

# ANNUAL REPORT

# 2021



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### DEMOISELLE CRANE

This piece of art, exhibited at Doğuş Otomotiv Plus+ Galataport, was produced entirely by waste automobile parts in order to draw attention and raise awareness about the environment and environmental protection within the framework of Doğuş Otomotiv's sustainability strategy. The demoiselle crane (*Grus virgo*) is a bird from the family *Gruidae*. It is on the red list of "Threatened Species" prepared by the International Union for Conservation of Nature (IUCN).



## MESSAGE FROM THE CEO & CHAIRMAN

Our Dear Stakeholders,

After a period full of difficulties in which COVID-19 caught the whole world unprepared, we left behind a year in which normalization trends predominated, but the effects of the pandemic continued to be felt, especially on commodity markets and supply chains. Despite the territorial and sectoral differences, 2021 was a year of partial economic recovery across the world. According to estimates, the world economy grew by 5.6 percent in 2021. On the other hand, inflationary pressure was felt in all economies due to the difficulties in production chains and the negative impact of bottlenecks in energy, food, and commodity markets on prices. The Omicron variant, which surrounded the world in the last quarter of the year, caused all the attention to turn to the pandemic again. Due to the rapid spread of the variant, the reappearance of closure measures in some countries once again increased the uneasiness.

### **The chip crisis caught the automotive industry off guard**

The global automotive industry also suffered from the supply bottleneck that continued in 2021. The chip crisis caused by the supply-demand imbalance and the effects of rapid increases in raw material prices and contraction in global production has brought the automotive industry to its knees. Throughout the year, many automotive manufacturers announced that they were cutting down on production as they could not procure enough chips. This situation also caused some disruptions and delays in the procurement of our brands. Despite the shrinkage in production due to the chip crisis, the total automotive market is expected to reach 84.2 million units in 2021, an increase of 3.8 percent compared to the previous year.

### **Loss of momentum in the Turkish market**

Despite the pandemic the previous year, the Turkish automotive market, which had a very active year and grew above expectations in both the new and second-hand vehicle markets, could not maintain the same performance in 2021. The automotive sector, which started the year with a fast pace of sales, started losing momentum in the second half of the year. Foreign exchange-related market movements during the last period of the year also negatively affected automobile sales. This situation also makes it difficult for us to make predictions for 2022.

As of the end of the year, automobile and light commercial vehicle sales in Turkey decreased by 4.6 percent compared to the previous year and amounted to 737,350 units. The contraction in the total automotive market, including heavy vehicles, was 2.9 percent. In 2021, a total of 772,722 vehicles were sold in Turkey. The second-hand market also shrank by about 10.2 percent.

### **Doğuş Otomotiv increased its market share**

As Doğuş Otomotiv, we made a strong start to the year. Despite various supply problems, our automobile and light commercial vehicle sales reached 120,846 units in 2021 with an increase of 1.2 percent compared to the previous year. While our total sales, including heavy commercial vehicles, were 123,038 units, we increased our market share by 1 point to 16.4%. The increase in our sales and market share despite the fact that the share of imported automobiles in the total sales in the Turkish market in 2021 has decreased to 44% renders the success we have achieved as Doğuş Otomotiv even

more meaningful.

### **We power electric mobility**

Electric mobility plays a key role for a sustainable world. This situation causes our investment focus to shift to electric vehicles in our brands, as is the case in the entire automotive ecosystem. Although the number of electric vehicles on the roads is still far from sufficient, a rapid increase is observed in sales in this segment. Electric vehicle sales in Turkey increased by 3.5 times in 2021, reaching 2,846 units. Of these vehicles, 353 were Porsche. Within the scope of its "Road to X" strategy, Porsche plays a leading role in the transformation to electric cars and the Turkish automotive industry.

In line with this strategy, we give priority to sustainability practices at our Porsche centers. At Doğuş Otomotiv, we do not only bring electric cars but also contribute to the development of the necessary infrastructure. Our electric charging station installations, which we started last year, continued in 2021, accelerating. We established Turkey's first battery repair center and the fastest electric charging station at Doğuş Oto's Kartal location. With a total of 117 charging stations, we became the brand with the most charging stations in Turkey. By establishing three more battery repair centers in 2022, we aim to become the country with the highest number of battery repair centers in the Central and Eastern Europe region, and to increase the number of charging stations installed in Turkey to 200.

### **Swift steps in digital transformation**

The importance of our investments in digital transformation as part of our company strategy since 2017 has come to the fore even more with

***"We leave behind a year full of success as a natural result of solidarizing as a team, working with devotion, cooperation, and keeping up with new conditions with high energy and agility."***

the pandemic conditions. Thanks to our digital transformation and CRM projects spread throughout the company, we have been able to ensure the integrity of communication of our employees who work remotely and in the office/field for their job, and to provide several services to our customers without interruption. We base digital transformation on three main pillars: an agile management approach, increasing the digital competencies of human resources, and a data-based quality business philosophy. We have made significant progress in all these three areas in re-

cent years. The digital project works we have executed together with Doğuş Teknoloji carried us forward with increasing momentum in 2021. As of the end of the year, a total of 60 digital projects were completed, while software development works for 54 projects continued. In addition to processes such as sales, after-sales services, and marketing, we significantly increased our efficiency by using digital technologies such as robotic process automation, internet of things, ERP, machine learning, and artificial intelligence in areas such as Value and Care Center (Değer ve İlg

Merkezi, DİM) and spare parts and logistics, where we are in direct touch with our customers.

Thanks to the digitalization steps we have taken in the processes of ship unloading, stock area management, and vehicle delivery to Authorized Dealers, we have successfully shipped approximately 120,000 vehicles in 2021 despite the restrictive conditions of the pandemic. We shipped 17,564 vehicles in March alone, reaching the highest monthly shipment volume of the last four years. Similarly, with the support of



our strengthened digital infrastructure, we managed the shipment of up to 11 million parts with the most optimum solutions.

The “Data Strategy and Data Roadmap” practices initiated within the Doğuş Group to ensure that “Big Data” is managed effectively and professionally, once again demonstrated the progress made by Doğuş Otomotiv, which was primarily included in the practice. We have also tightened our steps in security, which is a different dimension of digitalization. In the coming period, one of our main priorities will be to provide our Authorized Dealers with secure technology infrastructure.

#### **Sustainability is our new normal**

While the pandemic revealed how fragile many structures that are considered immutable in the world are, it also clearly showed that sustainability is not an option, but a necessity for our common future. In this period, where the responsibilities of companies are redefined with the concept of stakeholder capitalism, we have no choice but to make sustainability the new normal, both as institutions and individuals.

In the Global Risks Report prepared by the World Economic Forum, communicable diseases have now been added to climate change, which was in first place until last year. It is expected that issues such as fluctuations in commodity prices, circular economy, protection of limited resources, and environmental pollution will be added to the priorities of the concept of sustainability, which requires us to completely change our view of the world, our environment, our responsibilities, and our lifestyles. Current trends such as digital transformation, reducing carbon footprint, investing in renewable energy sources, sustainable products, and ethical business processes will increasingly continue their importance.

As Doğuş Otomotiv, we deem our understanding of sustainability based on continuous improvement, efficiency, stakeholder participation, and respect for the environment as the most fundamental element that will carry our company into the future.

While we review all our operations in accordance with sustainability standards, we accept climate change as a financial risk. In 2021, we completed our ISO 14001:2015 Environmental Management System installation works, which we attach great importance to, and received our certificate. We started to invest for a solar power plant to be installed on the roof of our logistics building in order to provide the energy we consume from renewable sources. Thus, while reducing our carbon emissions significantly, we will also be setting an example for our Authorized Dealers and Service Centers to switch to renewable energy.

#### **Happy employees for happy customers**

As Doğuş Otomotiv, we consider our human resources as our most valuable capital and believe that investing in this resource is a necessity for the success of our company, based on the notion that “We must have happy employees first to have happy customers”. With this understanding, we continued our training for the personal and professional development of our employees in 2021 as well. We carried out more than 17 hours of training and development activities per person throughout the year. The GO-DGTL Akademi, which we designed for the development of digital competence and skills, gave its first graduates in 2021.

With the awareness of a responsible corporate citizen, we published our “Workplace Policy Against Domestic Violence” in 2021 to provide a healthy and safe working environment away from all kinds of violence and threats. We started working on confirming and, when necessary, updating our priorities in our Corporate Human Rights Policy, which we first announced in 2010. In addition, during the year, we received many awards for our human resources practices from both Turkish and international organizations.

Our efforts to strengthen our corporate structure continued in 2021 as always. Thanks to the improvements we made in the fields of human resources, digitalization, and sustainability, we increased our Corporate Governance Principles Compliance

Score from 9.67 to 9.70. As a fruit of our sustainability efforts, we became one of the six pilot countries selected for VW AG's Sustainable Supply Chain Program. The fact that according to different surveys we were chosen among the employers that students and young professionals most want to work with made us happy, since young people see Doğuş Otomotiv as a contemporary workplace where they can develop themselves and convey their dynamism.

#### **Innovations to continue**

While our brands closed 2021 with extremely successful results, we also made significant innovations during the year. In April, we introduced our new brand CUPRA to Turkey. In addition, we launched Doğuş Marine Services to carry our corporate business approach to the maritime sector. While we strengthened our product portfolio with many new models we launched during the year, we crowned our achievements with numerous awards.

The year 2022, in which we will continue this dynamism, will be another active and productive year in terms of launches and projects. Mobility, digitalization, service-oriented studies, operational efficiency, and optimum profitability will continue to be on our agenda. We will continue our leadership in many areas with our new products, especially electric vehicles, with our digitalization process that continues at an increasing pace in every field, and our entrepreneurship projects.

As we leave behind a year full of success as a natural result of solidarizing as a team, working with devotion, cooperation, and keeping up with new conditions with high energy and agility despite the effect of the pandemic that increased distances, I would like to thank all our stakeholders who contributed to this success and express my gratitude to all our investors who supported us on this path with their trust in us as always.

Best regards,

**Emir Ali Bilaloğlu**  
Chairman of the Executive Board  
and the Board of Directors

# 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 2021. 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, Bugatti, Porsche, Volkswagen Commercial Vehicles, and Scania brands as well as a wide array of more than 80 models by these brands. The Company also competes in the industrial and marine engines market with the Scania Power Solutions 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 570 customer touch points across the country offer Doğuş Otomotiv's customers seamless, widespread sales, aftersales,

and spare parts services. Through the Value and Interest Centre (DIM) founded in 2014 within the framework of customer satisfaction efforts Doğuş Otomotiv provides its customers road assistance on a 24/7 basis.

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

Since its initial public offering in 2004, Doğuş Otomotiv shares are traded at Borsa İstanbul (BIST) with the ticker symbol "DOAS. IS". The Corporate Governance Rating score of Doğuş Otomotiv has further increased, reaching 9.70 in 2021 (2020: 9.67).

Doğuş Otomotiv, which builds all of its business processes in line with its environmental and social responsibility approach, released its first Corporate Sustainability Report in 2009, which also happened to be a first in Turkey in this sector. Doğuş Otomotiv went on to undersign the UN Global Compact in 2010. Doğuş Otomotiv is listed for the 7<sup>th</sup> consecutive year in the BIST Sustainability Index in 2021.

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 17 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 19,000 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...

**2.4 mio**

A total vehicle park of 2.4 million...

**2,000+**

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

**570+**

Over 570 customer touch points...

**8.6 mio**

Providing value to more than 8.6 million customers...

**990,000**

Yearly 990 thousand vehicle entries to Authorized Services...

## MILESTONES

### 1994

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



### 1995

- Scania Industrial and Marine Engines distributorship agreement



### 1996

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



### 1998

- Second hand car operations established



### 2000

- Consumer finance JV with Volkswagen Financial Services AG

### 1997

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



### 2003

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



### 2004

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

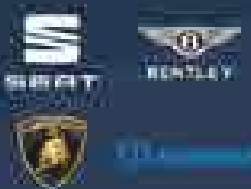


### 2005

- First dividend paid

### 2006

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



### 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

- Thermic 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 15<sup>th</sup> anniversary
- All brands located under the same roof at Şekerpınar
- Opening of Porsche Lausanne
- Publishing Corporate Sustainability Report

## DOĞUŞ

### 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

### 2020

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

### 2018

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

### 2016

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

### 2014

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



### 2021

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



### 2019

- 25<sup>th</sup> 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

### 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

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

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

The Doğuş Group, active in six core businesses including automotive, construction, media, hospitality & retail, real estate, and energy sustains its growth with new investments in the areas of technology and entertainment along with its current operations. With over 300 companies and 19,000 employees, the Group serves its customers with advanced technologies, highest brand quality and a dynamic human resource.

The Doğuş Group owes its success to a management approach centered on customer satisfaction and efficiency. As a result of this approach, the Group continues to build strong partnerships with globally reputable brands, and represent Turkey across the world. The Doğuş Group currently partners and cooperates with some of the large glob-

al players including: Volkswagen AG and TÜVSÜD in automotive; Hyatt International Ltd. in tourism; the international Azumi Group that holds under its roof brands such as Roka, Zuma and Oblix in food & beverage; and the South Korean SK Group in e-commerce.

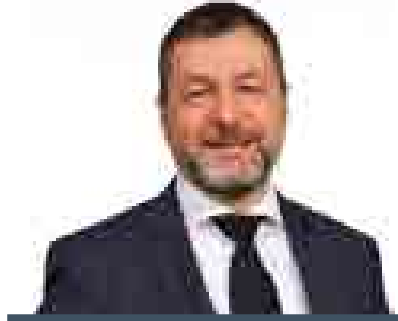
The Doğuş Group's management approach also embodies a strong corporate citizenship awareness that the whole society does and will benefit. In launching social responsibility projects, the Group always aims to leave a mark on people's life and make it much better. The Group's social responsibility projects are managed with the objective to help the society to create a progressive future; a modern lifestyle. The Group launches and carries out a variety of corporate social responsibility and sponsorship projects, particularly focused on culture and arts, sports and education. Aware of its responsibilities in all the areas it supports, Doğuş Group acts with the vision of leading the community by example, and contributes to the economy and employment through its investments.

As a pioneer of change in Turkey, the Doğuş Group capitalizes on its broad network of services, knowledge base

and collaborations to attain its goals. The Doğuş Group, driven by its vision of becoming a global player that sets the standards and advances through explorations, continues to consider the partnership and investment opportunities that might be beneficial for the nation's economy.

## MANAGEMENT REPORT

## BOARD OF DIRECTORS



**Emir Ali BİLAĞLU**  
Chief Executive Officer & Chairman

Mr. Emir Ali Bilaloğlu is an engineering graduate from Die Technische Universität Berlin, with a master's degree from the same school. Mr. Bilaloğlu started his professional career in 1991 as Financial Control and Regional Sales Manager at Audi AG headquarters in Germany. Mr. Bilaloğlu joined Doğuş Otomotiv in 2000 to be in charge of Business Development and Strategy, and in 2001, he relocated to United Arab Emirates as the Founding General Manager of Audi AG in Dubai. Upon his return to Turkey in 2004, Mr. Bilaloğlu was appointed General Manager - Audi and Porsche at Doğuş Otomotiv, and later the Chief Executive Officer (CEO) in June 2007. At the Ordinary General Assembly Meeting of Doğuş Otomotiv on 29 March 2018, Mr. Bilaloğlu was unanimously elected Chairman of the Board of Directors. Mr. Bilaloğlu also resumes his role as Chief Executive Officer of Doğuş Otomotiv since 2007. In addition to his role as the Chairman of Doğuş Oto Pazarlama, Mr. Bilaloğlu serves as Board Member at various Doğuş Group companies including Doğuş Holding, Yüce Auto, Volkswagen Doğuş Finance (vdf), Doğuş Technology and InvenDo. Since March 2018, Mr. Bilaloğlu has been the President of the Automotive Distributors' Association (ODD). Mr. Bilaloğlu is also actively involved in his roles as a member of the Turkish-German Business Council Steering Committee at DEIK (Foreign Economic Relations Board), which provides consultancy on foreign economic relations, and Advisory Board member of Turkey: Culture of Change Initiative (TCCI) affiliated to Turkish Industry and Business Association (TÜSİAD). As of 2021, Mr. Bilaloğlu is on the Board of Trustees of Işık University.



**Gür ÇAĞDAŞ**  
Vice Chairman

Mr. Gür Çağdaş holds a bachelor's degree in Political Sciences from Istanbul University (1983) and a master's degree (1985) from the same University's School of Business Administration, Institute of Managerial Economics. Mr. Çağdaş began his career in 1986 as an Investment Specialist at Eczacıbaşı Securities, and later joined Vakıflar Bankası to establish the bank's Istanbul Securities Center, which he managed until 1990. After joining Doğuş Group in 1990, Mr. Çağdaş served in a number of roles including Group Manager of Capital Markets at Birleşik Türk Körfez Bank, Assistant General Manager at Garanti Securities, and Garanti Investment and Trade Bank, and respectively as General Manager, Vice Chairman, and Chairman of Garanti Asset Management. On January 1, 2016, Mr. Çağdaş was appointed as an Advisor to Chairman and Board Member in a number of Doğuş Group companies. Mr. Çağdaş has also served as the President of Turkish Institutional Investment Managers' Association (KYD) from 2007 to 2014, during which time he represented Turkey at the European Fund and Asset Management Association (EFAMA). Mr. Çağdaş is currently the Vice President of the Corporate Governance Association of Turkey. He served on the Board of Turkish Institutional Investment Managers' Association (KYD) as a member (2013-2014) and later as Vice President (2015-2018). Mr. Çağdaş currently serves on the Boards of a number of Doğuş Group companies as member, chairman and deputy chairman, and is also a Board Member at Doğuş Holding since 2019.



**Koray ARIKAN**  
Board Member

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



**Özlem Denizmen KOCATEPE**  
Board Member

Ms. Özlem Denizmen Kocatepe is a graduate of industrial management at Cornell University, and holds a master's degree from Sloan School of Management at MIT. Ms. Denizmen Kocatepe also attended the "Influencing Techniques" program at Stanford, "Leadership" program at GE Crotonville and the "Advanced Management" program at Harvard Business School. Since 2000, Ms. Denizmen Kocatepe has served in various positions within Doğuş Group involving Strategy, Planning, Budgeting, Business Development and Investor Relations. Ms. Denizmen Kocatepe is currently a Board Member at Doğuş Otomotiv AŞ. In the field of community service, Ms. Denizmen Kocatepe is the founder of FODER (Financial Literacy Association) as well as "Para Durumu", a social initiative focused on personal financing. Ms. Denizmen Kocatepe served as the first Turkey representative on the Board of Directors of the Global Reporting Initiative (GRI) between 2014-2020. In 2020, Ms. Denizmen Kocatepe launched Moneye, a fintech company based on artificial intelligence.



**Adalet Yasemin AKAD**  
Independent Member

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



**Adnan MEMİŞ**  
Independent Member

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



## EXECUTIVE BOARD



## TURKEY'S ECONOMY AND AUTOMOTIVE SECTOR

While the world economy came to a standstill and global trade entered a major bottleneck due to the pandemic in 2020, the year 2021 came to the fore as a year of return to normal. Despite the significant growth rates of economies in the first quarter, concerns increased once again with the Omicron variant surrounding the world in the last quarter of the year, and the economic recovery lost speed. Supply problems in many industries were effective in this slowdown, as well as the uncertainties caused by the new variant.

The boom in demand that came with rapid growth has put pressure on the supply chain, which has not yet fully recovered from the negative effects of the pandemic, and has led to great difficulties in the supply of raw materials/products. In parallel, the sharp increases in commodity and energy prices adversely affected the manufacturing industry.

Supply shortages and increase in costs have created an inflationary pressure on economies around the world. In the last period of the year, historical inflation figures were announced by many developed economies. The possibility of inflation becoming permanent is considered as an important risk for the future of the world economy. For this reason, Central Banks have started to take steps to tighten monetary policies by slowing down the speed of their bond buying programs to support the economies during the pandemic period.

The fact that advanced economies have begun increasing interest rates also increases the risks for fragile emerging economies. The Turkish economy, which grew at a record rate in the first three quarters of the year, lost momentum in the last quarter due to the volatility in exchange rates and accelerating inflation. International organizations expect Turkey's growth in 2021 to be in the 6%-9.5% range. In the medium-term program of the government, the Turkish economy is expected to grow by 9% in 2021. Despite the high growth rate, an increase in macroeconomic risks has also been observed.

The world automotive sector, which contracted in 2020 due to the pandemic, spent 2021 under the shadow of the chip (semiconductor) crisis. The inability of China, the world's largest silicon producer, to supply enough silicon to the manufacturers and the inability of chip manufacturers to provide sufficient supply has caused a major bottleneck in the supply of chips, which is of vital importance for the automotive industry. While many automotive companies had to limit their production due to the chip crisis, challenges and delays arose in the supply of vehicles. However, despite all these, the worldwide automotive sales volume is expected to reach 84.2 million units in 2021, with an increase of 3.8% compared to the previous year.

The Turkish automotive market, which grew above expectations in 2020, made a strong start to 2021,

especially in car sales. The first estimates at the beginning of the year were that the market would realize a sales figure of 800-850 thousand units. However, sales lost momentum in the second half of the year. While the chip crisis caused difficulties in vehicle supply, the volatility experienced in the markets at the end of the year also negatively affected sales.

As of the end of 2021, car and light commercial vehicle sales in Turkey decreased by 4.6% compared to the previous year and amounted to 737,350 units. While car sales decreased by 7.9% compared to the previous year, totaling to 561,853 units, the light commercial vehicle market increased by 7.9% and reached a sales figure of 175,497 units.

In terms of car sales, vehicles in the A, B and C segments with low tax rates comprised more than 86% of the market. While the trend towards gasoline vehicles increased, the decline in diesel vehicles continued. Electric car sales, on the other hand, increased by 3.4 times compared to the previous year. In 2021, 2,846 electric cars were sold in Turkey. Hybrid automobile sales, on the other hand, took an 8.8% share of the market with 49,493 units.

In Turkey, the contraction in the overall automotive market, including heavy vehicles, was 2.9%. In 2021, a total of 772,722 vehicles were sold in Turkey. The used vehicles market also shrank by about 10.2%.

### Automotive Market Sales Units (Wholesale Units)

	2021	2020	2019
Passanger Vehicles	547,141	627,359	379,430
Light Commercial Vehicles	174,877	163,723	90,195
Heavy Commercial Vehicles	25,908	16,447	7,444
<b>TOTAL</b>	<b>747,926</b>	<b>807,529</b>	<b>477,069</b>

## DOĞUŞ OTOMOTİV IN 2021

In 2021, when partial recovery was experienced after a year in which the effect of the pandemic was intensely felt, Doğuş Otomotiv managed to increase its market share to 16.4% by increasing its sales compared to the previous year, despite the supply problems that left a mark in the sector.

Digital transformation, which gained even more importance with the pandemic, continued to be among Doğuş Otomotiv's priorities in 2021. Adopting agile management as a corporate culture and aiming to ensure that the entire organization has the flexibility required by the digital age, the Company accelerated its data analytics and agile project management activities in line with its digital transformation vision and strategy, and continued its efforts to increase the digital competencies of its employees throughout the year. Doğuş Otomotiv has significantly increased its efficiency by using digital technologies such as robotic process automation, internet of things, ERP, machine learning, and artificial intelligence in areas such as sales, after sales, customer relations, spare

parts, and logistics, thanks to the distance it has covered in the field of digitalization.

Doğuş Otomotiv considers its sustainability approach, based on continuous improvement, efficiency, stakeholder participation, and respect for the environment, as the most important factor that will carry the Company into the future. All operations were reviewed in accordance with sustainability standards throughout the year, and efforts for implementing the ISO 14001:2015 Environmental Management System, which we attach great importance to, were finalized and a certificate was obtained. In addition, investments were started for a solar power plant to be installed on the roof of the Logistics and Spare Parts build-

ing in order to reduce the environmental impact and carbon footprint of the Company.

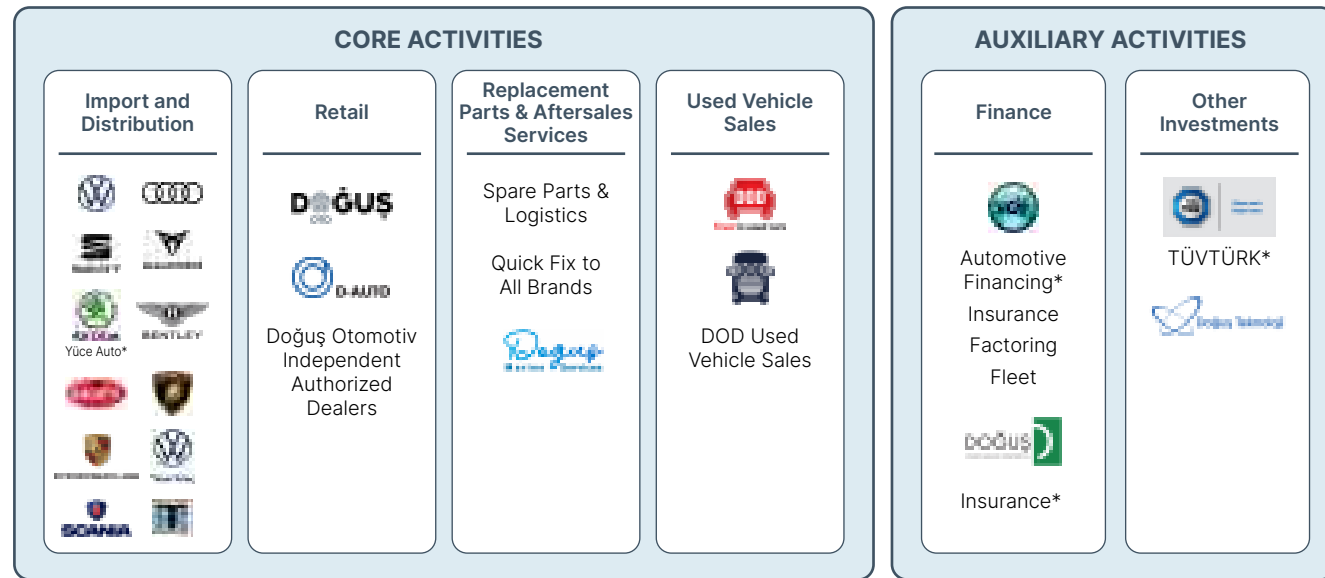
As a service company, Doğuş Otomotiv draws its strength from its human resources, which it considers as a corporate value. Since the effects of the pandemic process, which came to the fore in 2020 and affected both employees' health and the working patterns, continued in 2021, protecting the physical and mental health of all employees and stakeholders throughout the year has been one of the most basic priorities. Working patterns and pandemic prevention measures were constantly updated throughout the year, taking the changing conditions into account. Training and development solutions for the needs that have changed



### 2020 Sustainability Report

Having completed the ISO 14001:2015 Environmental Management System process in 2021, Doğuş Otomotiv has also published its 12th Sustainability Report, titled "Being a Part of the Circular Economy While Heading for the Age of Sustainability".

## DOĞUŞ OTOMOTİV VALUE CHAIN 2021



\* Subsidiaries

with the pandemic have been redesigned and delivered to employees via online platforms. The GO-DGTL Academy program, designed for the development of digital competence and skills, had its first graduates in 2021. Doğuş Otomotiv continued its activities throughout the year within the scope of Human Resources and employer brand activities carried out to reach the best talents.

Doğuş Otomotiv put Doğuş Otomotiv Plus into service at Galataport, as a technological customer experience center where potential cus-

tomers can experience the Group brands one-on-one and attend various events. At the same time, the promotions of Audi Q8, Porsche Taycan Cross Turismo, Volkswagen Passat Alltrack, Volkswagen Caddy, and CUPRA Born in 2021 were made with five different exhibitions and events that took place at Plus, which shows the point Doğuş Otomotiv has reached in digital transformation.

While Doğuş Otomotiv's brands closed the year with successful results, the sales of automobiles and light commercial vehicles increased

by 1.2 percent compared to the previous year and reached 120,846 units in 2021. The total sales figure, including heavy commercial vehicles, was 123,038 units, while the Company's market share increased to 16.4%.

#### Digital transformation in brands

Digital transformation in Volkswagen Passenger Cars gained momentum in 2021 to meet customer needs and expectations in the best way following the pandemic period. The "Volkswagen Live!" application, which

enables customers to video chat with sales consultants without having to go to Authorized Dealers, was put into practice, Authorized Dealer satisfaction calls were transferred to the online environment, and the new vehicle proposal forms, supported with visual aids and integrated with the Turkuaz system, were put into use. Improvements were made to the Volkswagenim (My Volkswagen) mobile application in order to reduce the time spent at the service and also reduce contact. The application reached more than 320,000 downloads in 2021, while the Volkswagen Passenger Cars website, which offers a personalized experience, received 16 million visits.

In the Audi brand, alternative digital solutions such as 3D Remote Experience, which enables remote two-way vehicle configuration, and Audi-direct, which facilitates video calls, provided customers with uninterrupted service from every point. With the "Audi Intelligence: CRM" project, in which artificial intelligence and machine learning techniques were used, priority was given to customers with the highest tendency to purchase vehicles, making a positive contribution to vehicle sales. This system has also been used successfully in Audi Authorized Services.

SEAT has accelerated digitalization in all its service processes and implemented the SEAT Online Mobile Application, Garanti Portal, Dec-

laration Net, SEAT Academy, and Digital Scorecard projects in this context. In addition, systems such as online appointment, contactless payment, and payment at the consultant's desk were put into practice. The brand also took its place at the Autoshow 2021 Mobility Fair, which was held digitally for the first time with the theme of "mobility", with its renewed model family. At the fair, automobile enthusiasts had the opportunity to examine the SEAT models in the smallest detail in the digital environment and get live information by connecting to the customer representative.

Continuing its rapid rise with 206,332 followers on Instagram and 736,688 followers on Facebook in 2021, ŠKODA Turkey continued its successful performance with 11,889,923 visits on its website, which was renewed and rendered more useful.

Continuing its digital innovations, Porsche Turkey started testing the Porsche mobile application, which offers the opportunity to access repair and charging services and make online payments, and launched the Porsche online shop.

Leading the way in the sector in terms of digital technologies, Scania launched its corporate website with its new design in 2021. One of the industry's leading applications, "Scania'm Cepte" (My Mobile Scania), on the other hand, continued to gain the

appreciation of users with its updated interface and new features added in 2021.

#### Sales successes and launches

Despite the supply problems experienced in 2021, Volkswagen Passenger Cars maintained its third place in the passenger car market with 53,523 units of retail sales and a 9.5% market share. The Golf model, with its fully digital and renewed design, and the Polo model with the facelifted version of the sixth generation, were put on sale in 2021. After the Passat Variant, the Passat Alltrack joined the brand's flagship Passat model family with the 4MOTION option. The Passat reached a sales figure of 17,362 units and became the second best-selling imported vehicle model in the market in 2021, maintaining its leadership in the segment with a share of 45.7%. The Golf maintained its leadership in the segment with a share of 23.3% this year, while the New Polo increased its segment share from 7.9% to 13.1% with the sales of 4,778 units.

Audi became the 3<sup>rd</sup> best-selling premium brand with 14,036 units of sales in 2021. The A3 Sportback, the leader of its class in the premium segment, closed the year with 2,070 units of sales, while the total sales of the A3 Sedan and A3 Sportback reached 5,952 units. In 2021, the A4 Sedan, A4 Avant and A4 allroad sales totaled to 1,351 units, the A5

#### Doğuş Otomotiv Plus+

Doğuş Otomotiv Plus Experience Center opened at Galataport in 2021, with the aim of being a meeting point for art, technology, and automotive.



#### Passat Alltrack

The Passat family, which has continued its success in Turkey as the best-selling model of its segment since 2005, welcomed the Passat Alltrack in November 2021 with the 4MOTION option after the Passat Variant.



family 405 units, the A6 family 1,527 units, the A7 Sportback 73 units, and the A8 L 53 units. While the sales of the Q2 model were 1,965 units, the sales of the Q3 SUV and Sportback models totaled to 2,376 units, the Q5 SUV and Sportback 213 units; the Q7 64 units, and the Q8 57 units.

With the effect of its renewed product range, SEAT sold 12,457 passenger cars with an 8% increase compared to 2020 and achieved a market share of 2.22%. The Ibiza, which was facelifted in 2021, strengthened its position in its segments with the sales of 3,555 units and the facelifted Arona with 4,358 units. The Leon, with its renewed 4<sup>th</sup> generation, was put on sale in February and completed the year with 2,528 units of sales. SEAT's B-SUV model Tarraco, which was introduced to the Turkish market for the first time, reached 137 units of sales, while the Ateca, another SUV model of the brand, reached a sales figure of 1,879 units.

The CUPRA made its debut in Turkey in April, while its sales were started with a "corner" concept at five sales points. In addition to the CUPRA Leon and CUPRA Ateca models, a total of 284 units were sold with the Formentor in the A-SUV segment, which is the first model developed specifically for the brand.

ŠKODA made a quick start to 2021 by taking strength from the product range completed with the New Octavia and found its place among the top 5 brands with a 5.7% market

share in the first half of the year. Despite the supply difficulties, especially in the second half of the year, Yüce Auto ŠKODA Turkey completed the year with a 4.5% market share and a sales performance of 25,228 units. With this performance, ŠKODA has reached the highest market share ever in Turkey. The best-selling model of the brand in Turkey was the OCTAVIA with 6,964 units, followed by the SUPERB with 6,069 units, the KAMIQ with 4,212 units, the SCALA with 2,419 units, and the SUV models KODIAQ and KAROQ with 2,399 and 1,735 units respectively. The FABIA, which was discontinued as of 2021, contributed to total sales figure with 1,430 units.

The most important development for the Bentley brand in 2021 was the launch of the Flying Spur, the prominent model of the brand, with a V8 engine option, in addition to the W12 engine. With the contribution of the new engine option, a total of four Flying Spurs were sold in 2021. In addition, with the sales of 1 Bentayga, 1 Continental GT Convertible and 5 Continental GTs, Bentley achieved a total sales of 11 units in 2021.

Lamborghini, on the other hand, continued its success in Turkey with the world's first super SUV, the Urus, selling nine units. In addition, in 2021, a total of 16 Lamborghinis were sold, including 5 Huracans and 2 Aventadors.

The Porsche brand increased its sales by 1.3% to a total of 627 units

in 2021. The Taycan, Porsche's first fully electric sports car, has played the biggest role in this success, reaching a sales performance of 353 units with a 17% growth. The Taycan Cross Turismo joined the Taycan model family in the second half of the year. The new Macan model was launched in October and a total of 219 units were sold throughout the year. Among other models, 32 units of Cayenne, 12 units of Panamera, 8 units of 911 and 3 units of 718 were sold. Porsche Turkey continued its charging and service investments for electric vehicles in 2021 as well. In addition, Turkey's first Battery Repair Center, which will serve the Central and Eastern Europe region, was opened at Doğuş Oto's Kartal location.

Scania had a market share of 8.5% with the sales of 2,192 vehicles in the total heavy commercial vehicle market of 25,908 units in 2021. While Scania was the most preferred brand in the imported heavy commercial vehicle market with a share of 25.3%, it was among the top 3 brands with the highest sales in the total tow truck market. Scania also introduced its 770 hp vehicle, the most powerful engine option of the V8 product range, to the Turkish market in 2021.

Offering marine, industrial, and generator engines to its customers, Scania Power Solutions Turkey maintained its place among the countries with the highest engine sales figure in 2021, and increased its market share to higher levels. The brand has

## Scania is 130 years old

**Celebrating its 130<sup>th</sup> anniversary in 2021, Scania repeated its success in previous years and became the most preferred brand in the imported heavy commercial vehicle market.**



## Doğuş Marine Services enters service

**Taking its strength from Doğuş Otomotiv's knowledge and experience, Doğuş Marine Services aims to provide yacht owners with all the services they need, offering them a privileged experience.**

continued its steady growth in this area by expanding its product range with the low emission Stage III engines.

Doğuş Marine Services commenced its operations in Göcek in 2021, aiming to bring a new breath to the maritime sector with the principle of conducting corporate business. Doğuş Marine Services, which undertakes all kinds of works that may be required on a boat with its expert team, is also the Authorized Service of Mercury and Suzuki, the outboard engine brands. The company also provides service to the Mercruiser, Cummins, and Nanni engine brands under the Mercury brand.

Thermo King, which has been the market leader in the refrigeration unit sector for years, continued its success in 2021 with its solutions that meet different needs and maintained its leadership in the cold chain transportation sector. Thermo King's new refrigeration unit series Advancer was presented to the users in 2021.

### After Sales Services

Volkswagen Passenger Car After Sales Services continued to serve at 80 points in 2021. With a total of 532,031 vehicle entries at Authorized Services, an average of 44,335 customers were served per month.

The Audi brand achieved a 51% increase in After Sales Services turn-

over in 2021 with a 56% customer loyalty rate, which is exemplary in Europe. The "myAudim" application, which offers Audi users the opportunity to make online service appointments and monitor the status of their vehicles in the service, met with Audi users again in 2021 with its renewed face.

In 2021, SEAT Authorized Services, which provide service at 47 points throughout Turkey, served an average of 6,250 customers per month with 75,000 vehicle entries. Customer loyalty was supported with customer recovery projects and campaigns implemented for the first time this year. Thanks to its customer-oriented service approach, the customer experience survey score in After Sales Services was 4.86 out of 5 in 2021.

Thanks to the Porsche customer loyalty efforts and the marketing efforts for Porsche Service, Porsche accessories, boutiques, and extended warranty made in 2021, an increase of 101% in service turnover, 56% in accessory sales, and 103% in extended warranty sales was achieved. The PACE (Porsche Aftersales World Challenge) award, which is delivered annually among Porsche distributors and Authorized Dealers around the world, was given to Doğuş Otomotiv Porsche Aftersales Services in 2021. Thus, Porsche After Sales Services has been awarded the PSEA award for 9 consecutive years.

In 2021, 54,000 work orders were created at Scania Authorized Services, while 16,600 different vehicles were serviced. Through the "Old Friends" program, the customer loyalty-oriented service campaign of After Sales Services, 8,000 vehicles aged 5 and over were serviced in 2021. Through the maintenance campaigns carried out throughout the year, 1,305 units were sold, and in addition to 400 new vehicles, 300 customers' loyalty to the services was restored. Within the scope of service and maintenance contracts, maintenance agreements for a total of 3,500 vehicles were signed in 2021, and 6,200 maintenance services were given to these vehicles.

### Awards

According to the results of the Turkey Reputation Index Survey conducted by the Turkish Reputation Academy, Volkswagen became the brand with the highest score in the automobile category in 2021. Volkswagen Passenger Car website was chosen as Turkey's Best Automotive Website at the 2021 Golden Spider Awards, Volkswagen Live! video call application, on the other hand, was awarded the Gold award in the "New Point of Sale Development" category of the İstanbul Marketing Awards.

The flagship of SEAT and completely renewed, the fourth generation New Leon received 5 stars in Euro NCAP





### “Recycled Art”

Sculptures made entirely of waste automobile parts, emphasizing endangered animals in our country, were exhibited at Doğuşt Otomotiv Plus Experience Center. The exhibition won the first prize in the “Sustainability Project of the Year” category of the ODD Gladiator Awards.

safety tests and was awarded the “Best Buy Car of Europe 2021” award by the AUTOBEST jury.

ŠKODA won the “Emerging Brand Award” within the scope of the Rise of Brands Awards, with its services and communication during the pandemic period. The “ŠKODA Goodness Vehicle”, which has distributed masks to healthcare workers, food for stray animals, and books to children during the pandemic period, was awarded the bronze award in the “Online-Offline Integration” category of the Social Media Awards.

Prepared for March 8 International Women’s Day in cooperation with Porsche Turkey and Vosmer Automotive, Taycan’s test drive video with the social message “Who says women can’t drive well?” was awarded silver at the Social Media Awards and became one of the 2021 Gladiators in the ODD Communication Awards’ “Social Media Application of the Year” category.

Scania, which is also a pioneer in sustainability steps, was once again deemed worthy of the “Green Truck” award with the tests carried out by independent organizations in 2021. Scania has managed to become the first and only brand to win this award for the fifth time in a row.

Thermo King’s new refrigeration unit series Advancer won the first prize in

the Smart Trailer category of Trailer Innovation 2021.

The “Recycled Art” exhibition at Doğuşt Otomotiv Plus, which opened its doors in 2021, with the theme of endangered creatures made of waste automobile parts, won the first place in the “Sustainability Project of the Year” category, which was delivered for the first time this year at the ODD Gladiator Awards.

### Doğuşt Oto

Offering new and 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 in Istanbul, Ankara, Bursa, and Kocaeli provinces, Doğuşt Oto sold 39,526 new vehicles and 2,852 used vehicles in 2021. 2021 was a year that exceeded the financial targets set with a total of 251,833 service entries.

Accelerating its digital investments, the company launched the “Connected Vehicle Services” D-One system. Doğuşt Oto, which offers many additional features to its customers in the digital environment by renewing the vehicle detail pages of its website, has also taken the customer experience to the next level with its renewed switchboard infrastructure.

### Spare Parts and Logistics

Spare Parts and Logistics, which successfully continued the “port shipment” management, implemented with the company’s pioneering vision in vehicle logistics, in 2021, and strengthened the processes of ship unloading, stock area management, and vehicle shipment to Authorized Dealers with the new digitalization steps and infrastructures. Thanks to the priority given to digitalization, flexibility and rapid adaptation have been achieved with optimization, effective stock management and workload estimation models in the process of collecting parts using artificial intelligence. The “Daily Spare Parts Warehouse Operative Workload Estimation” study was completed using machine learning technology. With the inclusion of robotic process optimizations in the business processes, manual workload has been minimized. In addition, a dashboard study was conducted to track the number and location of vehicles and spare parts on the road.

Importing 94,507 vehicles in 2021 and shipping 116,578 vehicles to Authorized Dealers, Spare Parts and Logistics ended the year with a revenue of 2,050.8 million TRY from the sales of spare parts and accessories. Spare Parts and Logistics ranked first among European logistics centers in terms of Spare Parts Availability Rate in the VW AG world in 2021.

### DOD

Despite the 7% shrinkage in the second-hand vehicle market in 2021, DOD Brand Management vehicle sales increased by 50% compared to the previous year to 1,507 units. Together with 60 DOD Authorized Dealers operating in 29 cities, total vehicle sales reached 17,001 units, exhibiting a 16% growth when compared to 2020.

In addition to the existing supply channels, 10 different supply projects were implemented with vdf Filo throughout the year, and vehicles were supplied to the Authorized Dealer organization on a continuous basis. Procurement projects, and therefore vehicle sales, were supported through vdf Finance campaigns. Thanks to the ongoing cooperation with the Garaj11 platform, 42 vehicles were sold online.

Focusing on improving the digital experience of customers in 2021, DOD completely renewed the technical infrastructure of its website and mobile application, and continued its efforts to improve and simplify the Turkuaz processes. 13 vehicles were purchased with the “Sell to DOD” service, one of DOD’s digital solutions.

### TÜVTÜRK

Serving in 81 provinces of Turkey with 210 fixed, 76 mobile, 5 motorcycle, and 18 mobile tractor stations, TÜVTÜRK achieved growth in all

fields of activity in 2021, led by periodic vehicle inspection services, and increased its turnover by 18.3% from 3.197 million to 3.783 million TRY. TÜVTÜRK, the most effective public-private sector collaboration project in Turkey, has contributed 14.5 billion TRY to the public since it commenced operations. The contribution amount was 2.5 billion TRY in 2021.

Periodic vehicle inspections of approximately 11 million 275 thousand vehicles were carried out in 2021, exhibiting a 9.9% increase compared to the previous year, while exhaust gas emission tests of 3.8 million vehicles were performed.

TÜVTÜRK’s social responsibility project “Traffic Responsibility Movement” has provided direct access to approximately 1.5 million people through training field activities and indirect access to approximately 7.6 million people through communication activities. During the 2021-2022 period, a new project, called “Smart Children of the City”, and implemented with the partnership of the MAPFRE Foundation, will commence its activities under the Traffic Responsibility Movement.

### vdf Automotive Finance

The vdf Group, which includes finance, insurance, factoring, and fleet companies, achieved a 10% market share in vehicle loans in 2021. Having provided 33,000 new loans in 2021, vdf reached its targets with

a total of 55,000 performing loans. The total performing loan volume of vdf increased by 12% compared to the previous year and rose from 7.3 billion TRY to 8.2 billion TRY.

Preserving its title as the largest insurance agency in terms of total net premium generation and the number of performing policies in 2021, vdf Insurance continued its steady growth with a total net premium generation of 560.8 million TRY. vdf Insurance has also reached a number of 330 thousand in issued policies in 2021.

Providing factoring and financing services to 100 different customers consisting of Doğuşt Otomotiv and Yüce Otomotiv Authorized Dealers across Turkey, vdf Factoring reached a total transaction volume of 23.6 billion TRY and an asset value of 484 million TRY in 2021.

### DOD continues to grow

DOD, which closed the year with growth despite the shrinking used vehicle market, further strengthened its Authorized Dealer network with the participation of Özalın Kayseri and Öztürk Aksaray dealers.



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.

	2021	2020	2019
<b>Consolidated Income Statements</b>			
Sales / Unit (Wholesale, excl. ŠKODA)	94,839	100,130	61,404
Sales (mio TRY)	24,306	18,900	9,844
Gross Profit (mio TRY)	3,521	2,475	1,270
Operating Expenses (mio TRY)	429	1,031	784
Selling and Marketing Expenses (mio TRY)	433	265	223
General Administrative Expenses (mio TRY)	759	613	439
Warranty Expenses, net (mio TRY)	134	100	139
Other Operating Expenses, (Income) net (mio TRY)	-897	53	-17
EBIT (mio TRY)	3,093	1,444	486
EBITDA (mio TRY)	3,275	1,575	612
Income from Investment Activities, net (mio TRY)	32	14	43
Income from Investments Accounted by Equity Method (mio TRY)	441	248	143
Net Financial Expenses (mio TRY)	597	419	615
Net Profit for the Period (mio TRY)	2,336	1,042	77
Earnings Per Share	11.78	5.24	0.38
Price/Earnings Ratio (%)	3.72	5.49	24.88
Gross Profit Margin (%)	14.5%	13.1%	12.9%
Operating Expenses/Sales (%)	1.8%	5.5%	8.0%
EBIT Margin (%)	12.7%	7.6%	4.9%
EBITDA Margin (%)	13.5%	8.3%	6.2%
Net Profit Margin (%)	9.6%	5.5%	0.8%
<b>Consolidated Statements of Financial Position</b>			
Total Assets (mio TRY)	9,755	7,117	4,665
Cash and Cash Equivalents (mio TRY)	3,410	656	648
Trade Receivables (mio TRY)	1,011	1,047	745
Inventories (mio TRY)	1,969	2,752	936
Tangible and Intangible Non-current Assets (mio TRY)	1,186	956	882
Right of Use Asset (mio TRY)	109	76	111
Investments in Equity Accounted Investees (mio TRY)	880	791	452
Financial Investments (mio TRY)	832	562	561
Net Financial Debt* (mio TRY)	-381	1,731	1,790
Trade Payables (mio TRY)	1,231	1,854	713
Provisions (mio TRY)	539	137	119
Total Equity (mio TRY)	4,364	2,296	1,253
Net Working Capital (mio TRY)	2,221	448	-586
Net Cash Position (mio TRY)	485	-1,722	-1,691
CapEx** (mio TRY)	330	142	45
Receivable Turnover (day)	15	20	28
Inventory Turnover (day)	35	61	40
Payable Turnover (day)	22	41	30
ROA (%)	23.9%	14.6%	1.6%
ROE (%)	53.6%	45.4%	6.1%
Net Debt/ EBITDA	-0.1	1.1	2.9
Net Financial Debt/Equity	-0.09	0.75	1.43

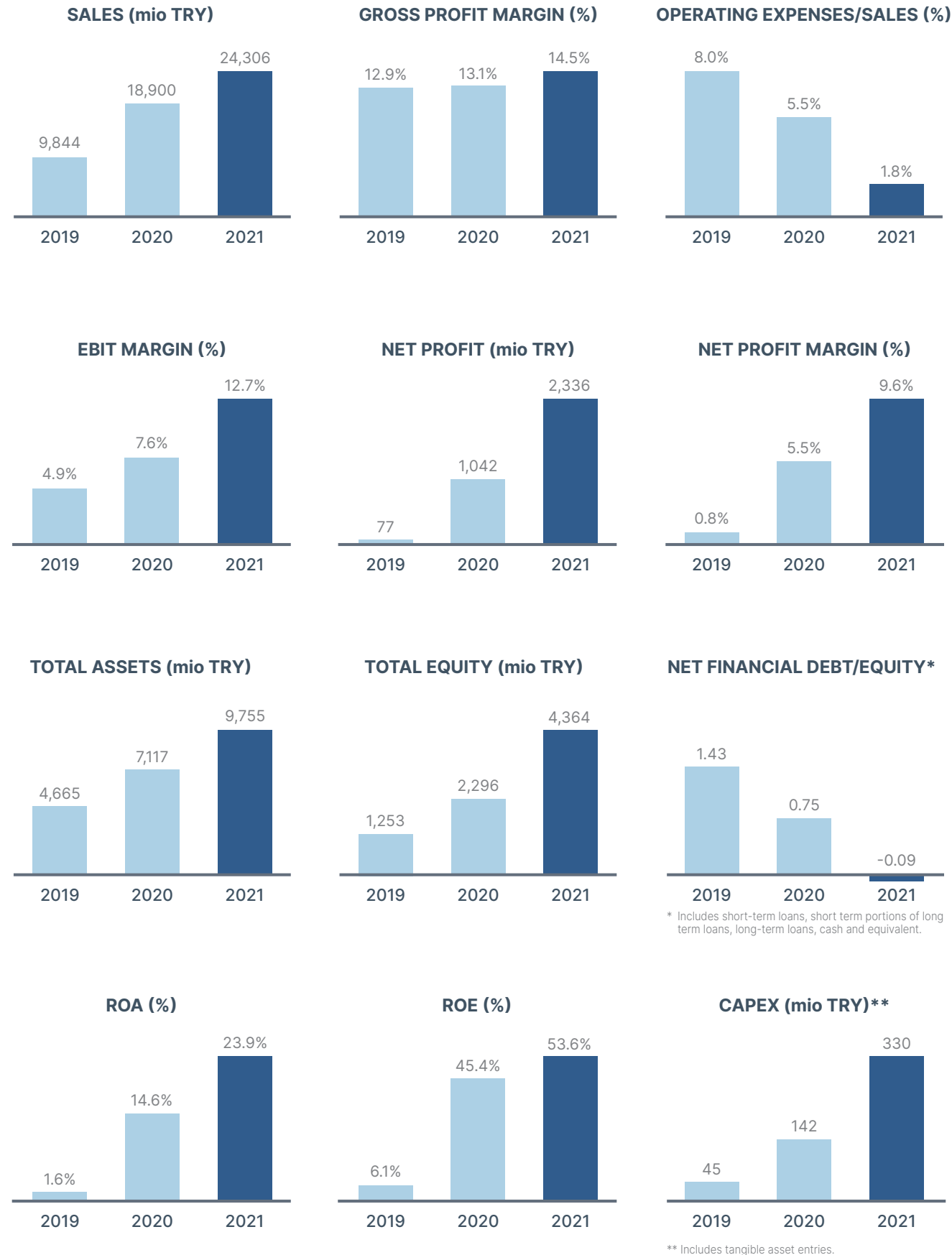
\* Short term loans, short-term portions of long-term loans, long-term loans, cash and equivalent have been taken into consideration.  
\*\* Tangible asset entries have been taken into consideration.

SALES FIGURES

Sales Units (Retail)	2021	2020	2019
<b>Passanger Vehicles</b>	<b>106,183</b>	<b>107,283</b>	<b>70,506</b>
Volkswagen	53,523	52,740	38,820
Audi	14,036	18,168	10,024
SEAT	12,457	11,551	5,914
CUPRA	285	-	-
ŠKODA	25,228	24,175	15,369
Porsche	627	619	361
Bentley	11	11	9
Lamborghini	16	19	9
<b>Light Commercial Vehicles</b>	<b>14,663</b>	<b>12,036</b>	<b>9,676</b>
Volkswagen	14,663	12,036	9,676
<b>Heavy Commercial Vehicles</b>	<b>2,192</b>	<b>1,157</b>	<b>465</b>
Scania	2,192	1,157	465
<b>TOTAL</b>	<b>123,038</b>	<b>120,476</b>	<b>80,647</b>
Doğuş Otomotiv Market Share (retail) *	16.4%	15.4%	16.7%
Used Car Sales (DOD)	17,001	14,625	18,067

\* Including ŠKODA

## FINANCIAL INDICATORS



## INVESTOR RELATIONS

### Investor Relations Department

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

#### Head of Investor Relations

**Damla Çobanoğlu**

Capital Market Activities Level 3 License (214070) and Corporate Governance Rating Expertise License (703242)

**Investor Relations Supervisor and Corporate Governance and Sustainability Committee Member**  
**Yavuz Arda Yıldız**

**Investor Relations Manager, Corporate Governance and Sustainability Committee Member**  
**Halide Müge Yücel (\*)**

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

**Investor Relations Specialist**  
**Hamza Sümer (\*)**

#### Investor Relations Contact Details:

Phone: +90 (262) 676 90 58-59

Fax: +90 (262) 676 90 96

Email: investorrelations@dogusotomotiv.com.tr

(\*) As of December 2021 Ms. Halide Müge Yücel and as of September 2021 Mr. Hamza Sümer have resigned from their posts.

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 2021, 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 2021 started with the effects of the COVID-19 pandemic. Thus, a total of 44 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 were canceled and moved to the digital environment in the last months of the year.

In this context, our company has made virtual roadshow organizations to ensure the continuity of its communica-

tion with its stakeholders. The Company's performance, operations and the effects of the chip crisis were discussed with 278 investors through meetings held as 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 2021 with a proactive approach. In addition to the periodic information meetings mentioned above, 2 virtual Analyst Days were organized on separate dates and briefings were made about the Company's activities. Furthermore, 2 virtual analyst days were held for the same purpose to brief the local investor firms. 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. For the first time in 2021, a virtual conference was organized to get in touch with the Environmental, Social and Governance (ESG)-focused funds only, while communications regarding sustainability was carried out with 9 institutions.

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

#### Announcements and Material Event Disclosures from 31 December 2021 to 28 February 2022:

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

14.01.2022 – Regarding the decision of the Board of Directors to amend the 3<sup>rd</sup> article of the Articles of Association, titled "Purpose and Subject Matter", as contained in the amendment draft.

03.02.2022 – Regarding the Turkish Competition Authority's decision that the investigation launched against German automotive manufacturers Audi, Porsche, Volkswagen, Mercedes-Benz, and BMW did not have an impact on the Turkish markets.



## Information on Capital Structure and Shareholding

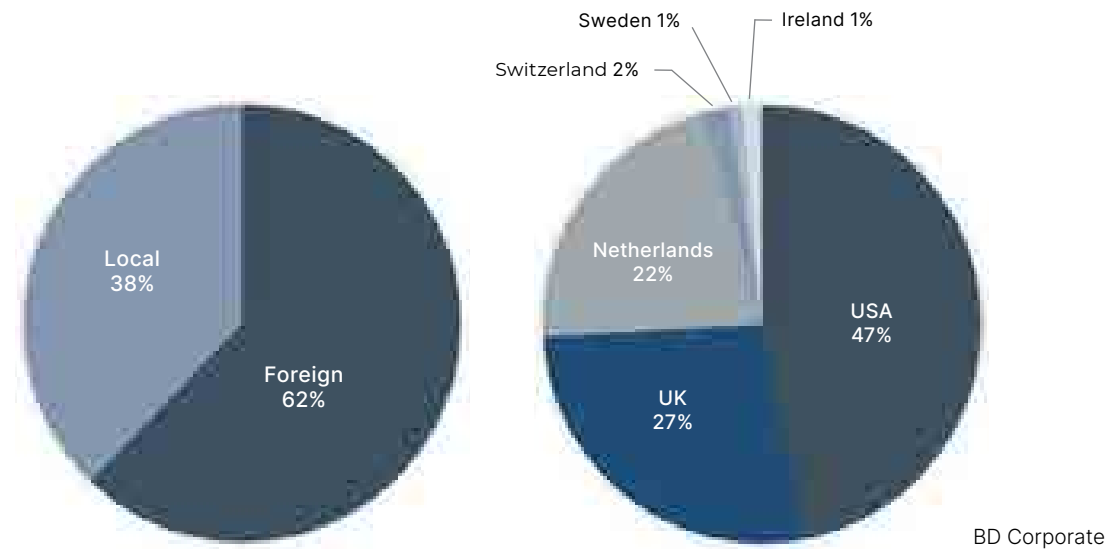
As of December 31, 2021, no changes have occurred in the Company's issued share capital. During the reporting

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

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

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

## Distribution of Free Floating Shares



## Exercise of the Shareholders' Right to Information

Previously provided and continuously updated information and disclosures, which may affect the exercise of shareholders' rights, are made available in English and Turkish for investors on the corporate website: [www.dogusotomotiv.com.tr](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 the voting rights. Voting rights are exercised in the General Assembly in accordance with provisions on representation and voting manner. The CMB regulations on voting by proxy are fully upheld. All shareholders are provided with the opportunity to vote equally, easily and suitably. The disclosure documents of the General Assembly contain information on the structure of the Company's shares, voting rights granted by shares and voting privileges. It is explicitly stated that one share gives one voting right and that no voting privileges have been granted to any shareholder groups. The Company does not have any cross ownership in another entity that would result in a controlling relationship.

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

## Privileged Shares

The current shareholding structure of the Company as of December 31, 2021 is described above and there are no privileged shares in the Company.

## Dividend Distribution Policy, Time and Method

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

### a) Dividend Distribution Ratio:

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

### b) Method of Dividend Distribution:

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

### c) Timing of Dividend Distribution:

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

### d) Dividend Advances:

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

The Ordinary General Assembly that convened on March 30, 2021 has approved that the profit/loss of the 2020 fiscal year would not be distributed and instead, allocated as specified in the profit distribution table.



## Profit Distribution by Years

	Dividend	2019 (for 2018)	2020 (for 2019)	2021 (for 2020)
Total dividend distribution, TRY million	Gross	135,000,000.00	-	600,000,000
	Net**	114,750,000.00	-	510,000,000
Earnings per share, TRY		0.67	0.38	5.24
Dividend/Net profits (%)	Gross	0.0	-	0.0
	Net**	0.0	-	0.0
Dividend per share with TRY 1 nominal value	Amount (TRY)			
	Gross	0.6136364	-	2.7272726
	Net**	0.5215909	-	2.3181816
	Ratio (%)			
	Gross	61.3636400	-	272.727
	Net**	52.1590900	-	231.81816
Announcement date		28.11.2019	30.03.2020	30.03.2021
Actual payment date		04.12.2019	-	04.05.2021 02.12.2021

\* The Company did not distribute dividends in 2019.

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

## Transfer of Shares

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

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

## General Assembly Meetings

### Ordinary General Assembly Meeting

The Ordinary General Assembly convened on March 30, 2021 at 10.00 am at "Maslak Mahallesi, Ahi Evran Caddesi (Doğuş Power Center) No: 4, İç Kapı No: 3 Sarıyer/İstanbul" to review the 2020 activities.

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

The call for the General Assembly Meeting, which was open to stakeholders and members of the media, was issued in accordance with the Articles of Association and as required by law, and the announcement, along with the meeting agenda, was published in the Turkish Trade Registry Gazette No: 10280 on March 4, 2021. The Company also presented the financial statements, the annual report, independent audit reports, and the Board

of Directors' proposal for profit distribution, as well as disclosures and statements required by Law and Corporate Governance Principles, all of which must be made available for the shareholders to review pursuant to Article 437 of the Turkish Commercial Code No. 6102, to the shareholders on the same date on the Public Disclosure Platform (KAP), Electronic General Assembly System (EGKS) and the corporate website.

At the Ordinary General Assembly, out of the total 220,000,000 shares - corresponding to a total share capital of TRY 220,000,000 - a total of 179,265,389 shares were represented, including 165,585,007 shares by proxy and 13,680,382 shares representing the depositors.

At the Ordinary General Assembly on March 30, 2021, 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 2021 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 common and continuous exchange of assets, services and obligations between the Company and related parties, and the collaterals, pledges and mortgages that were given in favor of third parties, with the details included in the Annual Report and the notes in the Consolidated Financial Statements. The same information can also be found on the corporate website: <http://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/subsidiaries-and-affiliates/transactions-with-related-parties>. In a separate agenda item, information was provided about the amount and the beneficiaries of the donations and support extended in the reporting period. Within the reporting period, no amendments have been made in the Company's Articles of Association.

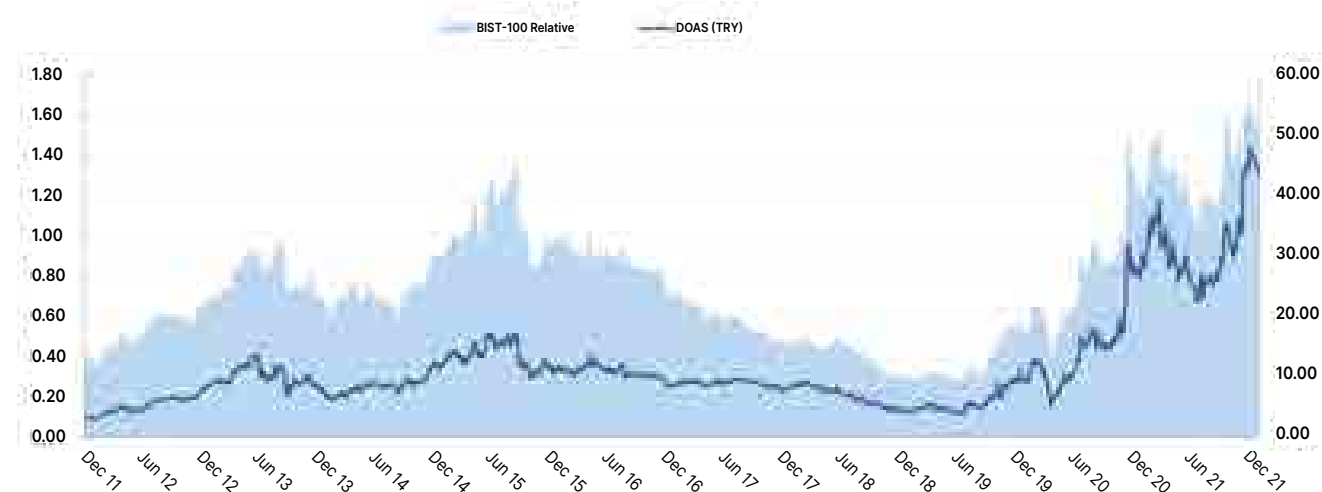
## STOCK PERFORMANCE

**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:** 14.73%

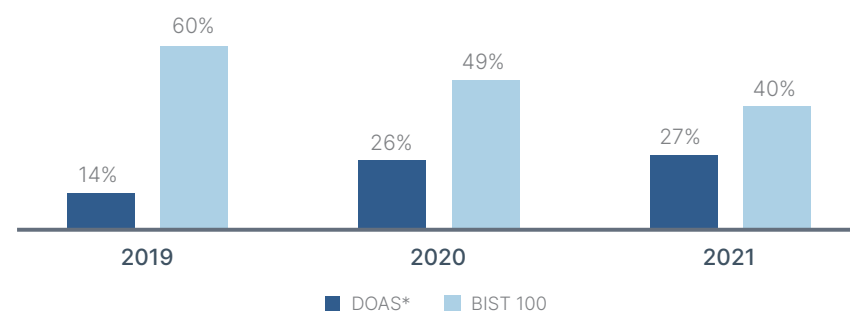
### Stock Performance in 2021

	TRY	USD
Share price (31.12.2021)	43.80	3.29
Lowest (21.06.2021)	22.30	2.55
Highest (09.12.2021)	52.85	3.85
Market Cap. (31.12.2021)	9,636 mn	723 mn
Daily average trading volume	70.3 mn	8.2 mn



Source: Reuters (31.12.2021)

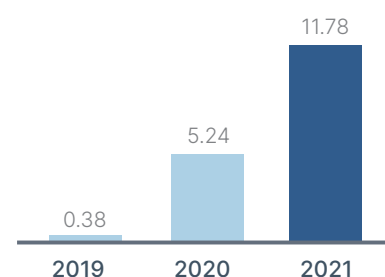
### PERCENTAGE OF FOREIGN OWNERSHIP (%)



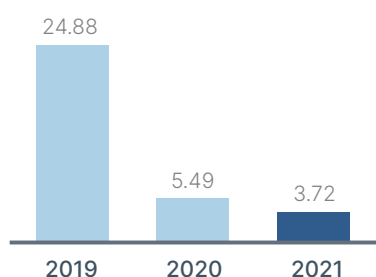
The Percentage of Foreign Ownership in DOAS was realized as 27% in 2021.

\* Within the scope of the Company's Share Buy-Back Program initiated by the Board of Directors resolution, our Company bought back 22,000,000 of its publicly traded shares in 2016 in accordance with the CMB legislation for TRY 220,274,251.16 in total.

### EARNINGS PER SHARE



### PRICE/EARNINGS RATE



In 2021, Earnings per Share was realized as 11.78.

In 2021, the Price/Earnings Rate was realized as 3.72.

## CORPORATE VISION, MISSION AND STRATEGY

Doğuş Otomotiv has strived to balance profitability levels and market share in 2021. In the rapidly digitalizing automotive industry where technological developments play a significant role, the Company regards digital transformation as a top priority in improving service quality and strengthening business processes. In line with the objective of moving to an agile and analytical organizational framework, digital transformation activities seek to extend machine learning and the use of artificial intelligence under the roof of Doğuş Otomotiv, aimed at achieving a structure that rapidly perceives and adapts changes and develops and implements digital business models.

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

### Vision:

To provide innovative services beyond expectations.

### Mission:

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

### Strategy:

Our key corporate strategies are based on the following goals:

BE SIZABLE – BE CLOSE – BE CREATIVE

#### BE SIZABLE:

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

#### BE CLOSE:

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

#### BE CREATIVE:

To create distinction and competitive edge through constant innovations based on a participative approach to product development, customer service and business concept; to develop actions and methods that will render

the Company a "leaner, faster, affordable" business with participation and teamwork in process improvement.

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

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

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

### One Step Beyond Customer Satisfaction: Turning Customers into Fans!

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

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

### Achieving Operational Excellence through Increased Efficiency!

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

- Our web-based and mobile device compatible software "Turkuaz", already used by Doğuş Otomotiv and

all Authorized Dealers/Aftersales Services, adds value to the automotive processes by including manufacturers and suppliers as well and with constant software updates, it serves our digitalization targets significantly.

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

#### Maintaining Leadership in the Automotive Market!

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

#### Fan Employees are Essential for Creating Fan Customers!

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

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

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

- Talent management in our Company includes a system based on potential and succession plans. Talents demonstrating potential according to specific criteria are selected to participate in a series of training and development programs. Coaching and mentoring programs are also offered by the Company within the scope of Talent Management.
- With the biannual Employee Commitment and Satisfaction Survey conducted Companywide, the employees' commitment to the Company is scored based on the principle of confidentiality and development areas are identified. According to the results, action plans to improve employee commitment are created and the activities to be carried out during the year are also included in executive-level targets.
- Focus has been put on digitalization to improve employee benefits as human resources and many organizational processes have been digitized.
- Together with the Department of Digital Transformation, the "Digital Competencies Development (GO-DGTL Academy)" project was launched in 2020 to facilitate the digital transformation at Doğuş Otomotiv and contribute to the development of employees' individual "digital competence".
- With the DRIVE (Doğuş Otomotiv's Route is toward People and Education) team, the objective is to support the development of Doğuş Otomotiv authorized dealers with Doğuş Otomotiv's corporate structure and values and to integrate Human Resources processes to achieve sustainable success in customer satisfaction with business results. With DRIVE, investments are made for continuous improvement of employees working at authorized dealers and aftersales services. Within this scope, consultancy support is provided for the development and institutionalization of human resources processes at more than 570 Authorized Dealers and Aftersales Service Centers where 7,500 employees work.

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



### Digital Transformation Strategy

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

#### Digitalization in the Automotive Industry

The automotive industry is in the midst of a very rapid digitalization process as digital technologies are much more widely used in vehicles, advanced features like autonomy and connectivity are implemented to make life easier and safer for drivers and pedestrians, and the development of driverless and connected vehicles gains traction. The automotive industry is rapidly digitalizing, starting from the product and spanning all the processes, expectations from the industry, consumer demands, the technologies used, and organizational workflows. This is a sign that "digital products" or "digital services" will gain prominence in the future business models of organizations in the automotive industry, where fast communi-

cation, proactive services based on data and high-tech solutions such as artificial intelligence come to the forefront and digitalization takes priority.

#### Agile Management as Corporate Culture

Agile project management means having the flexibility, capacity, and capability to respond to and drive change to be successful even in times of uncertainty. Agile management enables 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 software development, has already become a part of our lives as a new way of doing business and a management norm. At Doğuş Otomotiv, our goal is to embrace agile management as a corporate culture and lay the groundwork for the entire organization to achieve the flexibility that the digital age requires. The Digital Project Management Process 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



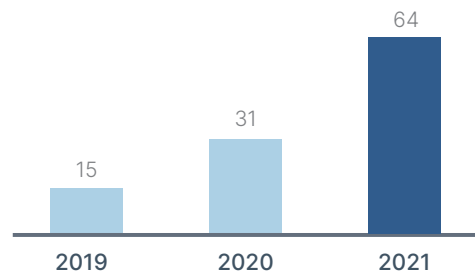


portfolio. Accordingly, as of 2019, the Digital Board was established, where all digital projects of the Company are evaluated in a single pool and all brands and business units are represented. Convening every three weeks, the Digital Board is responsible for identifying and prioritizing the digital projects that Doğuş Otomotiv brands and departments want to implement.

#### Digital Project Portfolio

IT software development investments and digital project works progressed with increasing momentum in 2021 as well. The development of a total of 15 digital projects was completed in 2019 and a total of 31 digital projects were launched in 2020. As of the end of 2021, a total of 64 digital projects have been completed, while software development works for 50 projects still continue.

**DIGITAL PORTFOLIO MANAGEMENT**  
(Number of Completed Projects)



In addition to processes such as sales, after sales services, and marketing of the brands, different projects 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 İlgi Merkezi, DIM) and Spare Parts and Logistics, where we directly touch our customers, have been implemented.

#### Data Analytics with Machine Learning and 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, converting, and modeling raw data to extract 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 detect, understand, 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.

We can presume that artificial intelligence will become trainable in the next 10 to 15 years and customized for many 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. Accordingly, data analytics studies on machine learning/artificial intelligence began in 2019. Studies on artificial intelligence, machine learning, and data analytics, which

began to be turned into projects in 2020, gained momentum in 2021 with the support of the competency development program.

While projects related to machine learning and artificial intelligence were developed in areas such as warehouse, spare parts, and after sales services, trainings 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.

#### Electric Vehicles

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

#### Connected Vehicles

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

#### Digital Competence Development Studies

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 identified within the framework of this program to raise awareness of digitalization and digital technologies within the Company. While the horizontal programs cover Digital Transformation Training, Data Science School, Robotic Process Automation (RPA), Customer Experiences and Trends, and Artificial Intelligence are the foci of vertical programs. In 2021, competence development studies continued to be implemented within the scope of the Digital Competence Program under the GO-DGTL Academy. Related studies will continue in 2022 with awareness-raising webinars and trainings.



#### 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. In order to determine these data processing strategies, “Data Strategy and Data Roadmap” works were started. The aim of these works are to build 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 of 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. In this way, data will be managed in a quality and effective manner, covering all processes from its creation to its processing.

#### “Agile Room”

Established in Doğuş Otomotiv head office, the “Agile Room” brings together business units and the IT world, offering the opportunity to evaluate the work done and plan new projects.



# ULTIMATE CUSTOMER SATISFACTION

## CRM - Customer Relations Management Unit

In order to manage customer experience in the best way possible along the customer lifecycle based on innovations and changing dynamics, simplify customer communication processes with a proactive approach, design personalized offers and services based on centralized data management and analyses, reinforce the customers' confidence in the Company and the brands, and plan actions to increase customer loyalty and maximize customer satisfaction, the 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 accurately and kept up-to-date,
- Ensuring that a customer-oriented working concept is adopted as a corporate culture across the entire organization,
- Conducting internal and external customer satisfaction surveys (CSS, CSI, DSS) to improve processes, and measuring, evaluating, and reporting the results,
- Measuring and reporting the outcome of direct marketing activities (email, SMS, MMS, direct mailing and web) in response to the demands from authorized dealers and brands,
- Developing and carrying out analytical projects in collaboration with third parties for the brands, Authorized Dealers, and Service Centers,
- Enriching available customer data with the consumer data on social and digital media to ensure continuity, turning customer complaints received via social media into sales opportunities,
- Management of the data in the Turkuaz system, which is used by all brands and Authorized Dealers, and enhancing the customer recognition, monitoring, and information functions to make them more effective, simpler, and more comprehensive as needed,
- Designing, managing, and coordinating loyalty projects,
- Carrying out 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, particularly the right to privacy, 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,
- Management of each communication step and development regarding our customers via contact map-

ping covering every business and process step where Doğuş Otomotiv brands engage with customers,

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

### Customer Experience activities carried out in 2021

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

As the need for surveys via phone calls decreases and online surveys increases with the advent of digitalization, preparations on an infrastructure for online surveys have been completed and online surveys were continued. Within the scope of the research, system integration was ensured for the automatic transfer of the customer data obtained from surveys to an independent research company, thus important steps were taken in controlling the quality of the data. In 2021, more than 45 thousand customers were interviewed, their satisfaction with sales and after sale services was questioned, and actions for improvement were planned by the relevant management units. Furthermore, feedback regarding the COVID-19 period was collected from customers. As of 2022, online surveys through SMS and e-mail will commence instead of telephone surveys for our SEAT and CUPRA brands.

In line with the increasing use of mobile apps, our brands' communications and campaigns via the ZUBIZU loyalty platform continued in 2021. Companies from different industries offer numerous advantages for Doğuş Otomotiv customers on the ZUBIZU platform. The platform is also used as a channel offering communication opportunities to reach micro segments created according to specific criteria among Doğuş Otomotiv customers with exclusive promotions. ZUBIZU-Shell fuel advantage program partnership continued throughout 2021.

In order to increase our vehicle sales and customer loyalty, big data on the Turkuaz system was analyzed, and customers with future prospects were identified using statistical modeling. The "Sales Insights" project has been implemented across all brands. With the "CRM 2.0

Project", efforts were made to completely renew the customer and sales processes and monitor them through automated, user-friendly, and effective reporting, and the project was implemented across all brands in 2021.

The Service Predictions Project has been launched to create a model that predicts the probability of customers visiting for maintenance the next month. The project, which has been tested and put into practice with the Audi brand, will be implemented across all brands in 2022. The CRM Scorecard Project has been launched and implemented across all brands with the aim of enhancing the quality of customer data and measuring how the customers and projects are monitored.

The "Autopilot Project" has been launched with the aim of determining the communication scenarios in the customer lifecycle on the Customer Contact Map to send automated personalized messages according to preferences and habits of individual customers, use new micro-targeting technologies, and create new campaign ideas for faster response. The project has been put into use in VW's passenger and commercial cars, and the Audi, Porsche, and Scania brands, and is planned to be implemented across all brands in 2022.

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

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

Regarding Data Governance, the multi-directional monitoring of Data Usage and CRM Analytics studies in addition to headings such as Data Security, Data Identity, Data Warehouse, and Data Quality on our ERP system, Turkuaz, continued in 2021 as did the integrations, processes, authorizations on Doğuş Otomotiv data, PDPL, and information security-related works in accordance with the previously defined priorities.

A fully integrated Mobile Payment System has been developed for our ERP system, Turkuaz, for the use of all our brands and dealers. Within the scope of this operation, full integration with the contracted payment system provider company has been achieved. In this way, web, mobile, and remote payment opportunities will be offered to our customers. In 2022, our dealers will be able to use the system should they choose to do so.

Sales Forecasting, Service Appointment Prediction, Churn, and Recycling solutions have been converted to an open-source code system to renew the algorithms of our CRM Artificial Intelligence projects and render them more efficient, and their performance has been increased after testing different algorithms and approaches during the transition.



## Privilege to Doğuş Otomotiv customers

The communication and campaign activities of Doğuş Otomotiv brands over the ZUBIZU loyalty platform continued in 2021.

## Value and Care Center (DIM)

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

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

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

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

DIM provides the following services:

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

In 2021, DIM successfully responded to 196,979 dialogue calls, which correspond to a 16% increase year on year. The average speed of answer (ASA) was 11 seconds\* and service level was 84% in 2021.

Customer emails answered totaled 73,578 with average email response time of 78 seconds in 2021. The number of answered emails increased by 8% compared to 2020. In 2021, 80,531 live chat calls were answered within an average of 19 seconds. 33,702 notifications reflected on

social media (twitter, facebook) were answered by DIM within 33 seconds.

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

DIM responded to 215,863 calls for roadside assistance in 2021 while the average speed of answer (ASA) for these requests was recorded as 12 seconds. Service level was rated at 86%.

In 2021, the “Emergency Service” offered by DIM to its customers was 24,565. The Emergency Service is a positive service for our brands in order to solve our customers’ demands at the point of incident and to help them continue their journeys without interruption.

Meanwhile, the “car towing services” offered to customers by DIM in 2021 increased 22% year on year and amounted to 23,340 in number. As another service within the scope of field operations, temporary vehicle allocation of DIM to its customers has been realized as 2,160.

In 2021, the number of tickets opened for road assistance was 105,288, demonstrating a 12% increase compared to the previous year. Customer satisfaction with roadside assistance was rated at 94%.

**3. Surveys:** Surveys are conducted by calling customers to verify data and service quality with the aim of getting specific answers to scripted questions. The primary goal is to enable our brands to retain their current customers and proactively reach prospective buyers. Calling customers and recording data are essential in terms of managing 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 2021, DIM conducted surveys with 157,793 respondents for 29 different projects. The joint activities of the brands and the CRM department are supported by DIM, while field studies are conducted by the survey team.

**4. Appointments:** Appointments are booked and planned for maintenance and repair works as a part of after sales services at Authorized Dealers, which are the initial occasion of contact with the customer after a vehicle is sold. Attending to the customer’s needs and expectations forms the basis of this process, which also involves coordination with the relevant Authorized Aftersales Service regarding workshop planning. Accordingly, the appointment line that serves Doğuş Oto in all regions received 257,800 calls, with 85,350 resulting in bookings for all brands in 2021. In addition, a total of 13,717 appointments were made via the Appointment IVR project, which was implemented in 2020.

**5. Used Vehicle Sales:** As part of used vehicle sales, this service include 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 6% to 3,532 in 2021.

While the world average for Service Level as one of the key indicators for the call center industry is 75%, DIM attained a level of 85% in 2021 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 89 in 2021. As a result of the quality measurement of DIM customer representatives, the quality of the calls with customer representatives was scored at 93 in 2020.

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

The employees at DIM also contributed to all processes of Doğuş Otomotiv. With 318 suggestions made in 2021, DIM employees once again topped the list with the highest number of suggestions submitted within the entire organization.

### 6. Other applications:

**DİM Rent A Car (RAC):** Since 2015, DIM has been providing temporary car rental service for authorized dealers with VW and Audi brands to better serve our customers

stranded on the road, allowing them to experience our upper segment vehicles such as VW Passat or Audi A4.

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

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

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

**Automated NPS Calls:** 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 since 2017. This has resulted in savings in workforce and receiving more information from customers to develop 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.



## Value and Care Center

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.

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



**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, 905 WhatsApp correspondences/meetings were held in 2021.

**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 2021, 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 following its Road Assistance service, were automated with the implementation of 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 3,974 questionnaires, of which 1,895 were related with Emergency Services and 2,079 with Towing Services, were successfully filled by customers.

In 2021, 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 holds the ISO EN 15838 Customer Management System certification, which is an international standard with industry requirements for Call Centers and granted to customer-oriented service providers; as well as ISO 10002 certification compliant with ISO 9001, a management approach that enables forming more useful and long-term relationships with customers and improves those relationships.

DIM also have 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 +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 (always 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+

Doğuş Otomotiv Plus - Galataport Customer Experience Center provides services 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.

Plus 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 both regarding the brand, product, and services offered by Doğuş Otomotiv, and meets their purchase (sales and test drive) and After Sales Service demands (service, complaint, request, and boutique).

Plus 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, while the music playback is changed in accordance with the content, providing the visitors an environment that suits different concepts.

Plus, which periodically carries out joint events and projects with the company brands to contribute to digital

## Our Suppliers

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

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

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

The wide range of selection criteria includes holding the TSI, ISO 9001/TSI Quality Certificates, manufacturer's seal of approval, a current and industry-standardized Capacity Report by the Union of Chambers and Commodity Exchanges of Turkey, and not having any outstanding

transformation and sustainability, contributes to increasing customer satisfaction by sharing the information, requests, suggestions, and complaints it receives from its visitors with the company brands.

#### Plus events in 2021

Doğuş Otomotiv Plus was opened on October 21, 2021 and hosted a total of 512 visitors as of 2021. Vehicles with low or zero emissions, which were introduced to the Turkish market and planned to be offered in the future, were exhibited alternately in the exhibition area. The schedule of the brands and the models exhibited was as follows:

- Audi Q8 (October 21 - November 11, 2021)
- Porsche Taycan Cross Turismo (November 11-25, 2021)
- Volkswagen Passat Alltrack (November 25 - December 9, 2021)
- Volkswagen Caddy (December 9-23, 2021)
- CUPRA Born (December 23, 2021 - January 20, 2022)

In 2021, the "Recycled Art" exhibition was held, with the theme of endangered creatures made of idle automobile parts, exhibiting the products of the brands we represent. The exhibition, which opened on December 2, 2021 was scheduled to be on until January 20, 2022. The "Recycled Art" exhibition has also won the "Sustainability Project of the Year" award, which was delivered for the first time this year at the ODD Gladiator Awards.

tax liabilities or debts to the Social Security Institution. Companies operating in 21 main services fields, including cleaning, catering, printing, printed documentation, personnel transportation, security, and textiles are regularly audited for their compliance with the selection and evaluation criteria.

In 2011, a supplementary protocol to the existing agreements with our suppliers was drawn up to ensure that economic, environmental and societal risk predictions in Doğuş Otomotiv's corporate responsibility vision were adopted by our suppliers. 31 of our suppliers are included in the Corporate Sustainability Report as of 2020 and they have been informed about the monitoring of their sustainability performance.

Doğuş Otomotiv also manages its supply chain in a very effective manner. The details regarding the Company's supply chain management are presented in detail in the Corporate Sustainability Report and under the Sustainability section on the corporate website: (<https://www.dogusotomotiv.com.tr/en/sustainability/our-business-and-economic-development/sustainable-supply-chain-management>).

## EVALUATION OF 2021 AND EXPECTATIONS FOR 2022

	2021 Expected	2021 Realized	2022 Expected
Total Automotive Market (Passenger + Light Commercial + Heavy Commercial) (thousand units)	700	747.9	830
Doğuş Otomotiv Sales Volumes (excluding ŠKODA) (thousand units)	100	94.8	97
Investment Expenditures (TRY million)	360	330	399

While the effects and consequences of the COVID-19 pandemic have overshadowed the year 2020, we left 2021 behind with expectations of normalization and vaccination processes. 2021 stood out as a year dominated by high volatility in global and local markets. The BIST100 index increased by 25.8% in 2021.

The automotive sector ended 2020 with 69% growth and reached an increase of 53% in the first quarter of 2021 with the effect of suppressed demand. However, due to the semiconductor supply problems and fluctuations in the exchange rate, which were felt more intensely in the last quarter of 2021, it closed the year 2021 with a total sales figure of 747,926 units, demonstrating a 7% contraction. The Turkish lira depreciated by 42% nominally against the US dollar and Euro currency basket in 2021.

In this period, our company continued its sales and services, despite all the difficulties, considering the health of its employees. Thus, it closed the year with a total sales figure of 94,839 units excluding ŠKODA, and spent 330 million TRY of the projected 360 million TRY expenditure budget, executing the necessary tasks within the scope of investment expenditures.

Our Company aims to achieve the following in 2022:

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

Our investment expenditures planned for 2022 include the following topics:

- Expenditures for the head office, logistics, spare parts, training areas, and subsidiaries,
- Machinery and equipment investments,
- Test vehicles,
- Investments in information technologies,

- Solar Energy Panel (SPP) investments,
- Investments with potential to create value.

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

We have identified the following risks regarding our 2022 expectations:

- Geopolitical risks and delays in procurement processes,
- Exchange rate fluctuations and their reflections on strategic financial risk management,
- Protective policies depending on the developments in global markets, and liquidity movements,
- Continued impact of the Covid-19 pandemic,
- Efficient use of energy resources, climate change, and other risks in the field of sustainability,
- Risks related to cyber security and information security.

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

## OVERVIEW OF THE RISK MANAGEMENT SYSTEM

### Risk Management and Internal Control Mechanism

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

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

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

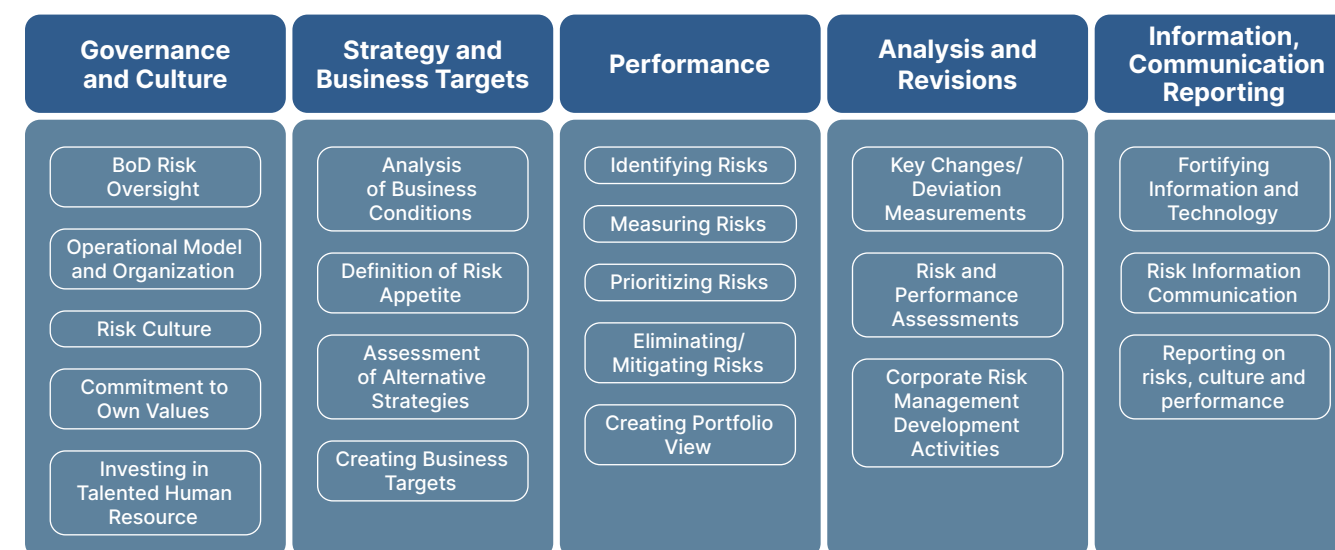
The revisions we have made in accordance with our changing organization and the current environment in which we operate are aimed at controlling and managing the risks following their analysis in line with the objective of the internal control system. Managerial bodies, including relevant committees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

### Risks and Evaluation of the Governing Body

#### Risk Management Policy

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

our stakeholders. Addressing the models and methods designed for application within the Company in alignment with generally accepted references is also essential. Identifying the factors that might pose a threat for our organization, assets and stakeholders, taking measures and improving the effectiveness of oversight will, as always, determine the direction of our efforts. The Company's risk management framework is summarized as follows:





### Early Risk Detection Committee Activities

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

With a qualified team and accurate information flow, the Committee provides assurance and supports the oversight role of the Board of Directors and reviews the risk management systems at least four times a year. In addition, it presents the assessment reports it prepares by holding meetings at the date intervals determined in accordance with the working principles to the Board of Directors and shares it with the auditor during the year. The Committee is directly interlinked to the Corporate Governance and Sustainability Committee as it shares the same members.

### Risk Factors and Practices

The Company's risk perspective, shaped according to its field of operations, scale and business structure, continuously evolves and matures on a platform where international developments and examples of best practices are filtered through competencies. The fact that the risks involved in this process would not remain limited to financial, operational and natural phenomena and would eventually require management with a much wider perspective and sustainability approach is a key issue that

determines our corporate risk management actions. With the activities we created as an integrated blueprint taking into account the interconnected risks, the processes included in risk management are guided on a path leading up to a strategic and proactive business model.

Doğuş Group Risk Management System was launched in 2021. This system, created with the contributions of Doğuş Teknoloji and the infrastructure of Doğuş Group, contributes to Doğuş 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.

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. The content of the Enterprise Risk Management trainings has been also decided, and the schedule of these trainings for the year 2022 are being set up. In addition, efforts were made to adopt a dynamic risk management approach.

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

### Interest Risk

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

### Receivables Risk

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

### Product Cost/Price Risk

Import planning and resource management are considered as a whole with the quantities and amount of stock in bonded warehouses, in transit, loading or at the ports while the brands are monitored daily for their foreign exchange positions. The direct impact of potential and sudden spikes in foreign exchange rates on both cost composition and the capacity to generate income are analyzed according to various scenarios. In the studies

## Operational Risks

### Relations with Suppliers

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

<https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/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. Furthermore, the Company has resolved to outsource these services starting from 2018 rather than using own employees, and a three-year agreement has been signed, thus expanding the scope of services and sharing risks. Within the scope of OHS, risk analyses of our facilities and work environments, accident studies, civil defense trainings and drills are carried out. Furthermore, current circumstances and legal responsibilities are regularly reviewed during OHS committee meetings and monitored. Trainings aimed at raising the employees' awareness are offered throughout the year with tests conducted under the supervision of experts to measure knowledge levels. Detailed information on Doğuş Otomotiv and Doğuş Oto's OHS activities is available in the Sustainability section on the corporate website.

<https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports>

### Business Continuity and Crisis Management

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

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.

ture. Business Continuity-related activities were shared with the Early Risk Detection Committee during the year and opinions and suggestions were noted.

The emergency action plans and crisis management scenarios developed to recover the processes that may potentially be interrupted as a result of destructive risks despite the Company's proactive efforts are also reviewed. Generally accepted tools and consulting services were utilized in these plans and scenarios that aim to prevent loss of life, goods and information, meet the expectations of right holders, take the correct legal steps and protect the organization's reputation.

### Information Technologies

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

### Decision Making Processes and Practices

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

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

## Doğuş Otomotiv Compliance Function

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

Doğuş Otomotiv conducted internal communication practices and prepared a Compliance Bulletin to increase the awareness of the policies within the Company in 2021 in order to ensure that the corporate policies are fully understood within the Company and to support the duties of the Compliance Function. The Compliance Bulletin aims to refresh the information on compliance and ethical issues and convey the current news and developments regarding compliance across the world and in our country to the employees. Notifications and boards were prepared about the policies that the employees often encounter in their daily lives and relevant details of those policies were shared.

Doğuş Otomotiv Compliance Function is committed to ensuring that the Company's commercial operations are conducted with high ethical principles, international standards, and applicable local laws and regulations. The Compliance Function reports to the Early Risk Detection Committee, which in turn reports to the Board of Directors. The Function held three meetings with its working group in 2021. The Compliance Function operates in coordination with the Legal and Risk Management Department and the Sustainability Council. Activities of the Compliance Function are organized in a manner to ensure compliance with Company policies, legal regulations, legislative requirements, and international standards and processes, as well as identifying and reporting the risks in the relevant processes. The Function has started to publish its Compliance Policy on its website as of 2020. Works regarding Compliance Function Procedure were started in 2020, and the policy is planned to be submitted to the Board of Directors for approval in 2022, after the procedure has been prepared and finalized with the opinions and recommendations of the relevant departments.

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

Doğuş Otomotiv also formed a working group to focus on the Personal Data Protection Law, PDPL, (National Version of GDPR). With the Legal, Risk Management and Information Security departments working in collaboration, the compliance process is managed by adhering to legal obligations, terms and conditions. Doğuş Otomotiv increased its PDPL Compliance Rate by 14 points in 2021, reaching its upper target limit of 74%. Efforts are underway to ensure that the PDP Compliance Rate will reach 80% in 2022. In order to increase the awareness of PDPL in 2021, internal coordination activities were carried out and a PDP Bulletin was prepared. The PDP Bulletin aims to inform the employees about the current news and developments regarding the PDP Board decisions and global developments.

Doğuş Otomotiv Information Security Management System regulates the security processes to protect the Company's information assets and ensure compliance with applicable legislation, keeps these processes up-to-date and defines the roles and responsibilities with respect to security processes. Doğuş Otomotiv published its Information Security Policy and 11 separate procedures related to the policy in 2021. The company also started to work to obtain the ISO 27001 Information Security Management System Certificate in 2022.

# AUDIT COMMITTEE REPORT

## Internal Control and Internal Audit Activities

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

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

The Company has in place an Internal Audit Department, which reports to the Audit Committee and operates in accordance with the legislation and international standards. The department regularly and systematically audits and reviews the Company processes and internal control activities according to a risk-based annual audit plan approved by the Board of Directors and in line with the defined objectives. The Audit Committee held eight (8) meetings throughout 2021 to discuss and review the independent audit results and the regular audits, inspection and investigations carried out by the Internal Audit Department. In addition, Early Risk Detection Committee meetings were attended.

The Internal Audit Department, taking utmost care to comply with international standards of internal audit activities, evaluates development opportunities by consid-

ering quality assurance activities, senior management expectations and similar industry practices. In this respect, audit activities regarding Information Technologies continued in 2021.

With the remote working model that started with the pandemic, the effectiveness of internal Auditing continued without compromising on remote auditing techniques and the entire audit plan was completed as determined. In this context, the digitalization aspect of auditing activities was also emphasized. In addition to continuous auditing activities, an audit methodology that can generate results across all data instead of sampling was developed and together with daily, weekly and monthly reporting through the system, the effectiveness, efficiency and timeliness of audits was enhanced. The objective for 2022 is to increase the weight of continuous audits in the regular audits.

Quality Assurance Review (QAR) service was received from the independent audit firm Ernst & Young in 2021 in order to measure and monitor 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 Review

As Doğuş Otomotiv's Audit Committee, our objective is to ensure the compliance of the Company's financial statements through effective management. In this respect, the Audit Committee, on behalf of the Board of Directors, defines methods and criteria for internal audits,

effectiveness and adequacy of internal control and risk management, functioning of the accounting and reporting systems in accordance with the Capital Markets Law and the principles therein, integrity of information, confidential assessment and resolution of complaints made to

the Company regarding the internal control system and independent auditing and discretion in evaluation of notifications.

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

As the Audit Committee, we carry out our activities in accordance with the Committee Bylaws approved by the Board of Directors and assist the Board in its oversight duties regarding accounting, auditing, internal control system and financial reporting practices. Accordingly, we are responsible for the following tasks, which are also specified in our bylaws:

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

The Committee convened eight (8) times in 2021, including 4 meetings with the independent audit firm and 4 meetings with the Audit Department. The independent audit firm submitted their review of the consolidated financial statements and the audit results. In the presentations by the Internal Audit Department, the Committee was informed about internal control, risk management, governance and sustainability processes as a result of the audits. Additionally, at least once a year, individual meetings with the Chief Financial Officer, Accounting Manager and the independent external auditors in a setting where executives are not present. These meetings enable us to consider the issues that may be brought to the agenda by auditors or to our attention about the auditors.

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

Audit activities, covering financial, operational, regulatory and misconduct risks for all brands and departments of the Company, were carried out. In the audits, the effectiveness of internal control and risk management systems was assessed with regard to compliance with legislation, policies and procedures, accuracy and veracity of financial and operational information, protection of assets, and productivity and efficiency of operations.

Increasing amount of data and transaction volumes along with the growing importance of information technologies in recent years cause the adequacy of conventional audit methods to be questioned. Therefore, continuous/computer-assisted audits have come to the forefront as an electronic audit process that enables assurance by the auditors. 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 effectiveness, efficiency and timeliness of audits, continued in 2021.

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

In addition to all the internal control and audit activities in 2021, the findings from the previous periods were also followed up and the statuses of the remedial actions that needed to be taken were checked.

The Company has in place an Ethics Hotline that is controlled by a completely independent firm and that all employees can call openly with the option to remain unanimous to report actual or potential situations that may be

in violation of the Code of Ethics. In 2021, the complaints and reports communicated to the Ethical Line were evaluated and investigated.

The effectiveness of the audit process depends primarily on defining the audit risks properly. Accordingly, the independent audit firm shares a detailed quarterly audit plan, which includes basic risk assessments, with us and the audited departments. Additionally, an annual survey is conducted by the independent audit firm to receive feedback from the management about the effectiveness of the audit process.

Quality Assurance Review (QAR) service was received from the independent audit firm Ernst & Young in 2021 in order to measure and monitor 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.

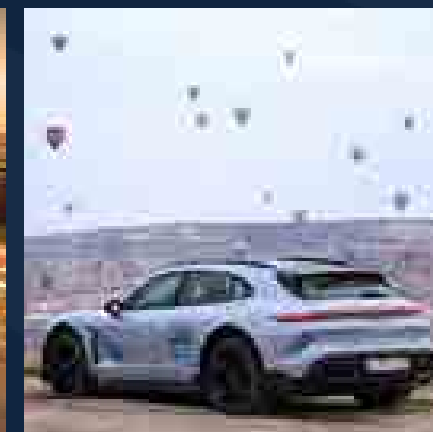
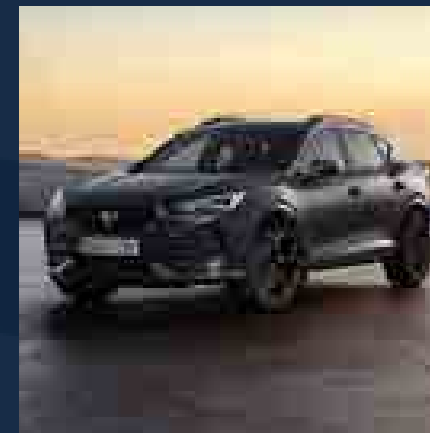
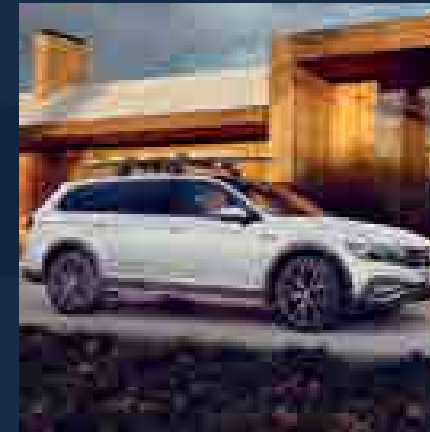
For independent external audits of the Company's activities, we work with PWC, one of the well-known companies in the sector. Considering the quality of the service we have received throughout the year and the firm's position and experience in the sector, we find the audits to be effective.

The tender and the offers received by the Company during the independent external audit firm selection process are shared with us at Audit Committee meetings. We as the committee make the final decision after careful deliberation and consideration. As a result of the tender opened in 2019, the Company began to work with PWC in line with our decision, considering that the firm possesses the necessary knowledge, competence and expertise, and the assurance that it will conduct the audits in accordance with national legislation and international audit standards. The plan is to open the next audit tender in late 2025.

**Adnan Memiş**  
Head of Audit Committee



# OUR BRANDS



## VOLKSWAGEN PASSENGER CARS



Volkswagen Passenger Cars, which ranked 3<sup>rd</sup> in the passenger car market with a 9.5% market share in 2021, introduced the New Golf, New Polo, and Passat Alltrack models to the Turkish market.

Despite the supply problems experienced in 2021, Volkswagen Passenger Cars maintained its third place in the passenger car market with a retail sales figure of 53,523 units and a 9.5% market share. The fully digital and renewed version of the Golf, which holds the most preferred car title in Europe, was introduced in March 2021, while the facelift version of the sixth generation Polo, which managed to become one of the most successful models in the compact class, made its debut in September 2021.

Following the Passat Variant, the Passat Alltrack joined the Passat model family, which has continued its success in Turkey as the best-selling

model of its segment since 2005, in November 2021 with the 4MOTION option.

#### Performance of the models

The Passat, the flagship of the brand, reached a sales figure of 17,362 units and became the second best-selling imported vehicle model in the market in 2021. The Passat maintained its segment leadership with a share of 45.7%. The Golf, whose eighth generation was introduced, maintained its leadership in the segment as in previous years with a share of 23.3%.

Launched with its new digital and technological features that carry its class forward, the New Polo, on the other hand, became the best-selling

model of the brand in the last quarter of the year with a sales figure of 4,778 units. The Polo managed to increase its segment share of 7.9% in 2020 to 13.1% in 2021.

#### Digital transformation in Sales and After Sales Services gains speed

In order to meet customer needs and expectations in the best possible way in the post-pandemic period, digital transformation in Volkswagen Passenger Cars gained even more speed in 2021. The Volkswagen Passenger Cars website, which is the first point of contact with the customer and offers a personalized experience, received a total of 16 million visits in 2021.

#### Eighth generation of the new Golf makes debut

The Golf, which has been one of the main models of the Volkswagen brand since the first day it was introduced to the market, continues its success with its eighth generation version with its timeless and adaptable design, new generation efficient engine options, digitalized interiors, and renewed first class driver assistance systems.



#### Passat Alltrack, the new member of the Passat model family, hits the roads of Turkey!

The Passat Alltrack, which is a very successful transition model between station wagon and SUV body types, draws attention with its standard design elements suitable for off-road driving, special “off-road driving” mode, advanced powertrain elevated even more, and its 4MOTION all-wheel drive technology.

application had more than 320,000 downloads in 2021.

#### A year full of awards

The Volkswagen Passenger Car website was named Turkey's Best Automotive Website at the 2021 Golden Spider Awards.

The Volkswagen Live! video call application was deemed worthy of the Gold award in the “New Point of Sale Development” category of the Istanbul Marketing Awards, which is held every year as a part of the Istanbul Marketing Summit, a convention which brings together opinion leaders, the best practices of the marketing world, and different experiences.

According to the results of the Turkey Reputation Index Survey conducted

by the Turkey Reputation Academy, the Volkswagen brand achieved the highest score in the automobile category in 2021.

#### After Sales Services

Continuously improving the unique automotive experience it offers to its customers, Volkswagen Passenger After Sales Services continued to serve at 80 points in 2021. With a total of 532,031 vehicle entries in Authorized Services in 2021, an average of 44,335 customers were served on a monthly basis.



## AUDI



In 2021, the Audi brand has continued taking firm steps towards its goals with the use of artificial intelligence, digital customer experience, and machine learning applications.

#### Challenging market conditions shaped by the semiconductor and supply crisis

The Audi brand, which has been imported by Doğuş Otomotiv since 1994, became the third best-selling premium brand with a sales figure of 14,036 units in 2021. Despite the pandemic and the production constraints due to the semiconductor crisis triggered by it, the demands were answered in the best possible way, owing to the works carried out with our business partner and our strategic point of view.

The A3 Sportback, the leader of its class in the premium segment in 2021, closed the year with the sales of 2,070 units, while the total sales

figure of the A3 Sedan and A3 Sportback reached 5,952 units. In 2021, the A4 Sedan, A4 Avant, and A4 all-road models sold 1,351 units, while the A5 family realized a total sales figure of 405; the A6 family 1,527; the A7 Sportback 73; and, the A8 L 53 units. The Q2 model sold 1,965 units, while the Q3 SUV and Sportback reached a sales figure of 2,376; the Q5 SUV and Sportback 213; the Q7 64; and the Q8 57 units in 2021.

#### New brand strategy

Following the footsteps of the Audi AG simultaneously, Audi Turkey has continued to implement the “Future is an Attitude” brand strategy launched globally in 2021. In line with this strategy, which holds the main

idea of shaping the future through premium mobility and creating exciting experiences, a 360-degree communication of the Audi A3 and Audi Q3 models has been realized. Two concept cars, Sky Sphere and Grand Sphere, developed and showcased within the scope of future premium mobility solutions, were promoted and both models were highly appreciated by the authorities.

Within the scope of the “Good-Natured Brand Strategy”, initiated in 2019, various social responsibility projects were carried out throughout the year with the aim of contributing to the society. The Skelex ergonomic power support system, which started to be used in Audi AG’s factory

#### Electric and autonomous driving, 710 horsepower!

In 2021, Audi introduced the Grand Sphere, a fully electric and ready for level 4 autonomous driving concept vehicle, which reveals the brand’s vision for the future.



in Ingolstadt to render the working conditions more comfortable and was also put into use in Doğuş Oto’s Maslak venue as a pilot project in 2020, was put into service in 22 Authorized Services in 2021.

Audi Turkey maintained its active presence in social media in 2021 and maintained its position as the brand with the highest number of followers among all automobile brand pages on Twitter in Turkey.

#### Digital customer experience

Despite the conditions during the pandemic period, digital innovations continued in 2021 in line with the changing customer expectations. Thanks to alternative digital solutions such as 3D Remote Experience, which allows remote interactive vehicle configuration, and Audirect, which facilitates video calls, customers are provided with uninterrupted service at all locations.

As a leader in the CRM field, Audi made a positive contribution to vehicle sales by analyzing the information of its current customers in depth, successfully identifying the ones with the highest tendency to buy vehicles among the potential customers, and giving priority to these customers, within the scope of the “Audi

#### Leadership is in its genes!

The A3 Sportback, the leader of its class in the premium segment in 2021, closed the year with the sales of 2,070 units.

Intelligence: CRM” project in which artificial intelligence and machine learning techniques are utilized. With the inclusion of After Sales Services in the scope of the project in 2020, the “Audi Intelligence: CRM” system was successfully employed by Audi Authorized Services in 2021 as well.

#### After Sales Services

The Audi brand achieved a 51% increase in After Sales Services turnover in 2021 with a 56% customer loyalty rate, which is an exemplary figure for Europe. Making digitalization the focus of its business processes, Audi Turkey swiftly solves the problems by relaying the high-level problems encountered in the workshop to the central team in the form of visual and audio input using goggles and audio transmission and takes steps to reduce customer waiting times with the use of digital solutions.

The “myAudi” (“benimAudim”) application, which offers Audi users the

opportunity to make online service appointments, monitor the status of their vehicles at service, view invoices, and make online payments using a credit card, met with Audi users in 2021 with its new looks.



## SEAT &amp; CUPRA



Operating as an independent brand under SEAT, CUPRA started its sales activities in 2021. During the year, the Formentor under the CUPRA brand; the new Leon, facelifted Ibiza, and Arona and the new SUV Tarraco under the SEAT brand were launched.

**Performance of the models**

Despite the negativities caused by the pandemic on a global scale in 2021, SEAT sold 12,457 passenger cars, showing an increase of 8% compared to 2020 thanks to its renewed product range, and achieved a market share of 2.22%. The CUPRA brand, which started to be sold in April, had a sales figure of 285 units.

SEAT's Ibiza model in the A0-HB segment and the Arona in the A0-SUV segment had facelifts in July and August, respectively. The Ibiza model strengthened its position in its segment with the sales of 3,555

units in 2021, reaching a segment share of 3.4%. Arona, the brand's entry model in the SUV segment, increased its share in the A0-SUV segment with the sales of 4,358 units and closed the year with a segment share of 6.2%. The Leon, SEAT's model in the A-HB segment, was introduced to the Turkish market as of February with its renewed 4<sup>th</sup> generation and completed the year with a sales figure of 2,528 units and a 10.2% segment share. The Tarraco, SEAT's B-SUV model, made its debut in the Turkish market and achieved a segment share of 0.7%, selling 137 units. The Ateca, another SUV mod-

el of the brand, sold 1,879 units and completed the year with a segment share of 2.0%. In 2021, the number of SEAT sales points throughout Turkey reached 30.

**CUPRA**

The CUPRA made its debut in Turkey in April, and it was put on display with a "corner" concept at 5 sales points. The number of sales points, which increased to 6 during the year, is planned to be increased to 12 with the new investments to be made in 2022. In addition to the Leon and Ateca models sold under the CUPRA brand, a total of 284 units were sold with the Formentor in the A-SUV segment, which is the first model developed specifically for the brand.

**After Sales Services**

In 2021, SEAT Authorized Services, which provide service at 47 points throughout Turkey, served an average of 6,250 customers per month with 75,000 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 and over with the ZUBIZU campaign in addition to the 30% discount campaign which was continued for the repair services for Ibiza vehicles aged 4 and above.

Digitalization was expedited in all service processes, and within this scope, the SEAT Online Mobile Application, Garanti Portal, Declaration Net, SEAT Academy,

and Digital Scorecard projects were implemented. In addition, options such as online appointment, 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 4.86 out of 5 in 2021. SEAT Authorized Services were subjected to a joint hygiene inspection by TÜV SÜD during the pandemic period and were entitled to receive a certificate. Face-to-face trainings, which could not be held with SEAT Authorized Service employees due to the pandemic, continued through online channels.

**Communication activities**

The year 2021 has been a year full of launches in which almost the entire SEAT product range was renewed, in addition to the Turkish debut of the CUPRA brand and the Formentor, the first brand-specific model. In the first quarter of the year, the brand's communication activities focused on the all-new fourth-generation Leon, SEAT's flagship. The most technological and safest SEAT model produced to date, the Leon received 5 stars in Euro NCAP safety tests and was awarded the "Best Buy

**The New SEAT Leon**

The completely renewed fourth generation SEAT Leon was awarded the "Best Buy Car of Europe 2021" accolade by the AUTOBEST jury. The new Leon, which is the safest SEAT ever produced thanks to its driving systems, has also received 5 stars in Euro NCAP tests.

Car of Europe 2021" accolade by the AUTOBEST jury.

In the second quarter of the year, Turkey sales of Tarraco, the largest member of the brand's SUV family, started. In the same period, SEAT launched CUPRA, which expresses the sporty and performance features of its cars in a brand new way and was created as an independent brand within its own body. The promotion of the brand was made both on digital platforms and outdoor channels.

In the second half of the year, the brand's iconic model, the facelifted Ibiza, and the smallest model of the SUV family, the facelifted Arona, took the center spot in the communication activities. Due to the pandemic, a limited number of press groups participated in the CUPRA Born in-

ternational press launch, which was held in Barcelona in the last quarter of the year. The brand completed 2021 by exhibiting the CUPRA Born model at the Doğu Otomotiv Plus Experience Center at Galataport.

With its renewed model family, SEAT also took its place at the Autoshow 2021 Mobility, which was held digitally for the first time under the theme of "mobility". During the fair, automobile enthusiasts had the opportunity to examine the SEAT models in the smallest detail in the digital environment and get live information by connecting to the customer representative. SEAT also introduced the EXS KickScooter, one of its micro mobility products, to the visitors at the fair.



## ŠKODA



Despite the interruptions in the global supply chain in 2021, ŠKODA continued its rise and attained a market share of 4.5%.

#### High potential, high sales performance

ŠKODA made a quick start to 2021 by taking strength from its product range completed with the New Octavia and revealed its true potential by being among the top 5 brands with a 5.7% market share in the first half of the year. Despite the interruptions in production caused by the semiconductor supply crisis, especially in the second half of the year, Yüce Auto ŠKODA Turkey completed the year with a 4.5% market share and a sales performance of 25,228 units.

#### 2021

While the total passenger car market contracted by 7.9% in 2021 compared to the previous year, ŠKODA

managed to increase its sales by 4.4%. The global sales of the brand, on the other hand, decreased by 12.6% compared to the previous year and amounted to 878 thousand units. Interruptions in the semiconductor supply chain and production bottlenecks due to COVID-19 measures were the reasons to this contraction.

Completing the product launches it started in the second half of 2020 with the OCTAVIA in the last days of the same year, ŠKODA made a strong entry to 2021 with seven main products and a 92% passenger vehicle market presence. Realizing the most successful first half year performance of the brand's history with 17,577 units sold and a 5.7% market share attained within the first

six months of the year, ŠKODA was among the top 5 brands with the highest sales in the total passenger car market. Despite the supply bottleneck that increased its impact in the second half of the year, the brand completed the year with a market share of 4.5%, reaching the highest market share ever in Turkey.

#### Performances of the models

Yüce Auto ŠKODA Turkey made a strong start to 2021 with the SCALA, KAMIQ, and OCTAVIA models it put on the market in 2020, and launched the renewed KODIAQ model in September. Attracting the attention of consumers with seven main models, ŠKODA's best-selling model in Turkey was OCTAVIA with 6,964 units, while SUPERB, the strong representative of the brand in the D segment, maintained its stability with a sales performance of 6,069 units.

Standing out among the small SUV models whose market is growing, the KAMIQ became the third best-selling model with 4,212 units, while the SCALA had a sales performance of 2,419 units.

The brand's powerful SUV models the KODIAQ and the KAROQ achieved sales figures of 2,399 and 1,735 units, respectively. The FABIA, which was discontinued in June 2021, contributed to total sales with 1,430 units.

#### 2022 innovations

In 2022, ŠKODA Turkey will continue its product innovations with two important launches. The completely renewed fourth generation of FABIA, one of the important models of the



brand, will take its place in the showrooms in March, while the compact SUV model KAROQ, which the brand has been selling since 2018, will take its place in the showrooms in April with its renewed looks and updated technology.

#### A new era in marketing

Using a commercial face for the first time in its history in line with its brand awareness goals, ŠKODA Turkey attracted attention with the New ŠKODA OCTAVIA and New ŠKODA KODIAQ commercials starring the famous actor Mehmet Günsür and directed by Icelandic director Thor Saevarsson.

The new generation of OCTAVIA, the heart of the brand, stood out as the most important campaign of the year. The communication activities of OCTAVIA, which also have a significant impact on the brand image, were carried out via various media such as TV, outdoor, radio, magazines, and digital platforms.

#### Turkey's first curiosity map from ŠKODA

The New ŠKODA, which is built on a concept of wondering and discovering, started a new journey with the "Aren't you curious?" question in the KODIAQ commercial. With the Curiosity

### The "Heart" of the Brand

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

osity Map platform, answers to the most frequently asked questions are presented, and the most appropriate routes for these answers are shared on merakharitasi.com.

#### Emerging Brand of the Year Award

ŠKODA won the "Emerging Brand Award" within the scope of the Rise of Brands Awards, with the service it has provided and the correct communication it has established since the beginning of the pandemic. This award has been determined by voting the brands that had increasing metrics throughout the pandemic in 21 categories.

#### The ŠKODA Goodness Car is once again crowned with an award

ŠKODA's Goodness Vehicle, which has distributed masks to healthcare workers, food for stray animals, and books to children during the pandemic period, was awarded the bronze award in the "Online-Offline

Integration" category of Turkey's important social media award, "Social Media Awards".

ŠKODA Turkey's success in 2021 continued on digital platforms as well. Continuing its rapid rise with 206,332 followers on Instagram and 736,688 followers on Facebook, ŠKODA Turkey maintained its successful performance with 11,889,923 visits on its website, which was renewed and rendered more useful.



**BENTLEY & LAMBORGHINI**

In 2021, Bentley launched the Bentley Flying Spur with a V8 engine, a unique combination of the brand's luxury and sports sedan performance. The Lamborghini brand achieved high sales success with its SUV model Urus and continued its ambition for performance and design with the new Huracan STO.

**The most prestigious and luxurious automobiles in motoring history**

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

Automobili Lamborghini was founded by Ferruccio Lamborghini in 1963. The brand has manufactured its cars in the Italian city of Bologna since the day it was founded. After

the acquisition of all shares by Audi AG in 1998, Lamborghini has shown a rapid rise by offering new models equipped with powerful and superior technology.

**The Flying Spur and Continental GT debut in Turkey with new engine options**

The most important development of the Bentley brand in 2021 was the launch of the brand's prominent model, Flying Spur, with the V8 engine option in addition to the W12 engine model. In 2021, a total of four units of Flying Spurs were sold, thanks to the contribution of the V8

engine. In addition, with the sales of 1 unit of Bentayga, 1 Continental GT Convertible, and 5 Continental GTs, Bentley achieved a total sales of 11 units in 2021.

Lamborghini, on the other hand, continued its success in Turkey with the world's first super SUV, the Urus, selling nine units. In 2021, the demand for high-performance limited production vehicles increased, and 2 Aventador SVJs and 1 Huracan STO were sold.

In 2021, a total of 16 units of Lamborghinis were sold in Turkey; of

them 9 were Urus, 5 were Huracan, and 2 were Aventador.

**Bentley and Lamborghini on social media**

Within their frameworks of a global communication approach, both the Bentley and Lamborghini brands prioritized using the Instagram platform in 2021. Special news reports were prepared and communications for

magazine ads were carried out for both brands.

Sustainable communication efforts continued throughout 2021 in line with the global marketing plans of Bentley Motors and Automobili Lamborghini.

**Bentley Flying Spur Hybrid**

Bentley Motors has introduced the Bentley Flying Spur Hybrid model, which stands out with its efficiency and performance. Producing 544 hp from a 2.9-liter V6 engine, the Flying Spur Hybrid will be offered for sale in Turkey in the second half of the year, together with the Bentayga Hybrid.



**The ultimate version of the Lamborghini Aventador: Aventador Ultimae**

Lamborghini has announced that it will end its iconic model Aventador, which has been on sale since 2011, with a special version, the Ultimae. The Aventador Ultimae will be the most powerful Aventador produced with 780 hp. A total of 600 units of Aventador will be produced, of which 250 are Roadster models.





## PORSCHÉ



## Porsche continued to undertake pioneering projects in the field of electromobility by expanding its fully electric sports car model range with the Taycan Cross Turismo.

### Electric car investments

Investments to provide charging and servicing to electric vehicles continued in 2021. In addition to the installation of Turkey's fastest charging station with a power of 320 KW at Porsche Center Doğuş Oto Kartal, 114 Porsche Destination charging stations were installed to serve Porsche and other electric cars. Moreover, Doğuş Oto Kartal has introduced Turkey's first Battery Repair Center in an attempt to provide service for the Central and Eastern Europe (CEE) region.

Preliminary inspections were carried out at 375 locations for the installation of charging stations that will allow Porsche customers to charge

their vehicles at their homes and workplaces. Porsche received the award for the country that installed the most home charging stations in the CEE.

### Sales performance by model

The Porsche brand increased its sales by 1.3% to a total of 627 units in 2021. The Taycan model, Porsche's first fully electric sports car, has played the biggest role in this success, reaching a sales performance of 353 units with a 17% growth. Taycan Cross Turismo joined the Taycan model family in the second half of the year. The new Macan model was launched in October and a total of 219 units were sold throughout the year. As for other

models, 32 units of Cayenne, 12 units of Panamera, 8 units of 911 and 3 units of 718 were sold in 2021.

### Porsche's marketing communications

In 2021, a communication strategy focused on the Taycan, Porsche's first fully electric sports car, was followed. Local content prepared by meeting soul mates who share the same passion for Porsche in different fields was published on Instagram and YouTube channels with the #PorscheBuluşuyor (#PorscheMeets) hashtag. A total of four video series were published in the automobile, watch collectors, photography, and sports domains and high viewing rates were achieved.

Taycan's test drive video, prepared for March 8, International Women's Day in cooperation with Porsche Turkey and Vosmer Otomotiv and tagged with the social message "Who says women can't drive well?", was awarded silver at the Social Media Awards and became one of the Gladiators in the "Social Media Application of the Year" category of the 2021 ODD Communication Awards. An emotional video was posted on Porsche Turkey's Instagram account for Father's Day.

The members of Porsche Club İstanbul had a Porsche & TAG Heuer Travel Experience on the İstanbul - D-Resort Murat Reis Ayvalık route. The event, attended by 25 vehicles, was the first Porsche driving experience event of the year.



The second half of the year witnessed the pre-launch communication of Porsche's first fully electric CUV model, Taycan Cross Turismo, while the vehicle was exhibited at Kalamış Marina in September in cooperation with TAG Heuer for one month, making an intimate debut with the visitors.

In line with the new target group communication strategy, sponsorships in tennis and golf were made available, and the new Macan was exhibited for the first time at the Tennis Tournament. The launch of Taycan's CUV model was carried out in Cappadocia with a digital unboxing concept, and Taycan Cross Turismo's adventure in Cappadocia, full of unhindered energy, was carried to online platforms with local video productions.

Porsche brand ambassador and former F1 pilot Mark Webber introduced the compact SUV model New Macan, carrying sports car genes, to the press at Doğuş Oto Kartal, and then press members participated in the press test drive held at night in Warsaw, Poland. A total of 189 people were hosted at the Porsche Experience Center as part of the Porsche on Track driving experience, which could not be held for two years due to the pandemic.

## 17% increase in Porsche Taycan sales

With the sales of 353 Taycans in 2021, fully electric vehicles saw a 17% increase in sales compared to the previous year.

Taycan 4 Cross Turismo model and electric bike were exhibited for two weeks at Doğuş Otomotiv Plus Experience Center in Galataport.

The press test drives and press releases in 2021 made the news in 120 publications and posts, achieving a PR value of 27,880,273 views and 7,410,058 TRY, while the 45 broadcasts on TV had a PR value of 7,121,865 TRY.

### Porsche's After Sales Services performance

Thanks to the Porsche customer loyalty activities and marketing efforts for Porsche Service, Porsche accessories, boutiques, and extended warranty carried out in 2021, an increase of 101% in service turnover, 56% in accessory sales, and 103% in extended warranty sales was achieved. Tests of the Porsche mobile application, which offers the opportunity to access repair and charging services and make online payments, were

started and the Porsche online shop was launched.

The 2021 PACE (Porsche Aftersales World Challenge) award, which is held annually with the participation of Porsche distributors and Authorized Dealers around the world, was given to Doğuş Otomotiv Porsche Aftersales Services, making Porsche's After Sales Services the recipient of the PSEA award for the ninth time in a row.



## VOLKSWAGEN COMMERCIAL VEHICLES



Ticari Araç

Volkswagen Commercial Vehicles maintained its leadership in imported commercial vehicle sales. The New Caddy model, which has been completely renewed, was rated 5 stars by Euro NCAP and succeeded in being the first and only vehicle in its class to meet this safety standard.

**Brand performance in 2021**

In 2021, 175,497 vehicles were sold in the light commercial vehicles market, exhibiting a growth of 7.9% compared to the previous year. Volkswagen Commercial Vehicles had a share of 8.4% in the light commercial vehicles market with a sales figure of 14,663 units, and maintained its leadership in the imported commercial vehicles market with a market share of 18.8%.

Volkswagen Commercial Vehicle's Transporter model ranked first in its segment in 2021 with a sales figure of 5,884 units and 34.5% market share, while the Caddy model ranked third in its segment with the sales of 7,285 units and 10.8% market share. The Crafter model reached a market

share of 4.1% with the sales of 1,493 units.

**New product launches**

The fifth generation Caddy, which is Volkswagen's first commercial vehicle produced on the MQB platform and has been completely redesigned to become the most digital and safest vehicle in its class, was introduced to the Turkish market in January 2021.

**Brand communication**

Due to the launch of the New Caddy in the first quarter of 2021, a 360 integrated launch communication covering offline and online channels was carried out. The first domestic TV commercial in the history of

Volkswagen Commercial Vehicles was made for the New Caddy model, which has the largest share in the brand's sales.

The brand carries out pioneering works in the industry with its customer-oriented innovative applications on social media platforms such as Facebook, with more than 1 million friends, Instagram and YouTube with more than 110,000 followers, and with the customer satisfaction-enhancing services it offers on online channels. Under the "Journey to Mount Ida" content project, specially prepared for social and digital channels, the ways the brand models could touch the lives of customers both in the city and in nature were highlighted.

With its "A Master, A Story" series, Volkswagen Commercial Vehicles has come together with people, including masters who practice lost professions and entered the UNESCO Living Human Treasure list, and shown on social and digital media accounts how the Caddy and Transporter models contribute to the needs of craftsmen in their businesses and daily lives.

**Digital innovations**

The "Smart Turkuaz Screen" application used by Volkswagen Authorized Dealers and Services was transformed into an advanced CRM platform in 2021. This application brings the information left by Volkswagen Commercial Vehicle users on online and offline channels in line with their permission, to the sales or service advisor's screen as processed. Thus,

more targeted services can be offered to customers through analyses based on customer behavior.

In 2021, new features were added to the Volkswagen Commercial Vehicle mobile application. In the end-to-end contactless customer journey, users have the opportunity to get estimated maintenance prices for their vehicles before taking them to the service, and can track all transactions online during the entire service process, from vehicle acceptance to delivery.

Volkswagen Commercial Vehicles has also activated two new communication channels in 2021. With the "Volkswagen Live!" video call application, customers are provided with the opportunity to make video calls with their sales consultants wherever and whenever they want. In addition, customers started to receive support regarding their questions and requests via the Volkswagen WhatsApp communication line.

**Field activities of the Authorized Dealers and Services**

Volkswagen Commercial Vehicles continued to provide services at 69 Authorized Dealer and 80 Authorized Service points across Turkey in 2021. With 127,101 vehicle entries at Volkswagen Commercial Vehicle

**The New Caddy achieved 5 stars from Euro NCAP!**

The New Caddy model, which has been completely renewed and brought the standards to the highest level in its segment with the security, technology, and comfort equipment it offers, was rated 5 stars by Euro NCAP and succeeded in being the first and only vehicle in its class to meet this safety standard.

Authorized Services, an average of 10,592 vehicle entries were realized on a monthly basis.

In 2021, 57,270 customers benefited from the "Winning Service" (Kazandıran Servis), a customer loyalty-oriented service campaign of After Sales Services. In addition, the scope of the Winning Service campaign was expanded, while the "Spring Campaign" was launched in 2021 in addition to the ongoing Wear Parts, Drivetrain, Brake Fluid, Heavy Maintenance, and Winter Check campaigns. In 2021, 14,359 customers benefited from the campaigns during their service visits.

Thanks to the "Volkswagen Commercial Vehicle Mobile Service" privilege, on-site maintenance and express services to customers' vehicles continued. In this context, 591 customers were served throughout Turkey

in 2021, while the number of customers benefiting from the service has reached 1,411 since 2019, when the application was put into use.

**Expectations in 2022**

Volkswagen Commercial Vehicles aims to continue its activities, increase its share in the light commercial vehicles market, and maintain its strong brand image by adding the rapidly transforming technology to the product innovations it will produce in 2022 and adapting itself to changing market conditions and customer needs.

The most important tools in realizing the vision of Volkswagen Commercial Vehicles will be the trust created by the Doğu Otomotiv and Volkswagen brands and the strong customer communication through the Authorized Dealer and Service network spread throughout Turkey.



## SCANIA



With its “Scania, always by your side” approach, Scania kept its third position in the heavy commercial vehicles market in 2021 while maintaining its leadership in the imported heavy commercial vehicles market with a market share of 25.3%.

**Brand performance in 2021**

Scania attained a market share of 8.5% with the sales of 2,192 units in the total heavy commercial vehicles market of 25,908 units in 2021 by selling 53 trucks and 2,139 tractors. With a market share of 25.3% in the imported heavy commercial vehicles market, Scania has become the most preferred imported tractor brand. Scania also found itself a place among the top three brands with the highest sales in the overall tractor market.

**A history of 130 years**

Having celebrated its 130<sup>th</sup> anniversary in 2021, Scania made its business partners feel that it stands by

them as a brand in every project and in times of need, and continued to support their customers at all times during and after sales with its “The only business that matters, is yours” approach. Scania has successfully managed the supply shortage experienced in the sector in 2021 and continued to supply its customers with the products they need in a timely manner.

**New product launches**

Scania introduced its 770 hp vehicle, the most powerful engine option among 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.

**Field operations of the Authorized Dealers and Services**

Scania provides services at 13 Authorized Dealer and 19 Authorized Service points throughout Turkey. In 2021, 54,000 work orders were created at Scania Authorized Services and 16,600 different vehicles were serviced.

Through the “Old Friends”, the customer loyalty-oriented service campaign of After Sales Services, 8,000 vehicles aged 5 and over were serviced in 2021. In addition, three new campaigns, namely “Engine Campaign”, “Winter Campaign”, and “Scania Advantage Campaign”, were launched throughout the year and 400 new vehicles were served under these campaigns.

Within the scope of service and maintenance contracts, 3,500 vehicles were included in maintenance contracts in 2021 and 6,200 maintenance services were given to these vehicles. Thanks to the three maintenance campaigns organized in April, August, and November, 1,305 units were sold while the loyalty of 300 customers to the services was sustained. In 2021, 1,500 vehicles benefited from Scania Fix Packages that offer advantageous parts and labor prices.

**Brand communication**

Scania carries out a pioneering work in the sector with its services on social media platforms such as Facebook, where it has more than

200,000 followers, Instagram and YouTube, followed by some 43,000 people, and LinkedIn. Scania has established a sustainable communication with its customers thanks to its social media communication throughout the year and took the lead in terms of the number of social media followers in the imported heavy commercial vehicles market.

**A more digital Scania**

Leading the way in the sector in terms of digital technologies, Scania launched its corporate website with its new design in 2021. The design and content of the new website has been simplified, while its compatibility with search engines and mobile devices has also been increased. “Scania’m Cepte” (Scania Mobile App), one of the leading applications in the sector, continued to gain the appreciation of its users with its updated interface and new features added in 2021.

**Authorized Dealer and Service trainings**

During 2021, a total of 35 days of training was organized for 372 employees at all Scania Authorized Dealers and Services. 22 candidates working at sales position have completed their certification process after receiving 6 different trainings to

**Green Truck award**

Scania managed to become the first and only brand to win the Green Truck award for the fifth time in a row in 2021.

improve their knowledge throughout the year.

In addition to the technical service trainings that continued throughout the year, trainings that aim to increase the efficiency and quality of the vehicle body shops of 19 Authorized Services across the country were begun. The first module of the training, the panel and paint course, was completed with the participation of two separate groups.

**Scania: Also a pioneer in taking sustainability steps**

Being one of the signatories of the Global Compact, and participating in the COP26 and signing the Climate Commitment in 2021, Scania also leads the industry with its sustainability efforts. Scania, the first company in its sector to set carbon reduction targets, aims to reduce CO<sub>2</sub> by 50% in its operations and 20% in

its product-based emissions until 2025 in comparison to 2015 values.

Scania became the first and only brand to receive the “Green Truck” award for the fifth time in a row following the tests conducted by independent organizations in 2021.

**Expectations in 2022**

Scania aims to strengthen its leadership in the world of sustainable transportation with its current diesel engine and powertrain, which will be updated in 2022, and to maintain its high standards, especially in terms of After Sales Services, with the “Scania, always by your side.” approach.





## SCANIA POWER SOLUTIONS



Scania Power Solutions continues to expand its product range with the newly developed marine, industrial, and generator engine models with low emission values and respond to customer demands for all needs.

### Another year of success

Doğuş Otomotiv offers marine, industrial, and generator engines to its customers under the Scania Power Solutions brand. Scania Power Solutions Turkey maintained its place among the countries with the highest engine sales in 2021.

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 once again increased its market share in the marine engines segment in 2021.

### Solutions for all needs

In 2021, Scania Power Solutions started to work on hybrid products for use in the maritime and indus-

trial sectors, as well as engines with low emission levels. Scania Power Solutions, which is planning to offer 100% electric motors to its customers in the near future, 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 6×6 ARFF airport fire trucks, manufactured with Scania engines with Stage V emission values, have begun to be exported to numerous countries in the world. The 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 2021, and continued its steady growth in this area by expanding its product range with low emission Stage III engines.

### Expectations in 2022

As a reliable solution partner, Scania Power Solutions will continue its activities in 2022 to increase its sustainable quality and market share in different segments.

### Your closest solution partner!

Scania Power Solutions continuously increases its operational efficiency by solving the problems of its customers in the fastest way possible, thanks to its easily available spare parts, provision of maintenance and repair services by a single technician, and its wide service network.



### Strong, robust, efficient...

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



**THERMO KING**

Thermo King, the market leader in the refrigeration industry for years, continued its success in 2021 with its solutions that met different needs and maintained its leadership in the cold chain transportation sector.

**The future of cold chain transportation: Thermo King Advancer series**

Pointing to the importance of the amount of the power consumed while keeping the cargo cold during cold chain transportation, Thermo King has developed the smart refrigeration Thermo King Advancer series for this purpose and presented it to its users.

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

Thermo King, which has been the market leader in the refrigeration unit industry for years, continued its suc-

cess in 2021 with its solutions that met different needs and maintained its leadership in the cold chain transportation sector. The brand answered the needs of its customers with different unit options and project-specific cooling and heating solutions and continued to set the transportation standards in our country in 2021 by offering the latest technological innovations to its customers at the same time as the world.

As the most important assurer of pharmaceutical and food transportation all over the world, Thermo King protects the quality of the products it transports until it reaches the end

consumer. The certificates and trainings it offers with the GDP convention in pharmaceutical transportation also make it the most significant solution partner in the health sector.

**Ability to refrigerate to different temperatures within the same unit**

Thermo King answers the needs of its customers in the most flexible way with the SLXi Spectrum model, which allows refrigeration at different temperatures within the same unit.

**Ultra-low temperature, flexible, and customizable refrigeration solutions**

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



**Thermo King: the “Smart Trailer” champion of 2021!**

Thermo King's new refrigeration unit series, Advancer, won the first prize in the Smart Trailer category of Trailer Innovation 2021.



## DOĞUŞ OTO



**Doğuş Oto achieves sustainable operational excellence by supporting its business processes with digital transformation. With its team of experts and human resources expertise, the company continues to run towards the goal of being a pioneer and setting an example in the sector.**

**About 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 İstanbul, Ankara, Bursa, and Kocaeli. The company also serves as a DOD Authorized Dealer.

With its ongoing operations in six regions, and at 36 Authorized Sales and 34 Authorized Service points with more than 1,300 employees, Doğuş Oto maintains its pioneering presence in the sector with its strength and stability. Doğuş Oto's

mission is to provide the highest quality sales and after sales services for the passenger and commercial vehicle brands it represents.

**2021**

Doğuş Oto sold 39,526 new vehicles and 2,852 used vehicles in 2021. 2021 was a year that exceeded the financial targets with a total of 251,833 service entries.

Special showrooms were prepared for the CUPRA brand, which started to be offered for sale in Turkey in 2021, while Doğuş Oto Maslak, Doğuş Oto Ankara, and Doğuş Oto Bursa locations started serving customers.

**Innovative and digital solutions**

In 2021, the vehicle detail pages on the Doğuş Oto website were renewed. With the newly added feature, customers can instantly access information such as the outstanding features of the vehicles in the showroom, all technical information, consultants' comments about the vehicle, Doğuş Oto locations the vehicles can be booked in, and the down payment and credit amounts that can be used when purchasing the vehicle.

During the pandemic period, customers' interest in digital communication channels has increased. Despite the shrinkage in vehicle supply due to the chip crisis in 2021, more than 10,000 vehicle booking requests were received on the Doğuş Oto website during the year, while the website got more than 20 million page views.

**Quick Check Drive and Quick Check Edge System**

In accordance with Doğuş Oto's standards, service consultants actively accepts the vehicles together with customers for each vehicle that enters the Authorized Service. During this process, the tread depths of all tires of the vehicles are checked and the measurements of the front and rear alignments are performed.

With Quick Check Drive and Quick Check Edge System and special measuring devices, front alignment and tire checks are automatically performed for each vehicle that



comes to the service, the needs are identified, and instant reports are presented to the customers. For customer satisfaction, these transactions are carried out automatically and as soon as possible.

**Customer communication with the new Cloud PBX**

Doğuş Oto continues to develop all its activities based on efficiency and customer satisfaction. In 2021, the switchboard infrastructure, which has an important place in communication with the customer, was renewed as an important step in the digitalization roadmap.

With the Cloud PBX Service, unlike the existing switchboard structure, it has become possible to record the calls, design fast adaptable IVR menus, recognize the calling customer with the Turkuaz integration and welcome them by their name, follow up the calling customers, while the customers had the opportunity to leave voice messages.

**New generation payment technologies**

Thanks to new generation technologies, customers can make their payments remotely, quickly, and easily using a payment link, without coming to the facility.

**6 regions, 36 Authorized Sales and 34 Service Points**

Having a leading role in the sector with its prevalence, strength, and stability, Doğuş Oto sold 39,526 new vehicles and 2,852 used vehicles, while it had 251,833 service entries in 2021.

**D-One**

One of the biggest innovations in Doğuş Oto in 2021 was the "Connected Vehicle Services" D-One. A smart system has been designed to provide fleet management services using a connected vehicle infrastructure and serve individual customers.

Thanks to this system, an efficient and safe vehicle park management is provided for customers by obtaining and interpreting all the data from the connected vehicles. With the instant data received from the vehicles, the management of the issues such as scoring the drivers, accident management, roadside assistance, and predicting the mechanical problems that may occur in the vehicle has become possible. With this investment, Doğuş Oto has already stepped into the "connected vehicle" technology, which will be more prominent in the sector in the future.

**Lean Management**

Doğuş Oto, which aims to gather all kinds of services that its customers may need under one roof and make these services better every day, has been pursuing and improving the Lean Management practices which it started in line with this goal since 2007.

In line with the company strategy realized in this context, a total of 1,381 ideas were received from the employees. Of them, 531 were approved and 291 ideas were implemented in order to increase efficiency, service quality, and customer satisfaction, while 31 major improvement projects were disseminated and implemented in all regions.





**DOD**

**Despite the shrinking market conditions in 2021, DOD Brand Management has increased its vehicle sales by 50%, while DOD digital platforms were improved to offer a faster, more holistic, and a more user-oriented experience.**

**DOD in 2021**

Despite the 7% shrinkage in the used car market in 2021, Brand Management vehicle sales increased by 50% compared to the previous year to 1,507 units, thanks to the projects carried out by DOD Brand Management. Together with 60 DOD Authorized Dealers operating in 29 cities, total vehicle sales reached 17,001 units, exhibiting a 16% growth when compared to 2020. The group brand vehicles under Doğuş Otomotiv constitute 59% of total sales.

In addition to the existing supply channels, 10 different supply projects were implemented with vdf Fleet Rental (vdf Filo Kiralama) throughout

the year, and vehicles were supplied to the Authorized Dealer organization on a continuous basis. Procurement projects, and therefore vehicle sales, were supported through vdf Factoring Services (vdf Faktoring Hizmetleri) campaigns. The Garaj11 platform was also supported by both DOD Brand Management and DOD Authorized Dealers throughout the year, and 42 vehicles were sold online through this platform.

Owing to the DOD Warranty product, which allows customers to feel more secure in the used car purchase processes, vehicle sales penetration was realized at 32%.

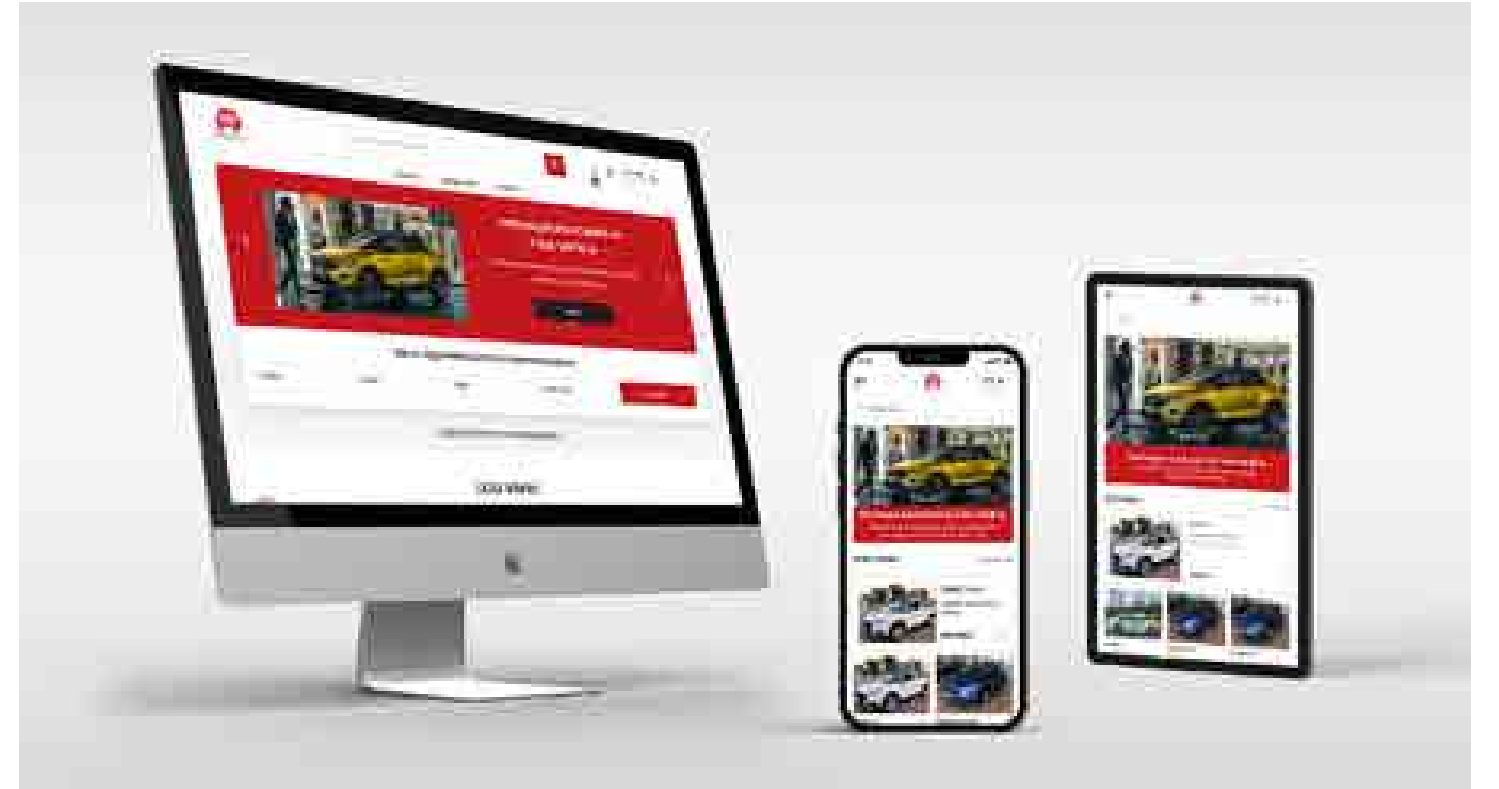
**Digital solutions**

In 2021, DOD has focused on improving the digital experience of internal and external customers. DOD.com.tr and DOD Mobile were designed 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. Both platforms are scheduled to go live in February 2022.

The DOD Mobile application has been downloaded to approximately 990,000 smartphones or tablets to date and has become one of the most preferred mobile applications in its field.

**17,001**

**DOD organization has reached a total sales figure of 17,001 units in 2021.**



With the “Sell to DOD” service, one of DOD’s digital solutions, users who want to sell their vehicles at their actual value and securely, are offered the opportunity to value their vehicles without going to the sales points. Users can sell their vehicles by carrying out the appraisal processes through a DOD Authorized Dealer of their choice with the pre-valuation amount they have received for their vehicles within the scope of the service. In 2021, 13 vehicles were purchased via the Sell to DOD platform. Our aim is to increase the overall performance of the Sell to DOD service with the system revisions and communications support that will be implemented in 2022.

Efforts to improve and simplify the Turkuaz processes have continued throughout the year, and the Authorized Dealer vehicle purchase and sale panels were revised.

The “DOD Auction” platform, whose design and front end coding processes were previously completed, is scheduled to be made available to the entire DOD organization in 2022.

Implementing machine learning projects focused on user experience and brand profitability is another aim of ours in 2022.

**DOD and Garaj11 Collaboration**

**The Garaj11 platform was supported throughout the year by DOD Brand Management and DOD Authorized Dealers. A total of 42 vehicles were sold online via the Garaj11 platform.**

**Authorized Dealers**

In 2021, the DOD organization expanded further with the participation of Özalpın Kayseri and Öztürk Aksaray dealers. Corporate used car purchase and sale services at DOD Authorized Dealers continued at 60 sales points in 29 cities. Within the scope of showroom renovation works, DOD Beşer showroom was renewed in line with the new corporate identity. In 2021, on-site training on the use of the Turkuaz system and 101-Point Control was provided to the personnel of three Authorized Dealers.

With the new sales points planned to be opened in 2022, we plan to increase the number of cities of operation throughout Turkey and to deliver DOD services 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, social media management was continued with the production of a platform-specific, interactive, and rich content throughout the year.

**Practices for regulatory compliance**

Due to the regulatory change published in the Official Gazette dated August 15, 2020 and numbered 31214, compliance practices were carried out throughout the entire DOD organization on various topics such as registration certificate, authorization certificate, vehicle exhibition, and publication criteria. Compliance practices will as well continue in 2022.

## DOĞUŞ MARINE SERVICES



Doğuş Marine Services commenced its operations in Göcek in 2021 in an attempt to bring a new breath to the sector with the principle of conducting corporate business in the maritime sector. Doğuş Marine Services has a wide service network covering Fethiye, Marmaris, Bodrum, and Didim districts besides Göcek.

### Doğuş Marine Services

Doğuş Marine Services was established in 2021 to carry Doğuş Otomotiv's high service quality and customer satisfaction level to the maritime industry and to provide solutions for all after sales service needs of customers in this sector from a single point.

Doğuş Marine Services undertakes the electrical/electronic, mechanical, complete painting, paste/polishing, chrome, polyester, wood, and refit works that may be needed on a boat with its expert team and expands its customer portfolio each day with the equipped technicians from the automotive sector, trained by the

company itself, and the experienced technicians it has acquired from the maritime sector.

### Brands

Doğuş Marine Services, which is the Authorized Service of the outboard motor brands Mercury and Suzuki, is also the regional Authorized Service of the Mercruiser, Cummins, and Nanni motor brands under the Mercury brand. Doğuş Marine Services aims to represent these brands, which have a significant market share in the maritime industry, in the best way in its region by achieving customer satisfaction above expectations and serves and stands by their customers wherever

needed with its experienced staff, roadside assistance, and marine assistance vehicles.

### Goals

Doğuş Marine Services achieved significant success by adding more than 50 boats to its portfolio in 2021. In the coming period the company aims to expand its boat portfolio, increase the number of its brands and gain a significant share in the sales of boats, motors, and equipment with the after sales services it focuses on. The company plans to expand its services regarding boat winterizing with the hangar project that will be implemented in a short time period.

### Uninterrupted service

Doğuş Marine Services provides authorized services for Mercury and Suzuki, two important outboard motor brands. The company also offers a 24/7 marine assistance service to troubleshoot the breakdowns and problems at sea.



### A privileged experience for yacht owners

Doğuş Marine Services, which commenced its operations in Göcek in 2021, offers maintenance, service and boat repair services for all yacht brands, as well as insurance, used boat, and marine assistance services, under a single roof with its equipped technicians and technological infrastructure.

vdf



The vdf Group achieved its goals in 2021 with its finance, insurance, factoring and fleet companies which prioritize customer satisfaction when offering products and services.

The vdf Group achieved its goals in 2021 with its finance, insurance, factoring and fleet companies which prioritize customer satisfaction when offering products and services.

With an average of 24% penetration rate among the Volkswagen Group brands in vehicle loans, vdf attained a market share of 10% in vehicle loans in 2021.

Having provided 33,000 new loans in 2021, vdf reached its targets with a total of 55,000 performing loans. The total performing loan volume of vdf increased by 12% compared to the previous year and rose from 7.3 billion TRY to 8.2 billion TRY.

In 2021, vdf aimed to increase customer satisfaction and loyalty through sales, marketing and customer loyalty campaigns organized jointly with other brands. According to the results of the survey conducted in 2021, vdf achieved a score well above the world and European averages in customer satisfaction assessments compared to the previous year. According to the survey, nine out of every 10 people stated that they would like to work with vdf again.

In 2022, 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 pack-

ages 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 2021 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

#### **33,000 new, 55,000 performing loans**

The total performing loan volume of vdf, which provided 33,000 new loans in 2021, increased by 12% compared to the previous year and reached 8.2 billion TRY.



Insurance continued to provide its services in 125 showrooms in 2021. 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 2021, vdf Insurance continued its steady growth with a total net premium generation of 560.8 million TRY. vdf Insurance has also reached a number of 330 thousand in issued policies in 2021.

#### **vdf FAKTORİNG HİZMETLERİ A.Ş.**

Having begun its operations in 2010, vdf Factoring Inc. offers factoring and financing services to 100 Doğu Otomotiv and Yüce Otomotiv Authorized Dealers across Turkey. In 2020, vdf Factoring reached a transaction volume of 23.6 billion TRY and a total asset value of 484 million TRY. vdf Factoring aims to increase its business volume in 2022 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 2021, vdf Fleet reached a total of 14,500 active contracts, of which 50% were Doğu 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 2022 with its investments in robotic process automation and mobile and web-based applications.

#### **Better service with digital development**

vdf group companies, which deliver their products and services to their customers from mobile applications and websites whenever and wherever they need, aim to provide the fastest service to their customers at any location by continuing their digital development and investments in 2021 as well.



## TÜVTÜRK



Having left its 14<sup>th</sup> anniversary behind in 2021, the number of vehicle inspections carried out by TÜVTÜRK to date has reached 191.5 million. TÜVTÜRK, whose investments totaled to 1.5 billion USD since it commenced operations, has contributed 14.5 billion TRY to the public through its services.

Serving in 81 provinces of Turkey with 210 fixed, 76 mobile, 5 motorcycle, and 18 mobile tractor stations, TÜVTÜRK achieved growth in all fields of activity in 2021, led by periodic vehicle inspection services, and increased its turnover from 3.197 million to 3.783 million TRY. The operations of TÜVTÜRK İstanbul accounted for 611 million TRY of the total revenue.

TÜVTÜRK, the most effective public-private sector collaboration project in Turkey, has contributed 14.5 billion TRY to the public since it commenced operations. The con-

tribution amount was 2.5 billion TRY in 2021.

#### Contributions to traffic safety

Periodic vehicle inspections of approximately 11 million 275 thousand vehicles were carried out in 2021, exhibiting a 9.9% increase compared to the previous year.

During these inspections, 28.39% of the vehicles were found to be severely defective or unsafe. It was also noted that the deficiencies and defects of 97.4% of the 3.1 million vehicles that came for re-inspection were addressed, and these vehi-

cles which passed the re-inspection were allowed to safely return to the streets.

#### Exhaust gas emission tests and roadworthiness inspection

In 2021, exhaust gas emission tests of 3.8 million vehicles were performed. The rate of exhaust gas emission tests to periodic inspections was 33.9%. Roadworthiness inspection services offered at 31 stations were given to 32,137 vehicles in 2021.

#### Social responsibility projects

The Traffic Responsibility Movement has been in effect since 2010, un-

### 9.9% increase in periodic vehicle inspections

Approximately 11 million 275 thousand vehicles were inspected in 2021, and 28.39% of these vehicles were found to be severely defective or unsafe. Most of the vehicles were allowed to safely return to the streets after their inspection repetitions.



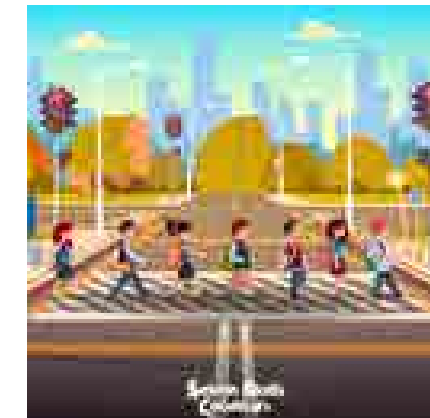
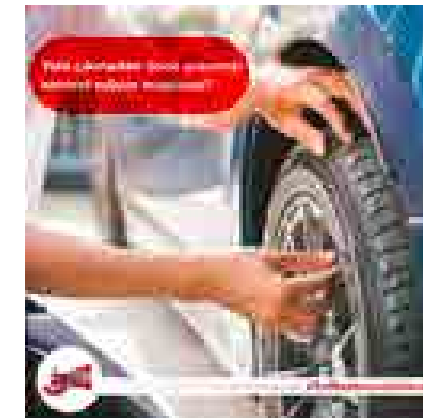
der the coordination of the Ministry of Transportation and Infrastructure and in cooperation with institutions and organizations working in the field of traffic safety. The Traffic Responsibility Movement is based on multi-partner participation in creating solutions to the traffic problem, has created 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 the 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", and implemented with the partnership of the MAPFRE Foundation, will commence its activities under the Traffic Responsibility Movement.

### 14.5 billion TRY contribution to the public

TÜVTÜRK, the most effective public-private sector collaboration project in Turkey, has contributed 14.5 billion TRY to the public since it commenced operations. The contribution amount was 2.5 billion TRY in 2021.



## SPARE PARTS & LOGISTICS

Spare Parts and Logistics, which combines the technology of the future with a sustainable logistics management through the modern and best practices of synergy and creates a unique service for the world brands represented by Doğuşt Otomotiv, ranked the first among the European logistics centers of VW AG with its Supply Chain Quality Ratio in 2021, a year full of challenges.

### About Spare Parts and Logistics

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

Spare Parts and Logistics combines the technology of the future with a sustainable logistics management through the modern and best practices of synergy and creates a

unique service for the world brands represented by Doğuşt Otomotiv.

### Providing fast and accurate service to the customer

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

lowed, the common part usage rate approaching 50% creates an important synergy within the Spare Parts and Logistics organization.

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

Thanks to the priority given to digitalization, flexibility and rapid adaptation have been achieved with optimization, effective stock management and workload estimation models in the process of collecting parts using artificial intelligence. The "Daily Spare Parts Warehouse Operative Workload Estimation" study was completed using machine learning technology. With the inclusion of robotic process optimizations in the business processes, manual workload has been minimized. In addition, a dashboard study was conducted to track the number and location of vehicles and spare parts on the road.

Spare Parts and Logistics has also reduced logistics-related CO<sub>2</sub> emissions in 2021 with the intermodal route system it utilizes.



### Products and services offered

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

- Carrying out the import and homologation operations of all group brand vehicles.
- Keeping the 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, stock management of spare parts and accessories of the VW, Audi, SEAT, ŠKODA, Porsche, Bentley, Lamborghini, Scania and Thermo King brands and distributing them to the Authorized Services according to the orders.
- Monitoring of the goals and realizations related to the bonus criteria of the Authorized Services that include qualitative and quantitative components.
- Fulfilling the obligations of Doğuşt Otomotiv, Inc. and Authorized Services arising from environmental legislation, and thus reducing the environmental impacts as part of corporate responsibility.

### Fast and extensive service

Spare Parts and Logistics imported 94,507 vehicles and shipped 116,578 vehicles to Authorized Dealers in 2021.

### Improving our 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 94,507 vehicles in 2021 and shipping 116,578 vehicles to Authorized Dealers, Spare Parts and Logistics ended the year with a revenue of 2,050.8 million TRY from the sales of spare parts and accessories.



**DOĞUŞ INSURANCE**

**With its 37 years of experience, Doğuş Insurance offers its customers reliable services that make a difference in the insurance industry.**

**An experienced intermediary**

Doğuş Sigorta Aracılık Hizmetleri A.Ş. (Doğuş Insurance), a subsidiary of Doğuş Holding and Doğuş Otomotiv, was established in 1984 to offer insurance for the assets and commitments of Doğuş Holding companies in the most operational and cost-effective way. Having adopted the principle of providing the best insurance services to its customers within and outside Doğuş Group, Doğuş Insurance continued its activities in this direction in 2021 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 2021. 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 2021 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 37% growth in 2021 with a team of seven people.

**Growth to continue in 2022**

Having continued to add value to its services by advancing its digital development and increasing investments in 2021, Doğuş Insurance aims to continue its digital transformation investments in 2022 in line with the needs of the industry and customers.

**37% growth**

Doğuş Insurance achieved its targets by achieving 37% growth in 2021.

# CORPORATE SUSTAINABILITY



## BIST 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 until 2021, 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 points related to these themes, investors can easily access the sustainability ratings of the companies evaluated. Stakeholders can access the sustainability data and ratings of the companies that have made sustainability assessments using Eikon terminals and, with the exception of non-compliance notes, 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 will be implemented in 2022 (including the datasets for the year 2021). Doğu Otomotiv follows the developments regarding the subject and plans its works to implement the necessary harmonization regulations in 2022.

As a result of the assessments, 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. Since the latest regulations and assessment methodology have not yet been clarified at the time of the report's publication, our Company was entitled to be included in the BIST Sustainability Index for the seventh time in the December 2021-October 2022 period, effective for the year 2021.

The companies to be included in the index and those who are already included are evaluated by Borsa İstanbul under 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 amendment in the Corporate Governance Communiqué numbered II-17.1 and published on October 2, 2020, Doğu Otomotiv has been disclosing the information expected within the scope 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.

Detailed explanations regarding the titles in the Sustainability Principles Compliance Framework are given in Appendix 4.

### Corporate Sustainability

#### Highlights from 2021

As was the case in 2020, the COVID-19 pandemic, which spread rapidly around the world and whose effects were felt more and more effectively socially, environmentally, and economically, continued to cast its shadow on 2021. The short-term consequences of the pandemic have been harsh and severe. Many companies had to lay off their employees. Millions of employees have found themselves in a major shift to adapt to the work-from-home system. Due to the mutations of the virus, the pandemic in many countries has reached the highest number of cases since its beginning. In addition to businesses, borders have been closed for a long time in numerous countries.

While the two most important factors with the potential to interrupt the activities of the business world before COVID-19 were deemed as the compliance problems due to the rapid development of new technologies and the growing and globalizing trade connections after the spread of e-commerce, the physical size of the business has gained great importance for the first time with the pandemic. It is predicted that there will be a major transformation after the pandemic in business areas that require more physical proximity than others, and that business models will trigger a chain of effects on other business areas as the responses to this transformation will change. In business areas built on an understanding of on-site interaction with customers, significant prob-

lems were experienced due to the risks of physical contact. The transfer of these business areas to the digital environment and the possibility that the experiences might be permanent with the increasing duration of the pandemic has thus emerged.

One of the biggest changes that COVID-19 has brought to the business world was the shift of the workforce to work from home. Studies show that working from home 3 to 5 days a week may continue without loss of productivity even after the pandemic; this prediction alone is a sign that there may be significant changes in business models. Such a pattern, which includes working remotely 4 or 5 times more than before the pandemic, may cause companies and employees to shift from big cities to small settlements and cause economic, demographic changes in geographies where the businesses are concentrated. In addition, the possibility that many meetings can be held via video conferencing suggests that there will be a direct decline in business travels.

It is an obvious fact that the biggest increase in the pandemic period has been in the field of e-commerce. Participation in e-commerce and other virtual activities, which increased 2 to 5 times compared to the period before the pandemic, shows that individuals who have not tried these methods previously will continue with their new habits from this point on.

Companies generally prefer to switch to automated services to reduce costs and keep uncertainties under control during economic recessions, and to redesign processes to ensure efficiency in daily routines. It is a fact that approximately two-thirds of the companies in the world have greatly increased their investments in automation and artificial intelligence during the pandemic period. It is predicted that these investments will gradually increase in the post-COVID period.

In 2021, while the business world tried to continue its activities during the pandemic period, the development of COVID-19 vaccines and ensuring that a part, if not a significant portion, of the world's population overcame the course more easily, were perhaps among the most important developments of the year. All economies in the world now accept that post-COVID normalization will require a major change, unlike the concepts in previous years. It seems that especially the significant increase in the entrepreneurship ecosystem in 2020 and 2021 will continue after 2022.

In 2021, the rise of sustainability in financial terms was also witnessed. While mutual funds and companies showed an increasing tendency towards sustainable investments, the significant increase in sustainability funds was remarkable. According to Morningstar and TrackInsight data, the number of sustainability funds increased by 30% in 2020 compared to 2019; sustainability assets under management (AUM), on the other hand, nearly doubled from \$900 billion in 2019 to over \$1.7 trillion in 2020. The rapid rise of sustainability funds and

their leap in 2020 are actually considered as a reflection of the adoption of sustainability by the investment world. Institutional investors pay more and more attention to this issue due to factors such as the problems caused by climate change, the increasing importance of non-financial risks after the COVID-19 pandemic, and the rapid adaptation of companies to these regulations before the issuance of new regulations regarding sustainability.

Due to this trend in the supply and demand for sustainability funds, serious policy changes have begun to be observed in the world stock markets, and in laws and regulations. For example, the number of stock exchanges asking companies to disclose their ESG performance has increased from only 2 in 2019 to 25 in 2020. World stock markets are increasingly issuing new principles and guidelines specifically for ESG performance. The Borsa Istanbul is one of these exchanges. The exchange, which re-regulated the Corporate Governance Compliance Principles with the new regulation it published at the end of 2020, has made it mandatory for the listed companies to disclose their ESG performance as of 2022 in line with the principle of "comply or explain". In addition, the new European Union taxonomy and European Commission regulations have recently rendered disclosures about sustainability in financial services mandatory.

One of the important developments regarding sustainability in 2021 was the Act on Corporate Due Diligence in Supply Chains (German Supply Chain Law), which was approved in Germany in June. With this law, which will be put into effect to implement the Guiding Principles on Business and Human Rights published by the United Nations in 2016, companies with more than 3,000 employees as of 2023 and more than 1,000 employees as of 2024 will have to analyze, monitor, and report their human rights compliance risks in their entire supply chain. The announcement that a penalty of 2% of their turnover will be imposed on companies with an annual turnover of more than 400 million Euros in case of any violation also reveals the necessity of implementing these principles within the supply chain quickly.

According to the 2021 Global Risks Report published by the World Economic Forum (WEF), the COVID-19 pandemic went down in history as the deadliest epidemic disease in history, while the risk of infectious diseases, which was not in the top 10 for the last 15 years, has taken its place in the top two with global warming. Doğu Otomotiv considers this study on multi-stakeholder expectations both in terms of impacts and potential risks as a guide for sustainability strategies and stakeholder expectations. In addition to the Global Reporting Initiative (GRI) Reporting principles, the Automotive Industry Sustainability Principles (Drive Sustainability's Global Automotive Sustainability Guiding Principles), which are valid for business partners all over the world of Volkswagen AG, are among the stakeholder expectations considered when determining Doğu Otomotiv's priorities.

Doğu Otomotiv's Sustainability Report, which has been published since 2017 by including a content index in line with the UN's Sustainable Development Goals, is one of the longest-running reports in the industry in terms of the requirements and coverage of the standard.

Considering digital transformation first among its sustainability priorities, Doğu Otomotiv was fast and efficient in implementing facilitating factors for both its employees and customers in 2021, thanks to its know-how and e-management models coming from the past, when remote working continued after 2020.

According to the results of the Sustainability Survey 2022 of EuroMonitor carried out towards the end of 2021, five important topics stand out on the sustainability agenda in 2022: climate change, fluctuation in commodity prices, circular economy, protection of limited resources, and environmental pollution. In addition, the results of the COP26 Climate Summit held in Glasgow at the end of the year show that these five topics will frequently occupy the agenda in the coming years. Sustainability, which will

be the new normal not only for the business world but also for individuals after the pandemic, will not only reveal new trends, but also accelerate existing trends such as digital transformation, reducing the carbon footprint, investing in renewable energy resources, sustainable products and packaging, and ethical business processes.

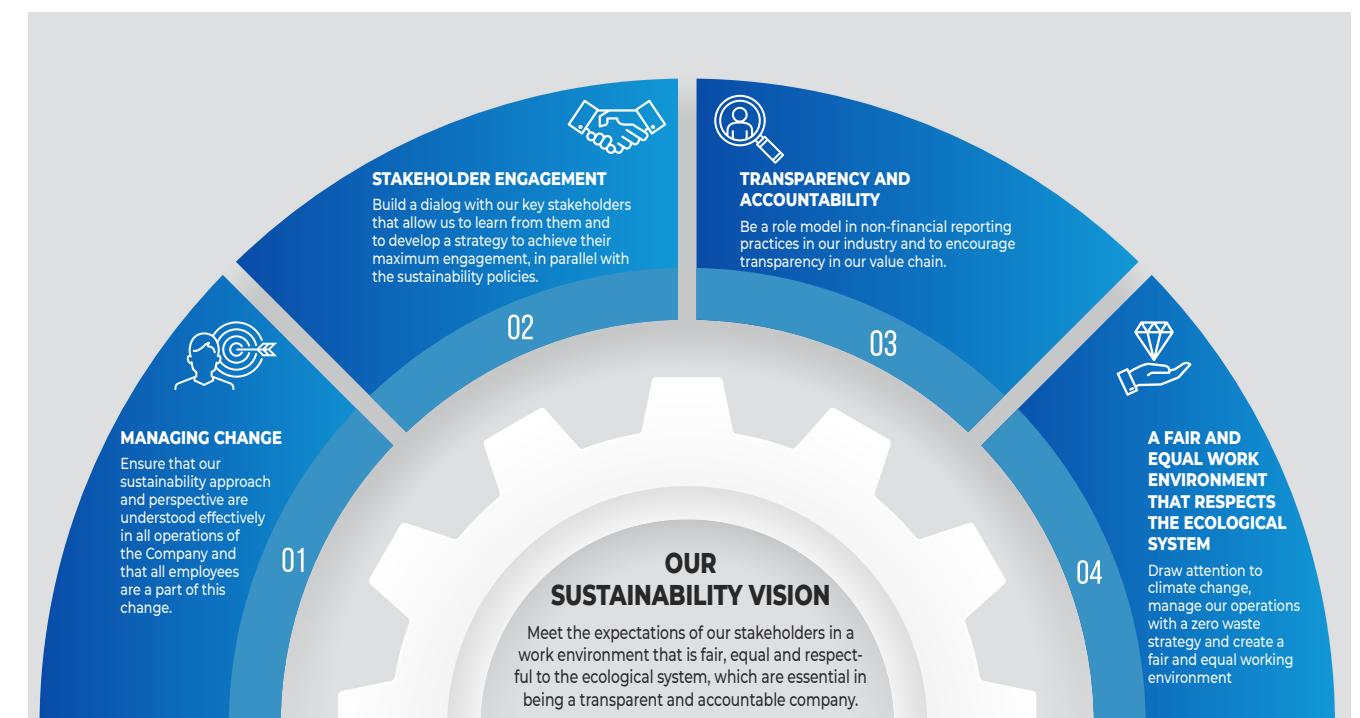
We believe that we will see the reflections of the transformative effects of COVID-19 on the corporate world on non-financial risk management much more effectively in the coming period. We are aware that the expectations of our stakeholders will change accordingly. We have been making our preparations for the post-pandemic period with the same perspective on the path that we have covered in 13 years by building all our sustainability strategies on stakeholder participation.

## Sustainability Strategy

As Doğu 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 as 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 ap-

proach, and to be an indispensable and reliable business partner for our stakeholders. For Doğu 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.





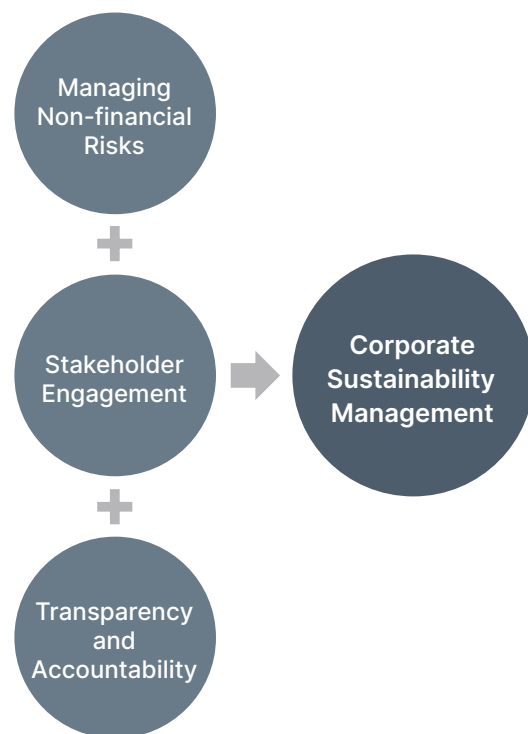
### Our Strategic Sustainability Management Approach

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 as 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.



### 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 developing its impact positively, and being a part of economic development.
- 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 in 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 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 in 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 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, was initiated. The certification process will be started in the second quarter of 2022. The implementation works for the Integrated

Management Systems are carried out by the Dealer Management, while the sponsorship of the process is undertaken by the Managing Director of Logistics and Spare Parts.

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 in 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 in order 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 provide 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 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 2021. 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 to Doğuş Otomotiv's Board of Directors and 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 to 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 4 times in 2021 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 was 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 rec-

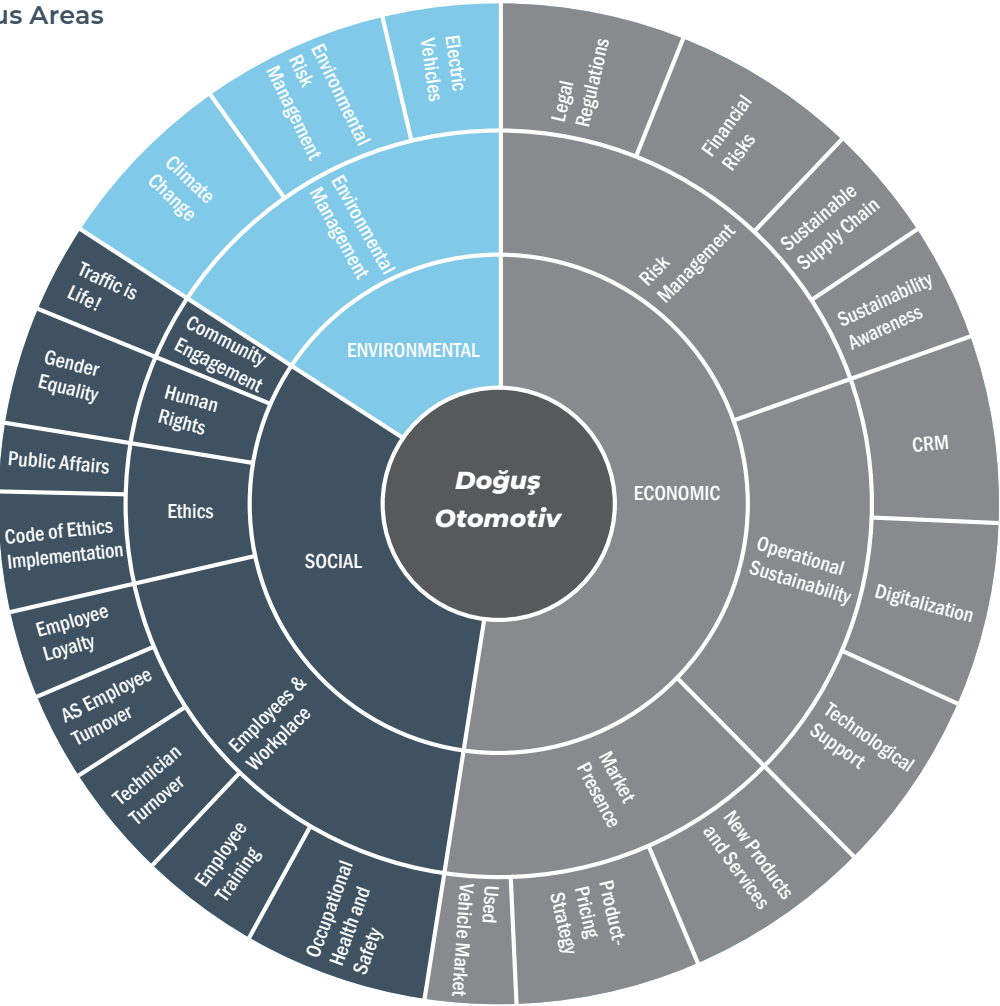
ommendations to the Board of Directors to improve the practices. In addition, the Committee informs the Board of Directors about preventive/remedial measures to ensure the implementation of sustainability principles, areas that may create opportunities, and the operational outcomes. In addition to the 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/sustainability1/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.

Stakeholder Engagement  
Priority Focus Areas  
2018-2025



The Impact Management and Materiality Principle

Social, environmental and economic issues, which are directly affected by Doğuş Otomotiv's activities and directly affects 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 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 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 2021 Corporate Sustainability Report.

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 on the basis of 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. In line with the survey results, a workshop will be held in 2022 and priority issues will be determined.

## Stakeholder Engagement

Being perceived as a company that gives importance to its stakeholders' assessments, respects the protection of their interests, provides creative services beyond expectations by identifying and constantly monitoring their 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 Compa-

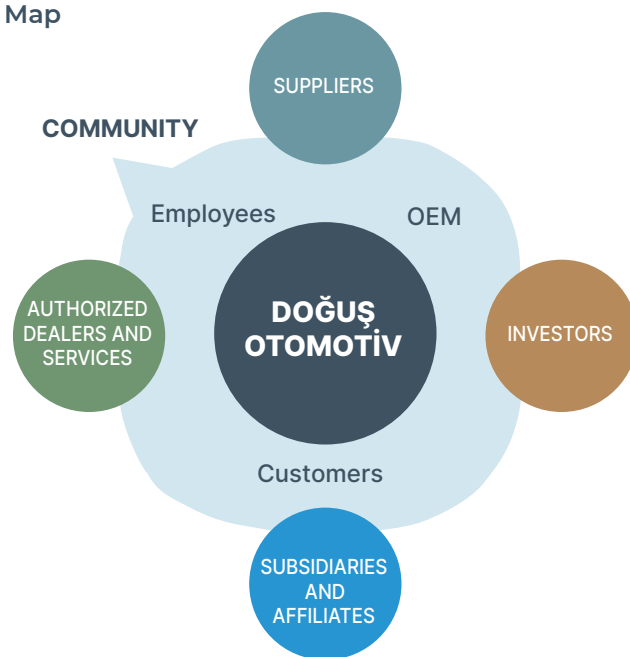
ny's Digital Transformation and Corporate Communications Department. All information about the Company and its spokespersons, shared by Doğuş Otomotiv with its stakeholders, is prepared by the Digital Transformation and Corporate Communications Department using an accountable and transparent communication 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 570 service points, faces the different expectations of many stakeholders in different environments. Stakeholder expectations may also change in different regions, in different cultures or in 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 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 the 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>

### Stakeholder Map



## 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.

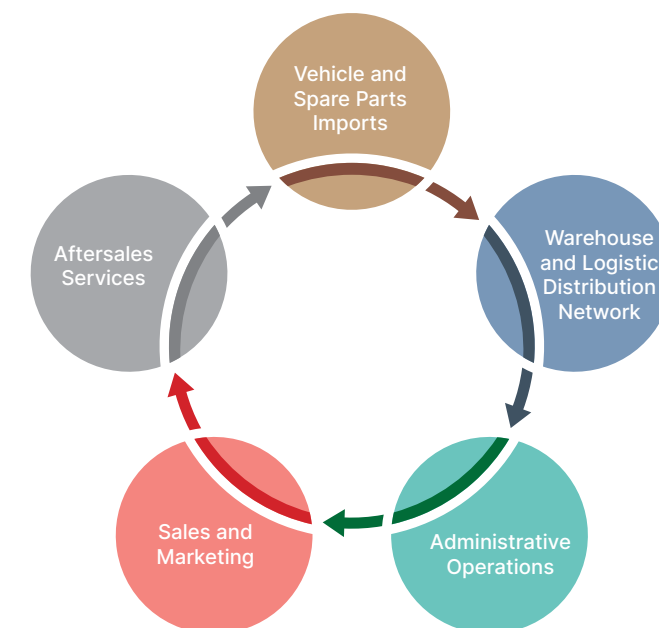
Doğuş Otomotiv has openly declared the importance it attaches to the ecological environment with its Energy and Environmental Policy published in 2020 and Water Management, and Waste Management policies added to it in 2014.

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 Şekerpınar sites. Doğuş Otomotiv also commenced with the implementation of the ISO 14064 Greenhouse Gas Quantification and Verification Reporting System and ISO 50001 Energy Management System at the end of 2021, aiming to complete the certification process in the second quarter of 2022.

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, and 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 Şekerpınar 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 2.2 million dollars, which is planned to be completed in April 2022, the company aims to generate 4,590 mWh of electricity from renewable energy sources. The investment will meet all electricity needs of the Logistics Building.

## Doğuş Otomotiv Environmental Lifecycle



Environmental sustainability for Doğuş Otomotiv means to manage the areas it affects in its life cycle, carry out the improvement works in order to minimize its possible negative effects, implement 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/sustainability1/sustainability-reports>

### Environmental Sustainability

- Emissions
- Electric Vehicles

### Environmental Risk Management

- Waste Management
- Water Management
- Energy Efficiency

### Climate Change

- Business Continuity
- Awareness

## Transparency and Accountability

Doğuş Otomotiv has been publicly reporting its social, environmental, economic, and ethical performance in line with international standards since 2009. Every year, the company evaluates the feedback of its stakeholders regarding these performances and sets its targets for the next year according to these performances.

Doğuş Otomotiv also supports its subsidiaries, suppliers, and Authorized Dealers and Service Centers in the value chain in their reporting to encourage them to be transparent about their non-financial performance, adds an increasing number of Authorized Dealers and Service Centers and suppliers to its report every year, and provides consultancy to these institutions in sustainability issues. In 2021, a new study was started to evaluate the corporate management and sustainability performances of the Authorized Dealers and After-sales Service Centers, to assess their current situation by making comparisons, and to support them in making an action plan at international standards; and four Authorized Dealers and Service Centers were chosen as pilots in this study. Following the analysis of the results of the pilot study in 2022, it is aimed to expand the program to the entire Authorized Dealer and Service Center network. In addition, Doğuş Otomotiv, one of the six pilot countries se-

lected for the Carbon Footprint Calculation in the Dealer and Sales Network project initiated by Volkswagen AG in 2021, carried out the work of collecting Scope 1 data from 54 Authorized Dealers and Service Centers. The program will be continued by expanding its scope in the following years.

Our explanations about the administrative sanctions and penalties, if any, imposed on our Company due to violation of the provisions of the legislation are also included in the GRI Index published together with our Corporate Sustainability Report and available on the website. Doğuş Otomotiv's Corporate Sustainability Reports can be accessed on our website at: <https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports>

## 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 since the last 12 years. The UNGC index is published on the website.



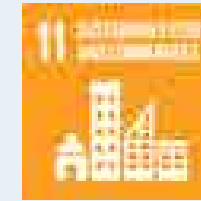
- Growth to increase employment (Authorized Dealers and Services)
- Activities to increase female employment (Equality at Work)
- Cooperation with vocational high schools



- All practice related to human rights and employee rights
- Activities to increase employment and educational support
- Human rights priority study



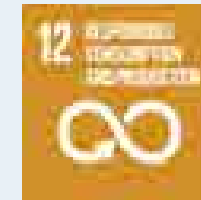
- Traffic is Life! platform
- Doğuş Otomotiv Volunteering Platform
- Informative seminars on health and well-being
- Covid-19 practices and working from home model



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



- Cooperation with vocational high schools
- TEV partnership



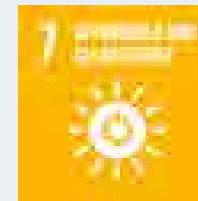
- Hazardous waste management
- Sustainability Report
- Sustainable Sourcing Policies
- Sustainable Supply Chain Management
- Corporate Governance and Sustainability Evaluation Program at Authorized Dealers and Services



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



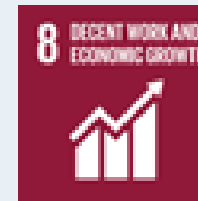
- Policy and goals related to climate change
- Policy on Reducing Emissions
- Environmental Risk Management
- ISO 50001, ISO 14001 and ISO 14064



- Energy Efficiency Policy
- Activities to reduce energy consumption
- Solar panels investment



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



- 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, as a service company, draws its strength from its human resources, which it considers a corporate value. Doğuş Otomotiv - Human Resources' vision is to become Turkey's most preferred automotive company with innovative and sustainable human resources practices that make its employees feel valued and comprises a common culture. The Human Resources Policy shaped by this vision places emphasis on recruiting employees that;

- Adopt the key values of Doğuş Group,
- Possess the competencies that the company's dynamism requires,
- Are aware of the importance of the customers,
- Are willing to learn and develop,
- Focus their vision on efficiency,
- Follow the principles of system-oriented approach,
- Are able to sustain high performance in the long term,

## Employee Health and Precautions

The effects of the pandemic, which came to the fore in 2020 and affected both employees' health and work patterns, continued throughout 2021. During this period, various practices were implemented in order to protect the physical and mental health of all employees, their families, and subcontractors serving for Doğuş Otomotiv, ensure the communication integrity within the organization by keeping motivation high, and maintain trust and loyalty to the company.

contributing to their professional and personal development, and enabling them to use their potential in the most efficient way.

In addition to the Human Resources Policy, the "Employees and Good Work Environment Policy"; targets regarding employees' loyalty to the institution, their satisfaction, health, and safety; equal rights; creating an open and transparent communication environment; establishing direct dialog platforms with senior management, and sustainable employment are disclosed to the public.

Throughout the year 2021, work patterns were arranged by taking into account the number of cases across the country, giving priority to the health of the employees and their families. In 2021, all teams, except those who worked on the field due to their tasks, mainly worked with the remote working model.

In addition, a safe working environment has been created within the Company by taking all precautions regarding

the layout, hygiene, food, cafeteria, and service vehicles and arranging the shift hours in order to prevent congestion in certain duty areas, giving highest consideration to the COVID-19 pandemic. The Emergency Action Management Team, the Occupational Health and Safety Boards established within the company, and the Health Science Board formed specifically for Doğuş Group met regularly with a special agenda regarding the coronavirus measures, and the measures and action plans to be taken were evaluated. The scope of the circulars published by the Turkish Ministry of Health, the Ministry of Labor, the Ministry of Environment and Urbanization, and the Ministry of Interior were examined by the relevant teams and taken as guides in several practices.

The plans created for the management style and follow-up procedures of the processes were followed in accordance with the "COVID-19 Case Detection and Process Follow-up Directive". Monthly meetings were held with the workplace physicians, and decisions were taken with common opinion and consensus on the number and statuses of patients, vaccination follow-ups, and practi-

es regarding hygiene measures. Thanks to the commonly taken decisions regarding the implementations, cases, contacts, and close contacts in the workplaces were followed up very quickly and effectively by the directive and the pandemic management team.

Within the scope of COVID-19 measures and with the new circular of the Ministry of Labor and Social Security on vaccination practices in workplaces published on September 2, 2021, the requests placed in September 2021 for second dose vaccination cards were followed up by the health unit in order to protect the health of employees. Employees who did not come to the company and failed to receive the second dose of vaccine were requested to have a PCR test every week. In addition, a weekly PCR test screening was performed at the Company in order to detect possible COVID-19 carriers and to minimize infection.

## Development Opportunities

Training and development solutions have been redesigned for the needs that have changed with the pandemic. In 2021, content that was designed to support the individual development and motivation of employees continued to be delivered via online platforms. While the areas of development that emerged based on the competency needs were one of the key areas, on the other hand, new topics that emerged according to the needs and expectations of the period were included in the curriculum of the GO Development School.

GO Development School, a learning and development platform, has been renewed in line with the changing technology and user experience trends. The platform, with its new interface and added functions, was visited more frequently by the employees and contributed to their development. The renewed application has become even more efficient with its improved user experience and mobile usage support that enables access to contents from any device, access to publicly available content, learning statistics, library where constantly renewed publications are added, and features that let the employees to follow their development activities.

In 2021, during which employees mostly worked remotely, the legal compulsory trainings that have been given face-to-face previously were transferred on to the GO Development School, switching to e-learning. The content developed to support physical, mental, and psychological well-being, which was the area of focus in 2020, continued to be delivered to the employees under GOWell. Again under this title, The "We Walk for Nature" event, which is designed to support healthy living and forming an awareness toward social responsibility and teamwork, has been similarly presented under GOWell and implemented for the last two years. In 2021, Doğuş Oto also participated in the event where 55 teams consisting of 286 employees completed a one-month process. At the

## We Walk for Nature

At the end of the "We Walk for Nature" event, attended by 286 employees, 1,101 saplings were planted in cooperation with the ÇEKÜL Foundation.



end of the event, 1,101 saplings were planted in cooperation with ÇEKÜL (the Foundation for the Protection and Promotion of the Environment and Cultural Heritage).

Workshop activities, which allow the teams to have a pleasant time outside work and get together with their colleagues, continued in 2021 as well. Consequent to a survey, various activities were organized with different units during the year in the areas of greatest interest. These activities were held in the most popular topics such as Coffee Making, Cooking Workshop, Plant Growing, and Overseas City Tours.

The Reverse Mentoring Program, which was started in 2020 and included young employees and experienced managers, was expanded in 2021 with the participation of Doğuş Oto and Call Center organization which is called as Value and Care Center of Doğuş Otomotiv. The mentoring process, which supports the adaptation process of newly recruited employees to the company, also continues.

In order to increase the number of development tools, the use of LinkedIn Learning application was supported by the Company in 2021, and an advantageous price was applied to employees who wish to subscribe to the platform. Through this platform, content prepared by experts on various subjects from all over the world is accessed, while the individual development of occupational groups and employees are supported with content recommendations. In addition, a knowledge contest was organized through the mobile gamification application “QuizGame”, which was designed to increase the interaction among the employees and solidify the learned material. At the end of the competition, the winning employees were rewarded.

Within the scope of the leadership development program, “Development Programs for the Future” were organized in order to improve the leadership skills of new managers who manage teams, enable unit managers to determine their own management styles, create high-performance teams by revealing their and team members’ potentials, and enable them to determine their own management styles. The content of the programs included online

trainings, webinars, group coaching, inventories, assessments, and various development tools. The program, in which 11 managers and 10 unit managers participated, was completed with the presentation of development plans by the participants.

The “Management Development Academy” program for managers in cooperation with Sabancı University still continues under the scope of the leadership development program. The program, which is prepared on the basis of Executive MBA practices and contributes to the development of strategic leadership competencies and business conduct approaches, based on an understanding of “continuous development” as required by the goals of increasing growth and success in today’s business world, consists of 10 modules. In addition, two modules of the “Solution-Oriented Coaching Program”, realized in cooperation with Erickson Coaching International Turkey, were completed. The Art and Science of Coaching Certificate Program Module 1 and Module 2 Certificates will be given to the participants in the program, which was created to support the skills of the participants in creating a change in the way they do business and managing their teams with a coaching approach.

Doğuş Otomotiv - Drive team, which aims to activate the corporate structures of the Authorized Dealer network within the scope of Human Resources management, and as a result, to achieve sustainable success in customer satisfaction and business outcomes, has paid online visits to Vocational High Schools with a Volkswagen Laboratory class, both in Istanbul and outside the city, and communicated with teachers and students, with the aim of placing a qualified workforce in the sector. On-line meetings were held with students and school administrations within the scope of students’ internship processes, educational planning, and the needs of the schools. At the same time, education courses related to electric vehicles were started in schools, while coordination with schools for student selection for VW Laboratory was ensured.

Doğuş Otomotiv - Drive team, together with Authorized Dealers, participated in university career day events to improve students’ perspectives on the automotive indus-

try, contribute to their personal and career development, and provide guidance on business-related issues. Students showed a high participation in these online events, which were organized at Turkish-German University, Trakya University, and Anadolu University.

The “Drive Human Resources Awards”, in which the most successful and distinctive Authorized Dealers are awarded for their efforts to develop and institutionalize human resources practices across the entire Authorized Dealer network of Doğuş Otomotiv, continued in 2021 as well. Vosmer Otomotiv, Altur Otomotiv, and Tamaş Otomotiv were deemed worthy of the “Human Resources Outstanding Achievement Awards” with the high scores they received in human resources award evaluation metrics; while Asil Otomotiv, Elis Otomotiv, and Başaran Ağır Vasi-ta Scania were the winners of the “Making a Difference in the Employer Brand Awards”, in which projects that make a difference with an employee focus on the employer brand are evaluated by an independent jury.

## Efficiency and Digitization

The year 2021 was a year in which the adaptation of the digitalization investments that started in the previous years in the field of human resources to the processes has been completed and digital tools have been produced and actively used in several fields with an agile work methodology. In today’s world where remote working has found itself a more common place in our lives, technological solutions have been designed and put into practice according to the changing experience and expectations of the employees.

In addition to the BilişimHR Human Resources Management System (HRMS), Dynamic Self-Service HR Platform, D-Human 4.0 Performance Management System, the renewed GO Development School Learning Management System (LMS), and BilişimBI Analysis and Reporting system, systems that are already used and continuously supported by improvements based on needs, with the PDPL (Personal Data Protection Law)-Compliant Recruitment Platform launched in 2021, digital transformation continued in all end-to-end processes of the human resources business line and contributions to sustainability strategies and policies were made with systems independent of individuals.

For Doğuş Otomotiv and Doğuş Oto teams, human resources business intelligence dashboards created on a brand-department basis, shared periodically and allowing in-depth analysis, demographic, turnover, budget, and performance data related to human resources management, and reward and training analyses and reports have been made accessible by all management levels in the company and can be monitored instantly.

The We-Up mobile application, which includes information about the company and online training videos, was launched in order to enable new employees to get to know the company better and adapt quickly. Thus, new employees can upload their employment documents to

The “Employee Engagement Survey”, organized by the Drive department and conducted by the independent research company Adisa Pin, was conducted online between September and October with the participation of white-collar and blue-collar employees of all Authorized Dealers. A total of 4,871 employees working at Doğuş Otomotiv Authorized Dealers participated in the survey. The process of sharing the results from the teams with the senior managements of Authorized Dealers and creating action plans was started in December 2021.

Owing to the works they carried out, the Drive team was awarded in January 2021 the first prize in the “Best HR Strategy from Overseas” category of the internationally prestigious “HR Excellence Awards”, where the best human resources practices in the world are evaluated and companies are nominated on a global basis.

the application, as well as providing easy access to various information.

The GO-DGTL Academy program, which was launched in 2020 to support digital transformation and contribute to the digital competence development of the employees, had its first graduates in 2021; having 16 graduates from the Data Science program, 21 from the Customer Experience program, and 40 from the Robotic Process Automation program. In the Data Science program organized with the Group Companies, 16 business problems identified were presented to the jury and it was decided to work on them. The works that were started within the program later continued with the support of Doğuş Teknoloji.

Within the scope of DGTL Academy, three panels were organized in 2021, focusing on digitalization issues. Names from the management teams of leading technology companies were guests at these events. The publications of the DGTL Mag magazine, which was launched by GO-DGTL Academy to support content related to development, continued in 2021 as well.

The LMS (Learning Management System) platform, which is one of the digital tools of the training and development function actively used by all teams, was completely renewed in 2021. With the new platform, which has a more user-friendly design, it is aimed to always access the development content and the digital library from all devices, and to support social learning through interaction between employees.

## First prize to the Drive Team

Doğuş Otomotiv Drive team was awarded the first prize in the “Best HR Strategy from Overseas” category of the “HR Excellence Awards”.





## Our Primary Stakeholder: Our Colleagues

Doğuş Otomotiv believes that the greatest strength that will ensure the continuity of its business and continue to provide strong, ethical, and quality service in the future, as it is today, is its employees.

The company is aware of the fact that it is an indispensable contribution to both the society and the Company's value by solidifying the efficient business processes of the teams, which it sees as its key stakeholders, with a sense of responsibility. Doğuş Otomotiv declared in its Corporate Sustainability Report published in 2010 and with its policy on its website that the basis of its corporate sustainability approach is its employees and a good business environment to be provided for them.

Doğuş Otomotiv, which places employee satisfaction and engagement at the top of its business goals, attributes the main reason for the perpetual increase in its corporate sustainability performance to the efforts and awareness reached by the teams in this regard.

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

The Suggestion System, which has been actively used since 2009, was opened to the use of employees as an "Idea Platform" with its renewed interface in 2021, where all ideas, small and large, can be shared and process improvement projects, in-house entrepreneurship, and new business ideas can take place together. With the renewed platform, it is aimed to create value for the contributors, the institution, and the future.

## Equal Rights

The "Justice and Equality" heading, which is the 3<sup>rd</sup> article in Doğuş Otomotiv Ethical Principles, is explained as "We treat all our stakeholders and each other fairly, and we avoid discrimination".

Doğuş Otomotiv implements an "Employees and Good Work Environment Policy" independent of religion, language, race, color, gender, age, ethnicity, disability, citizenship, or other social statuses protected by legal regulations. This policy is constantly supported by the Human Resources programs in effect. The policy includes practices for women and mothers, Reverse Mentoring Programs carried out in cooperation with the company's senior management and Generation Y, meetings held at regular intervals with university and high school interns,

In 2021, 2,111 ideas were submitted to the Idea Platform. Of them, 929 were approved and 573 were implemented, resulting in improvements in in-house practices and business processes.

In addition, the teams implement various process improvement projects regarding efficiency, quality, cost savings, additional turnover, customer satisfaction, employee satisfaction, corporate responsibility, and occupational health and safety every year and improve their business processes related to their work areas. In this context, approximately 140 projects were implemented in 2021. The "Birthday of Ideas" graduation ceremony, which has been held with the participation of senior management every year since 2015 and where these realized ideas are rewarded, was held online in 2021. While 137 employees received their awards from the members of the Board of Directors, all teams had the opportunity to watch the ceremony.

Within the scope of the Lean Leadership Training Program, which has been carried out since 2008 with the aim of adapting the continuous improvement perspective and lean philosophy into employee culture, 15 more lean leaders completed the program this year. More than 200 "Lean Leaders" who have completed the program to date, play an active role in the process improvement projects implemented in Group Companies today and in creation of new ideas, and provide one-on-one support for these projects and ideas to become operational.

sharing organizations where disabled employees come together, and activities that support diversity.

Doğuş Otomotiv considers increasing women's participation in the workforce as one of its main goals and aims to increase the number of women employees and make them more effective in decision-making through the "Equality at Work" program. Within the scope of Equality at Work, activities for female employees continued in 2021 as well. In 2021, 25 new female managers participated in the first of these activities the "Coaching and Mentoring Program for Women", which has been ongoing since 2014. In addition, the education program carried out jointly with the Turkish Educational Foundation (Türk Eğitim Vakfı, TEV) and designed to prepare female stu-

dents for business life continued with 12 female students. Within the scope of the program, the volunteer female managers who had received coaching and mentoring training provided mentorship support to TEV scholarship female students.

Doğuş Otomotiv and Doğuş Oto published the "Workplace Principles Against Domestic Violence Policy" in 2021, and within the scope of these activities, Doğuş Otomotiv became the first automotive company to implement the policies by being included in the "Business Against Domestic Violence" (BADV) project supported by Sabancı University.

Doğuş Otomotiv, which is responsible for providing its employees with a healthy and safe working environment free from all kinds of violence and threats, believes that domestic violence, which is one of the most important

## Talent Management and Employer Branding

Doğuş Otomotiv continued its activities throughout the year within the scope of Human Resources and employer brand activities carried out to reach the best talents.

At the end of the process in which more than 5,000 candidates applied with the new graduate program in 2021 and 450 candidates were evaluated, 17 new graduates who have completed different stages such as general aptitude test, case study, individual presentation, profile inventories, and English exams have started to work in the relevant departments. These employees are included in a training program of approximately 160 hours with different training contents that will support their in-house orientation and personal development.

Within the scope of employer branding activities, the career days of many universities were attended, students were met on online platforms, and they were informed about the automotive sector. In addition, students were included in the Biz-De Internship online program through career portals such as Kariyer.net and LinkedIn, and on Instagram for the first time this year, and they were included in the internship programs that lasted throughout the summer and the whole year.

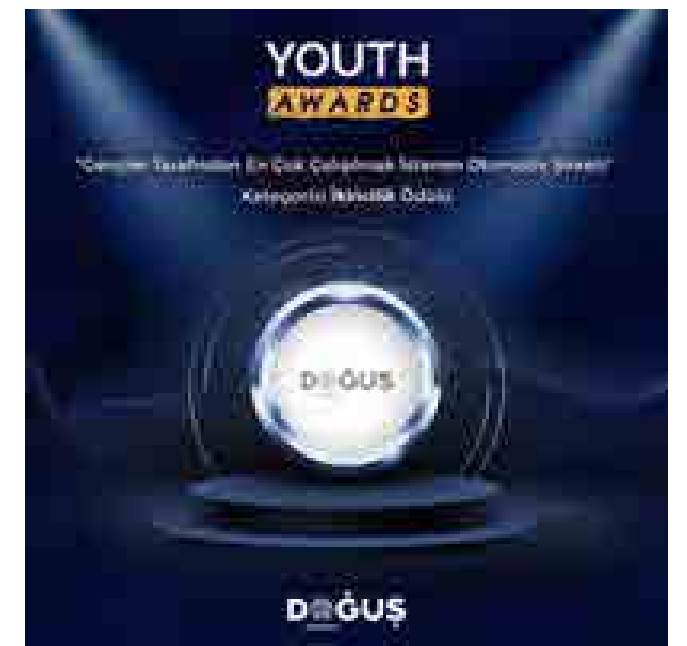
factors that can threaten the working environment, not only affects private life but also business life, and carries out its activities with such awareness. In line with the policy created in this direction, the Company deems guiding the employees who are victims of this situation, raising awareness about domestic violence with trainings, supporting them in a possible case of violence, and finally creating a working environment where employees who have been subjected to domestic violence will not hesitate to receive support/help in this regard among its main goals.

Doğuş Otomotiv's Internship at Our Company program found itself a place among the most popular talent programs of Toptalent 2021. At the same time, Doğuş Otomotiv was deemed worthy of the 2<sup>nd</sup> prize in the category of the automotive company most desired to work with, with the votes of 46,238 students attending from 150 different universities at the Youth Awards 2021. Doğuş Otomotiv has become one of the most preferred companies in Turkey by improving the rankings included in the Universum Turkey's Most Attractive Employers 2021 research conducted at 59 universities in Turkey.

It is clearly stated in Doğuş Otomotiv Fundamental Rights and Responsibilities Procedure that Doğuş Otomotiv employees, which are all full-time employees, have equal rights and that each employee is one of the key

## Young people's choice is Doğuş Otomotiv

With the votes of 46,238 students, Doğuş Otomotiv ranked 2<sup>nd</sup> as most desired automotive company to work with at the Youth Awards 2021.





stakeholders of the Company. Health insurance, life insurance, and meal service while in the office and on the field are the social benefits enjoyed by all employees. Pregnant employees are informed about the whole process with an informative presentation prepared for them, and a special celebration is organized for their maternity leave with their teammates. In addition, no deductions are made in the salaries and Social Security Institution (SSI) payments of the employees who are on maternity leave, and the maternity allowances paid to the Company by the SSI are also deposited into the accounts of the employees as an additional benefit. In addition, mothers who work at Doğuş Otomotiv have nursery and service facilities. Additional nursery assistance is provided to the salaries of the employees who cannot bring their children to the company nursery.

In the 2020-2021 academic year, corporate discount agreements were made with four different private education institutions for the children of the employees. In

addition, within the scope of Doğuş Otomotiv and university cooperation, employees are provided with a certain amount of support for master's and doctoral programs.

In 2021, online dietician and online yoga classes continued, while the health of the employees was supported with health seminars held throughout the year in addition to these practices.

Detailed information on other benefits and training opportunities provided to Doğuş Otomotiv employees is shared with the public every year in the Corporate Sustainability Report.

## Employee Engagement and Communication

In 2021, Doğuş Otomotiv conducted an "Employer Brand Research" to shape the activities related to employee experience. In the first stage of this research, a questionnaire was sent to the employees, and communication plans were made by determining the strengths and development areas in line with the research outputs.

A field survey was also applied to the teams who work on the field, and studies were carried out in this direction. The online backgammon tournament event, the sending of reading books to the children of field workers during the summer break, and the sharing of bags and stationery sets during the opening of schools are exemplary projects in this field.

During the computer renewal periods at Doğuş Otomotiv and Doğuş Oto, the old company computers were transferred to the employees in return for a symbolic amount that is calculated according to criteria such as the number of children and income level, after evaluating the requests collected from field employees who have children aged 6 to 18 years and whose online education processes continue. The amount collected from 169 computers was donated to the Ayhan Şahenk Foundation to be evaluated in the Student Clothing Aid project.

Various events were organized as part of special day celebrations throughout the year. While writer Ayşe Kulin participated as a guest speaker at the March 8, International Women's Day event, national gymnast İbrahim Çolak on May 19, Youth and Sports Day, and national swimmer Sümeyye Boyacı on December 3, International Day of Persons with Disabilities took part in the events as speakers. With the Teacher's Day celebration, which has become a tradition for internal trainers and brand trainers, the online New Year's event continued this year as well

On April 23, National Sovereignty and Children's Day, Doğuş Otomotiv sent wooden painting models, toys

submitted by the employees and more beautiful than the other, and painting sets with the support of brands to approximately 1,700 children living in Eastern Turkey, through the Toy Brotherhood Platform. Wooden models and painting sets suitable for the 3-13 age group were also delivered to 1,040 children of Doğuş Otomotiv and Doğuş Oto employees. In addition on April 23, an online celebration meeting was organized for the children of the employees in the East, with enjoyable activities such as puppet show and wood painting.

In the Bir'iz Employee Committee, which convened four times in 2021, the views and suggestions of the employees on the works and activities carried out within the scope of the Bir'iz employer brand and human resources practices were received through workshops where an employee from each department was invited as a representative. In addition, meetings with employees who were newly recruited with the new graduate program and teams from the Z generation were held three times during the year, and their opinions and suggestions were received about the works and activities carried out.

Feasible suggestions were included in the business plan, and information about the company is regularly shared with the employees via intranet and e-mail within the framework of legal regulations. Dialog platforms, trainings, and all employee strategies and policies developed by Doğuş Otomotiv with its employees are explained in detail in the Corporate Sustainability Report every year.

# DOĞUŞ OTOMOTİV CODE OF ETHICS

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

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

Doğuş Otomotiv develops a dialogue 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.

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

Our efforts continue to raise awareness of the Code of Ethics and to provide all our stakeholders, especially our employees, with its content. Although the pandemic in 2020 and 2021 did not include face-to-face instruction, ethics training proceeded through the e-learning system, both through the threshold employees' orientation training and through the training given to individuals.

In 2021, data on the Code of Ethics was also included in the e-orientation training provided to 249 employees in Doğuş Oto and Otomotiv companies within the framework of 622.5 employee/hour training.

The training conducted between 2015-2021 are as follows:

- 1,946 employees/hour for 913 people at Doğuş Otomotiv
- 2,913.5 employees/hour for 1,622 people at Doğuş Oto

The Code of Ethics of Doğuş Otomotiv contains the commitments and strategies of our Company on all ethical issues and is publicly disclosed on the official website of the Company:  
[https://www.dogusotomotiv.com.tr/newdogusotomotiv\\_files/2017623223221578\\_DogusOtomotiv\\_-En.pdf](https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/2017623223221578_DogusOtomotiv_-En.pdf)

## TRAFFIC IS LIFE!



One of Doğuş Otomotiv's primary areas of focus is the social responsibility platform, Traffic is Life! Leaving 17 years behind, the platform aims to develop a positive culture with safety awareness in traffic with the practices it executes in the light of the needs and expectations of the society.

Considering sustainability as part of its strategy, Doğuş Otomotiv carries out its activities with a sense of responsibility towards its stakeholders and the society. In this context, Doğuş Otomotiv has launched a social responsibility platform in 2004, Traffic is Life!, that would contribute to social development and leave its mark in the future.

As the longest running corporate responsibility project in the sector, the Traffic is Life! platform has been executing awareness raising activities for different target audiences for 17 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 with the pandemic which started in 2020, 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 the society using the right channels, has followed a strategy to increase its effectiveness in social media and digital platforms, taking the changing media consumption habits into account.

### Collaboration with the Turkish Ministry of Education

The Traffic is Life! platform, in collaboration with the Provincial Directorate of National Education of Istanbul, gave "Road Safety Seminars" to approximately 600 teachers in 2021, with the notion that "Teachers are the ones who will set an example for students", when education was mostly given on online platforms. In addition, during the year,

289 Vocational High School students who would work in the automotive sector in the future came together on on-line platforms, while they were informed about both the automotive sector and 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 2021 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.

### Distance education for more than 25 thousand students in 14 universities

The Traffic is Life! platform has continued the "Distance Education for Traffic Safety", which was initiated in 2013, in 2021 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 25,000 students in 14 universities have been reached so far with the project.

### Preparing for the driver's license exam with 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 2021 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, 215,816 users have benefited from the application to test their knowledge before the exam.

### Changing understanding of mobility

Another issue accelerated by the pandemic has been the changing understanding of mobility in the society. The interest in individual mobility solutions, which started in 2020, continued to increase in 2021. The Traffic is Life! Platform, taking into account both the trend researches made in the 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

Putting emphasis on dialog-based communication, the Traffic is Life! platform has come together with a significant portion of the society as a target audience, using different social media channels throughout the year. The platform mainly focused on YouTube, a social media channel whose number of active users is ever increasing, and prepared safe driving videos with Safe Driving Instructor, Ahmet Özgün. Additions were made to the training videos prepared with nearly 30 different content, based on the comments and requests from followers.

In addition, in an attempt to increase the dialog with the target audience and to receive feedback, a series of street interviews titled "A Stroke of Luck", which told stories about the accidents caused by carelessness, were carried out and about 620,000 views were reached with 7 interviews.

Thanks to the active communication strategy followed throughout the year, Traffic is Life! interacted with more than 50,000,000 people on its social media accounts. In 2021, more than 15,000 followers were gained on social media channels, reaching 179,700 followers on Facebook, 25,600 followers on Instagram, and 7,800 followers on YouTube.

Regular information activities carried out within Doğuş Group throughout the year aimed to increase the awareness of Group employees.

### Goals for 2022

The Traffic is Life! platform will continue to work towards creating a positive culture and increasing awareness in traffic in 2022. 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, while trainings will continue with a focus on Vocational High Schools. In addition, it is planned to provide face-to-face traffic awareness training to primary school students in pilot schools in Istanbul. Another goal in 2022 is to cover the traffic and psychology in traffic topics on social media channels with the participation of experts in this field.

### Active communication

Due to the continuous communication throughout the year, Traffic is Life! achieved more than 50,000,000 interactions on social media accounts.



**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, 2021 in accordance with the following explanations.

### Declaration of Compliance with Corporate Governance Principles

In the fiscal year that ended on December 31, 2021, the Company has adopted the principles of equality, transparency, accountability and liability in accordance with the Corporate Governance Communiqué (“Communiqué”) No: II-17.1 issued by the Capital Markets Board of Turkey and published in the Official Gazette No: 28871 on 3 January 2014. According to the statement of the Capital Markets Board of Turkey in its bulletin no. 2020/4 dated 9 January 2020, the Company is listed among the BIST 2<sup>nd</sup> Group Companies.\* Following an evaluation of 401 criteria defined in the methodology prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş., it has been determined that the Company has complied with the Communiqué to a great

extent. The Company’s Corporate Governance Rating, which was 96.50 (9.65 out of 10) as of 17 December 2020 rose to 97 (9.70 out of 10) on 17 December 2021 as a result of the constant improvement efforts by the Company.

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

SUB CATEGORIES	WEIGHT	RATING
Shareholders	0.25	96.36
Public Disclosures and Transparency	0.25	97.67
Stakeholders	0.15	97.98
Board of Directors	0.35	96.67

\* According to the Capital Markets Board’s bulletin dated 13.01.2022 and numbered 2022/2, our company has been upgraded from the BIST 2<sup>nd</sup> Group Companies list to the BIST 1<sup>st</sup> Group Companies as of 2022.

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. How-

ever, 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 9 December 2016 regarding the Board of Directors Selection Criteria upon the proposal of the Remuneration and Nomination Committee, formed by the Board of Directors of the Company in accordance with the Capital Market Board’s Corporate Governance Principles, two (2) female members serve on the Company’s Board of Directors in line with the General Assembly Resolutions dated 30 March 2020 and 30 March 2021. As such, fe-

male members constitute 33% of the Board of Directors, and compliance with the Corporate Governance Communiqué is ensured.

Even though self-criticism and performance assessments are carried out on the Board of Directors, members are neither awarded nor discharged from their duties as a result of these evaluations. However, participation of the Board Members in the Board of Directors and Committee meetings, their contributions, and sharing of knowledge, knowhow and experience are taken into account, and the performance of the Board of Directors as a whole is assessed biannually. A number of firms providing such services were considered and upon reviews, the Board of Directors has selected one firm that began to work in 2019 and completed its job in 2020. The job involved conducting surveys and face-to-face interviews with individual Board members and analyzing the responses. The firm also held interviews with senior executives with administrative responsibilities to obtain their feedback on the Board of Directors.

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

The Performance Evaluation Study of the Board of Directors is carried out biennially and studies have started in 2021 for reappraisal.

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.

### Stakeholders

#### Stakeholder Participation in Management

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

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

**Employees:** In addition to involving employees in decision-making mechanisms to the extent of their authority and responsibilities, online platforms have been established on the intranet for them to submit their requests,

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 2021, 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, “The Sustainability Principles Compliance Framework” was added to the Annual Report based on the amendment in the Corporate Governance Communiqué numbered II-17.1 published on October 2, 2020. Due to the “comply or explain” basis introduced by this regulation on Environmental, Social and Corporate Governance (ESG) performance, disclosure of the framework consisting of 56 basic principles is voluntary. Accordingly, this framework has been included in the Statement of Compliance with Sustainability Principles as article 3.

Corporate Governance Compliance Repor (URF) and Corporate Governance Information Form (KYBF) of our Company can be accessed from the Corporate Governance button on the Public Disclosure Platform: <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/4028e-4a240e8d16e0140e951bf04007b>.

suggestions and opinions. The contributions that employees provide as part of the Suggestion and Reward System are reviewed by the relevant teams and rewarded when deemed suitable. The answers to the social, environmental and economic topics included in the employee satisfaction surveys to understand employee expectations are consolidated and published in the Corporate Sustainability Report and regularly presented to senior management. The Employee Committees, which have representatives from each department, provide input from employee suggestions and opinions in regard to the Company’s practices and operations. Activities of the Corporate Sustainability Working Group, composed of members that represent the critical majority of all de-

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

**Customers:** An independent firm conducts regular customer satisfaction surveys. Customer requests received by Customer Relations and the results of customer surveys are evaluated by the relevant departments and necessary updates are implemented. Furthermore, customers are informed of the Company's strategies and plans at Authorized Dealer events organized throughout the

year. In line with the philosophy of serving more effectively, efficiently and with higher quality, holding regular meetings with stakeholders to shape corporate policies and decisions, and taking the necessary actions according to the evaluation of the results are also a part of this participation process.

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

## Board of Directors

### Board of Directors' Function

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

### Board of Directors' Working Principles

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

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

While performing its duties and responsibilities, the Board of Directors engages in continuous and effective collaboration with executives. When deemed necessary, executives participate in the Board meetings. The responsibilities and duties of the Board members and executives are covered in Articles 9, 10, 11, 12 and 13 of the Articles of Association.

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

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

- Administrative structure, duties and responsibilities of the Board of Directors
- Processes for calling Board members to meetings and preparation for meetings

- Information on the frequency and planning of annual meetings
- Method used to set meeting agenda
- Process of sharing information and documents with the Board members regarding agenda items
- Each member having the right to one vote,
- Obligation of the Board members to share information with one another, and of executives to inform the Board of Directors.
- Distribution of duties and responsibilities within the Board of Directors, and committees,
- Performance appraisal of the Board of Directors, and several other topics. In execution, this regulation is applied.

### Structure of the Board of Directors

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

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

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

The Board members of the Company are Emir Ali Bilaloğlu, Gür Çağdaş, Koray Arıkan, Özlem Denizmen Kocatepe, Adalet Yasemin Akad and Adnan Memiş. The Board of Directors was elected during the General Assembly meet-

ing on 30 March 2021 and announced on PDP and Emir Ali Bilaloğlu was named Chairman. Due to the decrease in the number of directors on the Board and considering Chairman Emir Ali Bilaloğlu's long years of experience serving both as a Board member and also as CEO, it has been found appropriate that the positions of Chairman of the Board of Directors and CEO are filled by the same person.

The two (2) independent members on the Board are Adalet Yasemin Akad and Adnan Memiş. At the General Assembly meeting on 30 March 2021, Board members were elected to serve three (3) years.

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

## Declarations of Independence by the Independent Board Members



### Board of Directors Meeting Procedures

The Board of Directors meets as needed when Company business makes it necessary. The Board is required to meet at least once a month. The Articles of Association includes provisions on the number of meetings and quorum for Board meetings. Board meeting dates are set at the beginning of each year and announced to all participants. Pursuant to the working principle of the Board of Directors, relevant information and documentations are shared with the members 3 days before the meeting.

The Board of Directors convened 12 times in 2021, all of which were attended. In the absence of some members, they were duly informed and their opinions were taken in accordance with the general principles. Topics addressed in Board of Directors meetings are recorded as minutes of the meeting and saved. Board Members have the right to declare different opinions on any subject and

to get their reservations recorded in the minutes. The Company's operational results, performance indicators as well as financial, operational and sustainability targets are monitored regularly by the Board of Directors through monthly meetings.

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

Attendance ratios of the Board members in the Board of Directors Meetings in 2021 are listed below:

	Attendance Ratio (%)
Emir Ali Bilaloğlu	100%
Gür Çağdaş	58%
Koray Arıkan	100%
Özlem Denizmen Kocatepe	92%
Adalet Yasemin Akad	100%
Adnan Memiş	92%

#### 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 3 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 25 November 2021, and it was decided to start this work in 2021 with the ARGE company.

The work, which started with the ARGE company at the end of 2021, is planned to be completed in the first quarter of 2022.

As part of the Board of Directors' Performance Appraisal, the firm will conduct surveys and face-to-face interviews with individual Board members and analyze the responses. In addition, it is planned to obtain feedback on the Board of Directors by conducting one-on-one meetings with senior executives with administrative responsibility.

#### Audit Committee

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

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

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

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

The Audit Committee provides written information about its evaluations with regard to the veracity and accuracy of the annual and interim financial statements to be disclosed to public, supported by the opinions of the Company's responsible executives and independent auditors. Accordingly, four (4) written briefs were presented to the Board of Directors in 2021.

The Committee convened eight (8) times in 2021. 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 2021 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 2021 and regularly reported its findings and resolutions to the Board of Directors.

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



## Early Risk Detection Committee

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

The Early Risk Detection Committee consists of four (4) members, with the Head of the Committee an independent 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 2021, including one joint meeting with the Audit Committee. 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.

## 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 Doğu Otomotiv, the tasks of the nomination committee are performed by the Remuneration and Nomination Committee.

The Committee has convened three (3) times in 2021, 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.

The Compliance Function, which reports to the Early Risk Detection Committee, held three (3) meetings with its working group in 2021. The tasks of the Compliance Function are defined as ensuring compliance Company policies, requirements of applicable regulations and relevant legislation, international standards and processes, and identifying and reporting the risks in the relevant processes. As a part of 2021 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.

### Succession Plan

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

Upon the Remuneration and Nomination Committee's recommendation regarding career planning for senior executives and preparing them for Board roles, the Board of Directors reached a number of resolutions in 2020. On June 15, 2020, the Board of Directors resolved that two General Managers, who are also Executive Board members, attend the board meetings in turns for six months in preparation for Board roles. There are also plans for one General Manager to attend a board meeting each month and give a presentation about his/her respective department's operations. These decisions were implemented in 2021 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 one (1) time in 2021.

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

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

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

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

Our Company has compensated members of the Board of Directors and Senior Executives who have administrative responsibilities as key management personnel, since they are responsible for the planning, management and control of the Company's operations a sum of TRY 30 million in 2021.

# GENERAL INFORMATION

This Annual Report covers the period from 1 January 2021 to 31 December 2021.

## General Information on the Company

Company Title :	Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi
Company Address :	Maslak Mahallesi, Ahi Evran Cad. No: 4 İç Kapı No: 3 Sarıyer / İSTANBUL
Head Office :	Şekerpınar Mahallesi, Anadolu Caddesi, No: 22 41420 Çayırova / KOCAELİ
Phone :	(0262) 676 9090
Fax :	(0262) 676 9096
Corporate Website :	www.dogusotomotiv.com.tr
Founded on :	19.11.1999
Trade Registry No :	429183
Central Registration System No :	0-3090-1147-1300010

## Managing Body, Senior Executives and Employees

In 2021, the Company has employed 791 blue-collar (31 December 2020: 785) and 1.372 white-collar (31 December 2020: 1.343) employees on average.

### Information on Senior Executives and Board Members’ Duties in 2021

Name Surname	Position	Starting Date	Term (years)
Emir Ali Bilaloğlu	Chairman of the Board of Directors, CEO	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 Arkan	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 with Senior Management Duties

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

### Remuneration of the Board Members and Senior Executives

Information pertaining to the remuneration of the governing body members and senior executives may be found in the Corporate Governance section under “Financial benefits provided to the Board of Directors and Executives with Administrative Responsibilities”.

### Research & Development Activities

The Company has not carried out any research & development activities in 2021.

### Material Developments Regarding Company Operations

#### Investments

In 2021, the Company invested TRY 330 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 pertaining to the Company’s Direct and Indirect Subsidiaries is provided in the footnotes of the consolidated financial statements for the year ending on 31 December in “Note 28: Balances and Transactions with Related Parties”.

Information on Direct and Indirect Subsidiaries and Share Ratios

Company Title	Area of Operation	Paid-in / Issued Capital	Company's Share in Capital	Monetary Unit	Company's Share in Capital (%)	Relation to Company
Doğuş Holding A.Ş.	Holding Company	862,837,305.00	31,575,087.00	TL	3.66	LONG TERM SECURITY
D-Auto Limited Liability Company	Vehicle Trading & AS Services - Iraq	150,000,000.00	150,000,000.00	IQD	100.00	SUBSIDIARY
Doğuş Oto Pazarlama ve Ticaret A.Ş.	Vehicle Trading & AS Services	45,000,000.00	43,288,272.00	TL	96.20	SUBSIDIARY
Doğuş Bilgi İşlem ve Teknoloji Hizmetleri A.Ş.	IT Infrastructure & Software	226,400,000.00	49,255,692.00	TL	21.76	AFFILIATE
Doğuş Sigorta Aracılık Hizmetleri A.Ş.	Insurance and Brokerage Services	1,265,000.00	531,232.00	TL	41.99	AFFILIATE
vdf Servis ve Ticaret A.Ş.	Automotive Products & Services	6,465,344.00	3,154,365.00	TL	48.79	AFFILIATE
Yüce Auto Motorlu Araçlar Ticaret A.Ş.	ŠKODA Turkey Distributor	2,100,000.00	1,049,999.70	TL	50.00	AFFILIATE
TÜVTÜRK Güney Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş.	Vehicle Inspection Stations	25,250,000.00	8,332,836.00	TL	33.00	BUSINESS PARTNERSHIP
TÜVTÜRK Kuzey Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş.	Vehicle Inspection Stations	67,100,000.00	22,143,895.00	TL	33.00	BUSINESS PARTNERSHIP

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

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

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

Information on Private and Public Audits within the Fiscal Period

In accordance with Article 75 of the Law No. 6502 on the Protection of the Consumer, an investigation by the Trade Inspectorate of the Turkish Ministry of Commerce has been initiated in 2021 regarding the vehicles that were imported and put on sales by Doğuş Otomotiv, which fall under the scope of the Presidential decree, dated August 12, 2021 and numbered 4373, regarding “The amendment

to the special consumption bases of taxation of some goods in the list (II) attached to the Private Consumption Tax Law No. 4760”in 2021. The investigation is still active.

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

There were no cases brought against the Company within the 2021 reporting period that could affect the Company's financial state and operations.

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

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

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

Information on Materially Significant Asset Acquisitions or Sales

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

Information on Possible Conflicts of Interest with Service Providers

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

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

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

- Regulation on the Amendments to the Regulation on the Registration of Devices with Electronic Identity Information, published in the Official Gazette dated 20.02.2021 and effectuated on the same date
- Remote Working Regulation, published in the Official Gazette dated 10.03.2021 and effectuated on the same date
- General Product Safety Regulation, published in the Official Gazette dated 11.03.2021 and effectuated as of 12.03.2021
- Regulation on the Amendments to the Regulation on the Principles and Rules to be Applied in Retail Trade, published in the Official Gazette dated 16.03.2021 and effectuated on the same date
- Decision on the Enforcement of the Attached Decision on Private Consumption Tax Rates to be Applied to Certain Goods, published in the Official Gazette dated 02.02.2021 and effectuated on the same date
- Law No. 7262 on the Prevention of the Financing of the Proliferation of Weapons of Mass Destruction, and amendments to the regulations regarding bearer share certificates in the Turkish Commercial Code, published in the Official Gazette dated 31.12.2020 and effectuated as of 01.04.2021
- Regulation on Labeling of Tires Regarding Fuel Efficiency and Other Parameters (EU/2020/740), published in the Official Gazette dated 17.04.2021 and effectuated as of 01.05.2021
- Regulation on the Amendments to the Regulation on the Principles and Rules to be Applied in Retail Trade, and changes regarding installments in vehicle sales, published in the Official Gazette dated 02.07.2021 and effectuated on the same date
- Framework Regulation on the Market Surveillance and Inspection of Products (Decision Number: 4269), published in the Official Gazette dated 10.07.2021 and effectuated on the same date
- Turkish Ministry of Industry and Technology's Regulation on Market Surveillance and Inspection, published in the Official Gazette dated 14.07.2021 and effectuated on the same date

- Regulation on the Amendments to the Regulation on Opening a Business and Working Licenses, published in the Official Gazette dated 30.07.2021 and effectuated on the same date
- Presidential Decree (Decree Number: 4373) on the Re-determination of Private Consumption Tax Bases Based on Private Consumption Tax Rates for Certain Goods in the List No. (II) Attached to the Private Consumption Tax Law No. 4760, published in the Official Gazette dated 18.08.2021 and effectuated on the same date
- Communiqué on the Amendments to the Communiqué on the Registration of Devices with Electronic Identity Information, published in the Official Gazette dated 15.09.2021 and effectuated on the same date
- Communiqué (Communiqué No: SGM-2021/22) on the Amendments to the Communiqué (Communiqué No: SGM-2013/5) on the Implementation Procedures and Principles Regarding the Type Approval of Motor Vehicles and Regarding Access to Vehicle Repair and Maintenance Information on Emissions from Heavy Duty Vehicles (Euro VI), published in the Official Gazette dated 15.10.2021, whose some provisions were effectuated on the date of publication, while others are will be effectuated as of 15.02.2022
- The Law on Amendments to the Tax Procedure Law and Certain Laws, published in the Official Gazette dated 26.10.2021, whose articles were partially effectuated on this date, while other articles will be effectuated on various dates such as 01.01.2022 and 01.06.2022
- Communiqué for General Terms and Conditions on the Amendments to the General Terms and Conditions of the Compulsory Liability Insurance for Highway Motor Vehicles, published in the Official Gazette dated 04.12.2021 and effectuated on the same date
- Regulations of the Electricity Market Law regarding electric vehicle charging stations included in Law No. 7346 on the Amendment of Certain Laws, published in the Official Gazette dated 25.12.2021 and, regarding the relevant article, was effectuated on the date of publication
- Communiqué (Communiqué No: SGM - 2021/29) on the Implementation Procedures and Principles Regarding the Type Approval of Motor Vehicles and Regarding Access to Vehicle Repair and Maintenance Information on Emissions from Light Passenger and Commercial Vehicles (Euro 5 and Euro 6), published in the Official Gazette dated 28.12.2021 and effectuated as of 01.01.2022
- Rate changes on 02.02.2021, 13.08.2021, and 26.10.2021 made in the list No. II regarding the Private Consumption Tax implementation principles and rates
- Decision on “The Determination of the Parts of the Total Expense and Cost Elements That Will Not Be Deducted Within the Scope of the Ninth Subparagraph of the First Paragraph of the 41<sup>st</sup> Article of the Income Tax Law No. 193 and (i) Subparagraph of the First Paragraph of the 11th Article of the Corporate Tax Law No. 5520” (Decision Number: 3490), published in the Official Gazette dated 04.02.2021
- “Law No. 7316 on the Amendments to Certain Laws and to the Collection Procedure of Public Claims”, published in the Official Gazette dated 22.04.2021



- “Law No. 7326 on the Amendments to Restructuring of Certain Receivables and to Certain Laws”, published in the Official Gazette dated 09.06.2021
- Decision (Decision Number: 4373) on the Re-determination of Private Consumption Tax Bases Based on Private Consumption Tax Rates for Certain Goods in the List No. (II) Attached to the Private Consumption Tax Law No. 4760, published in the Official Gazette dated 13.08.2021
- “Communiqué on the Amendments to the Communiqué for the General Application of Value Added Tax (Serial No: 37)”, published in the Official Gazette dated 20.08.2021
- “Law No. 7338 on the Amendments to the Tax Procedure Law and Certain Laws”, published in the Official Gazette dated 26.10.2021
- “Decision on the Enforcement of the Attached Decision Regarding the Withholding Rates in the Provisional Article 67 of the Income Tax Law No. 193” (Decision Number: 4937), published in the Official Gazette dated 22.12.2021
- “Regulation on Labeling of Tires Regarding Fuel Efficiency and Other Parameters”, published in the Official Gazette dated 17.04.2021 and numbered 31457
- “Regulation on the Amendments to the Zero Waste Regulation”, published in the Official Gazette dated 09.10.2021 and numbered 31623
- “Regulation on the Amendments to the Regulation on Emergency Situations at Workplaces”, published in the Official Gazette dated 01.10.2021
- “The Draft Guide on Cookie Applications”, published on the official website of the Personal Data Protection Authority on 11.02.2021

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

There were no targets that the Company did not attain, nor any General Assembly resolutions unfulfilled by the Company during the reporting period. Detailed information about the Company's overview of 2021 is provided in the sub-heading “Evaluation of 2021 and Expectations for 2022” in the Management Report section.

#### Information on the Extraordinary General Assembly

Our Company's Extraordinary General Assembly was held on 29.06.2021 regarding the “partial split of vdf Finans shares with the participation model”. Detailed information about the Extraordinary General Assembly can be found in the “General Assemblies” section of our website.

#### Grants and Aid

No changes were made to the Doğuş Otomotiv Grant and Aid Policy, and the donations made in 2021 are listed below:

#### Group of Companies

Transactions carried out by our Company with the parent company and its subsidiaries within the group of companies in 2021 are ordinary business activities. In 2021, the Company did not engage in any actions/transactions unjustly serving to the advantage of these companies. Therefore, the Company does not have any assessments for the compensation made for disadvantages and for the measures taken regarding the transactions made with the parent company and its subsidiaries, as required by Article 199 of the Turkish Commercial Code.

## Financial Standing

#### Operational and Financial Indicators

The equity of the Company is TRY 4 billion, and the capital is secured and covered, without running into debt.

The Company presents a robust financial standing and does not plan to take further actions to improve its financial structure.

In 2021, our company's revenue increased by 29% and net profit by 124% compared to the previous year, while its sales figures decreased by 6%.

The Company also succeeded to maintain its OpEx/Sales ratio at 1,8% as an indication of the importance that the Company attaches to maintaining a lean management and dynamic structure.

A summary of the consolidated financial information can be found on page 24 and the financial indicators on page 26.

#### Dividend Distribution Proposal

The Board of Directors' proposal, dated February 28, 2022 and published on the Public Disclosure Platform, will be submitted for the approval of the General Assembly. The proposal offers that, of the profit generated in 2021, the amount of profit to be distributed in cash -in accordance with the legislation, within the scope of the objectives and targets set in our profit distribution policy, and as in the profit distribution table- will be 1,250,000,000 TRY.

## Miscellaneous

After the end of the fiscal period, there has not been any incident of material significance that may affect the rights of the shareholders, creditors and other relevant persons or institutions.

This report has been prepared in compliance with the provisions of the Turkish Commercial Code, the Capital Markets Law and relevant regulations and has been signed and approved by the members of the Board of Directors pursuant to the Board resolution no. 2022/13 dated 28.02.2022.

The Responsibility Statement by the Board members responsible for financial reporting and the executive responsible for financial reporting for the 2021 fiscal period is presented in APPENDIX 1.

Further to the Board of Directors resolution no. 2022/13 dated 28.02.2022, it has been agreed to approve the Company's Consolidated Financial Statements and its Notes for the fiscal year that ended on 31 December 2021 and prepared in compliance with Capital Markets Board standards and to disclose the Independent Audit Report prepared and submitted by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi with the Financial Statements and Footnotes on the Public Disclosure Platform (KAP).

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş. and SUBSIDIARIES				
Grants and Aid in 2021				
EXPLANATION	DOS	DOP	D-Auto	Total (TRY)
Ministry of Interior Disaster and Emergency Management Authority	2,000,000	-	-	2,000,000
Darüşşafaka Society	1,818,325	727,330	-	2,545,655
Search & Rescue Association - AKUT	300,000	-	-	300,000
Ayhan Şahenk Foundation	150,795	-	-	150,795
Esenyurt Municipality Social Affairs Directorate	60,620	-	-	60,620
Turkish Education Foundation (TEV)	14,045	-	-	14,045
İstanbul Yacht Captains Association	10,000	-	-	10,000
İstanbul Foundation for Culture and Arts	4,505	-	-	4,505
Beykoz Police Services Development and Support Association	2,500	-	-	2,500
Educational Volunteers Foundation of Turkey (TEGV)	200	0	-	200
ÇEKÜL Foundation Economic Enterprise	-	8,054	-	8,054
<b>TOTAL (TRY)</b>	<b>4,360,990</b>	<b>735,384</b>	<b>-</b>	<b>5,096,374</b>

# 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 2022  
RESOLUTION NUMBER: 2022/13

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 2021 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;

- 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;
- 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 MEMİS  
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.

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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 Doğu Otomotiv Servis ve Ticaret A.Ş.

#### 1. Opinion

We have audited the annual report of Doğu Otomotiv Servis ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2021 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 2022 on the full set consolidated financial statements for the 1 January - 31 December 2021 period.

#### 4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;



- b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

- c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Group's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

#### 5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Cihan Harman, SMMM  
Partner

Istanbul, 28 February 2022



## APPENDIX 3. INDEPENDENT AUDITORS' REPORT ON THE EARLY RISK IDENTIFICATION SYSTEM AND COMMITTEE



### 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 2021 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.

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#### *Conclusion*

5. Based on our audit, it has been concluded that Doğuş Otomotiv Servis ve Ticaret A.Ş.'s early risk identification system and committee is sufficient, in all material respects, in accordance with Article 378 of TCC.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Cihan Harman, SMMM  
Partner

Istanbul, 28 February 2022

APPENDIX 4. STATEMENT OF COMPLIANCE TO SUSTAINABILITY PRINCIPLES FRAMEWORK

Sayı	Principle Content No.	Principle Headlines	Declaration of Conformity	Background	Motive	Compensating Action	Conformity Plan
A. General Principles							
A 1 - Strategy, Policies and Goals							
1	A 1.1	The Board of Directors determines the ESG material issues, risks and opportunities and develops ESG policies accordingly. For effective implementation of the aforementioned policies, internal directives, business procedures, etc. may be prepared. The Board of Directors takes decisions regarding these policies and discloses them to the public.	<b>YES</b> All Sustainability Management and related policies are publicly disclosed on the following 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>				
2	A 1.2	Determines the Partnership Strategy in accordance with ESG (environmental, social and governance) policies, risks, and opportunities. Sets its short and long-term objectives in line with the partnership strategy and ESG policies and discloses them to the public.	<b>YES</b> Doğuş Otomotiv has completed its risk and opportunities study regarding sustainability in 2020 and published it in the 2020 Sustainability Report. The implementation works of the Integrated Management Systems, which was initiated in 2021, will be completed in 2021. Within the scope of these works, risk and opportunity analyses are performed, each of which is specific to its own field, and will take place in the context of the Integrated Management Systems in 2022.  <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>				
A 2 - Implementation/Follow-up							
3	A 2.1	Determines the committees/ units responsible for the implementation of ESG policies and discloses them to the public. The responsible committee/ unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year, and in any case, within the maximum periods determined for the public disclosure of the annual activity reports in the relevant regulations of the Board.	<b>YES</b> Detailed information within the context of Doğuş Otomotiv's Sustainability Management is published in the Sustainability Report every year.  <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>				
4	A 2.2	Creates implementation and action plans in line with the short and long-term goals established and discloses them to the public.	<b>YES</b> Goals in line with Doğuş Otomotiv's Sustainability Strategy are announced annually in the sustainability report. Doğuş Otomotiv's Sustainability Reports are published every June, in accordance with the BIST (Borsa İstanbul) Sustainability Index dates, covering the previous year's performances.  <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				

5	A 2.3	Determines the Key Performance Indicators (KPI) of ESR and announces them on a yearly basis. In the presence of verifiable data, it presents the KPIs with comparisons of the local and international sectors.	<b>PARTIAL</b>  Doğuş Otomotiv reports the Company performances in accordance with the GRI Standards Reporting Principles every June in line with the sustainability-prioritized areas of focus determined in accordance with the AA1000SES Standard. Although the available data are presented with 3-year comparisons, due to some variables such as changes in laws and regulations, internal and external factors, and due to the fact that our Company does not have a reporting counterpart in its segment, the sectoral comparison can be made with similar factors within the Company.  Since 2009, our Company has committed to advanced comprehensive reporting with international standards. All reports are available on our website.	Since there are still no national and international peers in its sectoral segment, our Company conducts comparative studies within the Company with the close sectors. The Company's sustainability reports for the last 11 years are publicly available on the website.	N/A	N/A	Comparison studies may be planned if public information is to be shared at global standards between competitors or peers in the future.
6	A 2.4	Discloses the innovation activities that improve the sustainability performance for business processes or products and services.	<b>YES</b>  Doğuş Otomotiv annually discloses its sustainability performance and improvement activities in the areas it determines in accordance with the global standards throughout its life cycle, in the sustainability report:  <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
A 3 - Reporting							
7	A 3.1	Reports its sustainability performance, goals and actions at least once a year and discloses them to the public. Provides information on sustainability activities in the annual report.	<b>YES</b>  Doğuş Otomotiv annually discloses its sustainability performance and improvement activities in the areas it determines in accordance with the global standards throughout its life cycle, in the sustainability report:  <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
8	A 3.2	It is essential to share information that is important for stakeholders to understand the position, performance and development of the partnership in a direct and concise manner. It can also present detailed information and data on the corporate website, and prepare separate reports that directly meet the needs of different stakeholders.	<b>YES</b>  Doğuş Otomotiv website holds a separate section for Sustainability. In this section, both the company's report and the priority areas of focus regarding ESG and all its strategies and policies are included. Although Doğuş Otomotiv does not publish separate reports for each stakeholder group, it follows all the standards in the world to meet the expectations of its stakeholders and publishes reports in accordance with these standards.  <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability</a>				

9	A 3.3	Pays maximum attention in terms of transparency and reliability. Within the scope of a balanced approach, objectively announces all kinds of developments on primary issues regarding disclosures and reporting.	<b>YES</b> Doğuş Otomotiv's Materiality Study was conducted twice in 13 years. The results of the works performed with a methodology in accordance with the AA1000SES Standard are published in the relevant sections of both the sustainability report and the website. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/impact-and-materiality">https://www.dogusotomotiv.com.tr/en/sustainability/strategy-and-management/impact-and-materiality</a>				
10	A 3.4	Provides information about which of its activities are related with the United Nations' (UN) Sustainable Development Goals for 2030.	<b>YES</b> Doğuş Otomotiv's study addressing the material issues related to sustainability in line with the UN's Sustainable Development Goals started in 2017, and since then the UN SDG Index has been included in the sustainability report. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
11	A 3.5	Provides information regarding the lawsuits filed and/or concluded against environmental, social and corporate governance issues.	<b>YES</b> Doğuş Otomotiv has been publishing its reports on comprehensive reporting application level in accordance with the GRI Standards Reporting Framework since the first sustainability report. Every year, it publishes all its statements, regarding the lawsuits filed against environmental, social, ethical and corporate governance issues, on the GRI Indexes: <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
A 4 - Verification							
12	A 4.1	If verified by independent third parties (independent sustainability assurance providers), it discloses its sustainability performance measurements to the public and strives to promote such verification processes.	<b>YES</b> Doğuş Otomotiv's Sustainability Report has been verified by pWc Turkey with limited assurance for the last 3 years. Relevant documents are included in the report <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
B. Environmental Principles							
13	B 1	Declares the policies and practices, action plans, environmental management systems (known by the ISO 14001 standard), and programs in the field of environmental management.	<b>YES</b> Doğuş Otomotiv has the ISO 14001:2015 Environmental Management System certificate.				

14	B 2	Complies with environmental laws and other relevant regulations and announces them.	<b>YES</b> Doğuş Otomotiv complies with all environmental laws and regulations and oversees the process through an ISO 14001 compliance obligations document. Our Company has an appointed environmental manager. We also have an Environment Committee that report directly to the Corporate Governance and Sustainability Committee.				
15	B 3	Explains the limitations regarding the boundaries, reporting period, reporting date, data collection process and reporting conditions of the environmental report to be prepared within the scope of the Sustainability Principles.	<b>YES</b> Since 2009, Doğuş Otomotiv has been regularly disclosing its sustainability performance at comprehensive reporting application level, using the reporting framework of the GRI Standards and in line with the priorities determined in accordance with the AA1000SES Standard methodology. In accordance with reporting principles, all details regarding environmental data are disclosed to the public. Data methodology and details about the scope are presented under 'the scope of the report' heading. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
16	B 4	Declares the highest level person responsible, and relevant committees and their tasks in the partnership on the issue of environment and climate change.	<b>YES</b> Doğuş Otomotiv has a supreme committee, the Corporate Governance and Sustainability Committee, which is directly under the Board of Directors and is responsible for the management of all sustainability issues, including those related to environment and climate change. The Sustainability Council directly reports to this Committee. There is also an Environment Committee and an appointed Environmental Manager. Doğuş Otomotiv is the first company in its segment to accept climate change as a financial risk and disclose its policies regarding this issue. <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>				
17	B 5	Announces the incentives it offers for the management of environmental issues, including the achievement of objectives.	<b>PARTIAL</b> Doğuş Otomotiv announces its environmental data every year in line with its material issues and shares its goals with the public under relevant headings that can be shared. It encourages its partnerships, authorized dealers, services, and suppliers to disclose their environmental data throughout the value chain. It has integrated the sustainability principles to its categorization and inspection processes in the purchasing processes with its suppliers and started to include these stakeholders in the sustainability report since 2015. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>	With the initiation of the ISO 14001 process, concrete goals will also be shared.	With the initiation of the ISO 14001 process, concrete goals will also be shared.	With the initiation of the ISO 14001 process, concrete goals will also be shared.	With the initiation of the ISO 14001 process, concrete goals will also be shared. Within the scope of the 2021 Sustainability Report, environmental data and goals will be disclosed to the public in accordance with the ISO 14064 Greenhouse Gas Emission management standard.



18	B 6	Explains how environmental problems are integrated into business goals and strategies.	<b>YES</b> Doğuş Otomotiv has been announcing its environmental data since 2009 in line with the priorities it has determined in accordance with the AA1000SES Standard. Material issues were revised in 2018 in line with changing conditions and stakeholder expectations, and since then reporting has been performed in line with new issues. All details regarding integration into business strategies are published within scope of the Sustainability Report. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
19	B 7	Discloses the sustainability performance regarding business processes or products and services, and the activities carried out to improve this performance.	<b>YES</b> All relevant performances are disclosed to the public through sustainability reports. Details and statements are also included in the GRI Index. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
20	B 8	Describes how it manages the environmental issues and how it integrates the suppliers and customers into its strategies, not just in terms of direct operations but throughout the partnership value chain.	<b>YES</b> Doğuş Otomotiv has included not only its subsidiaries, but also its suppliers, authorized dealers and services in its Sustainability Report since 2014. The Company also manages and encourages data collection processes after one-on-one briefings. Four Authorized Dealers and Service Centers participated in the pilot study of the Corporate Governance and Sustainability Evaluation Program which was launched in 2021 and took place at the Authorized Dealers and After Sales Service Centers. The evaluations were made on the basis of IFC (International Financial Corporation) Corporate Governance Self-Assessment Principles for Family Businesses and SMEs. In 2022, the evaluations will be disseminated throughout our Authorized Dealer and Service Network and published in the sustainability reports. Risk categorizations are also performed for the sustainability risks of the suppliers in the Supply Chain, while integration efforts into purchasing processes also continue. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-authorized-dealers-and-services">https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-authorized-dealers-and-services</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-suppliers">https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-suppliers</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performances-of-subsidiaries">https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performances-of-subsidiaries</a>				

21	B 9	Explains whether it is included in the policy-making processes on environmental issues (sectoral, regional, national and international), its cooperation with the associations, related organizations and non-governmental organizations it is a member of, and the tasks it has undertaken, if any, and the activities it supports regarding environmental issues.	<b>NO</b> Doğuş Otomotiv is not yet involved in the formulation of public policies on environmental issues, in line with its environmental priorities. However, it follows and monitors the developments through sectoral unions and associations it is a member of (TUYİD, ODD, etc). In addition, in accordance with the laws and regulations regarding the environment, it disposes of its waste in line with its business partnerships with PETDER and ÇEVKO.	If deemed necessary and in line with the Company's priorities, studies regarding collaborations with environmental unions and associations are conducted and future collaboration alternatives are evaluated.	In line with concrete goals, collaboration with a non-governmental organization will be considered if deemed necessary.	Plays a role in sectoral associations and unions regarding the follow-up of periodically developing environmental regulations and related processes.	In line with concrete goals, collaboration with a non-governmental organization will be considered if deemed necessary.
22	B 10	In the light of environmental indicators (greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect) 1), air quality, energy management, water and wastewater management, waste management, biodiversity impacts), it reports information regarding environmental impacts in a periodically comparable manner.	<b>PARTIAL</b> Doğuş Otomotiv has published its environmental data with comparisons in its sustainability reports since 2009, in line with its priorities. ISO 14001: 2015 Environmental Management System certification was completed in 2021. In addition, Carbon Footprint reporting practices in accordance with the ISO 14064 standard were also started, with the first data collection date set as 2021. The data for 2021 will be published within the scope of the Corporate Sustainability Report.	The ISO 14001:2015 Environmental Management System was established and its certificate has been obtained. ISO 14064 Carbon Footprint reporting practices were started in 2021, while its first report will be presented within the scope of the sustainability report to be published in 2022.	The ISO 14001:2015 Environmental Management System was established and its certificate has been obtained. ISO 14064 Carbon Footprint reporting practices were started in 2021, while its first report will be presented within the scope of the sustainability report to be published in 2022.	The ISO 14001:2015 Environmental Management System was established and its certificate has been obtained. ISO 14064 Carbon Footprint reporting practices were started in 2021, while its first report will be presented within the scope of the sustainability report to be published in 2022.	The ISO 14001:2015 Environmental Management System was established and its certificate has been obtained. ISO 14064 Carbon Footprint reporting practices were started in 2021, while its first report will be presented within the scope of the sustainability report to be published in 2022.
23	B 11	Discloses the details of the standard, protocol, methodology and base year it uses to collect and calculate its data.	<b>YES</b> In the disclosure of its environmental data, Doğuş Otomotiv uses the methodology suggested by the GRI Standards as well as the reporting of local laws and regulations. The data are collected and consolidated by the members of the Sustainability Council, which is created within the Company and has members from each unit. By 2021, the data will be rearranged and declared in accordance with ISO 14001 Environmental Management System processes.				
24	B 12	Explains the status of the environmental indicators (increase or decrease) for the reporting year in comparison with previous years.	<b>YES</b> Due to the changes in material issues between the years 2009-2017 and 2018-2020, there has been also a change in the comparable data. However, since 2018, the necessary comparisons can be made since reporting has been performed using the same factors in the reports published regularly.				
25	B 13	Sets short- and long-term goals to reduce its environmental impact and discloses these goals. It is recommended that these goals be determined based on science as suggested in the United Nations Conference of the Parties on Climate Change. If there is an actual progress in the reporting year according to the targets set before, it provides information on the subject.	<b>YES</b> Doğuş Otomotiv publishes its environmental performance in the Sustainability Reports in accordance with international standards. At the same time, as a UN Global Compact signatory since 2010, it has included the UN Global Compact Index in its reports and announced its commitments. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/our-planet-and-environmental-sustainability/our-planet-and-environmental-sustainability1">https://www.dogusotomotiv.com.tr/en/sustainability/our-planet-and-environmental-sustainability/our-planet-and-environmental-sustainability1</a>				

26	B 14	Explains its strategy and actions to combat the climate crisis.	<b>YES</b> Doğuş Otomotiv declared to the public that it accepts Climate Change as a financial risk, along with its economic development policy. In addition, all strategies are disclosed within the scope of its environmental and energy management policies and sub-domain policies. <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>				
27	B 15	Explains the program or procedures to prevent or minimize the potential negative impact of the products and/ or services it offers; explains the actions of third parties toward reducing greenhouse gas emissions.	<b>YES</b> All actions in line with the environmental impact of the products and services management policy and the related sub-domain performances are explained within the scope of material issues. <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/en/sustainability/impact/sustainability-performance-of-authorized-dealers-and-services">https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-authorized-dealers-and-services</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-suppliers">https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performance-of-suppliers</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performances-of-subsidiaries">https://www.dogusotomotiv.com.tr/en/sustainability/impact/sustainability-performances-of-subsidiaries</a>				
28	B 16	Explains the actions taken to reduce its environmental impacts, the total number of projects and initiatives carried out, and the environmental benefits/ gains and cost savings they provide.	<b>YES</b> Disclosed in the Sustainability Report. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
29	B 17	Reports the total energy consumption data (excluding raw materials) and details the energy consumption as Scope-1 and Scope-2.	<b>PARTIAL</b> Total energy consumption is explained as 'Scope 1' in the Sustainability Report. Scope 2 data are planned to be disclosed in the 2021 report, in line with the targeted ISO 14064.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.
30	B 18	Provides information on the heat, steam, cooling, and the electricity generated and consumed in the reporting year.	<b>PARTIAL</b> Data are disclosed to a limited extent. The scope of the disclosure will be expanded after the inclusion of the Carbon Footprint calculation.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.	ISO 14001 implementation has been completed and its certificate has been obtained. The ISO 14064 certificate is the next target.
31	B 19	Conducts studies toward increasing the use of renewable energy and transition to zero or low carbon electricity, and discloses these studies.	<b>YES</b> Doğuş Otomotiv supplies its electrical energy from companies that produce 100% renewable energy. The Company has initiated the calculations regarding Carbon Footprint and plans to make the necessary disclosures in the 2021 Sustainability Report. At the same time, an investment for the placement of solar energy panels to be placed on the roof of the Logistics building in the Şekerpınar campus, with an expenditure of 2.2 million US dollars, was started in 2021.				

32	B 20	Discloses the renewable energy production and usage data.	<b>YES</b> Doğuş Otomotiv does not generate energy. However, it shows the necessary sensitivity toward the procurement of the energy it uses from 100% renewable energy sources. Energy usage data are disclosed in the sustainability reports. At the same time, an investment for the placement of solar energy panels to be placed on the roof of the Logistics building in the Şekerpınar campus, with an expenditure of 2.2 million US dollars, was started in 2021.				
33	B 21	Designs energy efficiency projects and discloses the amount of reduction in energy consumption and emission, owing to these studies.	<b>YES</b> Efficiency studies are carried out in necessary areas, benefits and reductions are published every year in the sustainability report.				
34	B 22	Reports the amount of water withdrawn, used, recycled and discharged from underground or aboveground, its sources and procedures (total water withdrawal by source, the water resources affected by water withdrawal, the percentage and total volume of the recycled and reused water, etc.).	<b>YES</b> Water consumption is among Doğuş Otomotiv's material issues. Since 2009, the Company has disclosed the water consumption amount per vehicle sold and carried out studies on reducing consumption. Comprehensive data with comparisons are included in the Sustainability Report.				
35	B 23	Explains whether operations or activities are included in any of the carbon pricing systems (Emissions Trading System, Cap-and-Trade or Carbon Tax).	<b>NO</b>	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	Developments are followed and briefings are made.
36	B 24	Discloses the carbon credit information accumulated or purchased during the reporting period.	<b>NO</b>	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	Developments are followed and briefings are made.
37	B 25	Discloses the details if carbon pricing is implemented within the partnership.	<b>NO</b>	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	It is not material for the Company. Has not been considered within the scope of stakeholders' expectations.	Developments are followed and briefings are made.
38	B 26	Discloses all mandatory and voluntary platforms on which its environmental information is announced.	<b>YES</b> Doğuş Otomotiv publicly shares all its sustainability data on its website, within the scope of the basic indicators of the standards. Except for the notifications made to public authorities due to legal requirements, it is evaluated in the BIST Sustainability Index in line with these data.				

C. Social Principles							
C 1 - Human Rights and Employee Rights							
39	C 1.1	Formulates the Corporate Human Rights and Employee Rights Policy, which is fully compliant with the Universal Declaration of Human Rights, the ILO Conventions that Turkey has confirmed, and the legal framework and regulations governing the human rights and working life in Turkey. Discloses the policy in question and the roles and responsibilities associated with its implementation.	<b>YES</b> Doğuş Otomotiv's human rights policy, material issues on human rights, its sub-policies associated with the employees and work environment policy, and Doğuş Otomotiv's Code of Ethics meet the requirements within the scope of the principle. All the necessary details and performances are explained in the sustainability reports and on the website. <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/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a>				
40	C 1.2	Provides equal opportunity in recruitment processes. Taking the effects of the supply and value chains into account, it includes fair labor, improvement of labor standards, women's employment, and inclusion issues (such as gender, religious belief, language, race, ethnic origin, age, disability, refugee, etc.) in its policies.	<b>YES</b> Employees and Workplace Policy, Equal Opportunity Policy and Doğuş Otomotiv's Code of Ethics, Sustainable Purchasing 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/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a>				
41	C 1.3	Describes the measures taken along the value chain to observe the rights of certain fractions sensitive to economic, environmental, social factors (low-income groups, women, etc.) or to observe minority rights/ equal opportunity.	<b>YES</b> Equality at Work Program, Human rights policy, anti-discrimination policy <a href="https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/equality-at-work">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/equality-at-work</a> <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/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a>				
42	C 1.4	Reports developments regarding discrimination, inequality, human rights violations, practices to prevent and correct forced labor. Discloses the regulations for not employing child labor.	<b>YES</b> 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/our-people-and-community-engagement/equality-at-work">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/equality-at-work</a> <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/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a>				

43	C 1.5	Explains policies regarding investment in employees (training, development policies), compensation, vested benefits, right to unionize, work/life balance solutions, and talent management. Determines dispute resolution processes by creating mechanisms for employee complaints and dispute resolution. In addition, it regularly announces the activities carried out to ensure employee satisfaction.	<b>YES</b> All relevant details are published every year in the sustainability reports. At the same time, information about the Code of Ethics, Ethics Hot Line and related processes are included in the Code of Ethics. <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/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
44	C 1.6	Creates occupational health and safety policies and discloses them to the public. Discloses the precautions taken to prevent work accidents and to preserve health, and the accident statistics.	<b>YES</b> Occupational Health and Safety is among the sustainability-material issues of Doğuş Otomotiv. Policies are available on the website. Relevant data are published with comparisons in the Sustainability Report. In 2021, the efforts for obtaining the ISO 45001 Occupational Health and Safety Certificate in 2022 were started. <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>				
45	C 1.7	Creates personal data protection and data security policies and discloses them to the public.	<b>YES</b> Improvements have been made in accordance with all legal regulations regarding the Protection of Personal Data, and the process is managed at the highest level. At the same time, the implementation works of the ISO 27001 Information Security Management System was started in 2021, while the certification process is planned to be completed in 2022. <a href="https://www.dogusotomotiv.com.tr/en/terms-of-use-and-privacy-policy">https://www.dogusotomotiv.com.tr/en/terms-of-use-and-privacy-policy</a>				
46	C 1.8	Creates an ethics policy (including practices regarding work, work ethics, compliance processes, advertising and marketing ethics, public briefing, etc.) and discloses it to the public.	<b>YES</b> Doğuş Otomotiv's Code of Ethics has been published since 2012 as a public commitment on the website accessible to all our stakeholders. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a>				
47	C 1.9	Explains its activities within the scope of social investment, social responsibility, financial inclusion and access to finance.	<b>YES</b> Doğuş Otomotiv discloses its community engagement policies and performances in the sustainability report, and its data regarding access to finance and financial inclusion in the annual report every year. Doğuş Otomotiv community engagement programs and volunteering platforms determined in the field of social responsibility are also published every year in sustainability reports. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/community-engagement">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/community-engagement</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				



48	C 1.10	Organizes informational meetings and training programs for employees on ESG policies and practices.	<b>YES</b> All trainings and practices related to sustainability, and policy briefings are updated and published every year in the sustainability reports. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
C 2 - Stakeholders, International Standards and Initiatives							
49	C 2.1	Carries out its activities in the field of sustainability by taking the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.) into account.	<b>YES</b> Doğuş Otomotiv identified key stakeholders using the AA1000SES methodology at a workshop held in 2009, and focused its sustainability strategy on stakeholder engagement. All relevant strategies and practices, and the stakeholder engagement platforms are announced on the website. Current performances are included in the sustainability reports. <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> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
50	C 2.2	Formulates a customer satisfaction policy regarding the management and resolution of customer complaints and discloses it to the public.	<b>YES</b> Customer Management and related strategies and practices are explained in detail in the sustainability reports. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/our-business-and-economic-development/customer-relations-management">https://www.dogusotomotiv.com.tr/en/sustainability/our-business-and-economic-development/customer-relations-management</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
51	C 2.3	Conducts a continuous and transparent communication with stakeholders; explains the purpose, the subject and the frequency of the communication with the stakeholders, and the progresses in sustainability activities.	<b>YES</b> Doğuş Otomotiv identified key stakeholders using the AA1000SES methodology at a workshop held in 2009, and focused its sustainability strategy on stakeholder engagement. All relevant strategies and practices, and the stakeholder engagement platforms are announced on the website. Current performances are included in the sustainability reports. <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> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
52	C 2.4	Discloses the international reporting standards it has adopted (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), The Task Force on Climate-Related Financial Disclosures (TCFD), etc.) to the public.	<b>YES</b> Doğuş Otomotiv has been annually publishing a sustainability report since 2009 in accordance with the framework of the GRI Global Reporting Initiative. The Company publishes its reports at a comprehensive application level and according to the GRI Standards, the latest reporting framework of the initiative. Relevant indexes are available on the website. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				

53	C 2.5	As a signatory or a member, it discloses the international organizations or principles (Equator Principles, United Nations Environment Programme - Finance Initiative (UNEP-FI), United Nations Global Compact (UNGC) Principles, United Nations Principles for Responsible Investment (UNPRI), etc.), and the international principles it has adopted (International Capital Market Association (ICMA) Green/Sustainable Bond Principles) to the public.	<b>YES</b> Doğuş Otomotiv has been a signatory to the United Nations Global Compact (UNGC) Principles since 2010 and the relevant indexes are published on the website. <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability</a> <a href="https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports">https://www.dogusotomotiv.com.tr/en/sustainability/sustainability1/sustainability-reports</a>				
54	C 2.6	Makes concrete efforts to be included in the Borsa Istanbul Sustainability Index and in international sustainability indexes (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indexes, etc.)	<b>YES</b> Doğuş Otomotiv has been included in the BIST Sustainability Index since 2014-2015. Monitoring and planning activities for international indexes are ongoing.				
D. Corporate Governance Principles							
55	D 0	Makes maximum effort to comply with all Corporate Governance principles as well as the mandatory Corporate Governance principles within the scope of the Capital Markets Board Communiqué on Corporate Governance, numbered II-17.1.	<b>YES</b> Fully complies with Doğuş Otomotiv's Corporate Governance Compliance Principles and is subject to assessment by an independent rating agency every year. <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/kobirate-corporate-governance-compliance-rating-report">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/kobirate-corporate-governance-compliance-rating-report</a>				
56	D 1	Takes the sustainability issue, the environmental impacts of its activities and the relevant principles into account when determining its corporate governance strategy.	<b>YES</b> At Doğuş Otomotiv, sustainability issues are managed by the Corporate Governance and Sustainability Committee, which was created directly under the Board of Directors. <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/committees-and-working-principles/corporate-governance-and-sustainability-committee">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/committees-and-working-principles/corporate-governance-and-sustainability-committee</a>				
57	D 2	As stated in the Corporate Governance Principles, it takes the necessary measures to comply with the principles regarding the stakeholders and to strengthen the communication with them. The Company also seeks the views of the stakeholders when determining the measures and strategies in the field of sustainability.	<b>PARTIAL</b> Detailed information is provided in the Corporate Governance Compliance Report and the Sustainability Report. <a href="https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/corporate-governance-principles-compliance">https://www.dogusotomotiv.com.tr/en/investor-relations/investor-relations/corporate-governance/reports/corporate-governance-principles-compliance</a>	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.	No activity has been carried out to seek stakeholders' views. However, during the stakeholder engagement processes, the opinions of key stakeholders were taken into account when determining the strategy and primary areas of focus.

58	D 3	Works on raising awareness on the issue of sustainability and its importance through social responsibility projects, awareness activities and trainings.	<b>YES</b> Sustainability is strategically addressed throughout our value chain, in which all our stakeholders are included, and informational activities are carried out through face-to-face trainings and meetings that also include third parties. Social responsibility is encouraged at Doğuş Otomotiv through a volunteering platform. In addition, Traffic is Life! Program is carried out as a community engagement program. Relevant details are disclosed to the public in the Corporate Governance Compliance Report and Sustainability Report.				
59	D 4	Strives to become a member of the international standards and initiatives on sustainability and to contribute to activities.	<b>PARTIAL</b> Doğuş Otomotiv follows all standards and voluntary codes in the world in the field of sustainability and applies them in its processes in accordance with a time schedule. The Company observes global standards in public statements such as reporting and Code of Ethics. In addition, other global initiatives are also regularly followed. ISO 140001 implementation has been completed and its certificate has been obtained. In addition, efforts to obtain ISO 14064, ISO 27001, ISO 45001, ISO 9001, and ISO 50001 certificates also started in 2021.	Works are in progress.	Works are in progress.	Works are in progress.	Works are in progress.
60	D 5	Discloses the policies and programs regarding the fight against bribery and corruption, and the principle of tax integrity.	<b>YES</b> Doğuş Otomotiv's Fight Against Bribery and Corruption policy is available on the website. In addition, all relevant management approaches are covered by the Code of Ethics. <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/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics">https://www.dogusotomotiv.com.tr/en/sustainability/our-people-and-community-engagement/business-ethics/dogus-otomotiv-code-of-ethics</a>				

## APPENDIX 5. DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2021

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.					
DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2021 (TL)					
1-	Paid -in /Issued Capital			220.000.000,00	
2-	Legal Reserves ( According to Legal Records)			189.268.612,00	
Information on the profit distribution privilege, if any, as required by the articles of association				-	
			<b>According to the CMB</b>	<b>According to legal records</b>	
3-	Profit for the period		2.968.589.000,00	2.624.391.121,00	
4-	Taxes(-)		(632.533.000,00)	(591.050.436,00)	
5-	<b>Net profit for the period (*)</b>		<b>2.331.581.000,00</b>	<b>2.033.340.685,00</b>	
6-	Accumulated losses (-)		-	-	
7-	Legal Reserves(-)		-	-	
8-	<b>NET DISTRIBUTABLE PROFIT FOR THE PERIOD</b>		<b>2.331.581.000,00</b>	<b>2.033.340.685,00</b>	
	Dividend advances made through the year (-)		-	-	
	<b>Distributable Net Income for the Period excluding dividend advances</b>		<b>2.331.581.000,00</b>	<b>2.033.340.685,00</b>	
9-	Donations made through the year (+)		5.096.374,00		
10-	<b>Distributable Net Income for the Period including Donations</b>		<b>2.336.677.374,00</b>		
11-	First Dividend to the Shareholders		1.168.338.687,00		
	- Cash		1.168.338.687,00		
	-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		81.661.313,00		
16-	Legal Reserves		123.900.000,00		
17-	Statutory Reserves		-	-	
18-	Special Reserves		-	-	
19-	<b>EXTRAORDINARY RESERVES</b>		<b>957.681.000,00</b>	<b>659.440.685,00</b>	
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	1.250.000.000,00		53,6	5,6818181	568,18181
-NET	1.125.000.000,00		48,3	5,1136362	511,36362
(*) 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.					