

OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.

Corporate Governance Information Form

2021 - Annual Notification

Summary

Corporate Governance Information Form

1. SHAREHOLDERS

Related Companies ☐

Related Funds ☐

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	In 2021, 19 online investor meetings and 59 teleconferences took place due to the COVID-19 pandemic. The department also participated in one online roadshow.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	-
The number of special audit requests that were accepted at the General Shareholders' Meeting	-
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/909438
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes, available.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no such transaction.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There is no such transaction.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	Material disclosure regarding common and continuous transactions can be found at: https://www.kap.org.tr/tr/Bildirim/908919
The name of the section on the corporate website that demonstrates the donation policy of the company	The Donation and Sponsorship Policy, proposed by the Board of Directors resolution on March 3, 2021 and approved by the annual General Assembly resolution on March 17, 2021, is available on the corporate web site's

	Investor Relations/ Corporate Governance section.
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	Material disclosure about the general assembly meeting where the upper limit for donations and aid was approved: https://www.kap.org.tr/tr/Bildirim/918881
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 15-a
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	General Assembly Meeting was open to the public, including stakeholders without speaking rights and the media.
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Hayır (No)
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	% 44,68
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
If yes, specify the relevant provision of the articles of association.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations - Corporate Governance – Dividend Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Dividends have been paid out.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
17/03/2021	0	% 75,56	% 0,062	% 75,50	Investor Relations - General Assembly Meetings	No question has been communicated with respect to Corporate Governance Principle 1.3.5.	-	0	https://www.kap.org.tr/tr/Bildirim/918881

2. DISCLOSURE AND TRANSPARENCY

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Relations
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Investor Relations- Corporate Information - Shareholder Structure
List of languages for which the website is available	Turkish and English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	General Assembly and Corporate Governance Practices Section
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance Practices Section
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance Practices Section
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Legal Disclosures Section
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Legal Disclosures Section
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Legal Disclosures Section

f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	Legal Disclosures Section
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Sustainability and Human Resources

3. STAKEHOLDERS

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3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Even though a dedicated severance policy is not available, all Koç Group companies and Koç Holding manage the rights of stakeholders to severance in accordance with national and international laws and norms.
The number of definitive convictions the company was subject to in relation to breach of employee rights	7
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Internal Audit Department and Ethics Board
The contact detail of the company alert mechanism	https://www.otokar.com.tr/contact/contact-form
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Internal regulations do not have links open to the public.
Corporate bodies where employees are actually represented	Otokar employees engage with the management through various means and express their views. Employees have representatives in the Occupational Health and Safety, Discipline and Annual Leave Committees. All employees are able to communicate their ideas on development areas through the electronic suggestion system. The annual Employee Loyalty Survey is conducted with open ended questions to obtain the opinions of each employee anonymously. Internal communication meetings (townhalls) are organized to share information about the company with the employees, dealers and other stakeholders and to answer their questions.
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	There are succession plans in plans for all key executive positions. The succession plans are finalized upon the General Manager's approval.

<p>The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.</p>	<p>Otokar is a signatory of Women's Empowerment Principles (WEPs), a joint initiative of UN Women and (UN Global Compact) since 2017. The required qualifications are specified in each job posting. The Code of Ethics also emphasizes equal opportunity in recruitment. https://www.otokar.com.tr/investor-relations/corporate-governance/ethical-code The required qualifications are specified in each job posting. The Code of Ethics also emphasizes equal opportunity in recruitment. https://www.otokar.com.tr/investor-relations/corporate-governance/ethical-code https://www.otokar.com.tr/sustainability/human-rights</p>
<p>Whether the company provides an employee stock ownership programme</p>	<p>Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)</p>
<p>The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.</p>	<p>Human Resources</p>
<p>The number of definitive convictions the company is subject to in relation to health and safety measures</p>	<p>0</p>
<p>3.5. Ethical Rules and Social Responsibility</p>	
<p>The name of the section on the corporate website that demonstrates the code of ethics</p>	<p>Investor Relations - Corporate Governance - Ethical Code</p>
<p>The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.</p>	<p>Sustainability</p>
<p>Any measures combating any kind of corruption including embezzlement and bribery</p>	<p>Principles on these topics are covered in the Anti-bribery and Anti-corruption Policy. https://www.otokar.com.tr/getmedia/aa6798c7-0e90-45d1-a5f5-5d1f5ab0da1d/otokar_anti-bribery-and-corruption-policy_07052021 Otokar Code of Ethics also includes relevant principles.</p>

4. BOARD OF DIRECTORS-I

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	31.12.2021
Whether the board evaluation was externally facilitated	Hayır (No)
Whether all board members released from their duties at the GSM	Evet (Yes)
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No delegation was made among the board members.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	Internal audit department presents collective information to the audit committee regarding the operations within the year.
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Internal Audit Department
Name of the Chairman	Yıldırım Ali Koç
Name of the CEO	Ahmet Serdar Görgüç
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	https://www.otokar.com.tr/investor-relations/corporate-governance
The number and ratio of female directors within the Board of Directors	1 (%12.5)

Composition of Board of Directors

			The First	Link To PDP Notification	Whether the Independent	Whether She/He is the Director Who	Whether The Director Has At Least 5 Years'

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	Election Date To Board	That Includes The Independency Declaration	Director Considered By The Nomination Committee	Ceased to Satisfy The Independence or Not	Experience On Audit, Accounting And/Or Finance Or Not
Yıldırım Ali Koç	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	26/03/ 2015				
Levent Çakıroğlu	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	26/03/ 2015				
Selin Ayla Ünver	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	22/10/ 2018				
İsmail Cenk Çimen	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	18/03/ 2019				
Ahmet Serdar Görgüç	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	20/04/ 2006				
Ali İhsan İlkbahar	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	16/03/ 2020	https://www.kap.org.tr/Bildirim/926318	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Ali İhsan Kamanlı	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	15/03/ 2018	https://www.kap.org.tr/Bildirim/926318	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Kenan Güven	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	15/03/ 2018	https://www.kap.org.tr/Bildirim/926318	Değerlendirildi (Considered)	Hayır (No)	

4. BOARD OF DIRECTORS-II

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	3
Director average attendance rate at board meetings	% 100
Whether the board uses an electronic portal to support its work or not	Hayır (No)
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	There is no such practice.
The name of the section on the corporate website that demonstrates information about the board charter	There is no such practice.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no such practice.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Members of the Board of Directors and Members of the Committees
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/751694

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Denetim Komitesi (Audit Committee)	-	Ali İhsan İlkbahar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)	-	Ali İhsan Kamanlı	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Ali İhsan İlkbahar	Evet (Yes)	Yönetim kurulu üyesi (Board member)

Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Levent Çakıroğlu	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Hüseyin Odabaş	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Kenan Güven	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	İsmail Cenk Çimen	Hayır (No)	Yönetim kurulu üyesi (Board member)

4. BOARD OF DIRECTORS-III

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Practices – Committees formed by the Board
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Practices – Committees formed by the Board
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	There is no nomination committee. The corporate governance committee carries out its tasks.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Practices – Committees formed by the Board
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	There is no remuneration committee. The corporate governance committee carries out its tasks.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Board of Directors' Annual Report
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations - Corporate Governance
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	General Assembly Section – Remuneration Policy

Composition of Board Committees-II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
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Denetim Komitesi (Audit Committee)	-	% 100	% 100	6	6
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	% 67	% 33	7	7
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	% 100	% 50	6	6