is a key stakeholder.

Doğuş Otomotiv has openly declared the importance it attaches to the ecological environment with its Energy and Environmental Policy published in 2020 and Water Management,

#### **Environmental Sustainability**

- » Emissions
- » Electric Vehicles

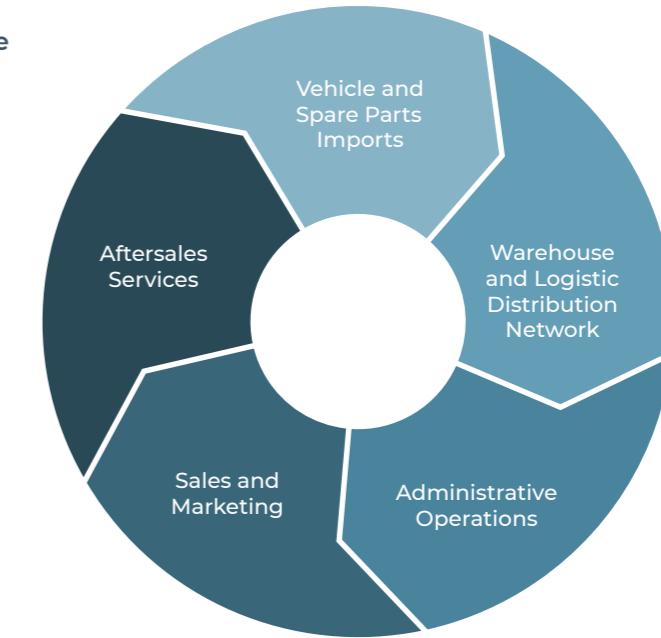
#### **Environmental Risk Management**

- » Waste Management
- » Water Management
- » Energy Efficiency

#### **Climate Change**

- » Business Continuity
- » Awareness

#### **Doğuş Otomotiv Environmental Lifecycle**



and Waste Management policies added to it in 2014.

Doğuş Otomotiv continues to be a role model in the sector in terms of managing the medium and long-term risks that may arise from climate change and ensuring that necessary process improvements are made. Accordingly, in 2021, the ISO 14001:2015 Environmental Management System has been implemented and certified in all units of the Şekerpinar site. Doğuş Otomotiv also calculated its Carbon Footprint in accordance with the ISO 14064 Greenhouse Gas Reporting system and disclosed it to the public. In 2022, the Company consolidated its data collection system and renewed it to have a more detailed calculation of Scope 3 emissions. The ISO 50001 Energy Management System was successfully installed in 2022 and its certificate was obtained.

Doğuş Otomotiv monitors its environmental impact at every stage of its business life cycle, both as a part of risk management and in terms of evaluating its priorities in environmental sustainability, and manages its impact. Our

company will continue to report its environmental sustainability performance under the following headings, starting with the 2018 Sustainability Report, in line with its updated material issues. The ISO 14001 Environmental Management System was implemented in 2020 in line with these priorities and it has been proven by studies on environmental priorities, risks, opportunities, and compliance obligations that the validity of these priorities remains.

Doğuş Otomotiv launched an important investment project in 2021 to place solar panels on the roof of the Logistics and Spare Parts building in the Şekerpinar site in order to reduce its environmental impact, lessen its carbon footprint, and continue its economic and social contribution in line with the UN's Sustainable Development Goals. With this investment of 2.4 million dollars, which was completed in 2022, the company started to obtain 3,011 GWh of electricity from renewable energy sources. The investment covers all of the electricity used by the Logistics and Spare Parts building in the Şekerpinar site.

Environmental sustainability for Doğuş Otomotiv means managing the areas it affects in its life cycle, carrying out the improvement works to minimize its possible negative effects, and implementing the necessary information, training, and related programs to raise awareness of environmental responsibility among its key stakeholders, primarily among its employees, and ensure the efficient use of resources by setting goals and objectives in this context. Doğuş Otomotiv monitors its impact at every stage of its environmental life cycle, regularly informs its stakeholders to raise awareness, and since 2009 shares its environmental data with the public within the scope of its Sustainability Reports: <https://www.dogusotomotiv.com.tr/en/sustainability/sustainability/sustainability-reports>

#### **Transparency and Accountability**

The sustainability management system, which is a part of Doğuş Otomotiv's corporate strategy, is defined as the determination of targets in all prioritized social, environmental,

managerial, and economic issues, with an understanding of a holistic approach, stakeholder engagement-oriented platforms, and continuous improvement throughout all operational processes of the company.

This system includes all institutions and organizations within Doğuş Otomotiv's value chain, and also forms the basis of the Company's stakeholder engagement strategy. Transparency and accountability mean constantly increasing our response potential by establishing comprehensive briefing, measurement, evaluation, and feedback mechanisms to provide our stakeholders with about the performances we have shown to meet their concerns and expectations.

Doğuş Otomotiv has been assessed in the Borsa İstanbul Corporate Governance Compliance Index since 2011 and in the Borsa İstanbul Sustainability Index since 2015. In these assessments, which are performed using the same standard indicators as the other companies around the world, the transparency levels and performances of the companies in social, environmental, and governance matters are measured.

In 2022, our company received a rating of 9.74 in the BIST Corporate Governance Index and was one of the top performers among the companies in Turkey. Our company also succeeded in being included in the BIST 25 Sustainability Index, which was announced for the first time in November 2022, following its successful listing in the BIST 25 Index for 8th times, and was ranked 17th among 281 companies in the world according to the results of the sectoral evaluation made by Refinitiv.

Doğuş Otomotiv also carries out briefing and awareness activities on these issues through different programs to encourage its subsidiaries, suppliers, Authorized Dealers and Services in the value chain to be transparent about their non-financial performance.

#### Doğuş Otomotiv and Sustainable Development Goals

The rapid transformation and the change that the automotive industry has undergone in the fields of technology, innovation, and digitalization in the last five years, both in the markets we operate in and in the world, reveals the necessity for companies such as Doğuş Otomotiv to undertake very serious responsibilities in the context of their impact. This impact management lies at the heart of the efforts to ensure the economic and social development of societies by putting the private sector at the center of the goals designated under the UN's Sustainable Development Goals.

Doğuş Otomotiv believes that it is of great importance in achieving sustainability to question the social, economic, and environmental expectations of its stakeholders, to develop their ability to respond to these expectations, to determine future strategies based on expectations, and to predict risks and opportunities by analyzing these expectations correctly.

In this context, Doğuş Otomotiv has been publishing the UN's Sustainable Development Goals index within the scope of its Corporate Sustainability Report since 2017 and discloses its performance in line with these goals. Our company will continue to include the sub-targets of the goals that overlap

with their priority areas as a comprehensive index and the corporate performances related to these goals in the content of the Sustainability Report.

Doğuş Otomotiv has also been a signatory to the United Nations Global Compact (UNGC) since 2010 and has included the UNGC index within the scope of its Sustainability Report for the last 13 years. The UNGC index is published on the website. As a signatory to the United Nations Women's Empowerment Principles (WEPs) in 2022, our company has started to publish its performances in this field within the scope of WEPs.



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



- » All practice related to human rights and employee rights
- » Activities to increase employment and educational support
- » Human rights priority study
- » Signatory to the UN WEPs



- » Traffic is Life! platform
- » Doğuş Otomotiv Volunteering Platform
- » Informative seminars on health and well-being
- » Covid-19 practices and working from home model



- » Waste Management Policies and practices
- » Activities and practices to promote waste management at suppliers, Authorized Dealers and Services
- » Environmentally friendly new administrative buildings
- » Zero Waste Certificate
- » Turning food waste into compost



- » Cooperation with vocational high schools
- » TEV partnership



- » Hazardous waste management
- » Sustainability Report
- » Sustainable Sourcing Policies
- » Sustainable Supply Chain Management
- » Corporate Governance and Sustainability Evaluation Program at Authorized Dealers and Services



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



- » Policy and goals related to climate change
- » Policy on Reducing Emissions
- » Environmental Risk Management
- » ISO 50001, ISO 14001 and ISO 14064



- » Energy Efficiency Policy
- » Activities to reduce energy consumption
- » Solar panels investment
- » Signatory to the UN WEPs



- » Activities to prevent tree cutting with environmental management and waste management
- » 'Opening Our Wings to Nature' awareness program



- » 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



- » Doğuş Otomotiv Code of Ethics and related practices



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



- » UNGC signatory
- » TEV partnership

## HUMAN RESOURCES



Doğuş Otomotiv's human resources vision and strategy have been determined based on the company's vision of "a creative service beyond expectations", focusing on people and constantly prioritizing experience, development, and satisfaction.

Doğuş Otomotiv Human Resources Vision: To be the most preferred automotive company in Turkey with innovative and sustainable human resources practices that create a common culture that makes coworkers feel valued.

The Human Resources Policy shaped by this vision places emphasis on recruiting employees that:

- » Adopt the values of Doğuş Group,
- » Possess the competencies that the company's dynamism requires,
- » Know the importance of the customers,

- » Are willing to learn and develop,
- » Focus their vision on efficiency within the company,
- » Demonstrate a system-oriented approach,
- » Can sustain high performance in the long term.

The policy also aims to contribute to the employees' professional and personal development and enable them to use their potential most efficiently.

Doğuş Otomotiv aims to develop a workforce and systems that will carry the organization into the future in the rapidly digitalizing automotive industry. To support digital transformation, the company provides the appropriate environment and opportunities for the

development of digital business models and agile working environments by strengthening the current and future competencies of its employees.

While advancing on this path, Doğuş Otomotiv adopts the values of being a team, exploring, connecting with passion, being courageous, shaping the culture, and being innovative and experience-oriented with all of its coworkers, and carries out all its activities considering these values.

In addition to the Human Resources Policy, the "Employees and Good Work Environment Policy" has disclosed to the public information about employees' loyalty to the organization, their satisfaction, their health and

safety, and their equal rights, providing them an open and transparent communication environment, establishing direct dialog platforms with senior management, and sustainable employment targets.

Priority topics for Human Resources in 2022 were:

- » Employee Experience and Communication
- » Talent Management and Development
- » Efficiency and Digitalization
- » Employer Branding
- » Sustainability

### Employee Experience and Communication

#### New Working Model and New Offices at Doğuş Otomotiv

Doğuş Otomotiv, which has adopted the remote working model to business processes for those who can work remotely due to their duties since the beginning of the pandemic, has switched to a hybrid working model with a new office structure designed in accordance with the new working model determined in December 2022.

In Doğuş Otomotiv's new working model, remote working will be performed up to three days a week in an attempt to adapt to flexible working conditions and primarily support employee satisfaction. In the planned new model, the ORA Office Reservation System, which is integrated with Microsoft Teams, has been put into use to reserve different offices in order to ensure optimum management of resource consumption for the days worked in the office and to coordinate services such as meals and transportation depending on the number of people working in the offices.

With the transition to new offices, Doğuş Otomotiv made the following improvements

in the work environment of its employees.

- » Common working areas were created and the employees were allowed to pick any location in the office to work as they wish.
- » A more ideal working environment has been provided by increasing the lighting comfort. More ergonomic desks and chairs and monitors compatible with the latest technology have been procured and installed.
- » All employees were provided with a keyboard & mouse set.
- » Lockers with personal codes were installed.

» With the booking requests for meeting rooms via the online system, the application that displays the reservation status of the room on the screens located at the entrance was put into use.

- » Due to the use of shared desks in the new working model, the use of landlines has been terminated. However, the employees can use landlines on their computers or mobile phones with the Webex application while working from home or remotely.

» A software framework for electronic security systems was created to allow recording and image tracking via the data center. In this way, possible data loss has been prevented and cameras may be monitored using the mobile application.

- » A 100% fresh air conditioning system was introduced to improve the work environment of the employees.
- » All mechanical systems were automated to save water and electricity.

During the period of returning to the office at Doğuş Otomotiv, informational e-mails regarding the return to the office and the new working model were sent to employees at regular intervals. In addition, a webinar was held

before returning to the office, and all questions of the employees regarding the new offices and working model were answered.

The transition to new offices was celebrated with activities, attended by all employees, throughout the week with the "We Are One and Again With You" motto.

### Well-Being Practices at Doğuş Otomotiv

At Doğuş Otomotiv, well-being practices are exercised in all aspects, and activities aimed at the needs of coworkers are organized under the name of 'Well-Being Program'.

In this program, the well-being of employees in the following dimensions is supported.

**Mental:** Webinars were organized to increase the person's self-awareness and share tips to overcome stressors.

**Physical:** In this dimension, nutrition and healthy living practices were highlighted, and online and offline healthy life activities were organized.

**Emotional:** In this dimension, psychologists were worked with to deliver pieces of training on topics such as stress factors, anxiety or distress, emotional intelligence, assertiveness, positivism, and empathy.

**Social:** The hobbies and interests of the coworkers were identified through surveys conducted in the last two years. Workshop activities were organized to resolve the issues that arise from these surveys.

**Environmental:** Studies were carried out on sustainability, one of the main focus areas of Doğuş Otomotiv and group companies, and improvements were made for the efficient use of natural resources with the new office layout.

With all the abovementioned dimensions, our coworkers can call the Avita Live Support Line

and benefit from 24/7 unlimited live support service free of charge in many subjects such as psychological, legal, and travel consultancy.

#### **Fringe Benefits Offered by Doğuş Otomotiv**

It is clearly stated in Doğuş Otomotiv's Fundamental Rights and Responsibilities Procedure that Doğuş Otomotiv coworkers, all of whom work full-time, have equal rights and that each coworker is one of Doğuş Otomotiv's key stakeholders.

Doğuş Otomotiv offers its employees the following fringe benefits:

- » Private health insurance for employees and their children aged 0-18
- » Life insurance
- » Food and service support while in the office and in the field
- » Work allowance for employees who can work remotely due to their duties
- » Briefings for pregnant employees, sending them off on maternity leave by organizing a special celebration with teammates.
- » Refraining from making any cuts in the salaries and social security payments of coworkers who are on maternity leave and giving the maternity allowances paid to the Company by the Social Security Institution to the employee.
- » Nursery and service opportunities for female employees
- » Nursery assistance for female employees who cannot bring their children to the contracted company nursery
- » Institutional discounts at four different private education institutions for the education of employee's children
- » As part of the collaboration of Doğuş Otomotiv with universities, certain discounts for graduate and doctorate programs for coworkers
- » Foreign language support for the level required by the task
- » Vehicle-driver allocation and meal support in case of the death of a relative

- » Dietitian support
- » Yoga training at lunch break

With the Fringe Benefits Platform, all fringe benefits offered to employees as of 2022 can be viewed on a single portal. In addition, together with the fringe benefits, the employees are provided with monthly or cumulative gross earnings details via a dynamic system with the "Employee Earnings Screen".

#### **Reward**

The Blue Steering Wheel Awards given under three separate headings at Doğuş Otomotiv are evaluated as follows.

- » **Veteran:** This award is given to coworkers whose seniority is 10 years and 15 years with a special organization to develop and encourage a sense of loyalty to the company.
- » **Trailblazer:** Among all the projects implemented during the year, the most successful ones are rewarded on the Idea Platform.
- » **Enthusiast:** This award is given by the managers of the relevant brand or department to instantly evaluate the success of their coworkers. Within the scope of this award, the coworkers are presented with a gift certificate, the amount of which is reviewed annually, and a plaque showing that they have received the award. The plaque is presented to the coworker by his/her manager in the presence of his/her teammates. The content of this award was updated in 2022 and turned into an application that the employee can choose from among Doğuş group brands.

#### **The Importance of Employees' Ideas and Projects at Doğuş Otomotiv**

Changing dynamics of the business world and differentiating expectations and

conditions require companies not only to manage their employees, but also to establish a dialog with them through collaboration, question their expectations, and have the employees participate in all processes by ensuring that their suggestions and feedbacks about business processes directly reach the senior management. Thus, a much more productive business environment is created, an innovative and competitive company structure is achieved, and healthier relations with other stakeholders through employees are established.

The Suggestion System, which has been actively used in Doğuş Otomotiv since 2009, was made available to the employees in 2021 as an 'Idea Platform' with a renewed interface, where all ideas, big and small, can be shared and process improvement projects, in-house entrepreneurship, and new business ideas can coexist.

In 2022, 3,245 ideas were submitted to the Idea Platform. Of them, 744 were approved and 666 were implemented, resulting in improvements in in-house practices and business processes.

In addition, the teams implement various process improvement projects focused on efficiency, quality, cost savings, additional turnover, customer satisfaction, employee satisfaction, corporate responsibility, and occupational health and safety every year by improving the business processes related to their work areas. In this context, approximately 121 projects were put into practice in 2022. A return of approximately 26 million TRY was obtained from the ideas and projects shared by the employees, with the amount totaling 35 million TRY if the Authorized Dealer and Service network is included. Within the scope of the Lean



Leadership Training Program, which has been carried out since 2008 with the aim of gaining the employee culture a continuous improvement perspective and lean philosophy, 17 more lean leaders completed the program this year. More than 200 'Lean Leaders' who have completed the program so far play an active role in process improvement projects implemented today and the creation of new ideas and provide one-on-one support for the realization of these projects and ideas.

**Human Rights Management**  
A Human Rights Manager was appointed in 2020, a working group was formed to determine Doğuş Otomotiv's priorities in the field of Human Rights, and training was provided to this working group on Human Rights.

Doğuş Otomotiv published its corporate human rights policy in 2010 and became one of the first companies in Turkey to make a statement on this issue.

Doğuş Otomotiv adopts the United Nations Guiding Principles on Business and Human Rights

and believes that these principles should be a role model in respecting human rights. In the 2021 assessment of current and potential risks, with a focus on process management, a manager responsible for human rights was appointed. In the next step, a working group consisting of representatives of several brands and functions of the company was formed in 2022 to determine the priorities and raise awareness in line with international human rights laws, and the first Human Rights Workshop was held in December 2022.

#### **Equal Rights and Opportunities**

Under the title of 'Justice and Equality', which is the 3rd article of Doğuş Otomotiv's Ethical Principles, it has been stated that

"We treat all our stakeholders and each other fairly, and we avoid discrimination".

Doğuş Otomotiv follows an 'Employees and Good Work Environment Policy' independent of religion, language, race, color, gender, age, ethnicity, disability, citizenship or other social status protected by legal regulations.

- » Development Programs for

- » Women
- » Special applications for our mother employees
- » Reverse Mentoring Programs carried out in cooperation with the senior management of the company and the Y+Z generation
- » Periodic meetings with university and high school interns
- » Activities that support diversity through sharing organizations where coworkers with disabilities come together
- » Publication of the 'Workplace Principles against Domestic Violence Policy', following the efforts of a team of 22 employees, and conversations aimed at raising awareness in its follow-up

#### **Communication with Employees**

At Doğuş Otomotiv, communication management has a very important place for the effective implementation of human resources processes. In this context, an Employer Branding Research was conducted to shape the activities for employee experience in 2021. In the first stage of this research,

strengths and areas of improvement were identified through questionnaires and focus groups\*. In the next stage, the effectiveness of existing communication activities was increased with cross-project teams for different target groups (Internal Communication, External Communication, Communication with Field Staff), or communication activities were carried out through briefing meetings, open door meetings, and various platforms. All communication plans for 2022 were carried out in this direction.

In addition, a survey was conducted to determine the expectations of the field teams regarding communication. As a result of this study, events specifically for blue-collar teams were held and projects for the children of the employees were implemented. In addition, a mobile communication channel was put into use over Microsoft Teams to connect directly with employees who work in the field but do not use personal computers and to communicate company notifications instantly.

At Doğuş Otomotiv, where employee opinions are always prioritized, employee engagement research was conducted in 2022 with the participation of 582 people. As a result of the research conducted at regular intervals, the engagement rate increased from 64% in 2019 to 72% in 2022.

Focus group studies were carried out with different personas to determine the areas of development as a result of the employee engagement research and to address the expectations of the employees. As a result of focus group studies, opinions and suggestions on the following areas were conveyed:

- » Career and Performance Processes
- » Employee communications
- » New working models

In line with the results of the



employee engagement research at Doğuş Otomotiv, special interests of the employees were focused on, and those who have dreams about art to take part in art projects and who like to produce ideas about art even if they have no experience, came together to form the 'Art in Us' group. The ideas that came out of this team were prioritized by the voting made within the group and turned into projects. The ongoing projects of the group include a podcast series with conversations about art, and a photography exhibition that depicts the greatness of the automotive group through art.

Communication activities at Doğuş Otomotiv continued in 2022, as it does every year. In this direction:

- » Career and Performance Processes
- » Employee communications
- » New working models

- » On March 8, International Women's Day, we got together with actress and entrepreneur Ceyda Düvenci and gave her a gift in support of the female workforce to raise the awareness of the employees.
- » On April 23, National Sovereignty and Children's Day, a Storytelling and Origami Making Workshop for 3-6-year-old children of Doğuş Otomotiv and Doğuş Oto coworkers was organized, while a Sustainable World Seminar and Sapling Planting event was held for coworkers' children aged 7-13.
- » On May 19, Commemoration of Atatürk, Youth and Sports Day, Doğuş Sailing Club members, including eight employees from Doğuş Otomotiv, shared their experiences on topics such as the contribution of sports to private life and self-discipline.

» For the Day of Persons with Disabilities, an interview was held with Gamze Elibol, the first disabled theater artist, to raise awareness and that nothing is an obstacle to success in life.

At Doğuş Otomotiv, other than on special occasions, coworkers get together in different organizations throughout the year. Some of these organizations are listed below:

- » 'We Simply Ask What We're Curious About' meetings were held three times, where leaders and coworkers came together to ask questions about both their business and social lives.
- » In 2022, 'Ask an Expert' activities were held six times with a different unit manager and teams under the age of 30, where managers shared their experiences with younger coworkers.
- » 'Career Journey Conversations' were held to support the career journeys of the team members who started as a Customer Representative at the Value and Care Center, had an average age of 24, and were brought together with leaders with similar experience.
- » Employees with Special Needs Meetings were held regularly for the disabled coworkers and their opinions and suggestions were received.

### **Employer Branding**

Doğuş Otomotiv's employer brand is branded as 'Bir'iz', which implies "We act as one, we leave a mark", and this message is disseminated throughout the company by the Bir'iz Employee Committee and brand ambassadors.

A representative from each department, Human Resources Managing Director, and Digital Transformation and Communications Managing Director take part in the Bir'iz Employee Committee, whose

employer branding activities started in 2014 and which convenes at least four times a year. An Employee Representative, who will represent the views of the employees on the Executive Board and the Board of Directors, was elected this year to the committee, where opinions and suggestions about the works and activities carried out within the scope of employer branding and human resources practices are received.

The Employee Representative, elected with the majority of votes, conveyed the suggestions and opinions of the employee representatives about the organization to both the Executive Board and the Board of Directors at the end of the year.

In 2022, we participated in the Universium research with Evrim Kuran Consultancy firm for the creation of employer branding studies and strategy, and projects were implemented in line with the expectations of university students.

Within the scope of employer branding activities, we attended career days at 28 universities, met with students on online platforms, and shared information about the automotive sector.

In addition, resume consultancy and interview practicing activities were conducted for the relatives of Doğuş Otomotiv coworkers, and the relatives of our coworkers were consulted during these processes.

Within the scope of employer branding activities, efforts were made to collaborate with different career platforms for the circulation of vacant positions.

### **Efficiency and Digitalization**

Digitalization is one of the priority areas of focus in all business processes of Doğuş Otomotiv. All processes that can be improved and digitalized, and that will provide speed, quality,

and customer and employee satisfaction with this method are investigated and actions are taken in this direction.

With the decrease of the effects of the pandemic in 2022, practices that will facilitate adaptation to the new working model were implemented at Doğuş Otomotiv. In addition, in this model, some existing practices were updated in terms of working experience and productivity management perspective.

In addition to the already used services that continuously receive need-oriented support, such as Informatics, HR Management System (HRMS), Dynamic Self-Service HR Platform, D-Human 4.0 Performance Management System, GO Development School Learning Management System (LMS), BilişimBI Analysis and Reporting, PDPL-Compliant Recruitment Platform, the ORA - Office Reservation Assistant application, which was implemented in 2022 within a hybrid working process, continued the digital transformation in all end-to-end processes of the resources business line and contributed to sustainability strategies and policies.

The infrastructure and process of the performance system were updated in 2022 to be compatible with the ever-changing needs and ways of doing business, by adapting it to sectoral dynamics, current trends, and employee expectations. Improvement suggestions were received through studies carried out with six different focus groups within the company, and an appropriate solution was presented based on these suggestions and implemented.

With the new system, a system that can flexibly revise its targets throughout the year, has fewer targets, and can be revised in the

first nine months of the year has been developed.

In addition, within the scope of the transformation of the performance process, a team of target coaches was formed among the brand and department employees at Doğuş Otomotiv, which provides guidance and coordination to the teams on the performance process.

The function of this team is summarized below.

- » Helping to pursue goals that differentiate personal performance
- » Supporting the coordination between the relevant regions/ brands
- » Supporting target prioritization and determining the most effective indicator to focus on a small number of targets
- » Being informed about the new regulations in the system and disseminating the information
- » Giving support for the compliance of target revision and approval stages with the determined calendars



Performance management results are seen as a function that provides information for measuring coworker development and recognizing opportunities. Evaluation outputs continuously contribute to the training and development plan, 'talent' analysis, and career and compensation management areas.

Robotic Process Automation (RPA) practices, which have gained momentum in recent years at Doğuş Otomotiv, continued in 2022 in the field of Human Resources. Personnel transactions, where operational processes are intense, were also included in RPA practices, and employee recruitment, reporting, and dismissal notification processes carried out within Social Security Institution's knowledge were transferred to the robot.

To enrich and improve HR Data Analytics studies, some data groups that are not yet used in analytical processes were added

to the systems and new report developments were realized.

For Doğuş Otomotiv and Doğuş Oto teams, human resources dashboards that are created on a brand-department basis, are shared periodically, and offer in-depth analysis, evaluations such as demographics, turnover, budget, performance information, reward, and training analyses related to human resources management and reports have been made accessible by all management levels in the company and can be followed instantly.

In line with the digital transformation strategy, the Customer Experience Development Program was implemented with the new term participants in cooperation with Sabancı EDU within the scope of GO-DGTL Academy to support the development of the digital skills and competencies of the organization.

Within the scope of GO-DGTL Academy, an RPA 101 webinar was organized to popularize RPA, which enables the automation of our routine and repetitive works through a virtual robot, within the company and to include new participants in the development studies. Currently, the RPA process includes five robots that work in eight Departments on 66 business processes.

#### Talent Management and Development

Doğuş Otomotiv plans its Human Resources and employer branding processes in a fashion to reach the best talents and provide them with an experience they will be satisfied with and improve themselves. The recruitment process is managed end-to-end according to the requirements of the Personal Data Protection Law.



The recruitment process at Doğuş Otomotiv starts with the Digital Recruitment platform when the manager of the relevant department examines the Human Resources budget through the system and opens a system request. The opened request is published on the company website, Doğuş Holding's recruitment page, and the relevant recruitment platform, again integrated with the announcement on the system. In addition, advertisements are also placed on career sites such as LinkedIn and Youthon.

In candidate applications, the digital application form supported by the RPA integration is automatically filled with the candidate's resume information, and personal records are automatically created when the recruitment is finalized.

Candidates who are approved for recruitment can obtain health documents free of charge at contracted hospitals in many locations.

When the candidate's recruitment process is completed, he/she is directed to the WeUp mobile application for orientation and he/she can access all information about the company on this application. A welcome kit is given to newly recruited coworkers.

In addition, on the first day of new coworkers, a companion is appointed so that he/she can easily understand the daily workflow of the department. The companion supports the new employee in all processes.

In addition, the online orientation program coordinated by Human Resources enable the new employees to adapt quickly to the company and their jobs. In the program, in which managers of different departments transfer information about their business areas and the company to new employees, new employees have the opportunity to get to know the company in a wide range. In addition, compulsory pieces of training such as e-orientation video, OHS, PDPL, and Information Security are shared with the employees on the first day of employment.

Seventeen new graduates have started to work at Doğuş Otomotiv with the 'You Are the Future - New Graduate Program' at Doğuş Otomotiv. These employees were included in a 160-hour training program with different training contents to support their personal development in 2022 and completed many sustainability projects. Within the scope of these projects, social sustainability projects were implemented in which the women's workforce

is supported in groups with the budget given to them, and the environment, child, and animal rights are prioritized.

Within the scope of employer branding activities, we attended career days at 28 universities, met with students on online platforms, and shared information about the automotive sector. In addition, the students were included in the career Biz-De Internship online program such as Kariyer.net and LinkedIn, and their participation in internship programs in the summer term and all year long was ensured. During 2022, 32 summer interns and 45 long-term project-based interns did their internship at Doğuş Otomotiv.

Doğuş Otomotiv won with its Digital Competency Development Program an award in the 'Future of Work - Best Program for Upskilling Employees' category and with its Doğuş Otomotiv's Route People and Education (Doğuş Otomotiv'in Rotası İnsan ve Eğitim, DRIVE) organization another award in the 'Human Resources - Best Unique or Innovative HR Program' category at the Brandon Hall Group Excellence Awards, where the world's best employers and successful HR practices are evaluated.

In addition, Universum, which organized events in 59 universities

in Turkey, has become one of the most preferred companies in Turkey by improving its ranking in Turkey's Most Attractive Employers 2022 research.

Doğuş Otomotiv's training contents, designed to support the individual development and the motivation of the existing and newly added talents in the team, were realized in a hybrid manner; both face-to-face and online in 2022. In addition, online webinars, workshops, and activities were continued. While the development areas that emerge according to the competency needs were focused on, new topics that emerged according to the needs and expectations of the period were included in the GO Development School.

In this direction:  
Within the scope of the leadership development program, 'Development Programs for the Future' were carried out to enable new team managers to develop their leadership skills, create highly skilled teams, and let them determine their management styles.

Within the scope of the leadership development program, the 'Management Development Academy' program continues to develop strategic leadership competencies and business conduct approaches for managers in cooperation with Sabancı University. In addition, two modules of the 'Solution-

Oriented Coaching Program', realized in cooperation with Erickson Coaching International Turkey, were completed. Furthermore, a 2-day training program on Remote Team Management and Leadership for New Generations was organized for all our managers and executives, which are now in our focus due to revised approaches to conducting business in the new period.

Content developed to support physical, mental, and psychological well-being continued to be delivered to employees under the umbrella of GOWell.

'Sports, art, and workshop training' headings, which are at the top of the list of development areas for the employees, took place in the survey, and workshops were held in this direction.

Again under this heading, the 'We Walk for Nature' event, which has been carried out with the aim of supporting healthy living, social responsibility awareness, and teamwork, has participants from group companies for three years now. In the event, employees form teams and compete with each other by walking for one month. This year, the event was expanded with

the participation of all group companies and was held with the participation of a total of 19 teams and 82 employees. At the end of the event, saplings were planted in cooperation with the ÇEKÜL Foundation.

The mentoring program, which we have been continuing since 2012, has started a new period this year with the participation of our new mentors. Fifteen mentors who are involved in the mentoring process will ensure the transfer of company culture and values to 40 mentees who have just joined the company and are at the beginning of their careers and will provide cultural unity by supporting our organization that is constantly learning and developing.

To ensure the sustainable success and support the development of our blue-collar employees working at Doğuş Otomotiv and Doğuş Oto, the Changemakers in the Workshop program was prepared in cooperation with Bahçeşehir University. The program conveys technological developments in the automotive sector, customer expectations, and the importance of service and service network. Pieces of training held with 30 groups and 566 people were supported by role plays and case studies.



## Sustainability

In all studies carried out in line with Doğuş Otomotiv's Human Resources strategies and vision, attention is paid to having an impact on social sustainability and touching the entire value chain.

### DRIVE (Doğuş Otomotiv's Route People and Education [Doğuş Otomotiv'in Rotası İnsan ve Eğitim])

Established to maintain and expand Doğuş Otomotiv's Human Resources policies, the DRIVE Authorized Dealer network aims to activate the corporate structures in Human Resources management, and as a result, to achieve sustainable success in customer satisfaction and business results.

Efforts towards vocational high schools, aiming to train the talents that will shape the future of the automotive industry has continued in 2022.

In this direction;

- » Within the scope of the 'Professional from Dogus' (an equivoque meaning: a natural professional) project, the student selection process was carried out in Vocational and Technical Anatolian High Schools with a VW Laboratory in the 2022-2023 academic year. During these visits, the students' career development and professional opportunities were shared with the department teachers, and their career planning was supported. We continue to support our authorized dealers in raising funds for 149 students selected from among the students interviewed in 12 school visits in vocational high schools throughout Turkey.

- » Meeting with young students in different cities in Turkey and briefing them about the future of the automotive industry with Authorized Dealers are continued to improve the students' perspectives on the

automotive industry, contribute to their personal and career development, and guide them in business life. In 2022, career day events of universities held at İzmir Dokuz Eylül University, Çanakkale 18 Mart University, and Mardin Artuklu University were attended.

- » The 'DRIVE Human Resources Awards', in which the most successful and distinctive Authorized Dealers are awarded for the efforts to develop and institutionalize human resources practices across the entire Authorized Dealer organization of Doğuş Otomotiv, continued in 2022 as well.
- » While the DRIVE department continues to contribute to employee training and development processes, it organized a training titled 'Future Strategies and Industry Reflections' for young investors who will be responsible for the future management of our authorized dealers.
- » With the New Generation Young Investors Training Meeting, the participants from 27 different cities of Turkey had the opportunity to experience many different topics on digital transformation, its reflection on the automotive industry and ways of doing business, and preparing for a sustainable future.

In 2022, when the results of the Employee Engagement Survey, organized by the DRIVE department and conducted by an independent research company, were evaluated, action plans for sustainable business results and employee satisfaction were created with the senior management of authorized dealers, within the framework of the results given to the authorized dealer by the employees.

The DRIVE team was awarded the Bronze award in the Best Unique or Innovative HR Program category at

the 'Brandon Hall Group Excellence Awards 2022' ceremony, in which the best employers of the world are evaluated in the US-based international platform in August 2022.

## Sustainability Studies at Doğuş Otomotiv

- » Within the scope of sustainability practices, Doğuş Otomotiv:
- » Aims to save 1,063 tons of CO<sub>2</sub> emissions per year thanks to the reduction of resource consumption with the commissioning of the new hybrid operating model in June 2022 with an investment of 2.4 million dollars, which allows electrical energy to be produced by solar radiation.
- » Has saved 2,215 m<sup>3</sup> of natural gas and 4.3 greenhouse gas emissions annually, thanks to the installation of a solar system in Doğuş Otomotiv's education building, which offered hot water and reduced natural gas consumption.
- » Removed personal waste baskets in line with the zero waste system principles and placed waste bins specific to each department (recyclable and non-recyclable) in certain areas.
- » Aims to recycle 960 kilos of organic waste per year using a compost machine, which collects the organic wastes generated before and after meal preparation in the refectory and cafeteria.
- » Set up a clothes collection unit in cooperation with Kocaeli Municipality to collect unused clothes, within the scope of Sustainability Projects.

In 2023, Doğuş Otomotiv will identify new areas of focus and continue its efforts to become the most preferred automotive company in Turkey with innovative and sustainable human resources practices.

## DOĞUŞ OTOMOTİV CODE OF ETHICS

Intending to build a view of the future of our country and our world, propagating this perception and deepening it where it is widespread, and functioning in a supra-sectoral role with the vision of being an example to the whole society, Doğuş Otomotiv has published its Code of Ethics in 2012, which clearly sets out the way of doing business with all its stakeholders. With Doğuş Automotive's Code of Ethics, Turkey's first code of ethics, which is prepared in global standards and which is not adapted from abroad, our Company has undertaken and this time documented its promise to display honest and ethical behavior in its relations with its employees, customers, business partners, and competitors. Doğuş Otomotiv develops a dialog with all its stakeholders in a fair and transparent manner by adopting high standards of professionalism, fairness, dignity, and ethical behavior. 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.

The level of knowledge and the sensitivities of our employees and managers on the subject are of great importance in the complete and proper implementation of Doğuş Otomotiv's Code of Ethics. For this reason, Doğuş Otomotiv Ethics Line acts as a notification mechanism that can be accessed at any time by all our employees and is managed by an independent organization.

Our efforts to raise awareness for the Code of Ethics and provide all our stakeholders, especially our employees, with its content are ongoing. After 2020 and 2021, our company continued to work from home in 2022. Although face-to-face training was not given due to the pandemic, ethics training over the e-learning system continued in 2022, both within the orientation training for beginners and through training assigned to individuals.

In 2022, information on the Code of Ethics was also included within the scope of 300 employee/hour e-orientation training provided to 750 employees in Doğuş Oto and Doğuş Otomotiv companies.

The training given between 2015-2022 is as follows:

- » 1.011 employees/hour for 2.191 people at Doğuş Otomotiv
- » 1.824 employees/hour for 3.418,5 people at Doğuş Oto

### Policies included in Doğuş Otomotiv's Code of Ethics are:

- » Corporate Compliance Policy
- » Economic Development Policy
- » Market Presence Policy
- » Indirect Economic Impacts Policy
- » Environmental and Energy Policy
- » Sustainable Purchasing Policy
- » Product and Service Liability Policy
- » Employees and Work Environment Policy
- » Equal Pay for Equal Work Policy
- » Occupational Health and Safety Policy
- » Performance Management Policy
- » Human Rights Policy
- » Community Participation Policy
- » Customer Health and Safety Policy
- » Diversity and Equal Opportunity Policy
- » Anti-Bribery and Anti-Corruption Policy
- » Anti-Money Laundering and Combating the Financing of Terrorism Policy

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

[http://www.dogusotomotiv.com.tr/newdogusotomotiv\\_files/201761691821781\\_DogusOtomotiv\\_Tr.pdf](http://www.dogusotomotiv.com.tr/newdogusotomotiv_files/201761691821781_DogusOtomotiv_Tr.pdf)

## TRAFFIC IS LIFE!

One of Doğuş Otomotiv's primary areas of focus is the social responsibility platform, Traffic is Life! Leaving 18 years behind, the platform aims to develop a positive culture with safety awareness in traffic with the practices it executes in light of the needs and expectations of society.

Considering sustainability as part of its strategy, Doğuş Otomotiv carries out its activities with a sense of responsibility towards its stakeholders and society. In this context, Doğuş Otomotiv 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 executing awareness-raising activities for different target audiences for 18 years to positively change the behavior and habits of individuals of all age groups regarding traffic safety and to ensure the integration of traffic safety fact 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 in the society that came along the Traffic is Life! platform has shifted its focus not only to education but also to the changing understanding of mobility. In addition, the platform, which aims to convey its messages to large segments of 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.

### Collaboration with the Turkish Ministry of Education

The Traffic is Life! platform organized 'Road Safety Seminars' in cooperation with the Istanbul Provincial Directorate of National Education in 2022 when education was mostly carried out on online platforms. During the year, 97 personnel affiliated with the Provincial Directorate of National Education came together on online platforms and were briefed about traffic safety.

The training program, which started in 2020 on EBA TV for the 5-19 age range group which was most affected by accidents in Turkey, continued in 2022 as

well. 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.

### Cooperation with the Municipality of Küçükçekmece

In 2022, the Traffic is Life! platform, in cooperation with the Municipality of Küçükçekmece, initiated the Child Safety in Traffic project with the slogan "Conscious Children in Traffic Means A Safe Future for Us".

In the project to be carried out in the Children's Traffic Education Park, which is established on an





area of approximately 5 acres within the scope of the Municipality of Küçükçekmece, both theoretical and practical training are given to 25,000 students between the ages of 5-12 per year under the coordination of the Municipality of Küçükçekmece and Küçükçekmece District National Education Directorate.

The project, which is supported by the educational curriculum and educational materials of the Traffic is Life! platform, pieces training given by the municipality trainers to different age groups in the classes located in the Küçükçekmece Municipality Child Traffic Education Park. At the same time, the project aims to raise awareness of traffic at a young age by giving both theoretical and practical Traffic Safety training in the training area, which also includes a specially designed disabled class and disabled track.

Doğuş Otomotiv's sustainability policies especially aim to protect the social welfare of the society we live in and to manage our possible negative effects. Society includes the segments affected by all our activities that require social approval, starting with our primary stakeholders within our sphere of influence. Traffic is Life! aims to be

included in the formal education program to raise awareness and offer education, especially for children and young people who are at the age of driving license. With the Traffic is Life! platform, Doğuş Otomotiv serves the 3rd and 7th goals of the United Nations Sustainable Development Goals.

#### **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 2022 as well. 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 20,000 students in 14 universities have been reached so far with the project.

#### **Preparing for the driver's license exam with the Facebook chatbot**

With the Facebook chatbot application, which was implemented for the first time as a social responsibility platform, those who will take the driver's license exam in 2022 were given the opportunity to take a test with the driver's license exam questions

approved by the Ministry of National Education in the previous years. Since its launch in December 2017, 485,128 users have benefited from the application to test their knowledge before the exam.

#### **Changing understanding of mobility**

The interest in individual mobility solutions, which started with the changing understanding of mobility in society, continued to increase in 2022. The Traffic is Life! Platform, taking into account both the trend researches made in society and the feedback from the target audience, addressed the new mobility devices that entered our lives during the year and the related road safety issues, including all relevant stakeholders.

#### **A continuous and dialog-based communication**

As a sign of giving importance to dialog-based communication, the Traffic is Life! platform came together with the broad segment of society, which is its target audience, on different social media channels throughout the year.

The slogan of Traffic is Life! In 2022 is "Stay Calm, Stay Yourself!". While the measures taken with the pandemic and the restrictions applied brought serious changes in economic and

social life, they also had psychological effects on the individual level. A major one among these has been an increasing number of people who have changed their daily habits, primarily those related to socializing and mobility, to avoid the virus.

This increase in the number of vehicles and people in traffic has brought along more anxiety for everyone involved in traffic, especially the drivers. When the difficulties experienced in traffic were added to the challenges in business and personal life, it became increasingly difficult to stay calm, especially for those behind the wheel.

Our project and motto emerged from this occasion: With our Stay Calm, Stay Yourself! project, we aimed to make people aware of their behavior while they were in traffic and to explain the importance of empathizing and the value of staying calm.

In the first leg of our digital project, Psychologist Gökhan Çınar, with his expert opinion, explained how drivers can get rid of negative thoughts in traffic and stay calm.

The videos were published on all social media channels of Traffic is Life!

In the second leg of the project, with the help of influencer Gökhan Ünver, Stay Calm, Stay Yourself! humorously conveyed to the audience being patient and calm in traffic with a video series broadcast on social media channels.

In the third leg of the project, the series of interviews Psychologist Gökhan Çınar made with Traffic Residents (automobile drivers, pedestrians, cyclists, and moto courier drivers) brought answers to the screens with his original comments on how to stay calm in traffic, what problems he encountered, and his perspective on traffic.

The platform focuses on YouTube, a social media channel whose active usage rate is increasing, and it is aimed to convey the mistakes made in traffic to the viewers with Safe Driving Videos and Prevent Accidents Videos hosted by safe driving instructor Ahmet Özgün.



#### **Goals for 2023**

The Traffic is Life! platform will continue to work towards creating a positive culture and increasing awareness of traffic in 2023. The most important issue that the platform prioritizes is education. Stay Calm in Traffic, Stay Yourself project, humorously conveyed to the audience being patient and calm in traffic with a video series broadcast on social media channels. The most important issue that the platform prioritizes is education. Collaboration with relevant public institutions will be supported by studies with experts on the subject, and the pieces of training will continue with a focus on the 5-12 age group. In addition, training will be given to parents to set an example for their children in traffic. Traffic in social media channels and the subject of being exemplary individuals in traffic are planned to be discussed with the participation of experts in this field.

# CORPORATE GOVERNANCE REPORT

# CORPORATE GOVERNANCE REPORT

Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi has applied the Corporate Governance Principles issued by the Capital Markets Board of Turkey in the fiscal year that ended on December 31, 2022 in accordance with the following explanations.

## Declaration of Compliance with Corporate Governance Principles

In the fiscal year that ended on December 31, 2022, 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 January 3, 2014. According to the statement of the Capital Markets Board of Turkey in its bulletin no. 2022/2 dated January 13, 2022, the Company is listed among the BIST 1st Group Companies. Following an evaluation of 456 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 97 (9.7 out of 10) as of December 17, 2021, rose to 97.40 (9.74 out of 10) on December 16, 2022, 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.

The Corporate Governance Rating Report is available on the corporate website and can also be accessed via this link: <https://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.

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.

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."

Pursuant to the Board of Directors resolution no. 2016/69 dated December 9, 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 March 30, 2020 and March 30, 2021. As such, female members constitute 33% of the Board of Directors, and compliance with the Corporate Governance Communiqué is ensured.

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.

SUB CATEGORIES	WEIGHT	RATING
Shareholders	0.25	96.59
Public Disclosures and Transparency	0.25	97.86
Stakeholders	0.15	99.06
Board of Directors	0.35	96.97

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, the participation of the Board Members in the Board of Directors and Committee meetings, their contributions, and sharing of knowledge, know-how, and experience are taken into account, and the performance of the Board of Directors as a whole is assessed biannually. Several of firms providing such services were considered and upon review, the Board of Directors has selected one firm that began to work in 2021 and completed its job in 2022. 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 May 25, 2022. In accordance with Article 4.6.5 of the Corporate Governance Principles, the remuneration and all other benefits provided to the Members of the Board of Directors and executives with administrative responsibilities are disclosed to the public collectively 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.

As in 2022, 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.

In this context, pursuant to the announcement, published on the Capital Markets Board's Bulletin dated June 23, 2022 and numbered 2022/32, with the heading "Announcement Made Pursuant to the Decision of the Board Decision Making Body, dated June 23, 2022, and numbered 34/977" and the Corporate Governance Communiqué numbered II-17:1, "Sustainability Principles Compliance Framework" statement/section has been added to our annual report. While carrying out their Environmental, Social, and Corporate Governance (ESG) activities, publicly traded companies should disclose the scope of the framework that consists of 57 basic principles. Since the implementation of the principles should be reported according to the "Comply or Explain" approach within the scope of the communiqué and announcement, the said framework is included in Appendix #4 of the Sustainability Principles Compliance Statement.

The Corporate Governance Compliance Report (CGCR) and Corporate Governance Information Form (CGIF) 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/4028e4a240e8d16e0140e951bf04007b>.

## 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 the 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 regarding the Company's practices and operations. Activities of the Corporate Sustainability Working Group, composed of members that represent the critical majority of all departments, are regularly shared with the Corporate Governance and Sustainability Committee reporting to the Board of Directors. In addition, an employee representative election under democratic methods was held in October 2022, with the votes of the employee committee representatives, to ensure the representation of our employees at the level of the Board of Directors and the Executive Board. The employee representative periodically shares the thoughts and suggestions of the company employees with the management.



Attendance Ratio (%)	
Emir Ali Bilaloğlu	100%
Gür Çağdaş	58%
Koray Arıkan	100%
Özlem Denizmen Kocatepe	100%
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 2021, 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. Alternative companies were evaluated at the Board of Directors meeting on November 25, 2021, and it was decided to start this work in 2021 with the ARGE company.

This work, which took off with the ARGE company at the end of 2021, was completed in 2022. Within the scope of the Board of Directors Performance evaluation, questionnaires and face-to-face interviews were conducted with the members of the Board of Directors, and the answers were analyzed by the company. In addition, one-on-one meetings were held with senior executives with administrative responsibilities and their feedback regarding the Board of Directors was received.

At the Remuneration and Nomination Committee meeting held on May 18, 2022, the results of the appraisal work

were presented by the firm's consultant and the Committee's opinions were received. At the Board of Directors Meeting dated July 25, 2022, the outcomes of the study were conveyed, and they were evaluated by the Board of Directors.

#### Audit Committee

##### Adnan Memiş (Head of Committee - Independent Board Member)

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 the 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, and functioning of the accounting and reporting systems in accordance with the Capital Markets Law and the principles therein, the 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.

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 the 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 2022.

The Committee convened eight (8) times in 2022. 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 2022 about audit findings.

#### Corporate Governance and Sustainability Committee

##### Adalet Yasemin Akad (Head of Committee – Independent Board Member)

Gür Çağdaş  
Koray Arıkan  
Hasan Hüsnü Güzelöz  
Yavuz Arda Yıldız

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. The other one (1) member serves as the Investor Relations Supervisor and is appointed members 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 members 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 2022 and regularly reported its findings and resolutions to the Board of Directors.

Pursuant to the Communiqué Amending the Corporate Governance Communiqué (II-17.1) of the Capital Markets Board published in the Official Gazette dated October 02, 2020 and numbered 31262 (II-17.1.a) and the announcement published on the Capital Markets Board's Bulletin dated June 23, 2022 and numbered 2022/32, with the heading "Announcement Made Pursuant to the Decision of the Board

Decision Making Body, dated June 23, 2022, and numbered 34/977", and the Corporate Governance Communiqué numbered II-17.1, companies are obliged to comply with the sustainability principles and include the explanations within the scope of the sustainability

principles compliance framework in their compliance reports with the corporate governance principles. The Corporate Governance and Sustainability Committee has decided to include the topic among the KPIs of senior management, determine the Company's targets, and brief the Board of Directors of the committee periodically.

#### 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 Board member. 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 four (4) meetings in 2022. The Committee also presented regular reports of risk assessments to the Board of Directors every month and shared the said reports with the auditor as well.

The Compliance Function, which reports to the Early Risk Detection Committee, held three (3) meetings with its working group in 2022. The tasks of the Compliance Function are defined as ensuring compliance with Company policies, requirements of applicable

regulations and relevant legislation, international standards and processes, and identifying and reporting the risks in the relevant processes. As a part of 2022 activities, the Compliance Function aimed 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 (2) members listed above and the head of the committee is an independent Board member. 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 2022, 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 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 Board members 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 independent Board members. Furthermore, Board members also attend briefings regularly every year

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 General Managers to attend a board meeting and give a presentation about his/her respective department's operations. These decisions were implemented in 2022 as well.

#### **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 two (2) times in 2022.

#### **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 dividends, 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 provided 259 million TRY of financial rights to the Members of the Board of Directors and persons with administrative responsibility in 2022, since they have the authority and responsibilities to plan, manage, and control the activities of our company as senior managers.

## **GENERAL INFORMATION**

This Annual Report covers the period from January 1, 2022 to December 31, 2022.

#### **General Information about the Company**

Company Title:	Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi
Address:	Maslak Mahallesi, Ahi Evran Cad. No: 4 İç Kapı No: 3 Sarıyer, İstanbul
Head Office:	Şekerpinar Mahallesi, Anadolu Caddesi, No: 45D, 41490 Çayırova, Kocaeli
Phone:	(+90-262) 676 9090
Fax:	(+90-262) 676 7665
Corporate Website:	www.dogusotomotiv.com.tr
Establishment Date:	November 19, 1999
Trade Registry No:	429183 / 376765
Central Registration System No:	0-3090-1147-1300010

#### **Managing Body, Senior Executives, and Employees**

In 2022, the Company had 740 blue-collar (December 31, 2021: 791 employees) and 1,389 white-collar employees (December 31, 2021: 1,372 employees) on average.

#### **Information on Senior Executives' and Board Members' Duties in 2022**

Name Surname	Position	Starting Date	Term (years)
Emir Ali Bilaloğlu	CEO, Chairman of the Board of Directors	30.03.2021	3
Gür Çağdaş	Vice Chairman of the Board of Directors, Corporate Governance and Sustainability Committee Member, Early Risk Detection Committee Member	30.03.2021	3
Koray Arıkan	Board Member, Corporate Governance and Sustainability Committee Member, Early Risk Detection Committee Member	30.03.2021	3
Özlem Denizmen Kocatepe	Board Member, Remuneration and Nomination Committee Member	30.03.2021	3
Adalet Yasemin Akad	Board Member, Head of Corporate Governance and Sustainability Committee, Audit Committee Member, Head of Remuneration and Nomination Committee	30.03.2021	3
Adnan Memiş	Board Member, Head of Audit Committee, Head of Early Detection of Risk Committee	30.03.2021	3

**Employees/Executives with a Voice in Management**

Name Surname	Position	Education
Emir Ali Bilaloğlu	CEO / Chairman of the Board of Directors	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
Anıl Gürsoy	Chief Brand Officer - SEAT, Porsche, DOD, and Doğuş Marine Services	Business Administration & Marketing
Kerem Galip Güven	Chief Brand Officer - Audi, Bentley, Lamborghini	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, Scania, DOD Heavy Vehicles, Thermo King, Scania Industrial and Marine Engines; Managing Director of Gebze and Tuzla Retail Points	Business Administration / MBA

**Financial Benefits Provided to Members of the Governing Body and Senior Executives**

Information about the financial rights of the governing body members and senior executives may be found in the Corporate Governance section under the "Financial Benefits Provided to the Board of Directors and Executives with Administrative Responsibilities" heading.

**Research & Development Activities**

The Company has not carried out any research & development activities in 2022.

**Company Operations and Material Developments Regarding Operations**

**Investments**

In 2022, the Company invested TRY 1,089 million 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 about the Company's Direct and Indirect Subsidiaries is provided in the footnotes of the consolidated financial statements for the year ending on December 31, under the "Note 28: Balances and Transactions with Related Parties" heading.

**Information on Direct and Indirect Subsidiaries and Share Ratios**

Company Title	Area of Operation	Paid-in / Issued Capital	Company's Share in Capital	Monetary Unit	Company's Share in Capital (%)	Relation to Company
Doğuş Holding A.Ş.	Holding Company	862,837,305	31,575,087	TL	3.66	LONG TERM SECURITY
D-Auto Limited Liability Company	Vehicle Trading & AS Services - Iraq	150,000,000	150,000,000	IQD	100.00	SUBSIDIARY
Doğuş Oto Pazarlama ve Ticaret A.Ş.	Vehicle Trading & AS Services	45,000,000	43,288,272	TL	96.20	SUBSIDIARY
Doğuş Bilgi İşlem ve Teknoloji Hizmetleri A.Ş.	IT Infrastructure & Software	241,881,000	52,623,746	TL	21.76	AFFILIATE
Doğuş Sigorta Aracılık Hizmetleri A.Ş.	Insurance and Brokerage Services	1,265,000	531,232	TL	41.99	AFFILIATE
vdf Servis ve Ticaret A.Ş.	Automotive Products & Services	6,465,344	3,154,365	TL	48.79	AFFILIATE
Yüce Auto Motorlu Araçlar Ticaret A.Ş.	ŠKODA Turkey Distributor	2,100,000	1,049,999,7	TL	50.00	AFFILIATE
TÜVTÜRK Güney Taşit Muayene İstasyonları Yapım ve İşletim A.Ş.	Vehicle Inspection Stations	291,246,000	96,115,000	TL	33.00	BUSINESS PARTNERSHIP
TÜVTÜRK Kuzey Taşit Muayene İstasyonları Yapım ve İşletim A.Ş.	Vehicle Inspection Stations	510,150,000	168,300,000	TL	33.00	BUSINESS PARTNERSHIP
<b>Information on the Company's Share Buy-Back Policy and Program</b>	with CMB regulations, and was bought back in 2016.					affect the Company's financial status and operations.
<b>Information on Private and Public Audits within the Fiscal Period</b>	No special or statutory audit was conducted in 2022.					<b>Information on the Administrative and Judicial Sanctions Imposed on the Company and its Managing Body due to Practices against Legislative Provisions</b>
<b>Information on the Legal Actions Brought Against the Company, Actions that may Affect The Company's Financial Status and Operations, and Their Possible Consequences</b>	The Company retains 9.77% of the shares, which corresponded to 10% of its capital, was traded on the stock exchange in accordance					No administrative or judicial sanctions have been imposed on the members of the governing body due to practices against the provisions of the legislation within the reporting period.
						Although there are some administrative sanctions imposed

on the Company pursuant to various provisions of the legislation and as part of its regular activities, these are not of a nature that may 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 – Tangible Assets" 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:

- » Law No. 7350 on Amending Certain Laws, published in the Official Gazette dated January 11, 2022 and entered into force on the same date (with Law No. 7350, the first section of Article 18 of the Law No. 6585 on the Regulation of Retail Trade was amended)
- » The Decision on the Re-determination of Special Consumption Tax Bases Based on Special Consumption Tax Rates of Certain Goods in the List (II) Attached to the Special Consumption Tax Law No. 4760, published in the Official Gazette dated January 13, 2022 and entered into force on the same date
- » The Law Amending Law No. 7352 on Tax Procedure Law and Corporate Tax Law, published in the Official Gazette dated January 29,

2022 and entered into force on the same date

- » The Regulation Amending the Regulation on Commercial Advertising and Unfair Commercial Practices, published in the Official Gazette dated February 01, 2022 and entered into force on March 01, 2022
- » Turkish Ministry of Trade Market Surveillance and Inspection Regulation, published in the Official Gazette dated February 09, 2022 and entered into force on the same date
- » Law No. 7413 on Judges and Prosecutors and Amending Certain Laws, published in the Official Gazette dated June 28, 2022 and entered into force on January 01, 2023
- » The Law Amending Law No. 7392 on the Protection of the Consumer and Property Ownership, published in the Official Gazette dated April 01, 2022
- » The Charging Service Regulation, published in the Official Gazette dated April 02, 2022 and entered into force on the same date
- » The Communiqué Amending the Communiqué No. 32 on the Protection of the Value of Turkish Currency (Communiqué no: 2008-32/34), published in the Official Gazette dated April 19, 2022 and entered into force on the same date (Communiqué no: 2022-32/66)
- » The Decision Amending the Decision Regarding the Tax Stamp Fees to be Collected from Radio, Television, Video and Combined Devices and All Kinds of Devices Capable of Receiving Visual and/or Audio Broadcasts in accordance with the Turkish Radio-Television Corporation Revenues Law No. 3093, published in the Official Gazette on August 12, 2022 and entered into force on September 01, 2022
- » The Regulation Amending

the Highway Traffic Regulation, published in the Official Gazette dated August 16, 2022 and entered into force on the same date

- » The Regulation Amending the Regulation on the Trade of Used Motor Vehicles, published in the Official Gazette dated August 16, 2022 and entered into force on the same date
- » The Regulation Amending the Regulation on Distance Contracts, published in the Official Gazette dated August 23, 2022 and entered into force between October 01, 2022 and January 01, 2023 (12/4 (last sentence))
- » The Regulation Amending the Regulation on Opening a Business and Working Licenses, published in the Official Gazette dated August 25, 2022 and entered into force on the same date (Decision no: 5987).
- » The Regulation Amending the Charging Service Regulation, published in the Official Gazette dated September 06, 2022 and entered into force on the same date
- » The Regulation on Consumer Arbitration Committees, published in the Official Gazette dated September 21, 2022 and entered into force between October 01, 2022 and January 01, 2023 (Art. 11/5 and Art. 26)
- » The Regulation on Amending the Regulation on the Amendment of the Regulation on Distance Contracts, published in the Official Gazette dated September 24, 2022 and entered into force on the same date
- » The Regulation Amending the Regulation on Unlicensed Electricity Generation in the Electricity Market, published in the Official Gazette dated October 01, 2022 and entered into force on the same date
- » The Law amending Law 7418 on Press Law and Amendments to Some Laws, published in the Official Gazette dated October 18, 2022 and will enter into force
- » on October 18, 2022 and April 01, 2023 (Art. 20,21,22,25,26,27,28/c-m)
- » The Regulation on the Administrative Requirements for Motor Vehicles and Trailers and the Type Approval, Market Surveillance, and Inspection of their Parts, Systems, and Separate Technical Units, published in the Official Gazette dated October 26, 2022 (1<sup>st</sup> reprint) and entered into force as of January 01, 2023 (EU/2020/683)
- » The Law Amending Law No. 7420 on Income Tax and Amendments to Some Laws and Decree Laws, published in the Official Gazette dated December 16, 2022 and entered into force on January 01, 2023
- » The Decision on Determination of the Revaluation Rate to be Applied to Motor Vehicle Tax Amounts in 2023, published in the Official Gazette dated December 21, 2022 and entered into force on January 01, 2023 (Decision no: 6582)
- » The Regulation on the Management of Waste Electrical and Electronic Goods, published in the Official Gazette dated December 26, 2022 and entered into force on February 01, 2023
- » The Regulation on the Restriction of the Use of Certain Harmful Substances in Electrical and Electronic Equipment, published in the Official Gazette dated December 26, 2022 and will enter into force on February 01, 2023 and January 01, 2024 (Art. 5/4, 13, 15, Annex-5)
- » The Regulation Amending the Regulation on Carrying Out Sales, Transfer, and Registration Services of Vehicles, published in the Official Gazette dated December 29, 2022 and will enter into force on December 29, 2022 and January 01, 2024 (Art. 17, 27, 33)
- » The Regulation on Electronic Commerce Intermediary Service Providers and Electronic Commerce Service Providers, published in the Official Gazette dated December 29, 2022 and will enter into force on July 01,

**DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş. and SUBSIDIARIES**  
Grants and Aid in 2022

EXPLANATION	DOS	DOP	D-Auto	
Darüşşafaka Society	3,342,175	1,360,350	-	4,702,525
Istanbul Metropolitan Municipality	476,000		-	476,000
Istanbul Foundation for Culture and Arts	200,000		-	200,000
Esenyurt Municipality Social Affairs Directorate	49,511		-	49,511
Gebze Emlak Konutları Secondary School Principal's Office	24,544		-	24,544
Federation Of Women Associations Of Turkey Chairmanship	18,000		-	18,000
Samandıra Vocational And Technical Anatolian High School	16,956		-	16,956
Turkish Education Foundation (TEV)	16,940	600	-	17,540
OTHER	82,257	6,000	-	88,257
<b>TOTAL (TRY)</b>	<b>4,226,383</b>	<b>1,366,950</b>	<b>-</b>	<b>5,593,333</b>

2023 (Art. 18), January 01, 2024 (Art. 21, 31/5), and January 01, 2023

- » The Decision of the Minimum Wage Determination Commission, published in the Official Gazette dated December 29, 2022 and entered into force on January 01, 2023
- » The Communiqué Amending the General Communiqué on Special Consumption Tax (II) List Implementation, published in the Official Gazette dated December 30, 2022 and entered into force on January 01, 2023 (Serial no: 11)
- » The Communiqué on the Announcement of the New Values of Administrative Fines Regulated by Law No. 7223 on Product Safety and Technical Regulations, published in the Official Gazette dated December 31, 2022 (4<sup>th</sup> reprint) and entered into force on January 01, 2023 (Product Safety and Inspection: 2023 /13)
- » The Regulation Amending the Charging Service Regulation, published in the Official Gazette dated December 31, 2022 (5<sup>th</sup> reprint) and entered into force on the same date
- » The Regulation Amending the Regulation on Tariff

Implementation Principles in the Compulsory Liability Insurance of Highway Motor Vehicles, published in the Official Gazette dated December 31, 2022 (5<sup>th</sup> reprint) and entered into force on the same date

» The Regulation Amending the Regulation on Unlicensed Electricity Generation in the Electricity Market, published in the Official Gazette dated December 31, 2022 (5<sup>th</sup> reprint) and entered into force on the same date

**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 2022 is provided in the sub-heading "Evaluation of 2022 and Expectations for 2023" in the Management Report section.

**Information on the Extraordinary General Assembly**

No Extraordinary General Assembly Meetings were held in 2022.

**Donations and Aids**

Within the scope of the agenda of the Ordinary General Assembly Meeting for the year 2021 held on March 29, 2022, the agenda item regarding the amendment of the donations and aids policy was accepted by a majority of votes. The relevant general assembly resolution is presented below.

"The proposal associated with Doğuş Otomotiv's Ordinary General Assembly Meeting Minutes 4/4, dated March 29, 2022, which limits the total amount of Donations and Aids, per 'Donations and Aids Policy' adopted by our company at the general assembly dated March 29, 2013, to be made within an accounting period to 10,000,000 (ten million) TRY and allows to amend and increase this amount by up to 50% by the decision of the Board of Directors in case of 'organization of campaigns for

natural disasters, etc.' has been accepted with the affirmative votes of 167,571,657 shares against the rejection votes of 10,076,331 shares and by a majority of votes." The details of the donations and aids made in 2022 are as above:

**Group of Companies - Report on Relations with Controlling and Subsidiary Companies – Conclusion Section**

The transactions carried out by Doğuş Otomotiv Servis ve Ticaret A.Ş. with the controlling and subsidiary companies within the group of companies in the year 2022 are ordinary commercial activities, and contrary to its precedents, the Company has not carried out any transaction in favor of the controlling company or subsidiary companies in 2022. Therefore, the company has not taken any precaution or offset losses for the transactions it has carried out with the controlling company and its subsidiary companies within the scope of Article 199 of the Turkish Commercial Code.

**Financial Status  
Operational and Financial Indicators**

Our company has equity in the amount of 11.7 billion TRY, its capital is not unrequited and it is not in debt.

Our company has a solid financial structure and no additional measures need to be taken to improve the financial structure of the Company.

Compared to the previous year, our company's turnover increased by 92.5% and net profit by 236%, whereas its wholesales figures including Skoda decreased by 12%.

Our company's Operating Expenses/Turnover ratio was 5.6% in 2022.

A summary of consolidated financial information is available on Page 26 and Financial indicators on Page 28.

**Profit Distribution Proposal**

The proposal of the Board of Directors, dated February 28, 2023 and published on the Public Disclosure Platform, which proposes the distribution of the profit generated in the operating year of 2022 as in the profit distribution table within the scope of the purposes and targets determined in our profit distribution policy in accordance with the legislation, the amount of profit to be distributed in cash should be 2,000,000,000 TRY, and that the date of profit distribution can be determined by the Board of Directors will be submitted to the approval of the General Assembly.

**Other Considerations**

Following the end of the operating year, no event of special importance has occurred in the Company that may affect the rights of shareholders, creditors, and other relevant persons and organizations.

This report has been prepared in accordance with the provisions of the Turkish Commercial Code, the Capital Markets Law and the relevant legislation, and has been signed and approved by the Members of the Board of Directors of the Company with the Board of Directors' decision dated February 28, 2023 and numbered 2023/14.

The responsibility statement of the Members of the Board of Directors and the manager responsible for financial reporting for the operating period of 2022 is given in Appendix 1.

Pursuant to the decision of the Board of Directors, dated February 28, 2023 and numbered 2023/14, the Consolidated Financial Statements and Footnotes of our Company for the accounting period ending on December 31, 2022 were approved and it has been decided to publish the Independent Audit Report, prepared by PwC Independent Auditing and Certified Public Accountant Inc. and submitted to our Company, the Financial Statements, and the Footnotes on the Public Disclosure Platform.

## APPENDICES

## APPENDIX 1. STATEMENT OF RESPONSIBILITY ON FINANCIAL REPORTS



RESOLUTION OF THE BOARD OF DIRECTORS CONCERNING THE APPROVAL OF  
FINANCIAL STATEMENTS AND ANNUAL REPORTS

RESOLUTION DATE: 28 February 2023  
RESOLUTION NUMBER: 2023/14

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 2022 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 MEMİŞ

Board Member and  
Head of Audit Committee

A. Yasemin AKAD

Board Member and  
Member of Audit  
Committee

Kerem TALİH

Chief Financial Officer

Doğuş Otomotiv Servis ve Ticaret A.Ş.

**Headquarter**  
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Central Registration System Number: 0-3090-1147-1300010

**Management and Communication**  
Şekerpinar Mah. Anadolu Cad.  
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## 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 2022 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 28 February 2023 on the full set consolidated financial statements for the 1 January - 31 December 2022 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;

PwC Bagışmacı Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

BJK Plaza, Süleyman Seba Caddesi No:48 B Blok Kat:9 Maçka/İstanbul 34357 Istanbul-Turkey  
T: +90 212 326 6060, F: +90 212 326 6050, [www.pwc.com.tr](http://www.pwc.com.tr) Mersis Numarası: 0-1460-0224-0500013

## APPENDIX 3. INDEPENDENT AUDITORS' REPORT ON THE EARLY RISK IDENTIFICATION SYSTEM AND COMMITTEE



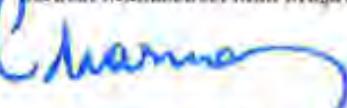
- b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments 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  
Sergest Muhasebeci Mali Müşavirlik A.Ş.

  
Cihan Harman, SMMM  
Partner

Istanbul, 28 February 2023



### 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 2022 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.

## APPENDIX 4. STATEMENT OF COMPLIANCE TO SUSTAINABILITY PRINCIPLES FRAMEWORK



### 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*  
Cihan Harman, SMMM  
Partner

Istanbul, 28 February 2023

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION REGARDING THE PUBLIC DISCLOSURE / LINK
		YES	NO	PARTIALLY	NON-APPLICABLE		
	<b>A. General Principles</b>						
	<b>A1. Strategy, Policy, and Goals</b>						
A1.1	Priority environmental, social, and corporate governance (ESG) issues, risks and opportunities have been determined by the board of directors of the partnership.	●				Shared with the public in June 2022 as part of the 2021 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 34, 35
A1.2	ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) have been created and disclosed to the public by the board of directors of the partnership.	●				Doğuş Otomotiv ESG Policies are published on the company website.	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>
A2.1	A2. Implementation /Monitoring						
A2.2	The committees and/or units responsible for the implementation of ESG policies and the highest level officials in the partnership related to ESG issues and their duties have been identified and disclosed to the public.	●				Published on the company website under the title of 'Sustainability Strategy and Management'.	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/strategy-and-management">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/strategy-and-management</a>
A2.1	Activities carried out within the scope of policies by the responsible committee and/or unit are reported to the board of directors at least once a year.	●				The Corporate Governance and Sustainability Committee convened four times in 2022 and the meeting results were reported to the Board of Directors.	<a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations-reports-and-presentations/annual-reports/2022 Annual Report; page 123">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations-reports-and-presentations/annual-reports/2022 Annual Report; page 123</a>
A2.2	In line with the ESG targets, implementation and action plans have been created and disclosed to the public.	●				Shared with the public in June 2022 as part of the 2021 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 34, 35

A2.3	The ESG Key Performance Indicators (KPI) and the level of achieving these indicators on a yearly basis have been disclosed to the public.	●			Shared with the public in June 2022 as part of the 2021 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 45-49 (Performance Section) Pages 111-114 (Environmental Performance) Pages 150-156 (UN SDG Performance)
A2.4	Activities to improve the sustainability performance of business processes or products and services have been disclosed to the public.	●			Shared with the public in June 2022 as part of the 2021 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> Doğuş Otomotiv has been disclosing its sustainability performance, covering all its processes and subsidiaries, at international standards in detail in its Sustainability Reports since 2009. Check pages 50-63 for Product and Service Performance.
	<b>A3. Reporting</b>					
A3.1	Information regarding the sustainability performance, targets, and actions of the partnership is given in a comprehensible, accurate, and sufficient fashion in the annual reports.		●		Doğuş Otomotiv announces its detailed sustainability performance in the second quarter of the following year within the contents of its sustainability reports. On the other hand, information regarding the Company's performance is included as a summary in the annual report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; pages 91-101
A3.2	Information on which of company activities are related to the United Nations (UN) 2030 Sustainable Development Goals has been disclosed to the public by the partnership.	●			Shared with the public in June 2022 as part of the 2021 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 150-156
A3.3	Lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.	●			Shared with the public in June 2022 as part of the 2021 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 182-203
	<b>A4. Verification</b>					
A4.1	The partnership's ESG Key Performance metrics have been verified and publicly disclosed by an independent third party.	●			Data included in Doğuş Otomotiv's Sustainability Reports are partially verified by an independent audit firm. Detailed verification documents are included in the appendix of the sustainability reports.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 204-207

B. Environmental Principles						
B1	The partnership has disclosed its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management to the public.	●			Doğuş Otomotiv has been certified with the ISO 14001 Certificate. The Company discloses its environmental performance in the Sustainability Reports on a regular basis every year in accordance with its areas of focus.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 112-115
B2	The scope of the report, the reporting period, the reporting date, and the limitations regarding the reporting conditions have been disclosed to the public regarding the environmental reports prepared to provide information on environmental management.	●			Doğuş Otomotiv complies with all environmental laws and regulations and monitors the processes per the ISO 14001 compliance obligations document. Our company has an appointed environmental manager. The Company also has an Environment Committee that reports directly to the Corporate Governance and Sustainability Committee.	<a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; pages 98, 99 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 108-115
B3	Is given in A2.1.	●			Doğuş Otomotiv has been disclosing its sustainability performance at the comprehensive reporting application level every year since 2009, regularly using the GRI Standards reporting framework and in line with the priorities it has determined in accordance with the AA1000 SES Standard methodology. All details regarding environmental data are disclosed to the public in accordance with reporting principles. Explanations on data methodology and scope are included under the scope heading of the report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; page 8
B4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems for stakeholders (such as members of the Board of Directors, managers, and employees) have been disclosed to the public.		●			
B5	The company has disclosed to the public its methods of integrating priority environmental issues into business objectives and strategies.	●			Doğuş Otomotiv annually discloses its environmental data in line with its areas of focus and shares its targets with the public under appropriate headings. The Company also encourages its subsidiaries, authorized dealers, services, and suppliers throughout the entire value chain to disclose their environmental data. Doğuş Otomotiv has added sustainability principles to its categorization and audit processes in procurement processes with its suppliers, and has started to include these stakeholders in its sustainability report since 2015.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 34, 35
B6	Is given in A2.4.	●			Doğuş Otomotiv has been disclosing its sustainability performance, covering all its processes and subsidiaries, at international standards in detail in its Sustainability Reports since 2009.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Check pages 50-63 for Product and Service Performance

B7	The company has publicly disclosed how environmental issues in the operational process are managed and integrated into business objectives and strategies along the partnership value chain, including suppliers and customers.	●		Doğuş Otomotiv has been disclosing its environmental data in line with the priorities it has determined in accordance with the AA1000 SES Standard since 2009. The areas of focus were revised in 2018 in line with the changing conditions and stakeholder expectations, and since then, reporting was performed in line with the new areas of focus. All details regarding integration into business strategies are published within the Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Check pages 50-63 for Product and Service Performance Check pages 57-62 for Sustainable Supply Chain	<a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> Check pages 46-47 for Suppliers			<p>Doğuş Otomotiv publishes its environmental performance within the contents of its Sustainability Reports in accordance with international standards. At the same time, as a UN Global Compact (GC) signatory since 2010, the Company also includes the UN GC index in its reports and declares its commitments.</p> <p><a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>  2021 Sustainability Report;  pages 108, 109, 111, 114</p>		
B8	Whether relevant organizations and non-governmental organizations on the environment were involved in the policy-making processes and the collaborations with these institutions and organizations have been disclosed to the public.		●	If deemed necessary and in line with the Company's priorities, efforts are made to cooperate with environmental unions and associations, while cooperation alternatives for the future are evaluated. All collaborations are disclosed to the public within the contents of the sustainability reports.	Collaboration with the ÇEKÜL Foundation <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; page 110				Doğuş Otomotiv has publicly declared with its economic development policy that it accepts climate change as a financial risk. In addition, the Company declares all its strategies that fall under its environment and energy management policy and sphere of influence policy.	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>	
B9	Information about environmental effects in the light of environmental indicators (greenhouse gas emissions [Scope-1: direct, Scope-2: energy indirect, Scope-3: other indirect], air quality, energy management, water and wastewater management, waste management, and biodiversity) has been disclosed to the public on a comparable basis periodically.			Doğuş Otomotiv has been publishing its environmental data comparatively within the contents of the sustainability reports since 2009 in line with its priorities. ISO 14001: 2015 Environmental Management System certification was completed in 2021. Although information regarding emissions were disclosed in previous years, Scope 1-2-3 emissions and total carbon footprint of Doğuş Otomotiv were announced for the first time within the contents of 2021 Sustainability Report. Since there is no comparability with previous years, only the data for 2021 has been announced in this way. However, the sustainability reports of the previous years can be examined for other consumptions in previous years.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 111, 114				All actions are explained within the scope of priority areas of focus in line with the environmental impact management of products and services policy and the performance of the sphere of influence.	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>	
									Doğuş Otomotiv disclosed its greenhouse gas emissions data for the first time in 2021, in accordance with the ISO 14064 standard, within the contents of its sustainability report. Scope 3 collects data on a limited basis. In the 2022 sustainability report, efforts were initiated to expand the Scope 3 data areas, and data were collected to be published in the 2022 sustainability report. The data will be updated and published in the 2022 Sustainability Report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; page 142	
B10	Details of the standards, protocols, methodology, and base year used to collect and calculate data have been disclosed to the public.	●		Doğuş Otomotiv uses the methodology proposed by the GRI Standards and the reporting method per local laws and regulations in the disclosure of its environmental data. The data is collected and consolidated by the members of the Sustainability Committee, which is formed within the Company and includes employees from each unit. As of 2021, environmental data has been calculated and disclosed in accordance with the ISO 14064 standard and will be shared in this way in the following years.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 111, 114				The data for 2021 has been announced within the contents of the sustainability report published in June 2022.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 34-36, 109-115	
B11	Compared to previous years, the increase or decrease in the environmental indicators for the reporting year has been disclosed to the public.	●		There has been a change in the comparable data between 2009-2017 and 2018-2020 due to the change of priority areas of focus. However, since the reports published regularly since 2018 have been reporting using the same factors, necessary comparisons can be made. As of 2021, environmental data started to be reported in accordance with the ISO 14064 standard.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 111, 114				Doğuş Otomotiv started the installation of solar energy panels with an investment of 2.4 million US dollars on the roof of its Logistics Center in Şekerpinar in 2021 and continued to produce the electrical energy used in the Şekerpinar campus directly from renewable energy sources with the investment completed in 2022. With the implementation of this investment in 2022, the Company aims to meet its annual energy needs from renewable energy sources and to reduce carbon emissions by 45% annually. The realization rate of the targets will be announced within the contents of the 2022 Sustainability report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; page 109, 110	<a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; page 99

B18	Efforts on increasing the use of renewable energy and the transition to zero or low carbon electricity have been made and publicly announced.	●			Doğuş Otomotiv has completely switched to renewable energy with the solar power plant investment made at the Şekerpinar site in 2022.	<a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; page 99
B19	Data on renewable energy production and usage has been disclosed to the public.	●			Doğuş Otomotiv started the installation of solar energy panels with an investment of 2.4 million US dollars on the roof of its Logistics Center in Şekerpinar in 2021 and continued to produce the electrical energy used in the Şekerpinar campus directly from renewable energy sources with the investment completed in 2022. With the implementation of this investment in 2022, the Company aims to meet its annual energy needs from renewable energy sources and to reduce carbon emissions by 45% annually. The realization rate of the targets will be announced within the contents of the 2022 Sustainability report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 109, 110  <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; page 99
B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects has been disclosed to the public.	●			Doğuş Otomotiv started the installation of solar energy panels with an investment of 2.4 million US dollars on the roof of its Logistics Center in Şekerpinar in 2021 and continued to produce the electrical energy used in the Şekerpinar campus directly from renewable energy sources with the investment completed in 2022. With the implementation of this investment in 2022, the Company aims to meet its annual energy needs from renewable energy sources and to reduce carbon emissions by 45% annually. The realization rate of the targets will be announced within the contents of the 2022 Sustainability report.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; pages 109, 110  <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; page 99
B21	Water consumption, and if any, amounts of water drawn, recycled and discharged from underground or above ground, its sources, and procedures have been disclosed to the public.	●			Water consumption is among Doğuş Otomotiv's primary focus areas. Since 2009, the Company has been explaining the water consumption per vehicle sold and carrying out studies on reducing consumption. Comprehensive and comparative data is included in the Sustainability Report. Doğuş Otomotiv aims to report its Water Footprint as of 2023.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report; Pages 94, 113, 115
B22	Information on whether the operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax) has been disclosed to the public.			●	Is not a primary area of focus of the company. Has not been evaluated per stakeholders' expectations.	
B23	Information on carbon credits accumulated or purchased during the reporting period has been disclosed to the public.			●	Is not a primary area of focus of the company. Has not been evaluated per stakeholders' expectations.	
B24	In case carbon pricing is put into practice within the partnership, the details are disclosed to the public.			●	Is not a primary area of focus of the company. Has not been evaluated per stakeholders' expectations.	

B25	The platforms where the partnership discloses its environmental information have been disclosed to the public.	●			Doğuş Otomotiv publicly shares all sustainability data on its website within the basic indicators of the standards. Apart from notifications made to public authorities as required by legal obligations, environmental informations are evaluated in the BIST Sustainability Index in line with these data.	<a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a> 2021 Sustainability Report - Reporting Principles; pages 8, 9
	<b>C. Social Principles</b>					
	<b>C1. Human Rights and Employee Rights</b>					
C1.1	The Corporate Human Rights and Employee Rights Policies have been drawn in a way to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey, and other relevant legislation, those responsible for the implementation of the policy have been determined, and the policy and those responsible have been disclosed to the public.	●			Doğuş Otomotiv's human rights policy meets the requirements stipulated in its priority areas of focus on human rights and employees, business environment policy and its sub-policies, and those within the contents of Doğuş Otomotiv's Code of Ethics. All necessary details and performances are disclosed on the website and sustainability reports.	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>  <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf</a>  <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/reports-and-presentations/annual-reports</a> 2022 Annual Report; page 105
C1.2	Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment, and inclusion issues (avoiding discrimination in issues related to gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc.) have been included in the Employee Rights Policy.	●			Employees and Work Environment Policy, Equal Opportunity Policy and Doğuş Otomotiv's Code of Ethics, Sustainable Procurement Policy	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>  <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf</a>
C1.3	Measures taken along the value chain regarding the observance of certain groups sensitive to economic, environmental, and social factors (low-income groups, women, etc.) or issues regarding minority rights/equality of opportunity have been disclosed to the public.	●			Equality at Work Program, Human Rights Policy, Anti-Discrimination Policy, Sustainable Procurement Policy	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>  <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf</a>
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, violation of human rights, forced labor, and child labor have been disclosed to the public.	●			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	<a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/sustainability-policies</a>  <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf</a>

C1.5	Issues regarding investment in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions, and talent management have been included in the Employee Rights Policy.	●			All relevant details are published annually within the contents of the sustainability reports. At the same time, information about the Code of Ethics, Ethics Hotline, and related processes are included within the contents of the Code of Ethics.	2022 Annual Report; pages 107, 115 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; pages 65-79 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>	C1.8	Ethics policy has been established and disclosed to the public.	●			Doğuş Otomotiv Code of Ethics has been published on the website, accessible to all our stakeholders, as a public commitment since 2012.	<a href="https://www.dogusotomotiv.com.tr/hewdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf">https://www.dogusotomotiv.com.tr/hewdogusotomotiv_files/2021541544943_DogusSETIK%20kod-2021-EN.pdf</a>
	Mechanisms for employee complaints and resolution of disputes were created and dispute resolution processes have been determined.	●			All relevant details are published annually within the contents of the sustainability reports. At the same time, information about the Code of Ethics, Ethics Hotline, and related processes are included within the contents of the Code of Ethics.	2022 Annual Report; page 115 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; page 54 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>	C1.9						
	Activities carried out within the reported period to ensure employee satisfaction have been disclosed to the public.	●			All relevant details are published annually within the contents of the sustainability reports. At the same time, information about the Code of Ethics, Ethics Hotline, and related processes are included within the contents of the Code of Ethics.	2022 Annual Report, pages 102-111 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; pages 65-79 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>	C1.10	Briefing meetings and training programs on ESG policies and practices were organized for employees.	●			All training and practices related to sustainability and policy information are updated and published every year within the contents of sustainability reports.	2022 Annual Report; pages 46, 51, 96, 97 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; pages 34, 35, 39, 50, 53, 54, 56 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>
C1.6	Occupational health and safety policies have been established and disclosed to the public.	●			Occupational Health and Safety is among Doğuş Otomotiv's priority areas of focus regarding sustainability. The policies are available on the website. Relevant data are published comparatively in the Sustainability Report. In 2022, ISO 45001 Occupational Health and Safety Certificate was obtained.	2021 Sustainability Report; pages 72-74, 94, 134, 135 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>	C2.1	<b>C2. Stakeholders, International Standards, and Initiatives</b>  The Customer Satisfaction Policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.				Customer Management and related strategies and practices are explained in detail within the contents of sustainability reports.	2022 Annual Report; pages 40-45 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; pages 83-86 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>
	Measures taken to prevent occupational accidents and protect health, along with accident statistics, have been disclosed to the public.	●			Occupational Health and Safety is among Doğuş Otomotiv's priority areas of focus regarding sustainability. The policies are available on the website. Relevant data are published comparatively in the 2021 Sustainability Report. In 2022, ISO 45001 Occupational Health and Safety Certificate was obtained.	2021 Sustainability Report; pages 72-74, 94, 134, 135 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>	C2.2	Information about the communication with stakeholders (which stakeholder, subject, and contact frequency) has been disclosed to the public.	●			Doğuş Otomotiv has identified its key stakeholders using the AA1000 SES methodology in a workshop held in 2009 and focused its sustainability strategy on stakeholder engagement. All relevant strategies and practices and stakeholder engagement platforms are disclosed on the Company website. Current performances are included in the sustainability reports.	<a href="https://www.dogusotomotiv.com.tr/en/sustainability-strategy-and-management/stakeholder-engagement/stakeholder-engagement">https://www.dogusotomotiv.com.tr/en/sustainability-strategy-and-management/stakeholder-engagement/stakeholder-engagement</a>  2021 Sustainability Report; pages 143-145 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>
	Personal data protection and data security policies have been established and disclosed to the public.	●			Improvements have been made in accordance with all legal regulations regarding Personal Data Protection, and the process is managed at the most advanced level. At the same time, the ISO 27001 Information Security Management System installation was initiated in 2021, and the certification was received in 2022.	2022 Annual Report; pages 39, 51 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; pages 62, 63 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>	C2.3	International reporting standards adopted in reporting were explained.	●			Doğuş Otomotiv has been publishing a sustainability report every year since 2009 in accordance with the framework of the GRI Global Reporting Initiative. The Company reports at the comprehensive reporting level according to the GRI Standards, the final reporting framework of the initiative. Doğuş Otomotiv 2021 Sustainability Report includes related indices as well as an index for SASB Indicators.	2021 Sustainability Report; pages 8, 9 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>

C2.4	Principles adopted regarding sustainability, and international organizations, committees, and principles that were signed up or joined have been disclosed to the public.	●		Doğuş Otomotiv has been a signatory of the UNGC - United Nations Global Compact since 2010 and the relevant indexes are published on the website and within the contents of the sustainability reports. In 2022, the Company participated in UN WEPs as a signatory, and the related report will be included in the 2022 Sustainability Report. Since 2017, Doğuş Otomotiv has regularly included the UN Sustainable Development Goals Index in its sustainability report. Starting with the 2020 Report, the AIGA Principles index have been also included in the report.	2021 Sustainability Report; pages 147-156 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>
C2.5	Improvements were made and efforts were undertaken to be included in the sustainability indices of Borsa İstanbul and/or international index providers.	●		Doğuş Otomotiv has been listed in the BIST Sustainability Index since 2014-2015 term. In 2022, the company was also listed in the BIST Sustainability 25 Index, which was announced for the first time. Monitoring and planning activities on international indexes are underway.	2022 Annual Report; page 90 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>
	<b>D. Corporate Governance Principles</b>				
D1	Opinions of the stakeholders were sought in the determination of measures and strategies in the field of sustainability.		●	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.	2022 Annual Report; pages 96, 97 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; Pages 29, 41 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>
D2	Social responsibility projects, awareness activities, and pieces of training have been carried out to raise awareness of the issue of sustainability and its importance.	●		Sustainability is strategically addressed throughout our value chain, in which we include all our stakeholders, and information activities are carried out through face-to-face trainings and meetings, including those with third parties. Social responsibility is encouraged at Doğuş Otomotiv through a volunteering platform. In addition, the Traffic is Life Program is carried out as a social participation program. Related details have been disclosed to the public within the contents of the Corporate Governance Compliance Report and Sustainability Report.	2022 Annual Report; pages 112, 113 <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/reports-and-presentations/annual-reports</a>  2021 Sustainability Report; pages 105-107 <a href="https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf">https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/20227289451602_Dogus_KSR_2021_EN.pdf</a>

## APPENDIX 5. DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2022

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.						
DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2022 (TL)						
1- Paid-in /Issued Capital	220.000.000,00					
2- Legal Reserves ( According to Legal Records)	313.168.612,00					
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	8.520.959.000,00	6.734.508.267,00				
4- Taxes(-)	(672.886.000,00)	(1.493.504.004,00)				
5- Net profit for the period (*)	7.824.186.000,00	5.241.004.263,00				
6- Accumulated losses (-)	-	-				
7- Legal Reserves(-)	-	-				
8- NET DISTRIBUTABLE PROFIT FOR THE PERIOD	7.824.186.000,00	5.241.004.263,00				
Dividend advances made through the year (-)	(900.000.000,00)	(900.000.000,00)				
Distributable Net Income for the Period excluding dividend advances	6.924.186.000,00	4.341.004.263,00				
9- Donations made through the year (+)	5.593.333,00					
10- Distributable Net Income for the Period including Donations	6.929.779.333,00					
11- First Dividend to the Shareholders	2.000.000.000,00					
- Cash	2.000.000.000,00					
- 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	-					
16- Legal Reserves	288.900.000,00					
17- Statutory Reserves	-					
18- Special Reserves	-					
19- EXTRAORDINARY RESERVES	4.635.286.000,00	2.052.104.263,00				
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)	RATIO (%)
- GROSS	2.000.000.000,00	-	25,6	9.090.909,1	909.09091	909.09091
- NET	1.800.000.000,00	-	23,0	8.181.818,2	818.18182	818.18182
(*) Net profit for the period for the Parent, except Non-controlling interest.						
(**) Represents the amounts in case of gross distribution or net distribution after 10% withholding tax.						