

# SUSTAINABILITY REPORT

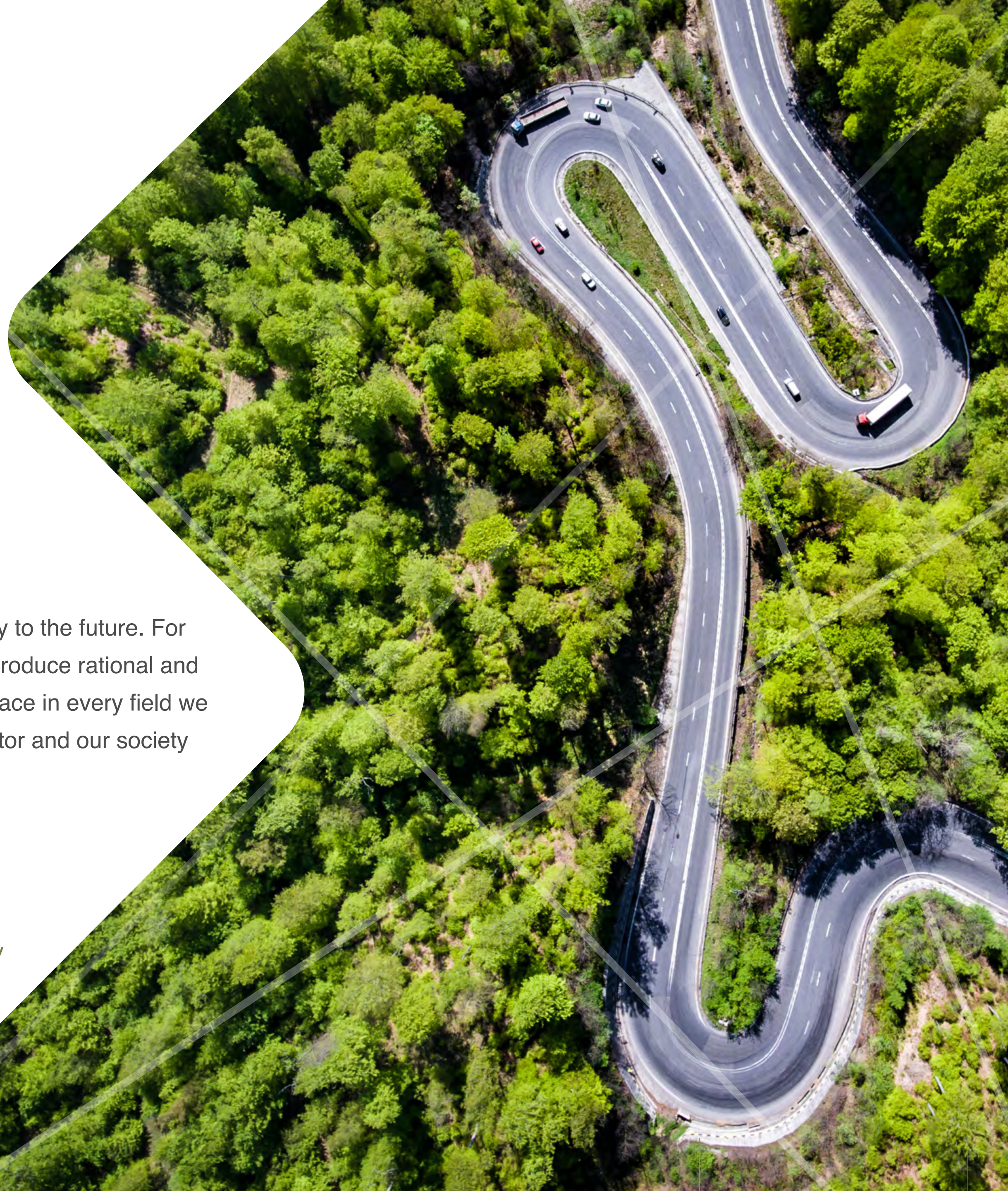
2023

Our Path  
to the Future

We are moving forward together to create value and leave a sustainable future to generations to come. In terms of the world, society, people and mobility, we cannot separate future needs from present needs.

At Otokoç Otomotiv, we are aware of our role and responsibilities in this journey to the future. For our employees, business partners, stakeholders and our country, we strive to produce rational and sustainable solutions to the environmental, social and economic problems we face in every field we operate. We will continue to pioneer radical changes that will take both our sector and our society forward and prepare us for the future.

In the light of our “Our Path to the Future” approach and driven by our sensitivity and sense of responsibility in environmental and social issues, we aim to meet not only the needs of today but also the needs of tomorrow.



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# About this Report

At Otokoç Otomotiv, we are increasing our contribution to the formation and development of today's automotive industry in Türkiye and supporting sustainable development through innovative mobility solutions.

We serve as a one-stop shop for mobility solutions and provide services under 10 distinct brands. In the world of mobility, we act on a mission to be a companion generating value for all stakeholders, while we strive to minimize our environmental impact and make social investments. All this we accomplish with 10 brands and over 3,800 employees under the roof of Otokoç Otomotiv in the fields of automotive retail, second-hand, after-sales services, insurance, spare parts, car rental and car sharing.

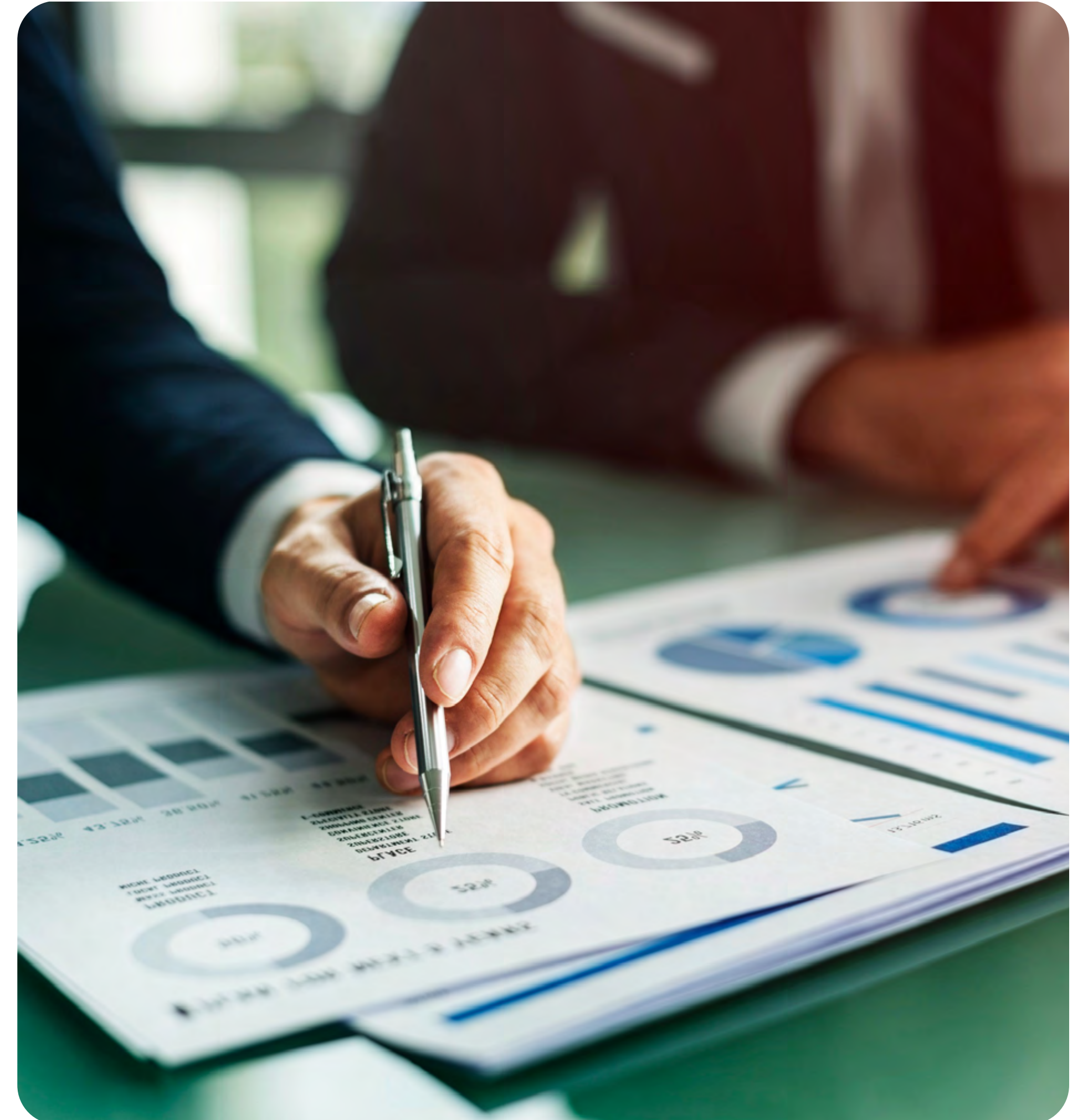
Guided by our “Our Path to the Future” motto, we have embarked on a sustainability journey based on the principles of transparency and accountability. We are pleased to publicly share our first sustainability report developed in the light of these principles.

All opinions and suggestions from our valuable stakeholders are truly precious to us in our journey to make progress with our sustainability efforts and achieve our goals. We welcome comments and suggestions on the report and consider them as areas for improvement.

Accordingly, you can contact us at [sustainability@otokocotomotiv.com.tr](mailto:sustainability@otokocotomotiv.com.tr) for any queries and suggestions regarding the report.

This report is drafted in accordance with the GRI Standards, and we hereby present to our valuable stakeholders the work we do on governance as well as environmental and social issues. This report is prepared within the framework of our sustainability-related material issues, which we re-analyzed in 2023, and includes our relevant activities, goals and progress. The report covers our operations under 10 brands in 405 locations in 9 countries around the world. The report also presents available data for the last 3 years in respective sections to prove measurability and comparability.

We will keep reporting our sustainability efforts regularly. We intend to annually report the sustainability-oriented efforts that we deliver to support our country's sustainable development journey.



## Message from Otokoç Otomotiv Leader



“ Founded in 1928 by Koç Group, Otokoç Otomotiv is an organization that pioneered the formation and development of the automotive sector in our country. In a world that has been changing rapidly in recent years, keeping up with the pace of varying conditions and transforming the way of doing business have become critical for Otokoç Otomotiv. Pulling out all the stops to respond not only to today's needs but also to future needs takes us one step further. ”

We recognize that we are part of a rapidly changing world, and we are ready to assume responsibility to change for the better. Taking ownership of the sustainability approach is our responsibility for the betterment of the world. The contributions of individuals, organizations and governments are crucial to achieving sustainable growth and value creation. At Otokoç Otomotiv, we contribute to sustainable development today as we did in the past through our responsible business approach, the employment opportunities we create and our environmental sensitivity.

We must engage in activities adding value to people, society, the environment and our business and develop lasting solutions. In doing so, we need to internalize the concept of sustainability to create positive impacts via genuine transformation. In this journey of transformation, securing a future that creates and improves value is only possible if we internalize and embrace sustainability as a lifestyle or a way of doing business.

In all our operations, we make the utmost effort to protect our natural resources and leave a livable world for future generations. To that end, we act in compliance with the values of Otokoç Otomotiv and display the necessary effort through a culture that favors learning and our enthusiasm for development.

Leading change and transformation with its innovative approach for a better future, we publicly present the sustainability efforts of our organization in this report. We are delighted to share our sustainability efforts, including data for 2023, and our sustainability targets with you, our valuable stakeholders.

Sincerely,  
İnan Ekici  
Otokoç Otomotiv Company Leader



# Otokoç Otomotiv at a Glance

As a member of Koç Group and as the leading mobility company, we deliver not only for the present, but also for the future and the generations to succeed us. We cannot remain indifferent to the climate crisis, growing resource scarcity, environmental destruction and social problems we face. In all our operations, we are aware of our responsibilities to protect our natural resources and leave a livable world for future generations.

We regard sustainability as an integral part of our business model. Established with a mission to manage our sustainability efforts effectively and systematically, our Sustainability Committee actively works to deliver. The Sustainability Committee convenes quarterly to address our operations in a holistic manner and set and monitor sustainability targets.

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The focus of our sustainability efforts is on very highly priority sustainability issues. These issues include employee satisfaction, diversity and inclusiveness, equal opportunities, gender equality and reducing inequalities, occupational health and safety, digitalization and innovation, economic performance, environmental and waste management, energy and water management, and talent management.

At Otokoç Otomotiv, we operate in compliance with both environmental legislation and the ISO 14001 Environmental Management System. We continuously work to reduce our carbon footprint in line with the Carbon Transformation Program led by Koç Holding. We have third-party independent organizations verify our greenhouse gas emissions from our operations in Türkiye and abroad. Since 2021, we have also been calculating Scope 3 emissions, and we also get emissions verified by independent organizations. In 2023, our Scope 1, Scope 2 and Scope 3 emissions stood at 4,955 tons CO<sub>2</sub>e, 860 tons CO<sub>2</sub>e and 8,172,417 tons CO<sub>2</sub>e respectively.

In addition, we perform major work in the field of energy management to both protect our natural resources and reduce our emissions from energy consumption. Accordingly, in addition to our energy efficiency practices, we care about the use of renewable energy. As of the end of 2023, our solar power plant (SPP) investments had an installed capacity of 11,440 kWp and enabled us to meet a significant portion of our energy needs from renewable sources. We have also been using solar energy as an energy source since 2021 and has thus managed to avoid 850 tons of CO<sub>2</sub>e emissions. We use renewable energy in both our Head Office building and branches and supply all our retail branches with YEK-G (Renewable Energy Guarantees of Origin System) certified electricity. We have recently invested in a new SPP to meet the electricity needs of all our sites from solar energy in the coming years.

In 2023, we collaborated with World-Our Home (Yuvam Dünya) Association to raise awareness on and act together against the climate crisis. 22 of our employees





We have recently invested in a new SPP to meet the electricity needs of all our sites from solar energy in the coming years.

working at sites in various provinces across Türkiye participated in various trainings to qualify as Otokoç Otomotiv Climate Ambassadors. Moreover, to become a part of the solution in combating the climate crisis, we reached 1,300 people through the “Road Companion who Saves Home” (Yuvayı Kurtaran Yol Arkadaşı) project, organizing trainings, seminars and interviews on the climate crisis.

We established the Zero Waste Management System in our branches under the Zero Waste project by the Ministry of Environment, Urbanization and Climate Change and obtained a Zero Waste Certificate. We send all our wastes except domestic and medical wastes to recycling. In 2023, we achieved our target of eliminating single-use plastics and prevented the use of individual single-use plastics at our Head Office, rental offices and all branches.

Although the continuity of our operations is not directly dependent on the use of water and chemicals, we take proactive measures to reduce water consumption by collecting rainwater and storing and using chemical products in appropriate conditions. This approach demonstrates the care we take for both the safety of our employees and the protection of natural resources.

Our human resources at Otokoç Otomotiv are our most valuable asset and are at the heart of our sustainability approach. Our Cultural Manifesto is integral to our human resources approach. Making a gradual transition to the agile working model with “Agile Within Us” (İçimizdeki Çevik) brand, we deliver various efforts simultaneously to increase the average working time, which is 5.8 years according to measurements, to recruit young talents and to strengthen employee engagement within the organization.

Supporting the professional and personal development of our employees and improving their competencies and leadership skills are among the topics we prioritize. In 2023, we provided a total of 48,631 hours of professional and personal training to our field and office employees, enabling each employee to benefit from an average of 15.07 hours of training. In 2023, the budget we allocated for the professional and personal development of Otokoç Otomotiv’s human capital amounted to TL 46.6 million.

We strive to generate social benefit and strengthen the synergy among our employees by increasing in-house social and volunteering activities. Accordingly, AbilityPool was launched in 2023 and serves as a platform where our employees can voluntarily participate in social responsibility projects.

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An indicator of our understanding of diversity and inclusiveness is that 32.4% of our employees are individuals who are under 30 and open to development. Furthermore, the rate of female employees working in our offices is 35.8%, and the ratio of female employees to total employees is 25.4%. We recognize the importance of women's representation in decision-making bodies. 23.6% of executives in our governing bodies are women.

We aim to support the development of the entire society in which we operate, without being limited to our own fields of activity, to contribute to the development of individuals who will inspire future generations, and to be a part of the solution to social and environmental problems. With this in mind, we realized numerous social responsibility projects in 2023. We continued our project "Glass Ceiling is Only Good in a Car" (Cam Tavan Arabada Güzel), which we have implemented to draw attention to gender stereotypes and inequalities experienced by women in all areas of life. We are a signatory to the Women's Empowerment Principles (WEPs) for gender equality and a member of the Women In Sales Platform, which works to increase the representation of women in sales. We also cooperate with the United Nations Women (UN Women). In addition, we are a member of PWN Istanbul, a voluntary organization that supports the sustainable presence and advancement of women in business life. We continue to work together with the Association of Educational Activities for the Hearing Impaired under the project "We Speak the Same Language" (Aynı Dili Konuşuyoruz) to enable hearing impaired individuals to rent a car comfortably, to secure a place in traffic

and to contribute to improving their quality of life. We also contribute to the sustainability of ecological life. Accordingly, we cooperated with eCording to plant seed balls in hard-to-reach mountainous areas. At Otokoç Otomotiv, we launch various collaboration efforts with Tohum Türkiye Autism Early Diagnosis and Education Foundation, and Otokoç Otomotiv Corporate Running Team supports the fundraising campaign in races organized as part of the Istanbul Marathon. We establish partnerships with Civil Society Organizations (CSOs) operating in various fields.

Following the February 2023 earthquake that devastated our country, we, at Otokoç Otomotiv, assumed various responsibilities to heal the wounds and alleviate the suffering in the earthquake-stricken region. In addition to delivering aid parcels to the region and providing material and transportation support, we also established the Otokoç Otomotiv computer classroom in a temporary residential area consisting of 5,000 containers under the coordination of Koç Holding, as well as taking part in many other initiatives and contributing to the project.

Innovative approaches and collaborations have become indispensable for us to adapt quickly to changing global conditions. Accordingly, we created our Innovation strategy, which has enabled us to respond quickly to the changing needs of our customers, use our resources efficiently by identifying focus areas, generate creative solutions, improve in-house entrepreneurship and optimize our innovation processes through a continuous improvement

approach. Furthermore, in 2023, we prepared our 3-year digital transformation roadmap as a result of our assessment using the Digital Transformation Maturity Model.

In a rapidly changing and digitalizing world, we believe in the power of acting collectively through partnerships and collaborations. In 2023, as part of our open innovation efforts, we interacted with more than 150 start-ups and realized 6 collaborations. Thanks to these start-up collaborations, we support both our own growth and the development of our business partners by incorporating innovative ideas and technologies. These collaborations include various activities aimed at protecting the environment and improving customer experience such as the management and monitoring of the electronic waste recycling process on a single platform, and the damage assessment for vehicles on an artificial intelligence-supported platform. Moreover, in line with the importance we attach to in-house

In 2023, the amount of social investments we made through donations and sponsorships to solve social problems and heal the wounds inflicted by the earthquake that deeply affected our country exceeded TL 4.20 million. In addition, our environmental expenditures in 2023, including the SPP investment, amounted to TL 228.68 million.

entrepreneurial initiatives, we commercialized a total of 7 ideas in 2023, providing our organization with a significant income opportunity.

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Thanks to our Supplier Selection and Evaluation Procedure launched in 2023, we started to encourage our suppliers to comply with our sustainability targets. As an organization that always prioritizes customer satisfaction, we responded to 100% of the notifications and complaints submitted to the Customer Contact Center of our brands in 2023, as in previous years.



## Otokoç Otomotiv in 2023





## 1. ABOUT OTOKOÇ OTOMOTİV

# Corporate Profile and Founder

Established in 1928 as Koç Group's first investment in the automotive sector and currently crowned as Türkiye's leading mobility company, Otokoç Otomotiv serves under Otokoç, Avis, Avis Filo, Avis Filo Maestro, Budget, Otokoç Sigorta, Zipcar, Otokoç 2. El, Otokoç İhale and Otokoç Parça brands.

In the rent-a-car business, we offer our customers short-term rentals through the Avis and Budget brands, operational leasing, a.k.a. fleet leasing, through the Avis Filo brand, end-to-end fleet management services through the Avis Filo Maestro brand, and hourly car rental in other words, car sharing services through the Zipcar brand.

Under the roof of Otokoç, we have Ford, Ford Trucks, Volvo, Fiat, Alfa Romeo, Jeep and Maserati brands, offering our customers a one-stop shop for automotive solutions including new vehicle sales, service shop and spare parts services, vehicle protection systems, wholesale spare parts sales, accessories sales, used vehicle sales, tender systems, vehicle insurance and financing services.

At Otokoç Otomotiv, we operate in 405 locations in Türkiye, Greece, Hungary, Ukraine, Georgia, Azerbaijan, Kazakhstan, Northern Cyprus and Northern Iraq.



## Vision, Mission and Values



our vision is

“to become a global and leading reference point that develops innovative mobility solutions”.



our mission is

“We are companions creating value for all stakeholders in the world of mobility”.



our values are

“sincerity, transparency, cooperation, innovation and development”.

## Our Cultural Manifesto;

### Sincerity



We believe in the power of bonding, sincerity and trust-based open communication.

#### WE DO

- listen to each other with our minds and our hearts.
- become a part of the solution with approaches and suggestions.
- act consistently in speech and action.

#### WE DON'T

- pretend.
- assume we know and rely on prejudices.
- ignore other's feelings and thoughts.

### Transparency



Based on respect for human beings in any case, we believe in the power of openly sharing reasons and consequences.

#### WE DO

- openly share our knowledge and ideas.
- include relevant stakeholders in decision making.
- make sure stakeholders understand reasons and consequences.

#### WE DON'T

- behave differently based on our counterpart and the topic.
- ignore different ideas and different sounds, and judge people for their ideas.
- speak behind close doors.

### Collaboration



Through a common language and common goals, we believe we will be stronger with all stakeholders.

#### WE DO

- know we act on a common purpose for everyone's good and set common objectives.
- ask for help from and help others.
- take ownership of our decisions and assume responsibility.

#### WE DON'T

- just focus on our own outcomes.
- ignore stakeholder needs and expectations.
- avoid fulfilling our responsibilities.

### Innovation



We believe that the way to build our future for society, environment and stakeholders is to display the courage to open space for what's new.

#### WE DO

- review and improve our practices and our way of doing business.
- seek and try new things.
- identify our focus areas in common sense and implement and maintain them resolutely.

#### WE DON'T

- dub each innovation a priority.
- think 'We tried this before, it won't work'.
- solely focus on today and our current business.

### Development



We believe in our talent that made us who we are and in continuous learning and development for the future.

#### WE DO

- seek and give regular feedback.
- learn from experience and own our own development.
- recognize and celebrate achievements and development.

#### WE DON'T

- blame and look for scapegoats.
- feel satisfied with our current level of knowledge and skills.
- inflict in each other a fear of making mistakes.

# History and Milestones

## History

Otokoç Otomotiv, the first automotive industry investment of Koç Holding, was established in Ankara in 1928 when the late Vehbi Koç, the founder of the Koç Group, obtained the ‘Ford Motor Company’ agency. The key roles Otokoç Otomotiv played in its early days included laying the foundations for Koç Automotive Group in the following years and paving the way for Koç Group’s entry into the assembly and manufacturing industry. We believe this is how we have made a significant contribution to the formation and development of today’s automotive industry.

At Otokoç Otomotiv, we have had numerous major achievements as well as three historic beginnings. The first of these is that we established the automotive retailing system, which was the first step on the road to the formation of the automotive industry. Secondly, we launched the corporate car leasing business in Türkiye when we acquired Avis and reinforced our short-term rental services by adding Budget to our roster of brands. Our third historic beginning is our pioneering role in car sharing, particularly after we acquired Zipcar to adapt to global trends that have been transforming very swiftly. Looking back on the milestones in the last few years, the acquisition of Avis Budget operations in Greece in 2018 through an agreement with Avis Budget Group is noteworthy. This acquisition marked our 9th country investment and made us the largest licensee of Avis Budget Group.

Subsequently, thanks to the “Avis Caravan” service launched in 2019 to meet holiday needs and expectations, we started to offer holidaymakers who want to freely enjoy their holidays without any spatial limitations our mobility services as well as a hygienic and safe environment combined with the comfort of a hotel. Accordingly, our rental services include motorhomes and off-road caravans.

Today, the increasing demand for hybrid and electric vehicles is becoming increasingly evident. To cater to such demand, we follow the trends in Türkiye and around the world to offer a wide range of products and services to meet the innovative needs of our customers such as electric and hybrid vehicles, caravans and alternative mobility solutions.

To that end, we took part in the establishment of WAT Mobilite, an initiative by WAT Motor Sanayi ve Ticaret A.Ş., Opet, Otokoç Otomotiv and Entek Elektrik which will operate in the field of electric vehicle charging network management. WAT Mobilite is our affiliate offering a holistic customer experience at electric vehicle charging stations. We collaborated with ALBA Electric Transportation Systems, another local micromobility producer, to promote micromobility methods such as e-bikes and e-scooters.

Our first start-up investment compliant with the evolving global dynamics and changing lifestyles went out to the US-based Bluedot, a technology initiative that can be effortlessly integrated into the infrastructure of charging station companies and offers users access and payment opportunities via a mobile

application. In addition, we have been expanding our customer portfolio through Avis Filo Maestro, which offers end-to-end fleet management for self-owned vehicles. Our recent investment in mobility technology startup iUGO is a testament to our approach in this field. As a local startup, iUGO brings a brand-new understanding to safe and efficient driving solutions with advanced technology and produces solutions in vehicle telemetry technologies. Using unique algorithms to combine the data it obtains, this initiative offers a system that transforms the dynamics of the vehicle tracking sector into a learning model for driver habits.

To support the technological transformation we have been going through, we took the first step on our Agile Transformation journey in 2021 with an ultimate aim for corporate transformation. This step we have taken to respond quickly to today’s needs enabled us to reveal the vision of Otokoç Otomotiv from a multidimensional perspective, resulting in the branding of our transformation journey as “Agile Within Us”.

We made our Metaverse investment in 2022 and established “Otokoç Metazone”, an accessible experience center located on the land purchased in Decentraland. The Otokoç Metazone project, using 7 plots and thus boasting the largest area in Türkiye, is located at the coordinates of Decentraland -111,10 with its sustainable Web 3.0 strategy and vision. Otokoç Metazone offers special campaigns, in-house events and collaborations with different brands

and is integrated with the art and business world. It welcomes our visitors to the main structure and exhibits a different theme at each floor. The ground floor hosts the Otokoç World Zone, which welcomes you with “Hello” in 9 languages as a representation of our operations in 9 countries and is where all our brands are located. On the first floor is the Otokoç Showroom Zone, where special campaigns for used car sales will be designed exclusively for Metaverse, and on the second floor is the Otokoç Co-Creation Zone, where brand collaborations, sponsorships and social responsibility projects will take place. On the terrace floor of Otokoç Metazone is the Otokoç Social Zone, designed for social interaction and experience. The second and third buildings house the Otokoç Agile Zone and the Otokoç Art Zone respectively. A digital billboard and Otokoç Metapark parking space welcome our visitors on the last plot. As of the second quarter of 2023, we

invested in the Spatial universe, a centralized and virtual reality metaverse experience, to maximize the virtual reality experience and the recognition of our brands in metaverse communications. This allowed us to integrate all communication plans of Otokoç Otomotiv brands in accordance with the Web 3.0 strategy specific to these 2 universes. We launched a game software project on Roblox, a centered meta universe with the highest number of active members in the world. We created a Mobility Town on Roblox. This new platform on Roblox will allow users to explore Otokoç Otomotiv’s rich history, innovative work, innovations and future vision in a virtual world. We launched a game software project on Roblox, a centered meta universe with the highest number of active members in the world. We are the only Turkish company with an active space in two centralized meta universes, namely Spatial and Roblox, and the single decentralized meta universe Decentraland.

## Metazone

At Otokoç Otomotiv, as part of the WEB 3.0 strategy, we purchased the Otokoç Metazone area in Decentraland, one of the decentralized meta universes, thus maintaining our position as a sustainable experience center serving all consumers in 2023 as well.

As of the second quarter of 2023, we invested in the Spatial universe, a centralized and virtual reality metaverse experience, in a bid to maximize the virtual reality experience and the recognition of our brands in metaverse communications.

As of end 2023, we launched a game software project on Roblox, a centered meta universe with the highest number of active members in the world.



We are the only Turkish company with an active space in two distinct centralized meta universes as well as the single decentralized meta universe Decentraland. Through these initiatives, we aim to develop experiences for various sectors and create different spaces that contribute to brands and the creative economy alike.

In the Decentraland universe, we organized an NFT (Non-Fungible Token) Exhibition at Otokoç Artzone in cooperation with Zer & Rahmi M. Koç Museum and presented the 3D version of the Anadol vehicle with an NFT at Artzone. During the year, in addition to internal and community trainings, we shared with London Business School students the Web 3.0 strategies, developments in Web 3.0 in Türkiye and all relevant company projects. At the Sales Network Summit, which provides added value to the development of the sales ecosystem, sectors and society, we established a Metaverse-specific experience zone this year and introduced Otokoç Metazone to guests who visited this zone with their VR glasses.





## Milestones

Budget and Payless brands were launched in Azerbaijan, Kazakhstan and Northern Iraq markets, reinforcing overseas brand representation.

### 2021

- The Sustainability Committee was established.
- Koç Group's Carbon Transformation Program was launched.
- The agile transformation process was launched under "Agile Within Us" brand.
- The setup for dynamic strategy governance was completed. Solar panels were installed on the roof of Otokoç Antalya Ford Branch (550 MW) to start generating green energy.
- A project was kicked off to reduce the use of individual single-use plastics.

### 2020

### 2022

- Birmot and Otokoç brands merged and started to serve under the roof of Otokoç.
- Avis Filo Maestro brand, which offers end-to-end fleet management and telematics services for organizations, became a member of Otokoç Otomotiv.
- Dynamic strategy governance was commissioned, and 'sustainability' emerged as a source of strength to realize the Company's strategies.
- The sustainability strategy was created.
- A rainwater collection system was installed at the Bursa Ford branch.
- The employer brand "Otokoç 1 Dünya" was launched.
- The corporate social responsibility project "Glass Ceiling is Only Good in a Car" was delivered.
- Solar energy panels were installed on the roof of Adana Fiat Branch (1050 MW) and the electricity needs of the branch started to be met from green energy.

### 2023

- 2023 - We completed a rooftop SPP investment at Otokoç İnönü Branch (371 MW) in August and a land SPP investment in Niğde in October, generating 17,449 MW of power and reaching a total generation capacity of 19,420 MW.
- As a result of evaluations by the U.S. Green Building Council, Antalya Ford Branch was awarded the world's first Gold certificate as "Retail: Vehicle Dealership" in the LEED v.4.1 O+M:EB certification category.
- By the end of 2023, individual single-use plastic consumption was eliminated.
- Abilitypool, an application aiming to digitalize and disseminate volunteering activities, was launched.
- On the 100th anniversary of the Republic of Türkiye and the 95th anniversary of Otokoç Otomotiv, investments were made in ALBA Elektrikli Ulaşım Sistemleri (ALBA Electric Transportation Systems), a local start-up developing micromobility, iUGO, developing connected vehicles and mobility technologies, and WAT Mobilite, operating in the field of electric vehicle charging network management.



## Services and Brands

At Otokoç Otomotiv, we are Türkiye's leading mobility company serving customers as a one-stop shop for automotive solutions. As a brand providing services in automotive retailing, car rental and car sharing, we operate with 10 brands and 3,824 employees.

### Retail

As part of retail operations, we sell new and used vehicles and wholesale spare parts and e-bikes in addition to offering tender system, insurance and after-sales services.

### Car Rental and Car Sharing

As part of car rental and car sharing operations, we offer short and long term and hourly car rental, caravan rental and e-bike rental services as well as end-to-end fleet management services.



## Retail

# Otokoç

Otokoç is the first automotive sector investment of Koç Holding and delivers sales and after-sales services for Ford, Ford Trucks, Volvo, Fiat, Alfa Romeo, Jeep and Maserati brands. Serving at 51 branches around Türkiye, we operate in a widespread service network and carry out pioneering work that prioritizes unconditional customer satisfaction.



As a trusted organization in used vehicles, we carry out our operations through innovative options such as vehicle sales, same day cash purchase, professional expert survey services, widespread service network, contactless delivery, online purchasing and tender system. We provide services in 31 locations across Türkiye and aim to expand further via a dealership system in the coming period.

## Otokoç Sigorta

At our 25 branches in 9 provinces across Türkiye, we act as the agency of leading and reliable companies in the sector, particularly in comprehensive motor insurance and motor own damage insurance, health insurance, household insurance and workplace insurance.



We sell original and original equivalent, wholesale and retail spare parts. We are a dealer of Ford, Fiat, Magneti Marelli and Mako brands, and we also have our own brand Axiom, selling spare parts, batteries, tires, accessories and consumables domestically and internationally. In retail sales, we supply online and offline channels as well as market chains and insurance companies.

## Car Rental

# AVIS

The story of Avis actually overlaps with the story of car rental in Türkiye. The sector was founded 49 years ago and has since survived a myriad of challenges. We carry the responsibility of being the first and pioneer in the sector affectionately, happily and confidently. At Avis, we provide car rental services with 94 offices in 56 cities around Türkiye.



Under the Budget brand, we combine the power of one of the world's largest car rental brands with experience, flexibility and tailor-made solutions. At Budget, we provide car rental services in 55 offices in 36 provinces around Türkiye.

## AVIS filo

At Avis Filo, we offer fleet leasing services to reflect the distinction of Avis. Services such as professional portfolio management, fast and widespread courtesy car supply process and 24/7 full support throughout Türkiye make us the leading brand in operational leasing.



We serve in Greece through our Payless brand.

## AVIS CARAVAN

Our caravan rental services at Avis Caravan are delivered at our Izmir and Istanbul offices. In its fleet, Avis Caravan has 127 vehicles including motorhomes, camper trailers and off-road caravans. We will keep pioneering the development of the caravan ecosystem in Türkiye.

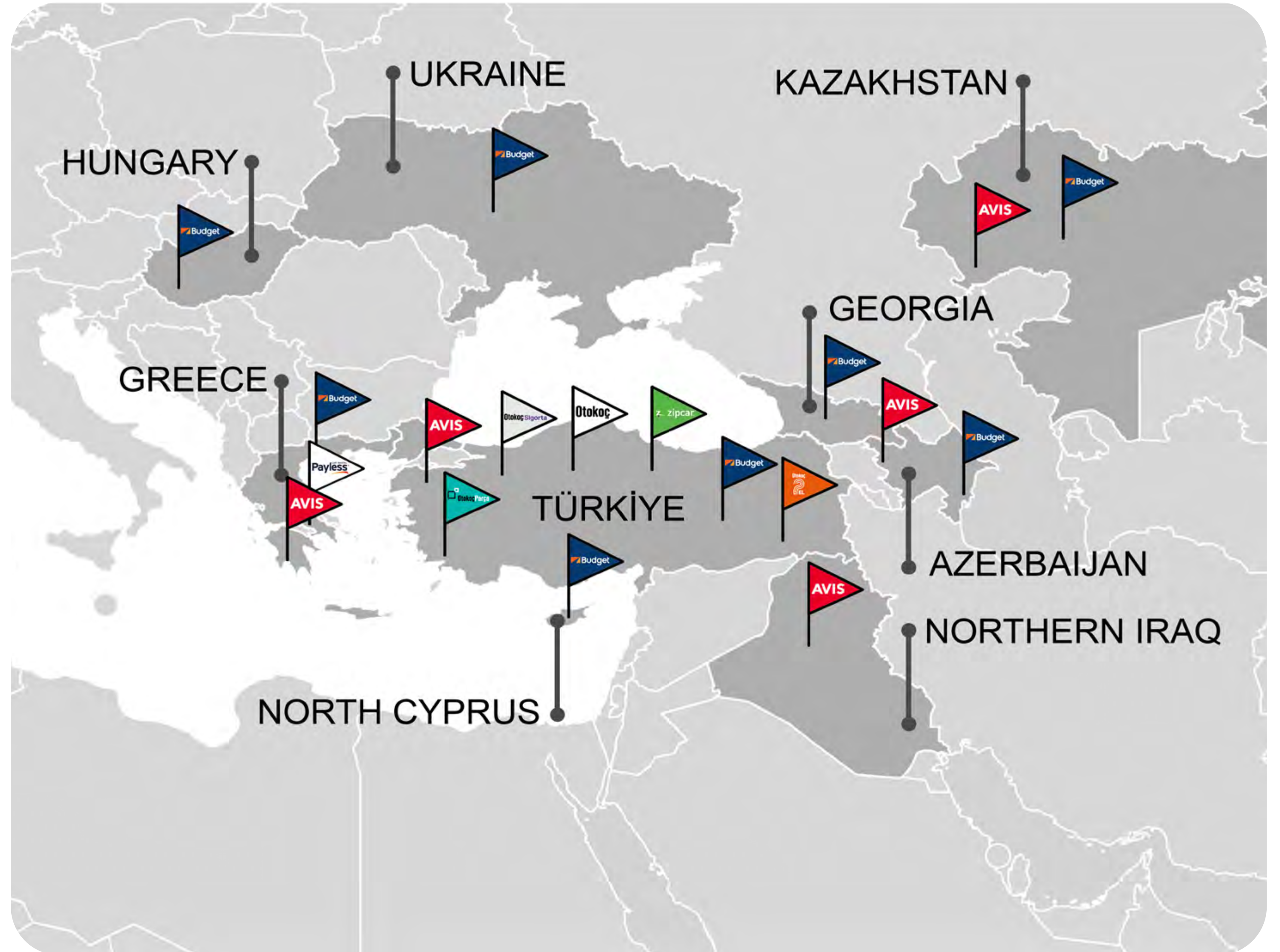
## Car Sharing



Since 2015, we have been offering a car sharing model with Zipcar, a brand operating under the roof of Otokoç Otomotiv in Türkiye to provide an environmentally friendly and responsible urban life. Zipcar operates on the basis of a membership system and offers minute, hour and day-based rental services at 90 locations in Istanbul and Ankara.

## Otokoç Otomotiv Globally

Otokoç Otomotiv operates at 405 locations in 9 countries including Türkiye, Greece, Hungary, Ukraine, Georgia, Azerbaijan, Kazakhstan, Northern Cyprus and Northern Iraq. Based on our “Our Path to the Future” approach, we also monitor investment opportunities for the upcoming period.



# Achievements and Awards

- ▶ Business Life Awards - **50 Most Influential CEOs** - İnan Ekici
- ▶ Business Life Awards - **50 Most Influential CFOs** - Dr. M. Önder Kutman
- ▶ Business Life Awards - **50 Most Influential CMOs** - Esra Arslanbaş Kaynak
- ▶ Business Life Awards - **50 Most Influential CHROs** - İrem Çalık
- ▶ Hermes Creative Award - Special Event Category - November 10 Commemoration of Atatürk Events - **Honor Award** - Otokoç Otomotiv
- ▶ Hermes Creative Award - PR Campaign Category - A Glass Ceiling is Only Good on a Car - **Gold Award** - Otokoç Otomotiv
- ▶ Hermes Creative Award - Corporate Social Responsibility Program Category - We Speak the Same Language - **Gold Award** - Otokoç Otomotiv
- ▶ International Data Corporation - **10 CIOs of the Year Award** - Erdal Kemikli
- ▶ CXO Media - **CIO of the Year Award** - Erdal Kemikli
- ▶ **Champions Awards** - After Sales Services - Otokoç İnönü Ford Trucks
- ▶ **Echo Awards** - E-Commerce Award / Car Rental Category - Avis
- ▶ CIO Look 2023 - **The 10 Most Visionary Leaders to Watch** - Esra Arslanbaş Kaynak
- ▶ Best Team to Join 2023 Award - **Best Company to Work For** - Otokoç Otomotiv
- ▶ Brandverse Awards - **Addressable TV Use Campaign** - Zipcar
- ▶ Brandverse Awards - **Best Car Rental Brand** - Avis
- ▶ Tofaş Seniority Awards - **50th Year Seniority Award** - Otokoç Ankara
- ▶ Hammers Awards - Addressable Tv - Gamification Fiction - **Best Online Media Purchasing Team SILVER** - Zipcar
- ▶ Hammers Awards - Car Rental Industry / **Best Marketing Team in Car Rental Industry Gold** - Avis
- ▶ Hammers Awards - **Best Marketing Team in the Adventure Route Car Rental Sector Silver** - Budget
- ▶ Hammers Awards - **Local Campaigns Project Best Marketing Team in the Automotive Sector Silver** - Otokoç
- ▶ Fast Company - **50 Most Successful Digital CMOs** - Esra Arslanbaş Kaynak (6th place)
- ▶ DataExpert Türkiye - **50 Most Influential CMOs** - Esra Arslanbaş Kaynak
- ▶ IDC Future Enterprise Awards - **Best in Future of Industry Ecosystems** - Online Sales Platform Project - Otokoç Sigorta

- ▶ Future of Cloud & AI Awards - **AI-based Occupational Health and Safety Optimization** - Otokoç Otomotiv
- ▶ Dealer Excellence Awards - **Best Authorized Dealer Award** - Otokoç Adana
- ▶ Dealer Excellence Awards - **Technical Service Shop Development** - Otokoç Samsun
- ▶ Dealer Excellence Awards - **Best Authorized Service Shop Award** - Otokoç Antalya
- ▶ Sales Network Summit - **Leaders of the Century Awards** - İnan Ekici
- ▶ Allianz Türkiye - **Auto Dealer Agencies Insurance Company with the Highest Premium** - Otokoç Sigorta
- ▶ Fortune C-Suite Series - **50 CTOs included in Technology Leaders List** - Erdal Kemikli
- ▶ Techbrands Awards - **The Most Technological Brand** - Avis
- ▶ Marketing Türkiye - **E-Commerce Award** - Avis
- ▶ After Sales Excellence - **2023 Q3 Award** - Otokoç Adana
- ▶ Fortune 500 - **35th Place** - Otokoç Otomotiv
- ▶ Capital 500 - **Türkiye's Top 500 Companies - 39th Place**
- ▶ Fast Company - **Meaning-Driven Companies 62nd Place** - Otokoç Otomotiv
- ▶ AVIS BUDGET Group NPS Award - **First Place in Customer Promoter Score** - Avis - Budget
- ▶ The One Awards - **The Most Reputable Company of the Year** - Avis
- ▶ CEO Award - **Customer Satisfaction Story** - Avis Budget
- ▶ CEO Award - **Customer Satisfaction Story** - Avis Kazakhstan
- ▶ Great Place to Work 2023 - **International Certification** - Avis Greece
- ▶ Ermis Advertising and Communication Awards - **Digital Campaign Category, Bronze** - Avis Greece
- ▶ Ermis Advertising and Communication Awards - **Social Content Marketing Category, Bronze** - Avis Greece
- ▶ Ermis Advertising and Communication Awards - **Integrated Digital Campaign Category, Silver** - Avis Greece
- ▶ Avis Leaders Appreciation Awards - **Dealers Exceeding Targets Award** - Avis Greece
- ▶ Acknowledgement Award - **Longstanding Loyalty and Commitment Award** - Avis Greece
- ▶ Presidential 100th Anniversary Cup Trophy - **Sailing Team Navigator A category 2nd place** - Otokoç Otomotiv

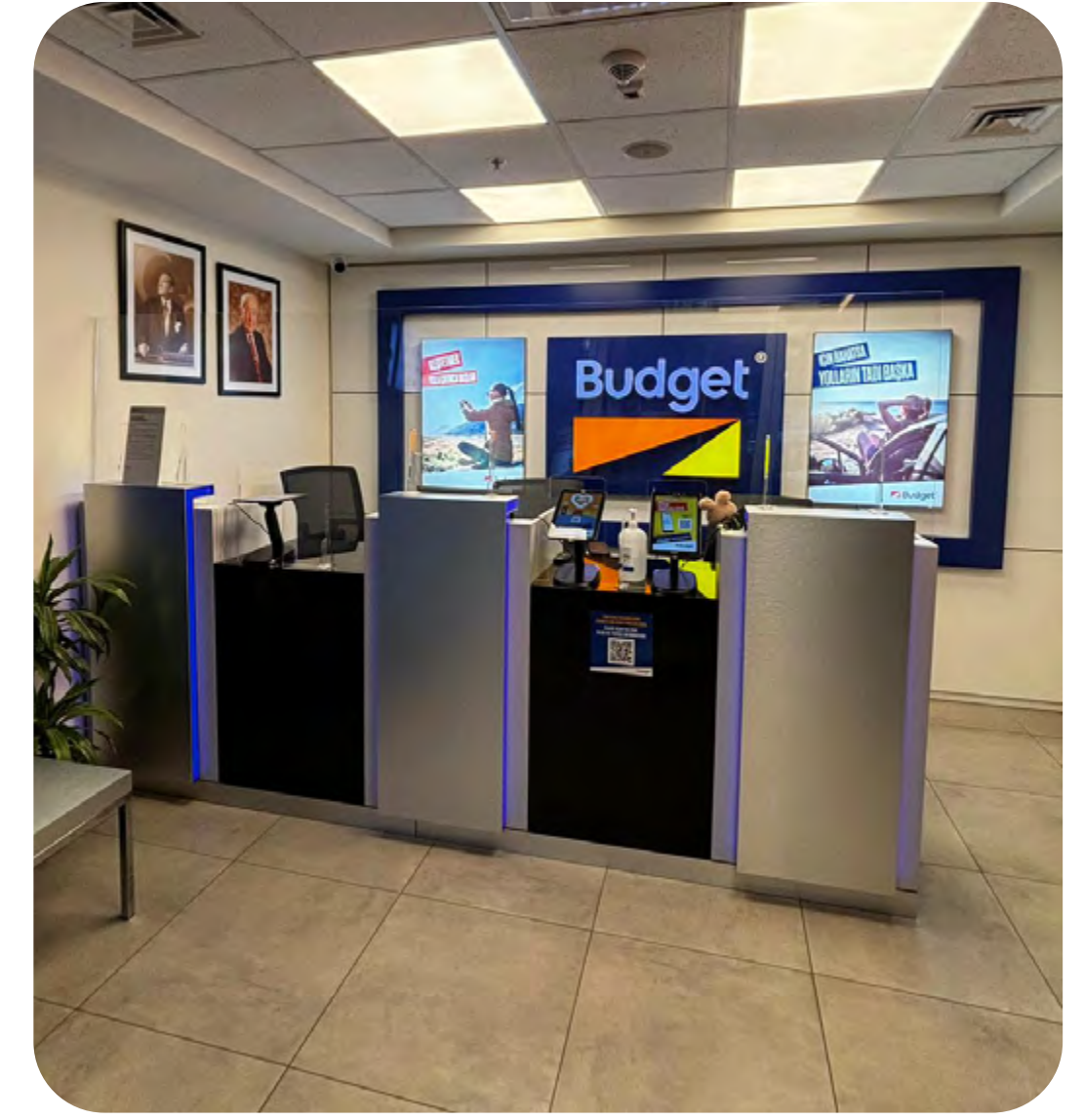
- ▶ Crystal Deer Awards - **Best Entrepreneurship Company of the Year** - Zipcar
- ▶ Golden Leader Awards - **Most Admired CMO** - Esra Arslanbaş Kaynak
- ▶ Golden Leader Awards - **Most Admired CEO** - İnan Ekici
- ▶ Fortune C Suite - **50 CTO** - Erdal Kemikli
- ▶ Fortune C Suite - **50 CFO** - Önder Kutman
- ▶ Tofaş Seniority Awards - **50th Year Seniority Award** - Otokoç Küçükyalı
- ▶ Ford Dealer Olympics - **Türkiye 2nd Prize** - Otokoç Eskişehir
- ▶ **Excellence in After Sales Service** - Otokoç Tarsus
- ▶ **Excellence in After Sales Service** - Otokoç Antalya
- ▶ **Presidential Award** - Otokoç İzmir
- ▶ **Champions League Award** - Otokoç İnönü
- ▶ **Best Authorized Dealer Award** - Otokoç Adana
- ▶ **Best Authorized Service Award** - Otokoç Antalya
- ▶ **Technical Service Development Award** - Otokoç Samsun
- ▶ Volvo All Star Competition Award - **1st place** - Otokoç Antalya
- ▶ Tofaş Branch Awards **Provincial Leadership - Fiat Türkiye Total Sales 1st Place** - Otokoç Zincirlikuyu
- ▶ Tofaş Branch Awards **Provincial Leadership - Fiat D Group Retail Commercial Vehicle Sales 1st place** - Otokoç Samsun
- ▶ Tofaş Branch Awards **Provincial Leadership - Fiat C Group Retail Commercial Vehicle Sales 1st Place/ Fiat C Group Retail Passenger Car Sales 1st Place** - Otokoç Bursa
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç İzmir
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Eskişehir
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Adana
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Ankara
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Antalya
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Beylikdüzü
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Kütahya
- ▶ Tofaş Branch Awards **Provincial Leadership** - Otokoç Küçükyalı

## Certificates

At Otokoç Otomotiv, we are guided by local and international standards, best practices and certification systems to provide services that meet the needs of our customers and increase the satisfaction of our stakeholders in every field of operation.

We follow integrated management system standards to manage our processes effectively and to improve continuously.

Initially, we obtained ISO 9001, ISO 14001 and OHSAS 18001 Integrated Management System certifications in 2008, and every day we are increasing the number of the management systems we adopt.



The management systems and certificates we hold are listed below.

- ▶ Integrated Management Systems Policy
- ▶ Customer Satisfaction Management Policy
- ▶ ISO 9001:2015 Quality Management System
- ▶ ISO 14001:2015 Environmental Management System
- ▶ ISO 45001:2018 Occupational Health and Safety Management System
- ▶ ISO 10002:2018 Customer Satisfaction Management System
- ▶ ISO 14064-1:2018 Greenhouse Gas and Emissions Management System Standard

The certificates above cover the entirety of Otokoç Otomotiv's operations in Türkiye.\* ISO 14064-1:2018 standard also covers our international operations.

*\*Our rental operation is also included under our corporate offices. Dealer offices, which we consider as licensees, are not covered.*



## 2. CORPORATE GOVERNANCE

## Corporate Governance

We are aware that an effective governance structure plays a key role in implementing an environmentally and socially responsible business model. At Otokoç Otomotiv, we have placed responsible, accountable, fair and transparent stakeholder communication at the heart of our corporate governance approach.

The Board of Directors, the highest governance body, leads all our employees to ensure that Otokoç Otomotiv's core values, corporate governance principles and code of ethics become part of the corporate culture.

## Organizational Structure

The Board of Directors, the highest decision-making body of Otokoç Otomotiv, is our top-level management structure that sets the strategies and targets for Otokoç Otomotiv's operations.

Our senior management team reporting to İnan Ekici, our Company Leader, consists of the following members:

- Dr. Mehmet Önder Kutman - Finance and Accounting Leader
- Uğur Güven - Automotive Business Unit Leader\*
- Mert Atılğan - Rental and Mobility Business Unit Leader
- Dr. Andreas Taprantzis – General Manager - Country Director for Greece
- Tanıl Akçaoğlu - Ford and Volvo Business Unit Leader
- Barış Kılınç - Fiat, ARJ and Maserati Business Unit Leader
- Dr. Erdal Kemikli - Technology and Strategy Leader\*\*
- Birkan Çalışkan - Used Car and Fleet Operations Business Unit Leader
- İrem Çalık - Human Resources Leader

\* Retired as of January 25, 2024

\*\* Retired as of July 1, 2024

### The Board of Directors



İsmail Cenk Çimen  
Chairman of the Board of Directors



Levent Çakıroğlu  
Member



Haydar Yenigün  
Member



Özgür Burak Akkol  
Member



İnan Ekici  
Company Leader

Otokoç Otomotiv Board of Directors is led by the Chairperson of Koç Holding Automotive Group and consists of five members, including the Company Leader of Otokoç Otomotiv. Our Board Chairperson and Company Leader are different people.

## Top Management



İnan Ekici  
Company Leader



Dr. Mehmet Önder Kutman  
Finance and Accounting Leader



Uğur Güven  
Automotive Business Unit Leader



Mert Atılğan  
Rental and Mobility Business Unit Leader



Dr. Andreas Taprantzis  
General Manager  
Country Director for Greece



Tanıl Akçaoğlu  
Ford and Volvo Business Unit Leader



Barış Kılınç  
Fiat, ARJ and Maserati  
Business Unit Leader



Dr. Erdal Kemikli  
Technology and Strategy Leader



Birkan Çalışkan  
Used Car and Fleet Operations  
Business Unit Leader



İrem Çalık  
Human Resources Leader

## Committees

Company Leader/CEO

Sustainability  
Committee

Compliance  
Committee

Audit and Risk  
Committee

Energy Efficiency  
Committee

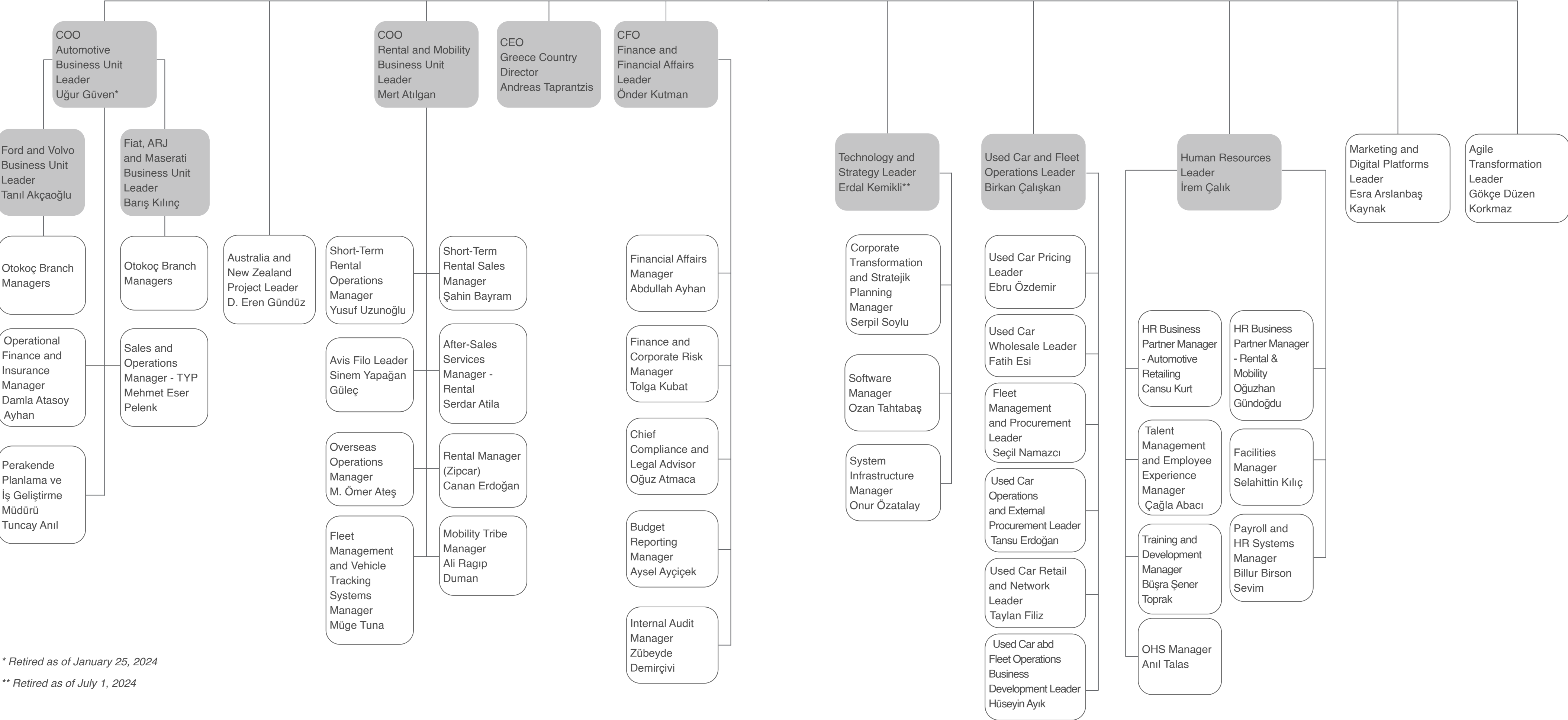
Innovation Evaluation  
Committee

Investment  
Committee

Our Sustainability Committee and Audit and Risk Committee report to the Company Leader.

# Organization Chart

Company Leader/CEO  
İnan Ekici



\* Retired as of January 25, 2024

\*\* Retired as of July 1, 2024

# Business Ethics and Compliance

For Otokoç Otomotiv, the adoption of our ethical principles by all our stakeholders is as important as compliance with legal requirements.

## Otokoç Otomotiv Code of Ethics

Our Code of Ethics underline the commitment of all our stakeholders to the principles of integrity, honesty, responsibility, trust and respect. We attach great importance to creating and maintaining an ethical business culture within the framework of these principles.

Otokoç Otomotiv Code of Ethics is a guide for our corporate managers, employees and all our business partners. In line with these principles, Otokoç Otomotiv adheres to the principles of compliance with legal regulations and transparency in all operations.



| Foundations of Our Code of Ethics                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Pursuant to Otokoç Otomotiv Code of Ethics,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | The Key Elements Of Our Program                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div><ul style="list-style-type: none"><li>Prevention: To spread and integrate an honest work culture at all levels</li><li>Detection: To encourage employees to report nonconformities</li><li>Reaction: To investigate violations fairly and impose appropriate sanctions</li></ul></div> <div>At Otokoç Otomotiv, we will continue to gain and maintain the trust of all our stakeholders within the framework of our commitment to the Code of Ethics and our transparency approach.</div> | <div><ul style="list-style-type: none"><li>We comply with the local legislation of each country where we operate.</li><li>We protect intellectual and industrial property rights for sustainable competitive edge.</li><li>We process personal data in accordance with legal regulations and principles.</li><li>We are committed to combating corruption and bribery in accordance with the United Nations Global Compact (UNGC).</li><li>We adhere to ethical principles in our relations with all our stakeholders and emphasize our goal of being a reliable and reputable institution.</li></ul></div> | <div><ul style="list-style-type: none"><li>We adopt a risk-based approach to identify and manage risks of non-compliance with the legislation and the Code of Ethics.</li><li>It aims to create a culture of compliance supported by senior management and created with the participation of all employees.</li><li>The Compliance Committee is run by the Chief Legal and Compliance Advisor and the Office of Legal and Compliance Advisor.</li><li>It is important that personal data is processed in accordance with the legislation and the Code of Ethics.</li></ul></div> |

## Compliance Program at Otokoç Otomotiv

Otokoç Otomotiv Compliance Program consists of a set of rules, policies and procedures that ensure compliance of our operations with the laws and the Code of Ethics. The Compliance Program aims to create an ethical and transparent working environment.

Our Compliance Program adopts a risk-focused approach and provides guidance to all our employees and business partners.

The components of our Compliance Program and their composition are presented in Figure 1.

Otokoç Otomotiv Compliance Policy demonstrates our commitment to complying with legal regulations, internal policies, corporate governance best practices and ethical rules. The Compliance Policy is an integral part of Otokoç Otomotiv Code of Ethics, and all employees and managers are obliged to comply with the principles set out in this policy.



Image 1: Otokoç Otomotiv Compliance Program

## Ethics Line

We support a culture of “open communication” and “accountability” to prevent and report unethical or unlawful action, thus ensuring that Otokoç Otomotiv’s operations are conducted honestly and in accordance with the Code of Ethics.

At Otokoç Otomotiv and our parent company Koç Holding, we expect and encourage our stakeholders to voice their concerns if they directly or indirectly witness unlawful activities or unethical incidents involving employees and/or business partners, if they are legally informed about such cases or if they suspect such instances. To that end, the Ethics Line (<https://www.koc.com.tr/hotline>), which we have been actively using since 2021, is a reporting line established within Koç Holding, which is available 24/7 and is managed by independent service providers.

Reporting individuals can make anonymous or named notifications to the Ethics Line, depending on their preference. In anonymous notifications, personal identity information cannot be accessed in any way whatsoever.

The notifications received by the line are shared with authorized personnel working at Koç Holding and Otokoç Otomotiv Legal and Compliance Department and Internal Audit Department in accordance with their current authorization levels at the Ethics Line. Investigations on incoming notifications are led by the Office of Legal and Compliance Advisor and the Internal Audit teams and are referred to the relevant business units when necessary.

From the establishment of the Ethics Line to the end of 2023, a total of 88 notifications were received, and 73 of them were resolved. The total number of notifications in 2023 stood at 57, and 46 of them were resolved as of the end of 2023. The breakdown of incoming notifications and the number of resolved notifications by years is as follows:

| Year  | Number of Notifications to the Ethics Line | Number of Notifications Resolved |
|-------|--------------------------------------------|----------------------------------|
| 2021  | 4                                          | 4                                |
| 2022  | 27                                         | 23                               |
| 2023  | 57                                         | 46                               |
| TOTAL | 88                                         | 73                               |



## Ethical Principles and Compliance Policies

At Otokoç Otomotiv, we have several policies established with a focus on sustainability. These policies include our organization's approach and commitments on sustainability issues.

- Integrated Management Systems Policy
- Customer Satisfaction Management Policy
- Code of Ethics Policy
- Compliance Policy
- Anti-Bribery and Anti-Corruption Policy
- Policy on Donations and Sponsorships
- Gifts and Hospitality Policy
- Human Rights Policy
- Supply Chain Compliance Policy
- Social Investment Policy
- Sanctions and Export Controls Policy
- Competition Law Compliance Policy
- Disciplinary Policy
- Whistleblowing Policy
- Personal Data Protection Policy
- Anti-Money Laundering, Countering the Financing of Terrorism and of the Proliferation of Weapons of Mass Destruction Policy

Effective implementation of policies is critical for the long-term success of our organization and for creating value for all stakeholders.

# Enterprise Risk Management and Internal Audit

At Otokoç Otomotiv, we adopt a risk management approach to identify corporate risks in advance and eliminate or minimize the potential negative impacts of risks. We have established our internal audit systems within the framework of our risk management approach. Accordingly, we aim to prevent adverse consequences of financial and non-financial risks by proactively managing our risks.

Otokoç Otomotiv's risk management and internal audit systems ensure the following:

- Eliminating or minimizing potential impacts by identifying risks in advance,
- Protecting the organization against threats from financial and non-financial risks,
- Operating in accordance with laws and regulations,
- Complying with corporate governance principles.

The Audit and Risk Committee is our management body established to oversee and improve Otokoç Otomotiv's risk management and internal audit systems. The Committee meets regularly every 3 months and carries out the following activities:

- It oversees that the internal control systems of the organization are functioning effectively and that internal audit activities are conducted in an objective and independent manner.
- It supervises the work of the independent audit firm and examines its reports.
- It monitors whether the accounting and reporting systems operate in accordance with laws and regulations.
- It ensures that the enterprise risk management system functions effectively and that the organization proactively manages risks.

The Audit and Risk Committee submits its opinions on the results of the audits to Otokoç Otomotiv senior management and ensures that necessary measures are taken.

At Otokoç Otomotiv, a Koç Group company, our most important financial instruments are cash and cash equivalents and financial liabilities. The main purpose of these financial instruments is to provide financing for our operations. Our organization also has various financial instruments, such as trade payables and trade receivables, which directly emanate from our operations.

The most significant risks arising from our financial instruments are interest rate risk, liquidity risk, currency risk and credit risk. Accordingly, we examine each of these risks and take appropriate measures.

As part of the practice of hedge accounting at Otokoç Otomotiv, we hedge the currency risk arising from our FX-denominated operational lease receivables, which are firm commitments, by borrowing in the same foreign currency. Our risk management and internal audit systems at Otokoç Otomotiv play a key role in the sustainable success of our organization.



# Sustainability Risk Management

At Otokoç Otomotiv, we have identified our risks related to environmental, social and governance topics and laid out our steps on how to manage these risks. Thus, we assessed our risks related to environmental, social and governance factors, particularly climate change and natural resource constraints.

Physical and transition risks of Otokoç Otomotiv were assessed in collaboration with Trucost, a part of S&P Global, in line with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). The analysis focused on various risk categories defined by TCFD, evaluating their potential impacts.

The Sustainability Committee is responsible for identifying and managing sustainability risks and opportunities. Detailed information is available in the Sustainability Committee Section of the report.

| Focus Area                                           | TCFD Risk Categories   | Criteria Considered                                | Key Features                                                                                                                                                    | Risk Management & Disclosure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Term               |
|------------------------------------------------------|------------------------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Combating Climate Change                             | Policy Risk Exposure   | Carbon Pricing Risk Exposure                       | Risk of policy action to incentivize low-carbon transition in direct operations or upstream supply chain (e.g. through carbon taxes)                            | <p>The Trucost Carbon Pricing Scenarios include three future carbon price scenarios based on published research and Trucost analysis:</p> <p>1. High Carbon Price Scenario<br/>2. Medium Carbon Price Scenario<br/>3. Low Carbon Price Scenario</p> <p>Considering the emissions data from previous years and the amount of greenhouse gas emissions that may occur until 2030, 2040 and 2050, a road map for transition to a low carbon economy will be studied, and possible carbon pricing will be calculated. Emission reduction targets and mitigation practices required to achieve these targets will be described, and existing opportunities will be identified.</p>                                                                          | Medium - Long term |
| Combating Climate Change Sustainable Procurement     | Market Risk Exposure   | Carbon Pricing Risk of Key Suppliers               | Increased costs for key suppliers                                                                                                                               | Using various carbon pricing scenarios, Trucost calculated the incremental carbon pricing risk associated with Otokoç Otomotiv's suppliers. Using the "EBITDA at Risk" metric, we assessed forward-looking projections of our suppliers' financial risk and the potential impact on our organization's current earnings if companies were to pay a future price for greenhouse gas emissions. This assessment enables the identification of the value chain exposed to carbon pricing risks under a 2°C scenario.                                                                                                                                                                                                                                      | Medium - Long term |
| Combating Climate Change Energy and Water Management | Physical Risk Exposure | Physical Risk Scores at Otokoç Otomotiv Facilities | Increased frequency of extreme weather events (e.g. heat waves, droughts, flood risk, etc.) or longer-term changes in physical conditions (e.g. sea level rise) | <p>Otokoç Otomotiv branch offices face high physical risks with the highest exposure to water stress, heat waves and cold waves. The main facilities at risk are mostly exposed to cold and heat waves and a high water stress. In addition, it was observed that the area where the selected branch offices are located has a moderate physical risk of forest fires.</p> <p>Since there is no manufacturing process at Otokoç Otomotiv, water is used only for the basic needs of employees and vehicle washing processes. Physical risks have been identified for the Company's facilities in Türkiye in line with climate hazard indicators such as water stress, floods, heat waves, cold waves, hurricanes, forest fires and sea level rise.</p> | Long term          |

## Quality Management

At Otokoç Otomotiv, we embrace an effective quality management approach and conduct our activities in accordance with international standards. To that end, 100% of our operations in Türkiye hold ISO 9001:2015 Quality Management System. We also implement the quality management system in our operations in Azerbaijan.

For continuous improvement, in addition to integrated management systems, we continue to carry out our Lean 6 Sigma, 5S and Kaizen studies as part of business excellence. In 2023, the 'Lean 6 Sigma Black Belt Internal Coaching Program' was launched for the first time, and with this program, the internal coaching skills of our employees at the Black Belt level were improved. Internal coaching support was provided for yellow belt projects to improve the competencies of employees. The total value created with the 18 projects carried out during the year and all business excellence projects under monitoring within the scope of Zero-Based Budgeting (ZBB) reached TL 16 million.

Through 5S and Kaizen studies at different locations, examples of good practices are shared within the company. This is how we promote continuous improvement through collaboration and the dissemination of good practices. In 2023, a total of 691 employees received Lean 6 Sigma trainings including lean tools, problem solving techniques, 5S, Yellow and Green Belt. We continued to work on the efficient and effective use of budgets, which we started last year (with ZBB). Following Türkiye, we started the Zero-Based Budgeting process in Greece. With 297 initiatives analyzed under the ZBB methodology, we achieved a total efficiency of TL 478 million.





### 3. SUSTAINABILITY APPROACH



## Sustainability for Otokoç Otomotiv

We regard sustainability as an indispensable element of our business model and act with the awareness of our responsibility to leave a more livable world to future generations. At Otokoç Otomotiv, we take a strategic approach to the matter by putting sustainability principles at the center of all our activities, business relations and processes.

While addressing environmental, social and governance issues from an integrated perspective in our sustainability approach, we have formed our strategy in line with the importance we attach to natural resources, the environment and all living things. As part of this strategy, we take into account the environmental, social and economic impacts from our activities and operations and aim to leave an equitable and livable world for future generations.

At Otokoç Otomotiv, we have set short-, medium- and long-term targets in line with the sustainability strategy we embrace and the material issues we have identified. Recognizing our environmental responsibility, we are committed to protecting natural resources and reducing our environmental impact. To that end, we strive to protect our planet's resources and the natural environment by making continuous improvements in our environmental efforts, particularly in reducing our carbon footprint, using renewable energy and waste management.

While fulfilling our responsibilities in line with the material issues we identified in the social sphere, we aim to ensure public health as well as the welfare and safety of our employees and support socioeconomic development. We make equality, diversity and inclusiveness an integral part of our business culture, thus focusing on offering a fair and safe working environment.

In Otokoç Otomotiv's governance approach, it is of utmost importance that we adhere to the principles of ethics, transparency and accountability and maintain a strong interaction with all our stakeholders. Regularly reviewing the environmental and social impacts from our operations and reporting our performance are some of the communication tools we use in stakeholder engagement. This is how we invite all our stakeholders to take action with us. Such reporting as this report hereby is made in line with our principle of transparency and serves as a tool aiming to contribute to the protection of the environment and the society's progress towards a better future.

# Sustainability Governance

At Otokoç Otomotiv, we are aware that our sustainability approach should be at the core of all our operations, business relationships and processes. That is exactly why we attach importance to maintaining an organizational structure that allows for the systematic management of our sustainability-oriented efforts.

We know that the adoption of the sustainability approach by senior management is crucial for the continuity of our operations and corporate culture. Accordingly, at Otokoç Otomotiv, we established and activated the Sustainability Committee in 2021 to strengthen and systematically manage our sustainability strategy.

This committee was established to address sustainability in a holistic manner, determine relevant strategies, targets and performance indicators and integrate them into our business processes. It convenes quarterly with the participation of senior management and business unit leaders.

Thus, we periodically evaluate current issues and set our targets for the coming period.

The Committee is co-chaired by the Finance & Financial Affairs Leader and the Technology & Strategy Leader. This leadership plays a key role in ensuring an effective implementation and continuous improvement of our sustainability strategy. Committee members consisting of senior management and business unit leaders coordinate and control sustainability activities. The Sustainability and Quality Team is responsible for implementing the decisions taken by the Committee. Reporting to the Corporate Transformation and Strategic Planning Department under the Technology & Strategy Directorate, this team is also responsible for determining and disseminating the sustainability strategy throughout the organization and improving sustainability performance.

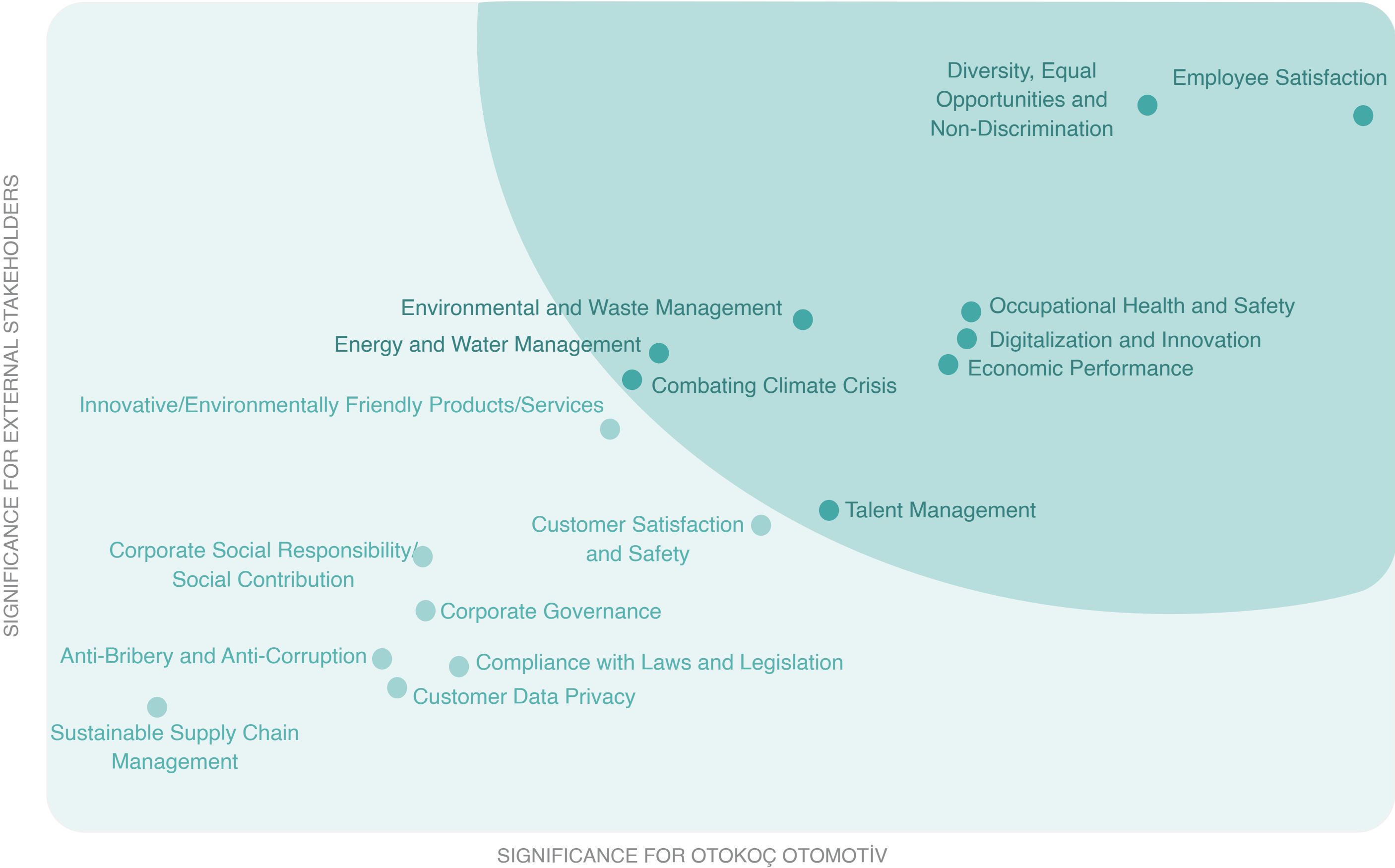
The committee meets quarterly, evaluates current issues and performance results, plans new steps and sets targets for the following year.

The Sustainability Committee plays a critical role in the successful implementation of Otokoç Otomotiv's sustainability strategy and the continuous improvement of its sustainability performance.

This makes it possible to deeply integrate sustainability principles into our business processes and business relationships. In addition, this governance structure enables us to achieve our long-term sustainability targets.



# Materiality Analysis



At Otokoç Otomotiv, we conducted a Materiality Analysis to identify the sustainability issues we will focus on and to align them with the priorities of our internal and external stakeholders. This analysis aims to better understand our internal and external stakeholders' perspectives on sustainability and respond to their material issues more effectively.

The Materiality Analysis initially involved creating a list of material issues that could be prioritized at Otokoç Otomotiv. This list of 17 sustainability issues has been prepared by evaluating the material issues of the organizations operating in our sector and the issues highlighted in various sustainability reports.

As a result of the assessment, the materiality of these issues, which were deemed meaningful for Otokoç Otomotiv's operations, was presented to stakeholders for their opinion. Through an online survey, stakeholders were asked to rank these 17 issues in order of materiality. A total of 484 responses were received, including 450 from internal stakeholders and 34 from external stakeholders.

The survey involved scoring the listed sustainability issues according to their materiality levels, with Otokoç Otomotiv Materiality Matrix being eventually created on the basis of the assigned scores.

# Sustainability-Linked Material Issues

The Materiality Matrix we created as a result of the Materiality Analysis enabled us to categorize the sustainability issues that Otokoç Otomotiv will focus on as “Very high priority” and “High priority” issues in the coming period.

Such categorization has guided us in defining our sustainability strategy and sustainability targets and identifying the key areas of focus. “Very high priority” and “High priority” sustainability issues we identified in the Materiality Matrix are listed below:









## 4. OUR PATH TO THE FUTURE FOR THE WORLD



## Combating Climate Change

At Otokoç Otomotiv, we know that climate change is a global threat, and as Türkiye's leading mobility company, we assume major responsibilities in combating climate change. Therefore, our sustainability strategy is based on reducing greenhouse gas emissions from our operations and business relationships and contributing to combating climate change.

We shape our operations in line with the Koç Group's goal of becoming carbon neutral by 2050, and we continue to accelerate our efforts to reduce our carbon footprint.

Our Sustainability Committee focuses on corporate sustainability and combating climate change and undertakes key tasks such as integrating the sustainability approach into all operations, setting strategies and targets, and monitoring sustainability performance. This Committee enables us to contribute to an environmentally sensitive future by ensuring that decisions on both climate change and the reduction of greenhouse gas emissions are made and implemented.

Under the Carbon Transformation Program led by Koç Holding, we conducted an analysis of our company's current physical and transition climate risks in line with TCFD (Task Force on Climate-related Financial Disclosures) recommendations. To minimize the impacts of these climate risks on our operations, we are developing action plans and shaping our efforts around alternative models. For detailed information about these risks and the measures we have taken, please refer to the Sustainability Risk Management section.



As part of our effort to combat climate change, we have our direct and indirect greenhouse gas emissions verified by third-party independent organizations under the ISO 14064-1:2018 Greenhouse Gas Quantification and Verification Management System. That was how our Scope 1 and Scope 2 emissions for 2017-2021 were verified. Since 2021, we have also been quantifying our Scope 3 emissions, and we ensure that emissions are verified by independent organizations.

Our greenhouse gas inventory for 2017-2020 covers our Head Office, car rental offices and retail branches in Türkiye. As of 2021, our international operations were included in the inventory efforts, thus starting the quantification of our Scope 3 emissions.

From 2022 onwards, we have been preparing Scope 1, 2 and 3 inventories covering all our operations in Türkiye and abroad, and we have had our emissions verified.

|         | Birim               | 2021        | 2022      | 2023      |
|---------|---------------------|-------------|-----------|-----------|
| Scope 1 | tCO <sub>2</sub> eq | 3,974.0     | 4,711     | 4,955     |
| Scope 2 | tCO <sub>2</sub> eq | 5,275.0     | 3,844     | 860       |
| Scope 3 | tCO <sub>2</sub> eq | 6,186,644.0 | 7,426,957 | 8,172,417 |
| TOTAL   | tCO <sub>2</sub> eq | 6,195,893.0 | 7,435,512 | 8,178,232 |

*\*Greenhouse gas emissions from our operations in Greece are quantified separately and are thus excluded from verification.*

We work with the Sustainability Committee and relevant business units to review greenhouse gas emissions and develop mitigation options. We evaluate the quantification and reporting results and create action plans in line with the reduction targets each year. In line with these plans, we aim to reduce greenhouse gas emissions and contribute to a more sustainable future by taking concrete steps as part of Committee activities. We maintain our efforts to set our emission reduction targets for the medium and long term.

## We are Companions Against Climate Change!

In 2023, we organized Climate Ambassadors Train the Trainer events to raise awareness within the company and mobilize our colleagues. The trainings are employed participatory techniques, and our volunteering Climate Ambassadors contribute to the cultural transformation we initiated in collaboration with the World-Our Home (Yuvam Dünya) Association. 22 of our colleagues working at locations in various provinces across Türkiye participated in and successfully completed this training to become Otokoç Otomotiv Climate Ambassadors.

To raise awareness on and be a part of the solution in combating the climate crisis, we collaborated with the World-Our Home (Yuvam Dünya) Association and became a “Road Companion who Saves Home”. As part of this cooperation effort, we reached 1,300 people with our employees and organized trainings, seminars and interviews on the climate crisis. We reinforced our knowledge through activities such as a book club and field trips. Through various projects, we plan to involve our employees and all stakeholders in our efforts to combat climate change.



# Energy Management

At Otokoç Otomotiv, we see energy management as a critical issue both to reduce our emissions from energy consumption and to support environmental protection. We focus on reducing carbon emissions by investing in Green energy alongside energy efficiency and energy management.

**By the end of 2023**, we met our energy needs from renewable resources through our SPP investments with an installed capacity of 11,440 kWp. **Since 2021, we have managed to avoid 850 tons of CO<sub>2</sub>e emissions by using solar energy as an energy source.**

Starting from 2024, we have made a new investment to meet electricity needs at all our locations from 100% renewable sources in the future. Accordingly, we aim to reduce both our impact on the environment and our energy costs.

In May 2021, SPP installations started at Otokoç Antalya Ford branch office and continued at Otokoç Adana Fiat branch office in 2022 and Otokoç İnönü Ford Trucks branch office in 2023. **Finally, in October 2023, we completed our land SPP investment in Niğde with a capacity of 17 GW/year. We aim to prevent approximately 7500 tCO<sub>2</sub>e emissions thanks to this investment built on a total area of 110,000 m<sup>2</sup>.**

Renovated according to criteria such as indoor air quality performance as well as the use of renewable energy by generating its own electricity, Otokoç Antalya Ford Branch was awarded the first Gold certificate in the world in the LEED v.4.1 O+M:EB 'Retail: Vehicle Dealership' category as a result of the evaluation of the American Green Building Council.

We use renewable energy sources to obtain 88% of the electricity used in our operations in Türkiye. Our SPP investments enable us to secure YEK-G Certified electricity and help reduce our resource consumption day by day.

Since 2021, the Energy Efficiency Committee has been in charge of practices limiting our consumption by increasing energy efficiency. This Committee is chaired by the Chief Financial Officer and consists of the Financial Analysis and Efficiency Manager, Facilities Manager, Accounting Managers, and Sustainability and Quality Manager.

Otokoç Otomotiv

## We use our energy efficiently





# Waste Management

The basic principles under our waste management approach are to minimize the amount of wastes from our operations, to sort wastes at source and to recycle to the extent possible. We collect all wastes from our operations by sorting them in accordance with the relevant legislation and then send them to environmentally licensed recycling facilities in line with the principles of recycling.

Our branches have established their Zero Waste Management System as part of the Zero Waste project by the Ministry of Environment, Urbanization and Climate Change and have also obtained a Zero Waste Certificate.

Excluding domestic wastes and medical wastes, all wastes from our operations are sent for recycling.

To attain our waste reduction target, we support Koç Group's commitment to 'end the consumption of individual single-use plastics'. In 2023, we fulfilled our commitment to eliminate single-use plastics and ended the use of individual single-use plastic products at our Head Office, rental offices and all retail branches.

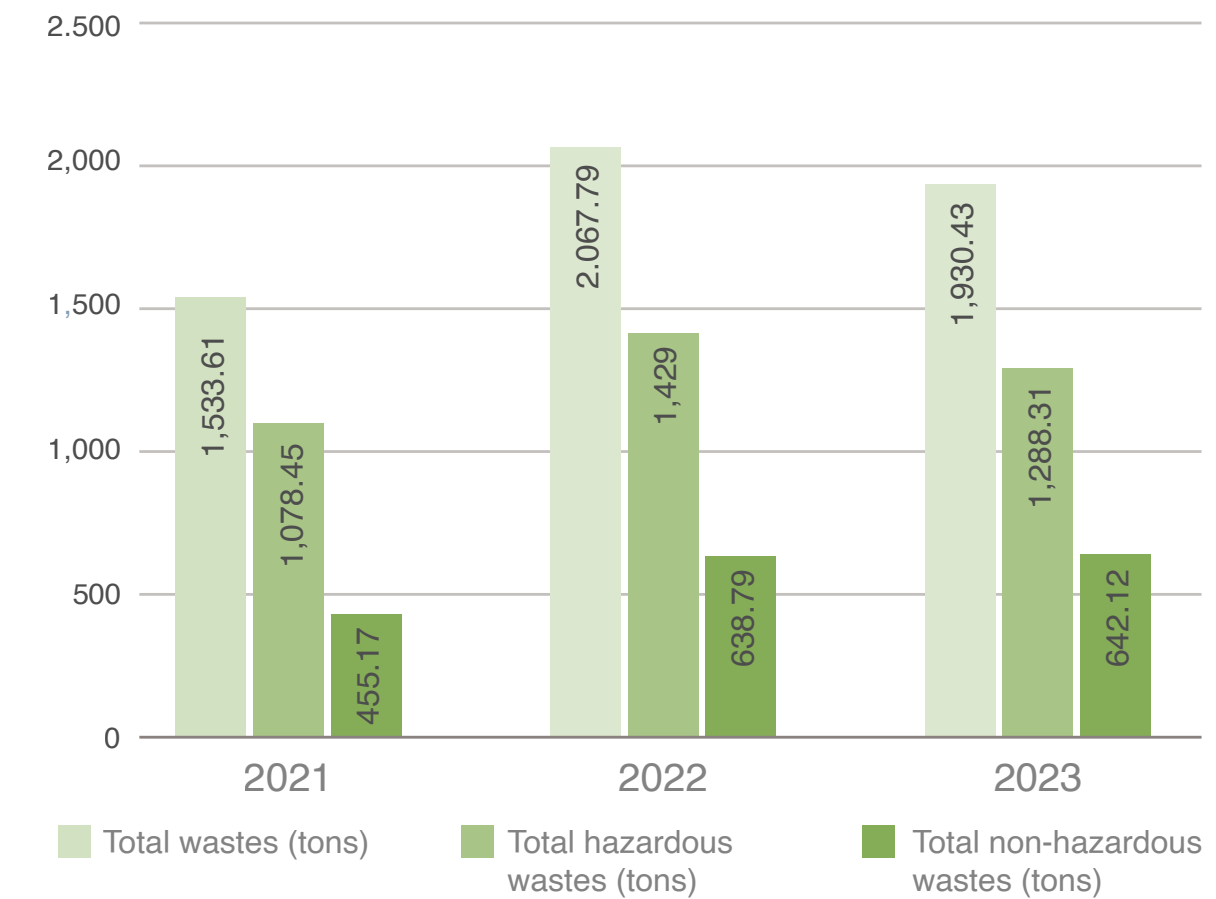
We take critical safety precautions in storage, such as keeping chemicals on impermeable floors and away from flammable, explosive or oxidizing materials. Against a possible fire risk, we keep the appropriate type of fire extinguishers available in the storage area. We have already taken all necessary measures against possible chemical spills. To that end, we always have equipment such as special pans and absorbent materials ready to collect spilled chemicals.

We minimize environmental risks and potential health problems caused by chemicals, thus demonstrating that we care about the safety of both our employees and the environment.

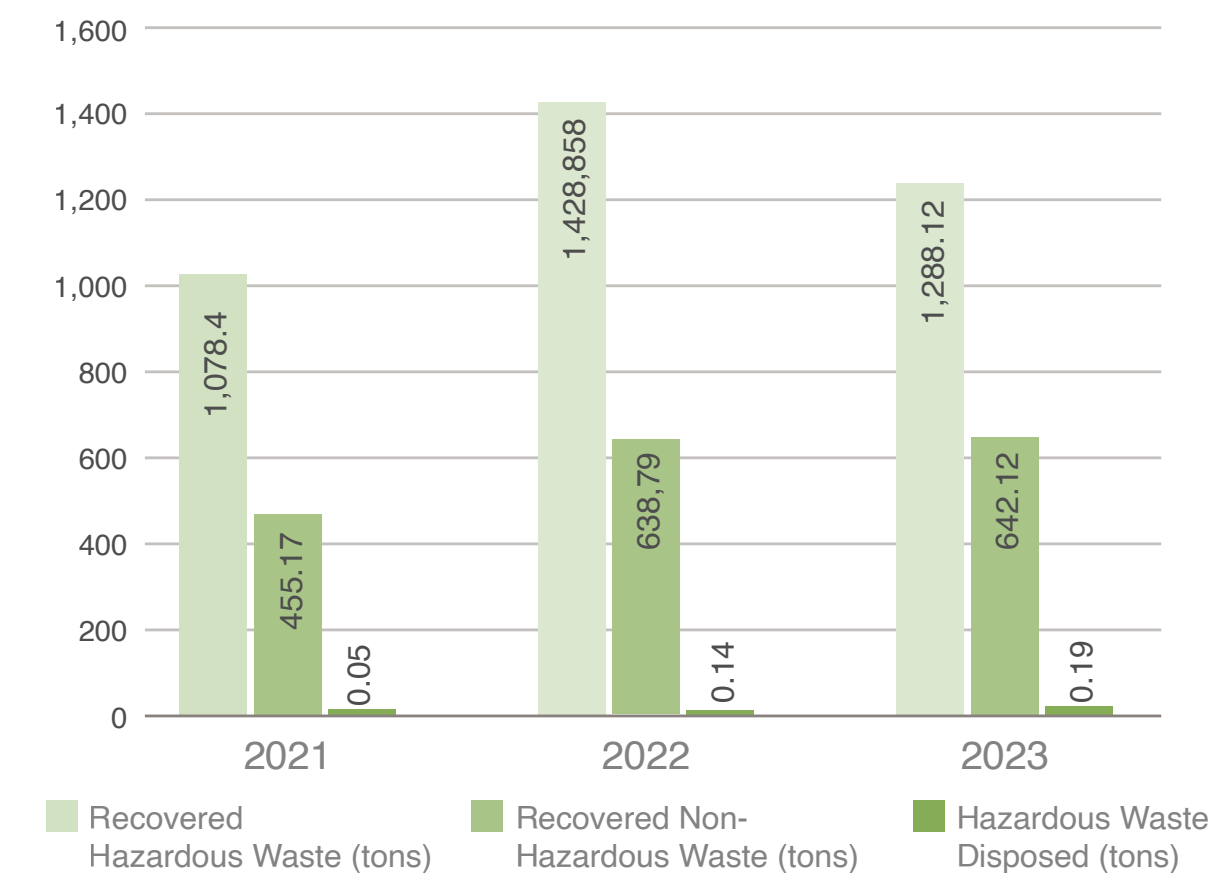
Our waste data is presented in the graphs on the right.

At Otokoç Otomotiv, we observe the safe storage of chemicals used during our operations to follow all relevant legal regulations.

Waste Data (Tons)

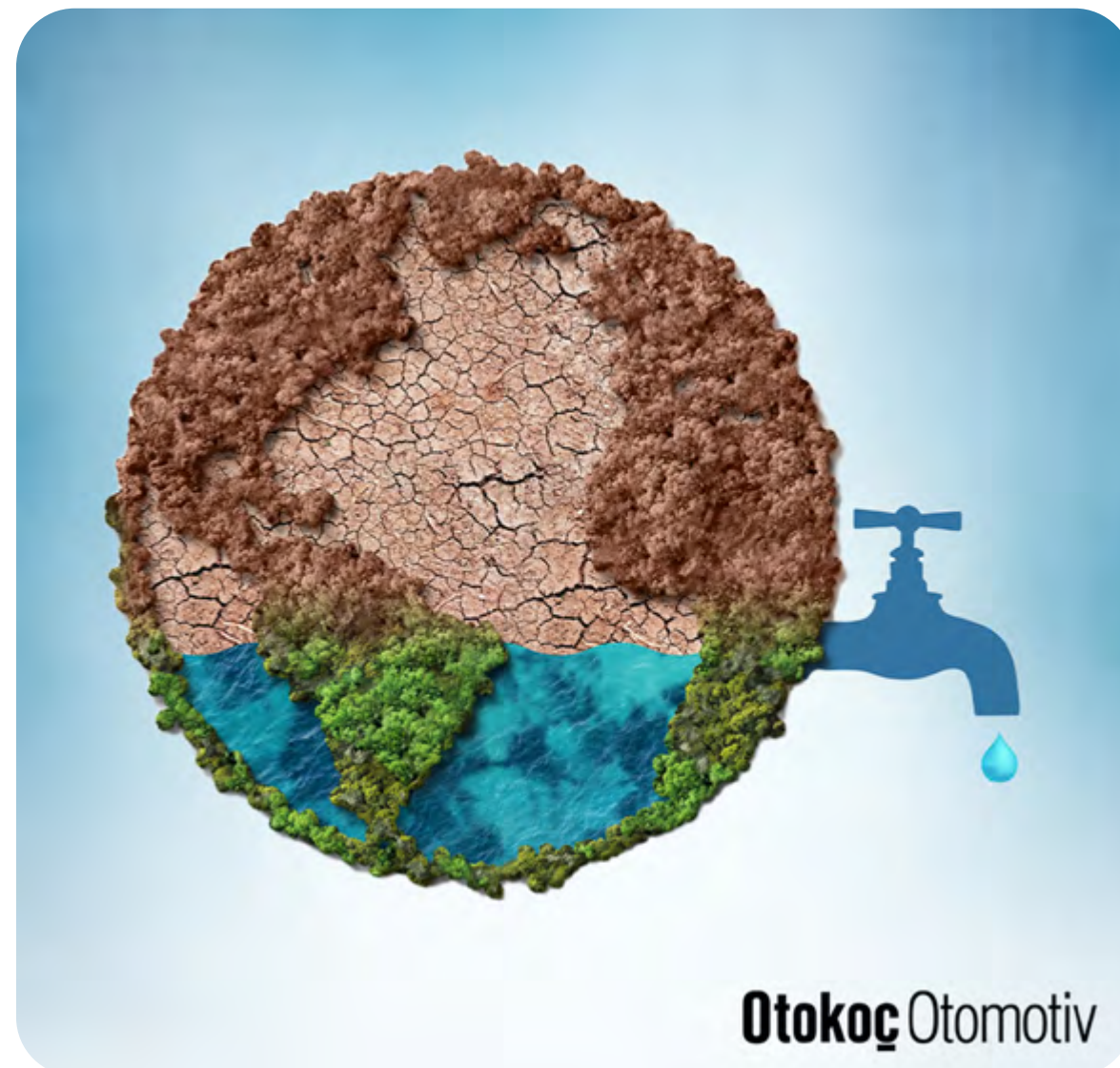


Amount of Waste Recovered and Disposed (Tons)



# Water Management

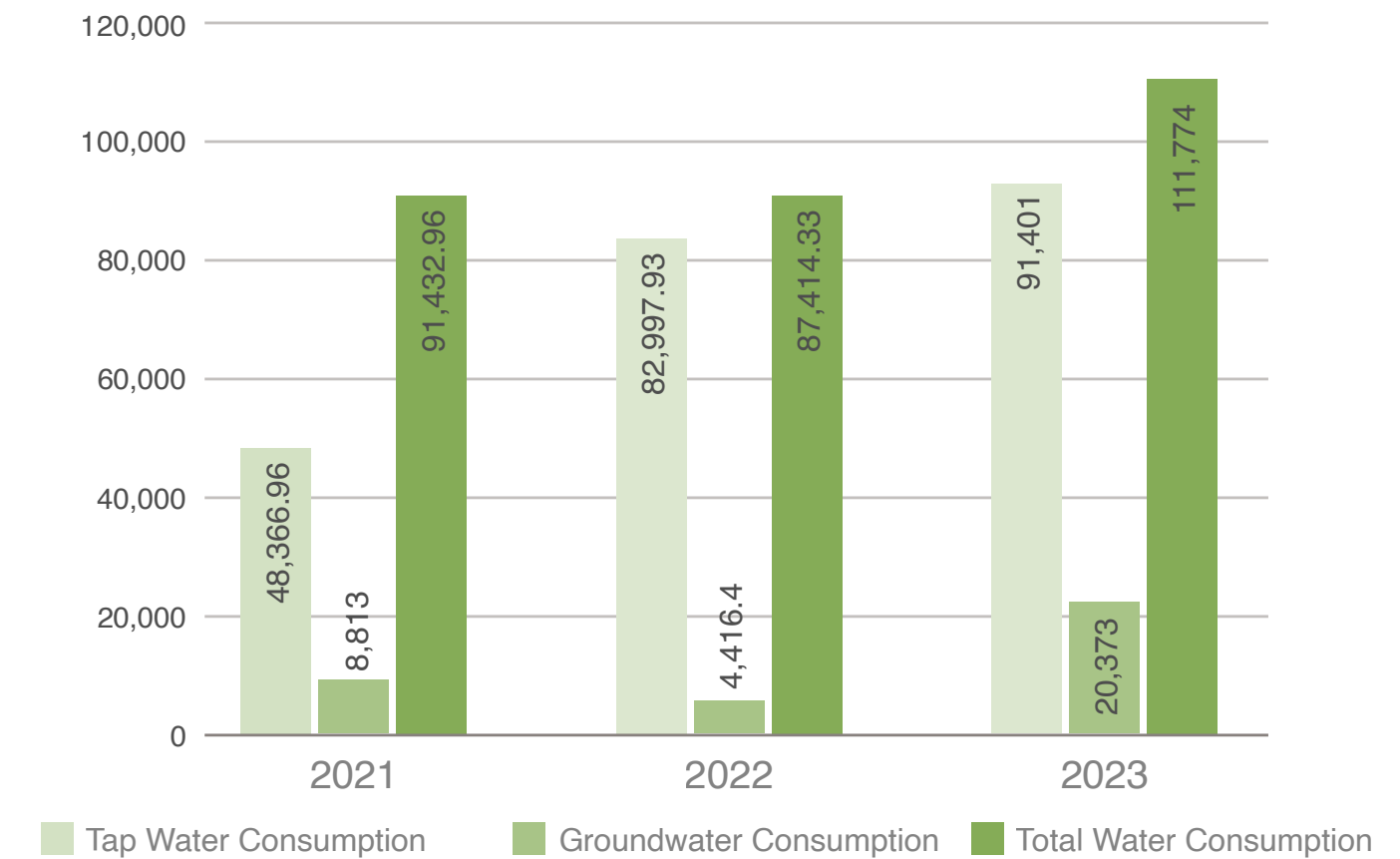
Although water is not the main input for operations and business processes in our sector, we make efforts to protect and efficiently use our natural resources and to reduce water consumption, including monitoring water consumption, detecting malfunctions and water leaks in the machinery and equipment.



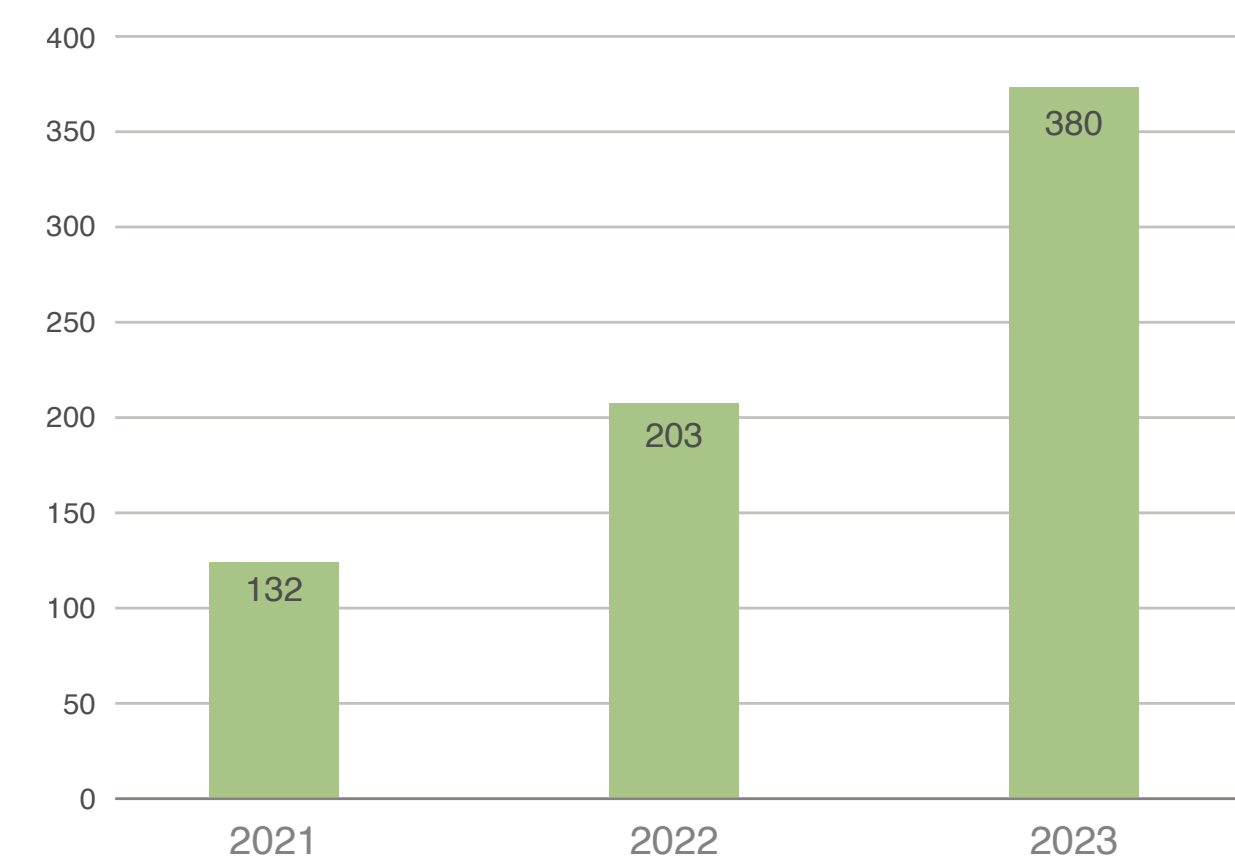
Thanks to the Ford rainwater harvesting project we completed in the last quarter of 2021 at our Otokoç Bursa Ford branch, we collected a total of 715 m<sup>3</sup> of rainwater until the end of 2023 and used it for car washing.

Our water consumption data is presented in the graphs on the right.

Water Consumption Data (m<sup>3</sup>)



Amount of Rainwater Reclaimed and Reused (m<sup>3</sup>)



# Responsible Sourcing Practices

The compliance of our own business processes with sustainability principles and the legislation is important. Yet it is also vital that the stakeholders in our supply chain embrace the sustainability approach and act in compliance with legislation.

Our Supply Chain Compliance Policy forms the basis of our responsible supply chain management approach. Our Supply Chain Compliance Policy reinforces the company's role in supply chain management and demonstrates our commitment to sustainable and ethical business practices. Our policy guides us on critical issues such as respect for human rights, environmental sustainability, occupational health and safety, and ethical standards in our relations with all our suppliers.

The Supplier Selection and Evaluation Procedure we launched in 2023 is designed to ensure that the procured materials and services comply with Otokoç Otomotiv's Integrated Management Systems policies and targets. This procedure aims to create value in our supply chain while defining our supplier selection criteria and the steps to continuously monitor and evaluate the performance of our suppliers.

Otokoç Otomotiv supplier selection process is conducted under the leadership of the Central Procurement Unit or the relevant business units (branches, retail, wholesale spare parts, leasing, used car and fleet, information technologies, etc.). In procurement, criteria such as the supplier organization's sustainability policy/approach,

legal compliance, carbon footprint, environmental management system, OHS management system, OHS practices, efforts to reduce energy use and greenhouse gas emissions, waste management policies, zero waste certification are evaluated in addition to assessing whether the supplier's products include banned chemicals.

We apply a detailed scoring system to appraise the performance of our suppliers.

Our suppliers are appraised against criteria such as price policy, deadline compliance, quality and technical competence, adaptability to changes, solution orientation and compliance with Otokoç Otomotiv's strategies and policies (integrated management system, sustainability and legal issues). These assessments provide us with insight into the level of fulfillment of our expectations from our suppliers and allow us to objectively measure their overall performance. We consider supplier evaluation processes to be a key indicator for the quality and continuity of our cooperation.

We maintain our efforts to launch a sustainability program to measure and improve the sustainability performance of our critical suppliers in the upcoming period.





## 5. OUR PATH TO THE FUTURE FOR HUMANITY

## Employee Profile

As of 2023, Otokoç Otomotiv operates with a total of 3,824 employees, including overseas operations. A breakdown of our employee profile shows that 2,846 (74%) out of our 3,824 employees are office workers while 978 (25%) are field workers.

Recruiting new talent and developing and retaining our existing talent have become a major component of our sustainability strategy. Thanks to 6 different programs we run to discover young talents and make them a part of our organization (namely Upgrade Long-Term Internship Program, Speed Up Management Trainee Program, Shine Up Short-Term Internship Program, Move'n Grow Sales School Program, Move'n Grow Part-Time Sales School Program and Move'n Grow Technician School Program), 86 interns and 125 apprentices were recruited in 2023, providing 211 jobs in total.

While strengthening Otokoç Otomotiv's dynamism and innovative structure, we also offer young talents valuable career opportunities. **32.4% of our employees are individuals under the age of 30 who are open to development and are eager to learn.** We run various training and development programs to support the development of our existing talent. To retain the most valuable talent, we design special programs supporting their career and learning journey. We also contribute to the professional and personal development of our employees by supporting them through our internal coaching program, the Sirius Coaching Program.

**As of 2023, the number of employees excluding the management bodies is 2,984, while the number of staff at management bodies and the Board of Directors is 5.** We are aware of the significant impact our leaders have on talent management and employee satisfaction, which is why we pay special attention to their development. We engage our leaders in training and coaching programs that enable them to focus on both their personal development and the progress of their teams.

We have no employees covered by collective labor agreements. 902 subcontracted employees took part in our operations in 2023. 3,312 of our employees continue to work full-time while 3 employees work part-time.



# Human Resources Approach

As we embark on our sustainability journey under the motto “Our Path to the Future”, we are aware that our human capital is the key to leaving a pleasant future to generations to come. Acting on such awareness, we aim to create a corporate culture that is open to continuous learning and self-improvement to adapt quickly to changing global conditions. Therefore, attracting new talent to our organization and continuously developing the talent we already have is at the heart of our human resources approach.

Our ethical principles emphasizing our strict adherence to the International Labor Organization (ILO) Convention on Fundamental Human Rights and the United Nations Declaration of Human Rights as well as our support for the United Nations Global Compact (UNGC) are an integral part of our human resources approach. Guided by these principles, “Otokoç Otomotiv Human Rights Policy” underlines the sensitivity of our organization in protecting human rights. The policy demonstrates that Otokoç Otomotiv is committed to treating all employees fairly and honestly, avoiding discrimination and providing a safe and healthy working environment that respects human dignity.

The policy sets out Otokoç Otomotiv’s approach to diversity and equal recruitment opportunities, preventing discrimination, preventing child labor and forced labor, protecting freedom of association and collective bargaining rights, ensuring health and safety, zero tolerance for harassment and violence, respect for participation in political activities, protecting data privacy, supporting personal development, and determining working hours and wages. Through these issues addressed by the policy, we emphasize our organization’s attitude of respect for human rights and the care it takes to create appropriate working conditions. All employees and managers at Otokoç Otomotiv are obliged to act in accordance with the principles set out in this policy.





# Equal Opportunities, Diversity and Inclusiveness

At Otokoç Otomotiv, we put the principle of providing equal opportunities and an inclusive working environment for everyone at the heart of all our business relationships. We care to create a corporate culture that provides equal opportunities under all circumstances, is inclusive and supports diversity.

We take strategic steps to integrate equal opportunities, diversity and inclusiveness into every aspect of our corporate culture and policies. As stated in the “Otokoç Otomotiv Human Rights Policy”, all our human resources and decision-making processes, particularly recruitment, are solely based on job requirements regardless of race, religion, nationality, gender, age, marital status and disability.

We know that women’s active participation in labor markets and social life and their access to equal opportunities and resources are critically important for sustainable development. We adopt an egalitarian attitude in the employment opportunities we provide and in all of our human resources processes such as promotion, performance assessment and termination of employment contracts.

Among our 3,824 employees at Otokoç Otomotiv, 996 women work in our offices and 5 women work in the field. The rate of female white-collar employees working in offices is 38% while 26.2% of our total employees are women.

We also recognize that diversity in decision-making and the active role of women in decision-making processes are highly valuable. **Therefore, 78 of the 331 members of the management teams are women. In other words, the rate of women in management teams corresponds to 23.6%.**

Our Human Resources Department conducts focus group studies and surveys to improve the equality and inclusiveness approach within the organization, analyzes the data obtained from such studies, identifies areas for improvement and works to create action plans. In the process, we monitor and periodically evaluate the KPIs we have identified to guarantee equal opportunities in recruitment and talent management.

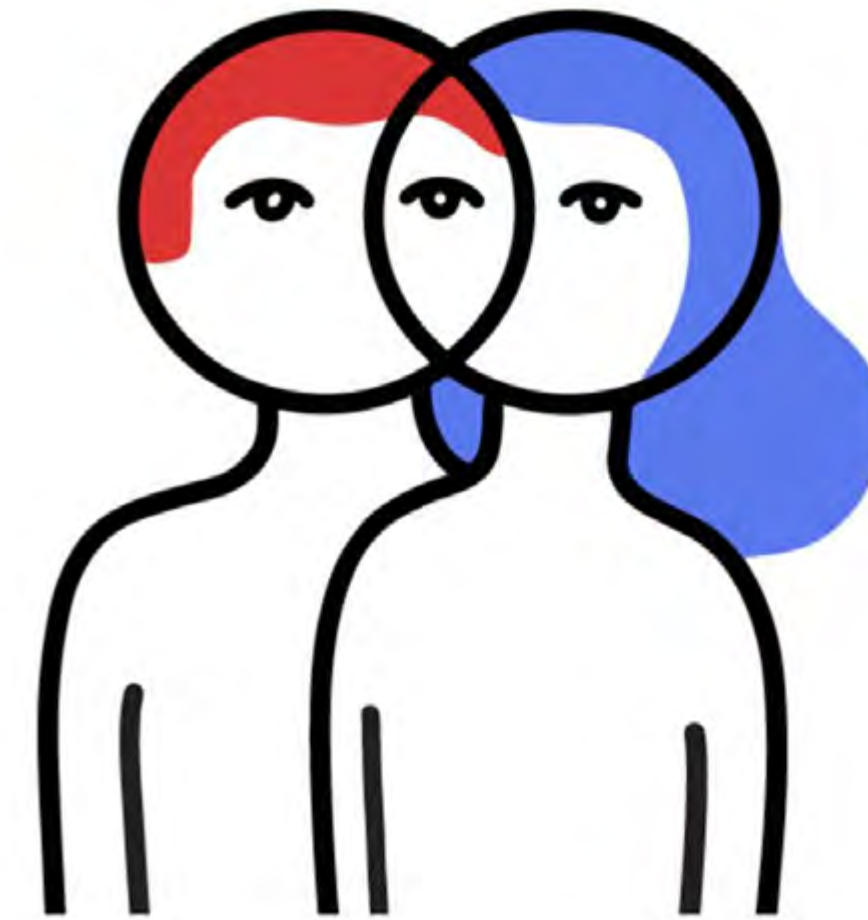
To encourage women who are and want to become mothers to participate in the labor market, we have introduced practices that facilitate their working lives. For instance, we provide daycare assistance to female employees with children aged 0-72 months attending daycare centers. In addition, we have some fringe benefits that both male and female employees who are parents can enjoy.

Such benefits aim to prevent our female employees who are mothers from leaving their jobs and to show that our employees who are fathers have equal parental responsibility.

Otokoç Otomotiv 95. YIL

These benefits include the following:

- Half-day Primary School Leave is granted to our colleagues who have children to start the first grade in primary school.
- We offer 20 hours of leave annually under the Special Occasion Leave. The right to this leave can be exercised for occasions such as semester end days and parent-teacher conferences. (Maximum 3 hours per day)
- Newborn kit and newborn care services are provided to our colleagues with children.



In addition, we collaborate with Civil Society Organizations (CSOs) that support gender equality and establish partnerships with organizations such as Sales Network - Women In Sales Network and Professional Businesswomen's Association to achieve our goal of increasing the rate of women in recruitment and promotion processes.

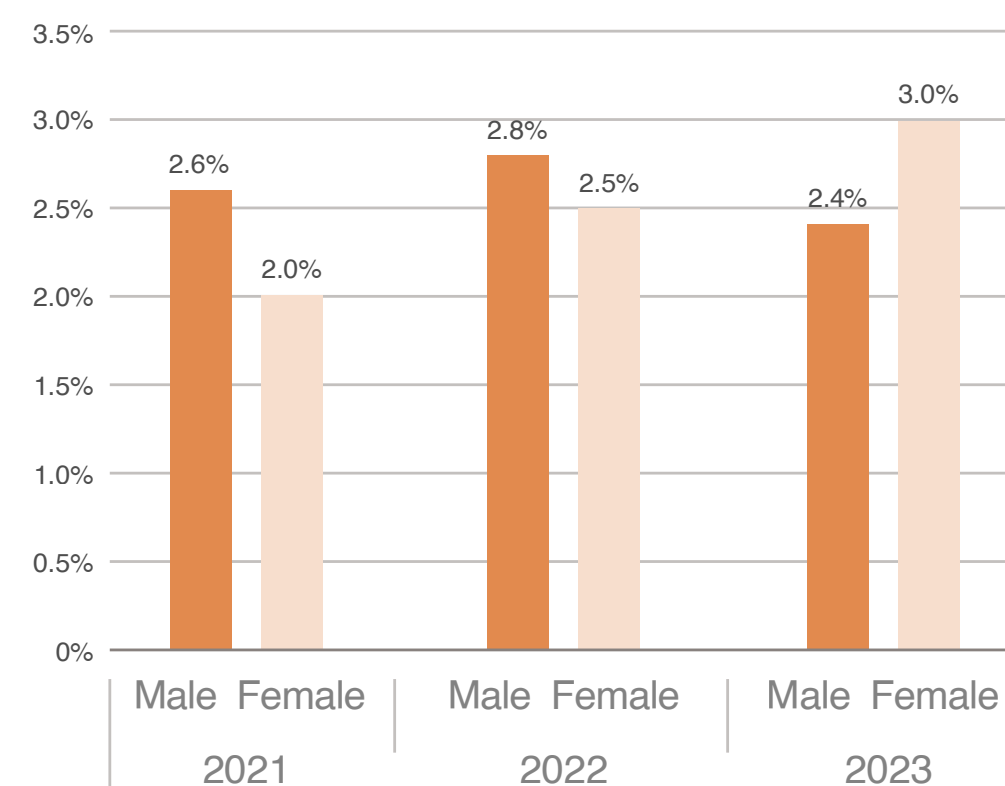
Accordingly, we aim to increase the rate of women in management positions by 25% in line with our targets to increase both the rate of women leaders and the overall rate of female employees.

We adopt a fair and equitable approach in remuneration processes. In our wage evaluation processes, we use objective criteria based entirely on job description and performance, without evaluating our employees based on factors such as faith, physical appearance, disability status or minority group membership. In determining the salaries, we take into consideration the internal wage balance, the internal degree of a specific position within the organization, and the market wage data for the relevant position, which is similar in terms of sector and/or content and is shared confidentially by corporate service providers, as well as the performance of the employee in the relevant year.

We expand women's career opportunities through special employment programs such as Move'n Grow Sales School and Move'n Grow Part-Time Sales School for the development of young female talents and women's employment. We prioritize the recruitment of female technicians through our Technician School Program.

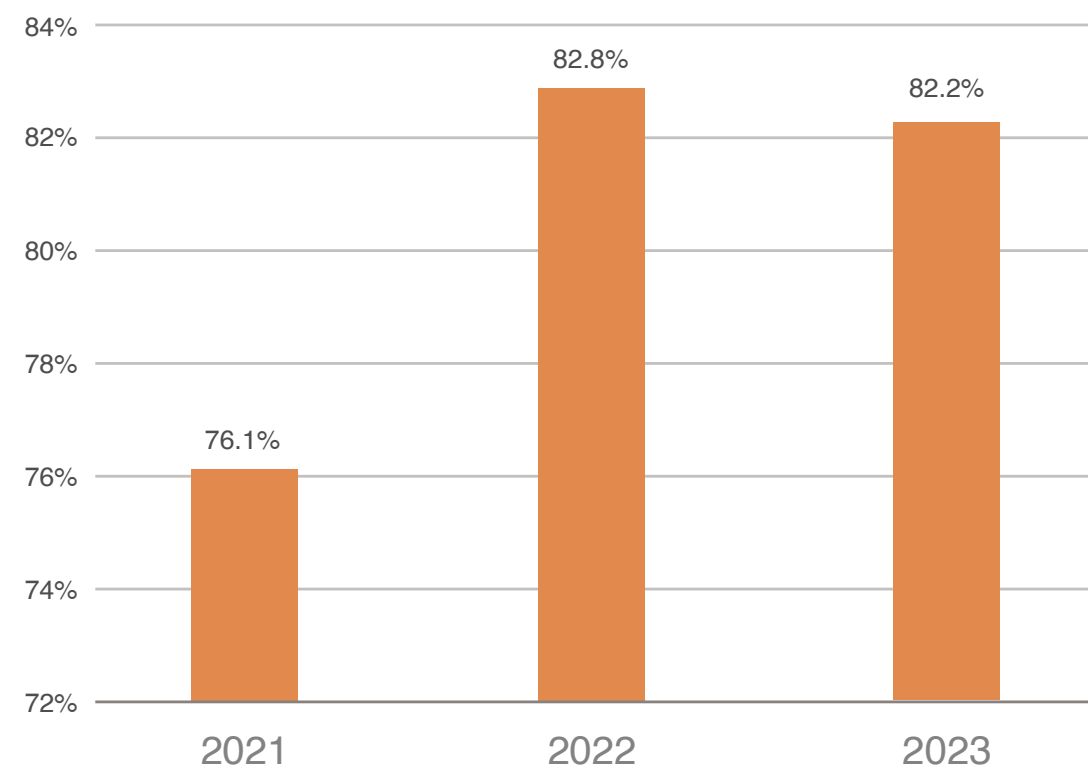
In line with our diversity and inclusiveness approach, we strive to provide equal conditions for all our employees, regardless of their disability status. As of 2023, 2.53% of our employees are individuals with disabilities. We guarantee physical accessibility with ramps in our distributor stores and toilets in our showrooms in accordance with our standards to facilitate the working life of people with disabilities.

Rate of Employees with Disabilities by Gender and Years (%)





Employee Engagement Score (%)



Created as a result of the Employee Engagement and Experience Survey, the You Set the Agenda Teams identify areas for employee experience development through design thinking methodology and develop projects for improvement in such areas. Projects approved by senior management are implemented. As part of these projects, focus groups are held with teams in which employee engagement is observed to be on the decline, and necessary steps are identified, with Employee Experience Action Coaches making sure that team leaders follow up with these action steps. Furthermore, with the ‘Employee Experience Virtual Team’ established via the agile working method, team members from different functions of human resources come together and collaborate.

We believe that establishing a work-life balance for our employees has a key place in increasing their engagement and satisfaction with the organization. Therefore, we ensure that our colleagues enjoy flexible fringe benefits tailored to their personal needs and priorities. Accordingly, we offer special fringe benefits for our employees in managerial positions as well as nursery allowance for our female employees for their children aged 0-72 months and benefits such as 20 hours of Special Occasion Leave per year that can be used for special occasions including half-day primary school leave for our employees with children who will start the first grade of primary school, semester end day, parent-teacher conferences, illness/funeral, house moving/renovation and formal procedures, which are all part of our equality approach and are aimed at increasing employee satisfaction.

We prioritize the motivation and physical and mental health of our employees. We offer psychological support and dietitian services to our employees to support healthy living. We also establish social clubs that bring our employees together to strengthen synergy and team spirit among them. These clubs operate in different branches of arts and sports such as books, basketball, football, theater, rowing, volleyball, chess, backgammon, music and cycling and participate in the Koç Group Sports Festival and intercorporate tournaments. In 2023, 659 colleagues in 15 different branches participated in the festival, which is an indication that these clubs and activities attract great interest.

We wish to increase employee motivation and synergy between teams by organizing events on special occasions and offering gifts (gift packages, Back-to-School Kit and Autumn/Vitamin Kit on special occasions such as New Year, Women’s Day, Mother’s Day, Father’s Day and April 23rd National Sovereignty and Children’s Day) that will make our employees feel we stand by them. Thus, we encourage our employees to spend time together and strengthen team spirit. In addition to these events, we organize “Another World” webinar series with expert speakers and inform our employees on various topics through our monthly Online Human Resources Meetings. As part of “A World of Thanks” practice, our teammates who work in satisfaction of our values are rewarded by their managers.

At Otokoç Otomotiv, we strive to support our employees in both their professional and personal lives, increase their motivation and synergy, and strengthen their commitment to the organization. By placing great importance on diversity, inclusiveness and equality in our working environment, we aim to continue to offer a corporate culture where each employee feels valued, has easy access to development opportunities and has a high level of satisfaction.





In terms of the professional development needs of our business units, our Training & Development Team meets with department leaders and senior managers every year to identify and satisfy the needs of our business units. These meetings focus on the professional development needs identified. Examples of these trainings include Customer Engagement and Financial & Commercial Perspective trainings for our Used Car business unit teams, Chartered Institute of Procurement & Supply (CIPS) training for the Procurement Unit, and Employee Experience training for our Administrative Affairs and Payroll and Personnel Affairs teams within our Human Resources team.

Otokoç Otomotiv also benefits from the training resources of our external stakeholders. In our retail business unit, our colleagues also attend the trainings of the companies we distribute to. In our Car Rental business unit, our Lean Transformation & Technical Training, Service Excellence & Sales Performance Management (SPM) teams organize trainings in accordance with Avis Budget Group Standards.

Training & Development activities also cover our colleagues who join us through Employment Programs. Tailored training journeys are designed for MTs (Management Trainees), interns, and anyone joining our organization to work part-time or fixed term in field teams. The most prominent of these training processes is the Reverse Mentoring plan for our senior managers and MTs. In this process, young talents are paired with and mentored by business unit leaders. The aim is to support the communication

between different generations and to provide different experiences by putting oneself in someone else's shoes.

In terms of digital infrastructure and resources, we respond to development needs in and outside the business environment via Koç Academy, LinkedIn Learning and Udemy. Koç Academy is a video training platform used by all Otokoç Otomotiv employees and Koç Holding companies. This platform constitutes a multidimensional resource as it allows access to the relatives of employees.

Linkedin Learning offers our leaders and colleagues having prioritized development needs with a wide range of online training opportunities from personal development to technology. In 2023, two training plans were prepared for the same target group, with differentiated content according to language levels. In 2023, 293 people attended this program, which aims to provide structured English Language Training. Efforts are underway to continue this training plan in the coming years.

In the cultural transformation journey initiated by the Culture and Leadership team in our company last year, we designed a unique development program to internalize, sustain and perpetuate our changing culture, and we started the program in 2023 with our company leaders constituting the first group. In this design called the Culture Leadership Development Program, a dedicated module is created for each value in our cultural manifesto, and adult learning is taken as the basis. Participants who complete this

program are expected to take on roles that will ensure the continuity of the cultural transformation journey. The Culture Leadership Development Program is planned to continue in 2024 and beyond.

During the agile transformation process, we organize trainings led by our Agile Coaches for both our employees and leaders. These trainings aim to increase the agile awareness and competencies of our organization, and we monitor the development of the participants.

In parallel with Otokoç Otomotiv's sustainability approach, we also provide our employees with sustainability and environmental awareness trainings.

In 2023, 178 employees received sustainability training, starting with senior and mid-level management. 2,239 employees completed environmental training.

In addition, annual Sign Language Trainings were conducted for car rental field teams.

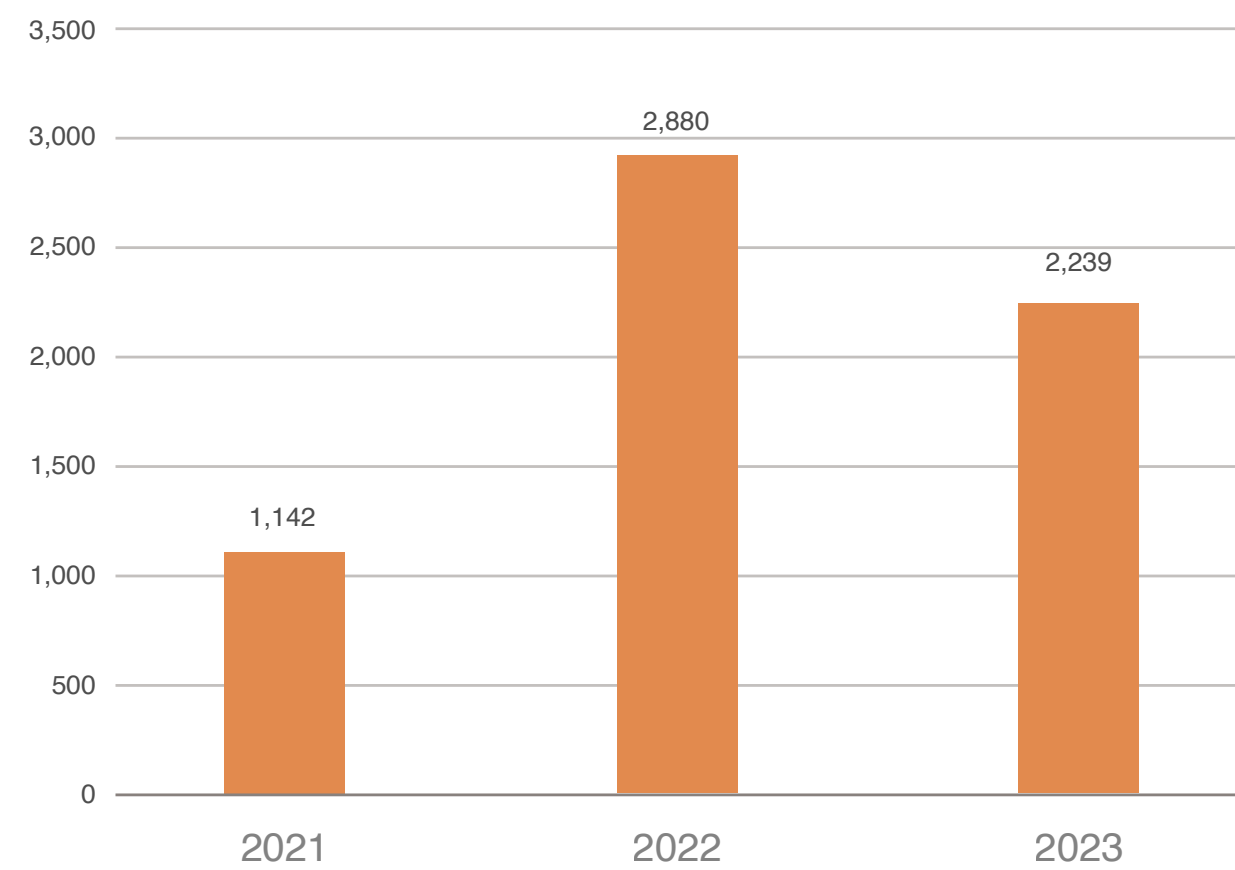
| Sustainability Trainings Data                 | 2023 |
|-----------------------------------------------|------|
| Total number of persons trained               | 178  |
| Total training (hours)                        | 281  |
| Training hours per employee<br>(hours/person) | 1.57 |



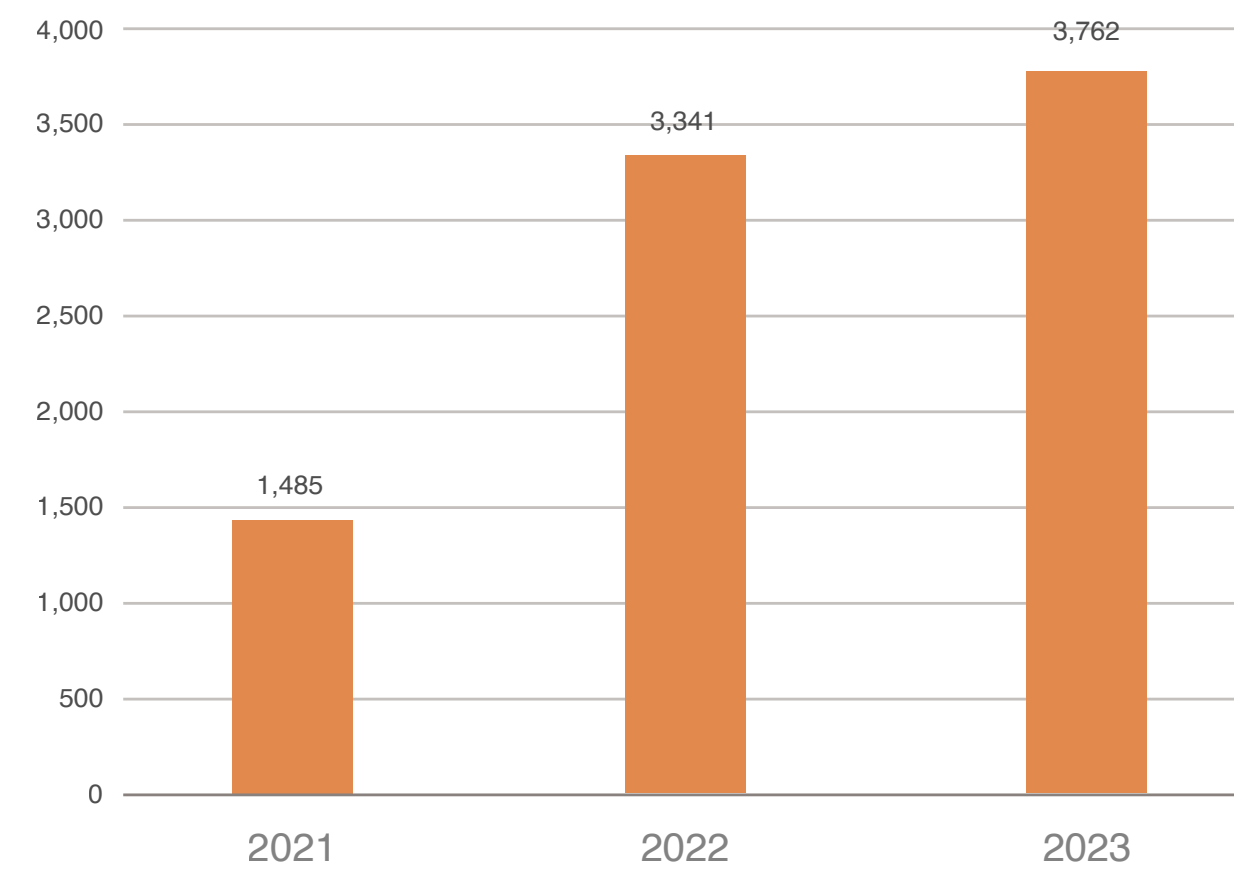
Since 2021, the number of environmental training hours we delivered has increased from 1,485 in 2021 to 3,341 in 2022. In 2023, our employees received a total of 3,762 hours of environmental training.



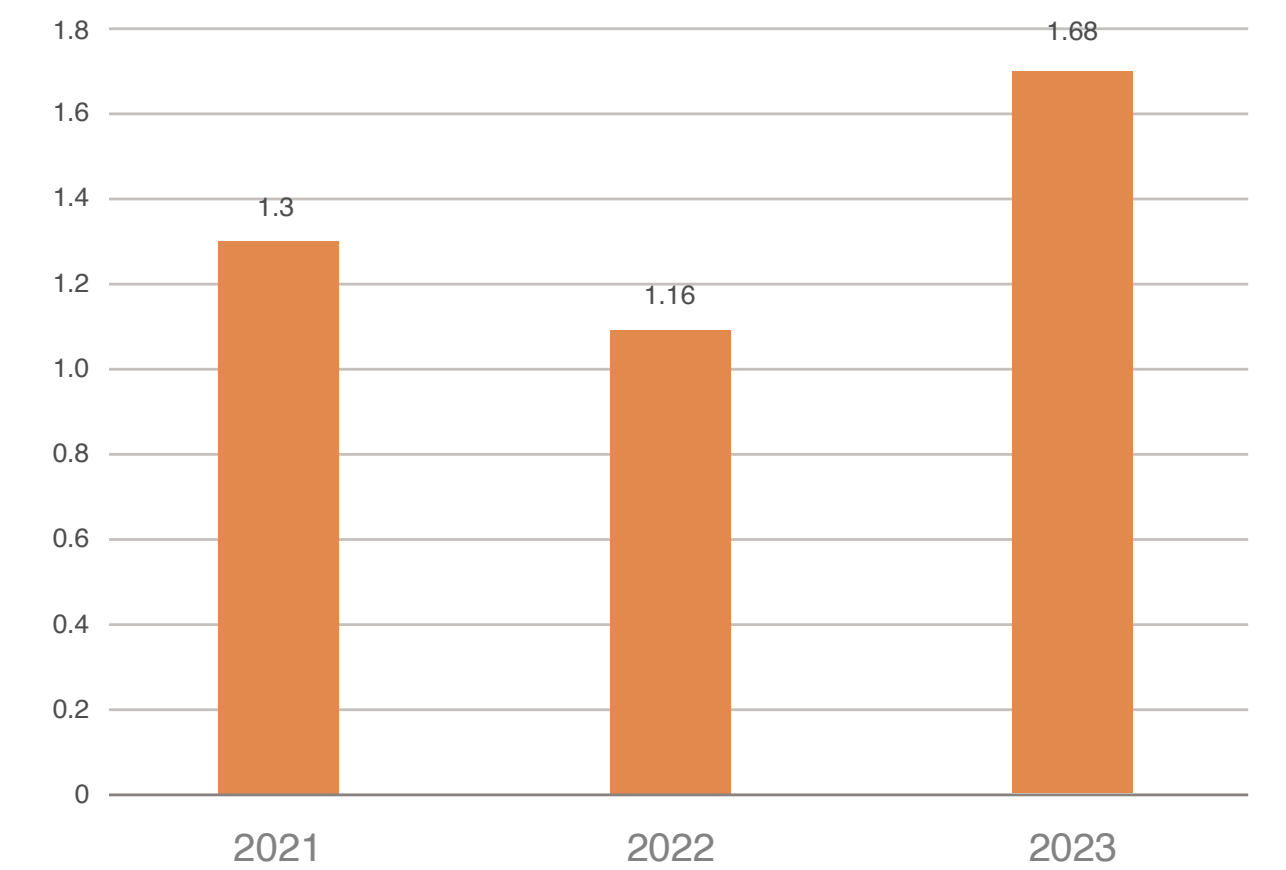
Number of People Receiving Environmental Trainings



Total Environmental Training Hours



Training Hours per Person (Hours/Person)





# Occupational Health and Safety (OHS)

For our human capital, which is at the core of our sustainability approach, we prioritize the health and safety of our employees and all stakeholders in our value chain in all of our business processes. We strictly adhere to national and international Occupational Health and Safety (OHS) legislation as well as Koç Group's OHS principles. In line with these principles, we aim to protect our employees from occupational accidents and occupational diseases, to create safe and healthy working conditions, and to eliminate hazards by anticipating OHS risks with proactive approaches.

To that end, we make the necessary efforts to achieve the goal of zero occupational accidents and develop an effective OHS culture within Otokoç Otomotiv.

Occupational health and safety are among the sustainability issues we consider to be highly material. Accordingly, to ensure that our employees work in healthy and safe environments, we periodically conduct OHS risk assessments, take proactive measures to minimize these risks and constantly strive to achieve our goal of zero accidents. Implementing various reward programs to increase the awareness and consciousness levels of our employees and to encourage correct practices are major parts of our OHS approach.

At Otokoç Otomotiv, we hold the ISO 45001:2018 Occupational Health and Safety Management System

Certificate, which covers our operations and sites in Türkiye. Thanks to this management system, we manage all our OHS processes with a centralized control mechanism. OHS managers and specialists at the Head Office and in our field operations, as well as healthcare personnel, play critical roles in protecting the well-being of our employees under all circumstances. The Head Office employs 1 OHS Manager, 2 full-time OHS specialists, 1 full-time workplace physician, and 1 full-time workplace nurse. In our other retail branches, parts warehouses and rental offices, there are 23 occupational physicians, 21 OHS specialists and 2 workplace nurses. These teams support our employees in health and safety issues at every stage of our business processes. Thus, we ensure that our occupational health and safety processes are effectively implemented in all our operations.

We established the OHS Board based on the belief that issues related to occupational health and safety should be addressed systematically. Composed of 13 people, this board meticulously follows the OHS legislation, guides employees in the workplace on OHS issues, evaluates OHS hazards and measures, sets measures and precautions and notifies the employer or the employer's representative.

In every occupational accident that occurs in the workplace and in incidents that occur in the workplace

- but are not considered as occupational accidents
- that have the potential to harm the workplace or work equipment or in case of occupational disease or in case of a hazard related to OHS, the necessary research and investigation are carried out, and measures are determined and reported to the employer or employer's representative.

OHS education and training at the workplace is planned, programs on OHS and rules are prepared and submitted to the employer or the employer's representative for approval, and the implementation

of these programs is monitored, with feedback given in case of deficiencies. In addition, the necessary safety measures are planned for maintenance and repair work to be carried out in the workplace, the implementation of these measures is checked, the adequacy of the measures taken for fire, natural disasters, sabotage and similar hazards in the workplace and the work of the teams are monitored, an annual report on the OHS situation is drafted, the work completed that year is evaluated, and the work program for the following year is created according to the experience gained.

We monitor OHS documents through the Worksafe application and manage nonconformities and corrective actions in the field through the follow-up of improvement suggestions and KPIs. We also centrally manage work equipment and environmental measurements, fire and explosion protection. We continuously review and improve our OHS management processes and encourage all our employees to actively participate in such processes.



We increase the level of awareness and consciousness of our employees on OHS by providing them with induction and refresher trainings, emergency team trainings and other special OHS trainings. We carry out various communication and awareness-raising activities to strengthen OHS awareness in the field. We deliver driving safety trainings to raise awareness on the matter. We aim to raise awareness through OHS week activities. In addition, to increase the awareness of our employees on specific matters, we offer tool-box trainings to provide information on various topics such as chemical use, personal protective equipment, manual handling methods, electrical safety, Worksafe application, emergency procedures and drills.

At Otokoç Otomotiv, in addition to in-person training offered to our employees at the beginning of their employment, we organize in-person and distance trainings supported by content tailored to the needs and workplace at the periods stipulated in the legislation according to the hazard class of the workplace. These trainings are offered through the TISK (Turkish Confederation of Employers' Associations) Academy platform and cover general topics such as labor legislation, employee rights and responsibilities, workplace organization, legal consequences of work accidents and occupational diseases.

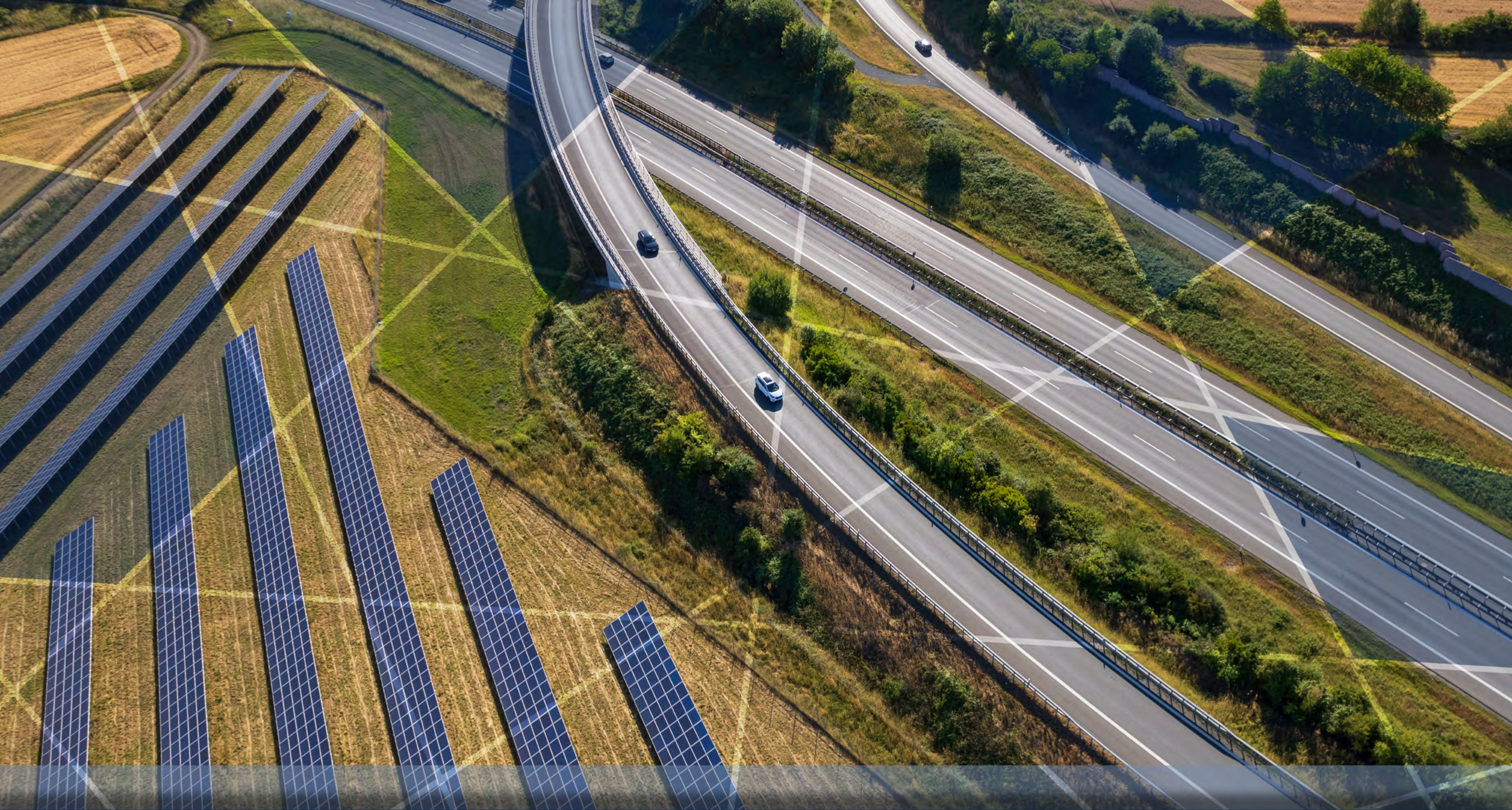
In our health-oriented trainings, we provide information on the causes of occupational diseases, prevention methods, biological and psycho-social risk factors, first aid, the hazards of tobacco products and passive

exposure. In technical areas, we provide trainings on chemical, physical and ergonomic risks, manual handling operations, fire safety, safe use of work equipment, working with screen devices, electrical safety, work accidents and prevention strategies, health and safety signs, use of personal protective equipment, general rules of occupational health and safety, evacuation and rescue procedures, working at height safety, Worksafe application and work permit systems.

To protect the health of our employees, we ensure that they undergo pre-employment medical examination, periodic health surveillance and disease risk assessments. We also administer influenza vaccines, distribute vitamin kits and provide earthquake kits for emergencies.

We implement a comprehensive management system for emergencies and conduct root cause analyses for occupational accidents. Our emergency trainings cover protection, rescue, firefighting and first aid techniques.

For 2023, the total number of injuries that caused employees to lose at least one working day (relative to one million hours worked) was recorded as 48 (38 Otokoç Otomotiv employees and 10 contractor employees). There have been no fatal accidents in Otokoç Otomotiv business processes in the last three years. We aim to protect employee safety and expedite their adaptation to the working environment by providing post-accident job resumption trainings to our employees who have suffered a work accident.



## 6. OUR PATH TO THE FUTURE FOR MOBILITY

At Otokoç Otomotiv, while developing innovative mobility solutions, we are cognizant of the increasing global environmental awareness and our social responsibilities. Started under the motto “Our Path to the Future”, this exciting journey is shaped by a vision that takes into account not only the present but also the expectations of future generations.

As Türkiye’s leading mobility company offering a one-stop shop for automotive solutions, we develop innovative and customized mobility solutions. As we achieve these solutions, we are aware that we play a pioneering role in the sector. Therefore, we strive to minimize our environmental impact, demonstrate a sensitive approach to social needs and transform our way of doing business in a sustainable direction. We strengthen our business model and customer relationships without harming the environment and contribute to the mobility of the future.

Through digitalization, we not only create value for our customers but also assume a leadership role as a driving force in the transformation of the industry. We also focus on providing smarter and more sustainable mobility experiences to our customers by integrating technology into mobility solutions.

In our mobility journey, we not only focus on digitalization and technological developments, but also believe in the creativity of innovation, the unifying power of entrepreneurship and the importance of information security. Combining these elements, we aim to build a sustainable mobility approach for the future.

Digital transformation is one of the cornerstones of our vision “Our Path to the Future” and is causing a significant change in today’s mobility services. To that end, at Otokoç Otomotiv, we adopt the mission of “Becoming the Digital Leader in the Sector”.

**Otokoç Otomotiv**

## We Support the Top 100 Leaders in Technology



# Customer Satisfaction and Experience

Since the day we were founded, we have adopted an approach that always prioritizes customer satisfaction and aim to meet the demands and needs of our customers quickly and effectively. Understanding the demands and needs of our customers, meeting them quickly and developing the leanest possible service designs form the basis of our customer satisfaction approach.

Our approach is to provide customer-oriented services without compromising on quality standards and to establish transparent communication with our customers. We have the ISO 10002:2018 Customer Satisfaction Management System, and we strive to increase the satisfaction level of our customers by prioritizing digital transformation to improve customer experience. We focus on the power of developing innovations and making continuous improvements to our services.

In line with our Customer Satisfaction Management System Policy, we act in integrity and strictly adhere to customer confidentiality by prioritizing the principles of openness, speed, security, fairness, sensitivity, accessibility and transparency in the process of managing complaints and requests. Based on these values, we aim to continuously improve customer satisfaction. We intend to offer innovative solutions for customer needs by closely following technological

developments. To identify potential areas of improvement and increase efficiency, we regularly evaluate our request and grievance management processes and the systems through which they are carried out, report activities and make continuous improvements. We adopt a customer-oriented approach for excellence, meticulously evaluate all feedback and aim to continuously improve the customer experience.

We meticulously record all kinds of requests, suggestions and complaints that are submitted to the Communication Centers of our brands via e-mail, website contact forms, social media accounts and all other digital channels. We run these processes through our Voice CRM customer ticket management module, which is the database and platform where customer records are kept, so that we can categorize each feedback by topic and report it systematically.

|                                                                        | 2021                                                                                                                                                                                                                                               | 2022                                                                                                                                                                                                                                               | 2023                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of complaints submitted to the customer contact center          | Avis Short Term: 2,535<br>Budget Short Term: 1,935<br>Otokoç Fiat Sales: 96<br>Otokoç Fiat Service: 323<br>Otokoç Ford Sales: 60<br>Otokoç Ford Service: 441<br>Otokoç 2. El: 476<br>Avis Filo After Sales Services: 2,047<br>Otokoç Insurance: 11 | Avis Short Term: 2,709<br>Budget Short Term: 1,499<br>Otokoç Fiat Sales: 96<br>Otokoç Fiat Service: 271<br>Otokoç Ford Sales: 55<br>Otokoç Ford Service: 370<br>Otokoç 2. El: 840<br>Avis Filo After Sales Services: 2,411<br>Otokoç Insurance: 18 | Avis Short Term: 2,197<br>Budget Short Term: 812<br>Otokoç Fiat Sales: 282<br>Otokoç Fiat Service: 262<br>Otokoç Ford Sales: 73<br>Otokoç Ford Service: 281<br>Otokoç 2. El: 780<br>Avis Filo After Sales Services: 2,719<br>Otokoç Insurance: 33 |
| Number of complaints responded to by the customer contact center       | 100% for all brands                                                                                                                                                                                                                                | 100% for all brands                                                                                                                                                                                                                                | 100% for all brands                                                                                                                                                                                                                               |
| Number of complaints resolved by the customer contact center           | 100% for all brands                                                                                                                                                                                                                                | 100% for all brands                                                                                                                                                                                                                                | 100% for all brands                                                                                                                                                                                                                               |
| Response rate for complaints lodged to the customer contact center (%) | 100%                                                                                                                                                                                                                                               | 100%                                                                                                                                                                                                                                               | 100%                                                                                                                                                                                                                                              |

In the last three years, all notifications and complaints submitted to our brands were responded and resolved. The feedback from our customers in our customer communications is regarded as a driving force for us to improve our services and business processes. Any customer feedback gives us an opportunity to improve our services and maximize the customer experience. Acting on such awareness, we always focus on customer satisfaction.



# Electrification: Environmentally Friendly Mobility Solutions

In recent years, the increasing environmental impact of fossil fuel vehicles and their negative contribution to the global climate crisis have reached alarming levels. Therefore, electric vehicles stand out as a major alternative and a promising solution. At Otokoç Otomotiv, we are aware of this and make every effort to develop environmentally friendly mobility solutions and thus mitigate the effects of climate change.

Electrification refers to a transformation process involving the use of and infrastructure for vehicles powered by electricity instead of traditional internal combustion engines. Electric vehicle technology is believed to offer a solution to the environmental problems caused by vehicles with conventional internal combustion engines. Electric vehicles produce far fewer exhaust emissions than conventional internal combustion engines. However, electric vehicles are known to cause more intensive emissions during battery production and disposal. The fact that electric vehicles cause greenhouse gas emissions by using

electricity generated from traditional sources instead of renewable energy sources such as solar and wind is also a matter of debate. However, with the advancement of technology and increased investment in renewable energy, the impact of EVs on the environment throughout their lifecycle is expected to gradually decrease.

However, with the advancement of technology and increased investment in renewable energy, the impact of EVs on the environment throughout their lifecycle is expected to gradually decrease.



At Otokoç Otomotiv, we feel responsible for the world's and Türkiye's transition to electric vehicles to respond to the climate crisis we face, and we are closely monitoring this trend. We focus on electric vehicle technologies and infrastructure to provide innovative solutions for our customers' needs. To that end, we offer a wide range of products and services to meet the innovative demands of our customers, such as electric and hybrid vehicles and mini/micro mobility. We have set targets for hybrid and electric vehicle sales, and we continue our efforts to achieve these targets.



Furthermore, we aim to expedite the transformation of the entire sector through our new collaborations and projects. Accordingly, to improve the electric vehicle charging infrastructure, WAT, Opet, Otokoç Otomotiv and Entek Elektrik have jointly launched WAT Mobilite, which focuses on customer experience and addresses electric vehicle charging stations within a holistic approach.

At Otokoç Otomotiv, we adopt a creative and innovative approach to remove the barriers to sustainable and smart transportation and aim to be one of the key stakeholders in mobility transformation.

We focus on innovative projects that will strengthen the future role of electrification. We applied to the European Union (EU) Horizon Incentive Program this year with the “EcoMobility” project, receiving our first EU Horizon project approval. In this project, we collaborate with 6 major organizations from Türkiye, namely Otokoç Otomotiv, Scientific and Technical

Research Council of Türkiye (TÜBİTAK), Ulak Haberleşme, İstanbul City Lines, İstanbul Bilişim ve Akıllı Kent Teknolojileri A.Ş. (İSBAK), Smart Kontrol Sistemleri, and 44 global institutions in total. With this project, we aim to provide door-to-door transportation services (car, e-bike, scooter, etc.) with electrical components and advanced technology products through the mobility platform and with support from all stakeholders in smart cities such as vehicle manufacturers, suppliers, operators and end users. We believe that this project not only offers a mobility solution, but also has the potential to be an innovation and collaboration platform that will shape the mobility ecosystem of the future.

We pioneer another wave of transformation in zero emission vehicles with our second major project ‘Affordable Zero Emission Vehicles for Urban Passenger (ZEV-UP)’ accepted in 2023. For the ZEV-UP project, we cooperate with 16 leading organizations in the world and in Türkiye (Otokoç Otomotiv, Ford Otosan, Aspilsan, Coşkunöz) to make a significant contribution to the goal of reducing greenhouse gas emissions from fully electric vehicles. With this project, we focus on the needs of users with an innovative design and engineering approach and pursue our goal of developing not only environmentally friendly but also user-friendly electric vehicles.

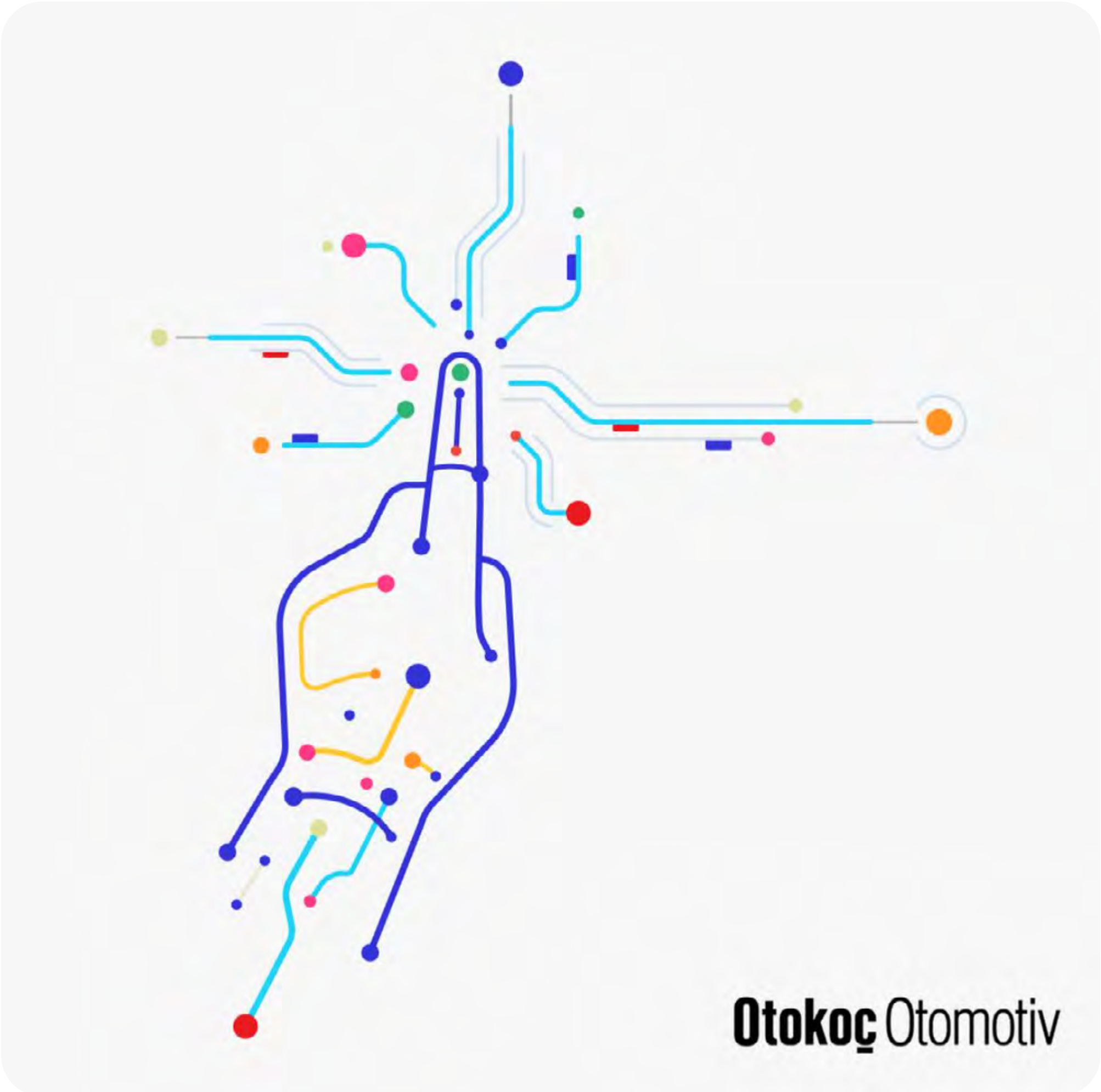
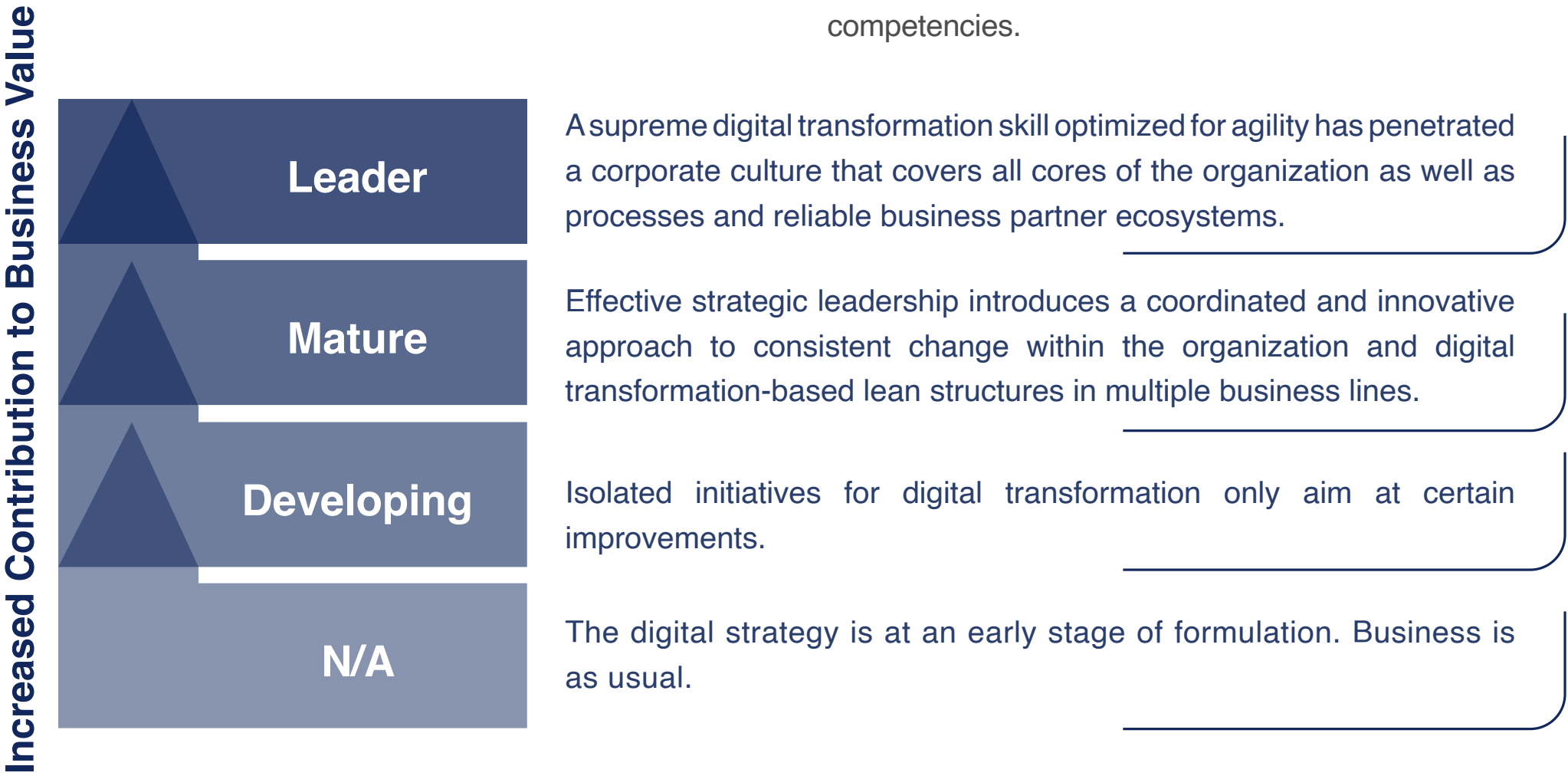
# Digital Transformation: New Paths, Innovative Solutions

Otokoç Otomotiv not only created value through its vision of “Becoming the Digital Leader in the Sector” in the field of Digital Transformation but also enabled a breakthrough in the sector.

In line with the vision and goal of “Becoming the Digital Leader in the Sector”, the “Digital Transformation Strategy and Roadmap Development” Program was initiated in 2023 in cooperation with Deloitte. 80+ employees were involved in the program, 14+ workshops were held, and 500+ questions were answered including those from field analyses. These analyses helped identify 11 macro trends that are expected to affect the automotive mobility sector until 2035, and their timing and impact were evaluated from the perspective of Otokoç Otomotiv.

Otokoç Otomotiv’s current competencies, development opportunities, and potential focus areas in the field of digital transformation were discovered, and the business and technology initiatives underway were quantified by department leaders using Deloitte’s ‘Digital Transformation Maturity Model’. Such quantification identified the challenges Otokoç Otomotiv faces and the critical features it will need to disseminate digital transformation throughout the organization.

The Digital Transformation Maturity Model has 4 main levels, 8 core areas, 49 sub-propositions and 104 competencies.



## The Core Areas

### Data and Analytics

### Digital Front Office

### Creative Strategy

### Organizational Transformation and Talent

### Multichannel Experience

### Digital Asset and Content Management

### Digital Operations

### Cloud, Integration and Cyber Security

Below are the activities carried out within the framework of the program

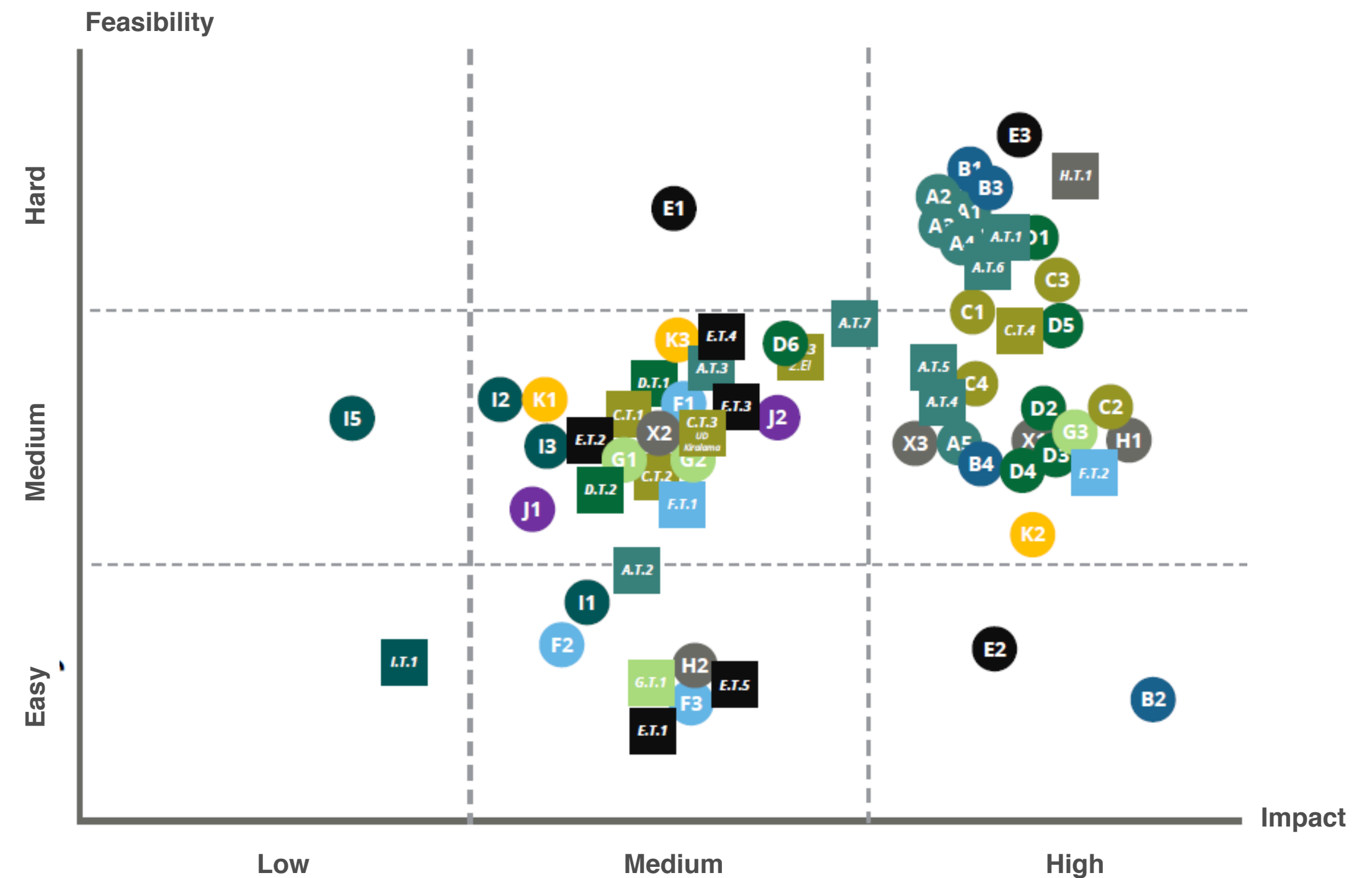
- Exploring the intersections of disruptive technologies (Disruptive Technologies), prominent themes in the market (Themes), trends that fall under these themes (Trends) and leading/common practices under these trends (Best/Common Practices) with Otokoç Otomotiv's current and potential initiatives,
- Identifying digital initiatives that will serve Otokoç Otomotiv's vision and help it achieve its corporate strategy, and designing new digital initiatives in line with the company's goals and boundaries (Goals and Bounds), taking into account trends, Otokoç Otomotiv's maturity level, targeted competency level and stakeholder ecosystem,
- Identifying enablers (technology and other) to make initiatives a reality,
- Harmonizing on the output created through the foregoing activities, initiatives that will move Otokoç Otomotiv forward in digital transformation and prioritization.

We designed 64 initiatives that will enable Otokoç Otomotiv to achieve business unit-based and consolidated results in digital transformation. The identified initiative matrix was formed as follows.

The initiatives designed were prioritized in line with the parameters of desirability, viability and feasibility, and a 3-year digital transformation roadmap for Otokoç Otomotiv was drawn up, and a high-level governance structure was designed to implement this roadmap and make digital transformation a part of Otokoç Otomotiv.

Digital Transformation maturity is targeted to increase from 1.90 points to 2.30 in 2024.

The cumulative 2023 financial impact of digital transformation projects completed in 2022 amounted to TL 42 million.



# Innovation and Entrepreneurship: Shaping the Future

Innovation and entrepreneurship are key to every step we take towards a sustainable future. These two phenomena enable the efficient use of existing resources by producing innovative solutions for the needs of the future.

At Otokoç Otomotiv, the Innovation Committee (IKOM), which consists of the senior management, evaluates innovation and intrapreneurship and shapes our future goals.

## Innovation

In 2015, we joined the Koç Innovation Program and started working on innovation, and we keep improving our relevant efforts day by day. This program has enabled us to operate in areas such as Intrapreneurship, Open Innovation and Co-Innovation. Through these activities, we aimed to maintain our pioneering position in the sector by constantly developing new ideas and collaborations. In addition, we promoted an intrapreneurship culture by encouraging our employees to innovate. We also support open innovation through collaborations and partnerships with our external stakeholders. We encourage Co-Innovation to interact with other companies in the sector. These approaches will be used to continuously develop up-to-date and innovative solutions and offer these solutions to our customers.

Based on the vision, mission and goals of our organization, we have set our tailored Innovation Strategy for Otokoç Otomotiv as follows:

- **Customer-Focused Innovation:** We see innovation as a lever to meet the needs of our customers, achieve corporate goals and stay ahead of the competition. Thanks to our customer-oriented approach, we aim to respond quickly and effectively to market demands.
- **Focus and Development:** We focus our innovation capacity on service areas with a high growth potential. Accordingly, we aim to use our resources efficiently by focusing on areas where we can have the greatest impact.

- **Work Environment and Intrapreneurship:** We care about creating a working environment that supports innovation and developing intrapreneurship competencies. We believe that encouraging our employees to come up with creative solutions and providing an environment where they can realize their ideas are the foundations of innovation.
- **Cooperation with External Stakeholders:** We are aware of the importance of collaborating with external stakeholders to generate and implement new ideas. We believe that guidance from and partnerships with external stakeholders will increase Otokoç Otomotiv's innovative potential and offer different perspectives.
- **Continuous Improvement:** We aim to implement a repeatable and continuously improved innovation methodology. We believe that continuous improvement will enable us to optimize our innovation processes and maintain our competitive edge.

The areas of innovation that Otokoç Otomotiv has identified to achieve its growth targets, increase its profitability and strengthen its competitiveness are listed below.

- Platform business models in mobility
- New business models based on the sharing economy
- Car rental solutions
- Data-driven business models
- Micromobility solutions
- Smart cities
- Digital sales and retail technologies (New - Used Vehicles)
- Autonomous and connected vehicles
- Electrification and energy
- After-sales services
- Connected mobility
- Circular economy and sustainability

Otokoç Otomotiv  
**We are among  
the top 10 in innovation!**



In the upcoming period, as part of Otokoç Otomotiv Innovation Strategy, we aim to develop our portfolio of innovation projects by dividing them into three different categories.

## Radical Projects

These projects involve large-scale innovations that can radically change the status quo. New and revolutionary ideas have the potential to change the company's usual ways of doing business and give it a significant competitive edge. We aim to increase the share of such projects in innovation projects to 10%.

## Semi-Radical Projects

Semi-radical projects are those that can significantly improve or change existing business models. They can increase the competitiveness of the company by introducing certain innovations. We aim to increase the share of such projects in innovation projects to 34%.

## Stepwise Projects

Stepwise projects are small projects to improve existing business processes or products. These projects generally carry less risk and provide short-term gains. We aim to increase the share of such projects in innovation projects to 56%.

## Open Innovation

As part of our open innovation efforts in 2023 at Otokoç Otomotiv, we interacted with over 150 start-ups in the fields of mobility, retail technologies, platform technologies and sustainability, collaborated with many of them and conducted PoCs (Proof of Concept), which are tests to prove ideas and products. These collaborations include managing and monitoring the recycling process of electronic wastes generated in-house from a single platform, enabling vehicle owners to receive the services they need (parking, driver, car wash, etc.) from a single channel, and video calls between customers and sales consultants to enhance the online experience. In addition, we established an AI-assisted video camera-supported platform to quickly and automatically detect damage to vehicles during the pick-up and delivery of rental vehicles at Esenboğa Airport. We performed another PoC regarding the management of carbon footprint.

Moreover, we have the Inomotion Program based on new business models in mobility that will also contribute to sustainability strategies. By the end of 2023, the number of applications to the Innovation Programs, which started in 2015, reached 1,580 ideas. 49 of these ideas worked on the lean startup methodology, while 29 of them qualified for the pilot phase.

## Co-Innovation

As part of Co-Innovation, e-bikes and e-scooters joined the Otokoç Otomotiv portfolio in 2022 thanks to the collaboration with micromobility manufacturer ALBA Elektrikli Ulaşım Sistemleri (ALBA Electric Transportation Systems). During the successful pilot phase, a total turnover of TL 4.5 million was secured, followed by a decision to commercialize in 2023.



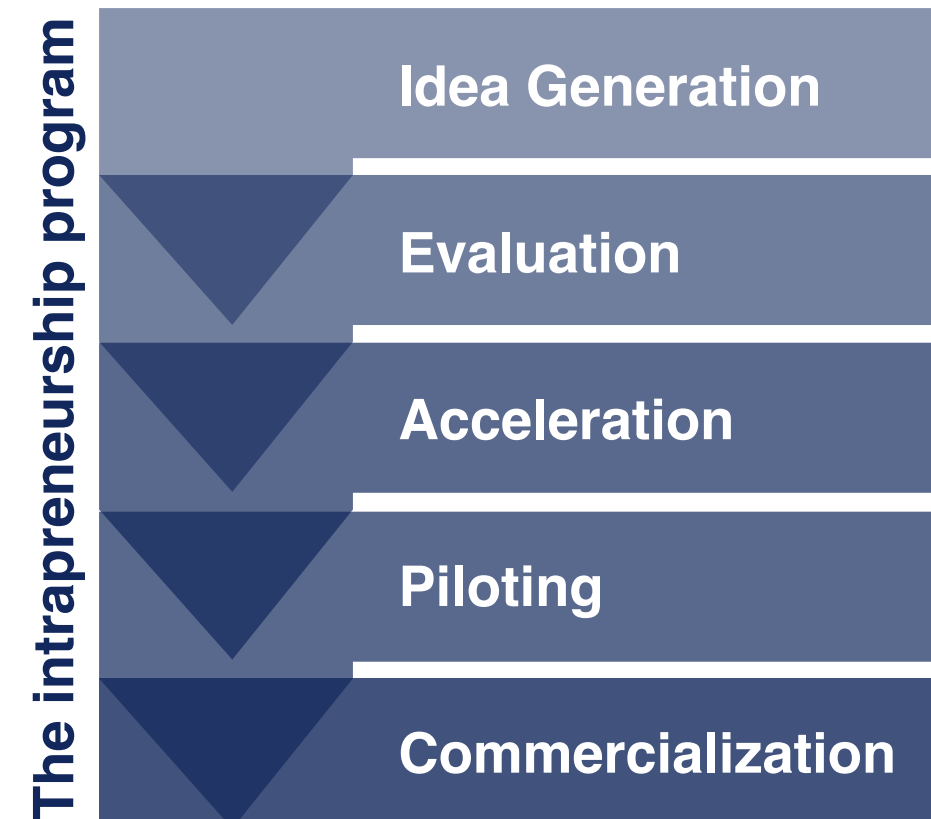
## Intrapreneurship

Intrapreneurship refers to generating ideas flexibly within the organization, learning by doing through rapid experimentation, and adopting a long-term, agile and piloting approach. In this segment, we work on topics and business models that are not based on technology but are aimed at increasing the efficiency of existing businesses.

The intrapreneurship program starts from the idea generation stage and includes evaluation, acceleration, piloting and commercialization stages. The innovation process starts with the submission of employees' ideas through the dedicated platform. Ideas are first evaluated by the Innovation Team.

Successful ideas proceed to the acceleration process to mature their business/revenue models and are evaluated by the Innovation Committee. The process is completed with the senior management's evaluation of successful teams that have reached the commercialization stage.

Since 2015, intrapreneurship processes have been actively pursued to reveal the innovative potential of our company. As part of these processes, 47 different business ideas were rigorously examined with lean startup methodology, and 29 business ideas were developed and advanced during the pilot phase. As a result, many ideas were commercialized, generating significant revenues and new customers for our company. Our aim is to test and realize innovative ideas in a shorter time and with less cost through intrapreneurship efforts, which have yielded 7 commercial products to date, including Ek Saat, Lastick, Digital Franchise, Avis Caravan, Budget İstedğin Yerde, Çift Yön Kiralama and E-Bike.



In 2022, the second phase of the VIP (Very Innovative People) Ideation Program aimed to develop innovative business models at Horizon 2 level. 20 Otokoç Otomotiv employees from different disciplines participated in this program. Furthermore, the annual Intrapreneurship Awards Ceremony has been an important part of the corporate culture since 2017, with the most recent one held in December 2023.

The 11th Cycle Intrapreneurship Acceleration Program started in November 2023 and focuses on 3 different business ideas on the themes of sustainability and upcycling.



Since 2019, the turnover generated from commercialized intrapreneurship initiatives is over TL 100 million, hailing approximately 2,700 new customers. In addition, more than 1,100 Otokoç Otomotiv employees received training and mentoring support on innovation and entrepreneurship through our intrapreneurship processes.



## Information Security: Steps for a Secure Future

We know that confidentiality and security of information have grown even more important with the rapid development of our digitalization efforts. Therefore, at Otokoç Otomotiv, we take proactive measures to protect the confidentiality and security of our customers' data. We are committed to securing our business processes through our information security policies and processes such as log management, cybersecurity, data classification and protection.

We continuously update and improve our policies, procedures and plans for information security. To that end, we continuously review security threats and the measures we take under our Information Security Policy. We classify and manage potential threats as virus attacks, hacker attacks, information theft, data modification, phishing and social engineering, ransomware, security problems in cloud computing, DDoS attacks (Distributed Denial of Service attacks), regulations and laws, theft and fire. We also have a comprehensive incident response plan in place to stand prepared to respond quickly to potential threats.

To ensure data security, we implement data classification and protection procedures and strictly follow log management policies. In our network and communication infrastructure, we ensure security by using software-based smart network technologies running on up-to-date technologies.

We actively carry out all end-to-end application security processes by receiving red-team hacking services from external suppliers for our critical applications related to application security. Regarding cybersecurity operations, we use the security operations center and cyber intelligence services, thus working in an integrated manner with all our systems.

In addition, we work to raise awareness on information security and provide our employees with regular training. In all these efforts, we aim to maximize information security for our customers and our company.

By 2023, we have largely achieved our goals of taking major steps in the areas of intrapreneurship, start-up collaborations and start-up investments. As part of our KPIs for intrapreneurship, the commercialization of 2 intrapreneurship projects has been included among our targets.



## Our Goals for Mobility



To make a future contribution in line with our aim to provide sustainable mobility solutions, we meticulously monitor the performance indicators we set. At Otokoç Otomotiv, we work in determination to set our medium and long-term sustainability goals.

In addition, we successfully commercialized the E-Bike project and completed this target by 50%. Moreover, we fully achieved our goal of implementing 2 intrapreneurship projects through internal mentoring during the pilot phase.

As part of the KPIs for start-up collaborations, we offered 39 cooperation alternatives to our branches and business units, realizing 78% of our target of 50. Furthermore, we exceeded our target of realizing 10 initiatives for PoC/demo/pilot applications at a rate of 190% by 19 initiatives. We completed 80% of our goal of collaborating with 5 different start-ups, universities, technology transfer offices and/or institutes. We identify focus areas for the needs of our business units and offer start-ups in the relevant field to business units. Accordingly, we have achieved a completion rate of 90%. Dealflows are a type of meeting in which companies introduce one or more start-ups that they have found for needs analysis with their relevant business units in a single session. As a result of the meeting, it is decided which start-up can proceed to the PoC (proof of concept) phase. These meetings are usually organized to find solutions that companies need in a specific industry or technology area.

While evaluating different start-ups through dealflows, companies try to identify start-ups that both meet their business needs and have the potential for collaboration. Dealflow meetings are also used to assess investment opportunities.

In line with KPIs for start-up investments, we evaluated investments with 9 start-ups offering innovative mobility solutions. We reached 90% of our target of 10 in this field. We have invested in 2 new start-ups that will contribute to our corporate values, doubling the target set at the beginning. Driven by all these achievements, Otokoç Otomotiv has taken key steps in the fields of entrepreneurship, collaborations and investments and considerably realized its relevant goals.

In 2023, we successfully achieved our goal of organizing at least 4 innovation-focused webinars, events or ceremonies, namely the Innovation Award Ceremony, Business Model Innovation with Bosch GmbH Global Innovation Director Levent Sürer, “The Future of Innovation Talks with Industry Leading Expert” webinar by Dr. Philipp Gneiting and GKP Innovation Talks.



## 7. OUR PATH TO THE FUTURE FOR SOCIETY

# Corporate Social Responsibility

Based on “Our Path to the Future” approach, Otokoç Otomotiv aims to support the development of the entire society in which we operate, contribute to raising individuals who will inspire future generations, build an environment that will improve everyone’s quality of life and encourage social transformation. Acting within a sense of responsibility, we continue to carry out social responsibility projects in various fields such as improving the quality of life of earthquake survivors, protecting nature, supporting the right to education, and meeting the needs of stray animals



In 2023, as in previous years, Otokoç Otomotiv made social investments through donations and sponsorships to solve social problems and heal the wounds of the earthquake that deeply affected our country. As a proof of our commitment to education, we have been supporting Koç University’s Anatolian Scholars program to offer scholarships to successful students. We extended scholarships worth TL 1.39 million in 2023 and approximately TL 873 thousand TL in the previous year, contributing to the education of students and to raising the leaders of the future. After the earthquake, we provided food boxes and material support to earthquake survivors in Koç Group’s Container Cities, forwarding a total of 4,000 boxes worth TL 1.59 million. In addition, on behalf of our female employees, we donated TL 350,000 to the Foundation for Supporting Women’s Labor (KEDV) on Women’s Day to support women in need in the earthquake-stricken region.

Through our social responsibility projects, we strive to shape not only today but also tomorrow.

At Otokoç Otomotiv, social responsibility projects and social investments are led by the Corporate Communications Department and the Human Resources Department and are supported by many business units. To that end, we collaborated with AbilityPool to form a volunteer team at Otokoç Otomotiv called “Ambassadors for a Beautiful World”. Accordingly, we aim to increase the impact and expand the scope of each project over time by creating a platform where our employees can voluntarily participate in social responsibility projects launched on AbilityPool. The social responsibility projects that our colleagues have participated in via this platform are listed below.

- Activity in cooperation with Haçiko to feed shelter animals
- Environmental cleanup in cooperation with Let’s Do It
- Food distribution in cooperation with Çorbada Tuzun Olsun Association
- Online Classroom Support in cooperation with the Community Volunteers Foundation (TOG)
- Supporting the “Every Step Counts Because Our Girls Will Be Schooled” campaign in cooperation with Buldan Education and Solidarity Foundation
- Stationery support for children in the earthquake-stricken region through “My Dream Bag” Project in cooperation with Bir Kitap Bir Gelecek Association

## Earthquake Relief Activities

At Otokoç Otomotiv, we focus on a hopeful future that will contribute to our industry and our country. We plan and implement action to address the impacts of this disaster in a long-term and sustainable manner. We have supported the region since the immediate aftermath of the earthquake to heal the wounds of the disaster, and we pull out all the stops to continue our support.

The year 2023 started with a major earthquake disaster. February, the shortest month, is now remembered as the longest month for all of us. Although we suffered many losses, our hopes nevertheless managed to rise again from where they were broken.

From the very moment the earthquake struck, Otokoç Otomotiv mobilized very quickly and turned Otokoç Fiat Adana Facility into a support hub. The Adana Facility was used as a relief point for the dealers of the group companies and for other needy people throughout the earthquake region. A total of 90 vehicles, including 53 caravans, 3 off-road vehicles, 7 commercial vehicles and 27 passenger cars, were directed to the earthquake region to deliver aid. Vehicles were allocated for distribution of supplies, rescue team deployment, medication delivery and branch/dealer staff accommodation.

In the earthquake region, we provided transportation support to the Association for Education Activities for the Hearing Impaired and the Foundation for the Mentally Disabled, ensuring that individuals with disabilities were minimally affected by the disaster. We set up emergency points for relief supplies including containers, disaster tents, mobile kitchens, water and food supplies, blankets, sleeping bags, winter clothes, generators, chargers and heaters and delivered them to these points. Our employees provided earthquake survivors with medication for critical illnesses and also extended transportation support to those who were unable to get to hospitals.

In addition, we provided financial support to Arçelik's mobile kitchen project in the earthquake region. A donation campaign was launched on the basis of the disaster fund set by Vehbi Koç Foundation, and we, at Otokoç Otomotiv, supported this fund.

Furthermore, under the coordination of Koç Holding, we cooperated with other affiliated companies to implement a project for 5,000 containers that would meet the shelter and social equipment needs of 20,000 people in the region. These container cities were created in cooperation with public institutions and national and international civil society organizations, serving as living spaces that stood out with their inclusive and social facilities, taking into account the needs of women, children, youth, the elderly and the disabled. At My Future Dream Center operating in Hatay Umut Kent with contribution from Vehbi Koç Foundation and support from Ford Otosan, we offered trainings and culture and arts activities for children, youth, women and families. We established the Otokoç Otomotiv computer classroom in this container city to support the education of children and young people.

The earthquake has inflicted an indescribable pain in us all. At Otokoç Otomotiv, we strive to heal the wounds and alleviate the pain.



## A Glass Ceiling is Only Good on a Car

The glass ceiling, an important concept in gender equality, is a set of unseen and unexpressed barriers that prevent women from advancing and progressing due to discrimination, regardless of their achievements in life. In all the sectors and areas we serve, all our employees stand shoulder to shoulder to transform our corporate culture into an egalitarian structure and break down invisible glass ceilings.



We see gender equality as the key to social progress and sustainable development, and we are taking pioneering steps in this field. It is critical for us to support women to discover their power to change and transform the world and create a sustainable future.

Through our employees, we disseminate our egalitarian approach outside the organization as well and spread our belief in gender equality. For a more egalitarian and inclusive world, we embarked on a journey that we plan to continue for many years on March 8th International Women's Day last year with hundreds of employees who believe in gender equality. To that end, we collaborated with major organizations such as Fenerbahçe Sports Club, Turkish Automobile Sports Federation (TOSFED)

and Turkish Volleyball Federation (TVF) to take steps to break glass ceilings and draw attention to the issue. We held sessions called "Glass Ceiling is Only Good in a Car", hosting Metaverse meetings and emphasizing that there is no room for inequalities in the Metaverse universe, either.

Through our exclusive communication activities, we continue to raise awareness of our colleagues, the public and our stakeholders on the matter. In addition, we encourage women to be more involved in the business world through our recruitment programs that prioritize the employment of young female talents and our internship programs for senior female students at universities.

We drew attention to the importance of this issue by assigning a speaker to the Women in Sales Network session at the Sales Network Summit, and our project "Glass Ceiling is Only Good in a Car" offered visitors a unique experience by building a golf game on a storyline for breaking glass ceilings. The steps we have taken on this journey enable us to walk resolutely towards our goal of raising awareness.

## We Speak the Same Language

As Türkiye's leading mobility company Otokoç Otomotiv, in 2017, we deepened our ongoing cooperation with the Association for the Education and Activities of the Hearing Impaired to be one of the levers of a sensitive issue with the Avis brand and launched the "We Speak the Same Language" project to enable hearing-impaired individuals to rent a car comfortably and have a place in traffic.

Within the scope of the project, which focuses on hearing-impaired individuals with a population of over three million in Türkiye, we aimed to increase the participation of these individuals in social life, to provide services on equal terms, to eliminate barriers, to minimize potential problems at car rental points and to increase service quality.



In this context, we provide services to hearing-impaired individuals with a 40% discount in cooperation with IEEF. We also drew attention to the issue of first aid awareness in society with our First Aid Handbook in Turkish Sign Language project. First aid trainings were given in sign language.

Again, within the scope of the project, First Aid books prepared by IEEF in Turkish Sign Language were placed in the vehicles rented by Avis, thus supporting a non-governmental organization and breaking new ground in Türkiye. At the same time, during the pandemic in the world and in our country, we launched the "Hearing Impaired Education Activities Video Support Service Center" in cooperation with the Association of Educational Activities for the Hearing Impaired in order to find solutions to all kinds of problems of hearing impaired individuals and to facilitate their access to services.

In addition, after the earthquake disaster we experienced on February 6, 2023, IEEF went to the region with the vehicles we provided them and provided communication support to many hearing and speech impaired individuals. It also continued to stand by them with its Video Support Service Center. We organize trainings for Avis and Budget offices every year in order to refresh new recruits and previous acquisitions.

## SemtPati

As part of the SemtPati project developed by Koç Holding, we participate in activities to improve the living conditions of stray animals. Under this project, we contribute to the protection and care of stray animals by building safe and loving homes for them at our Otokoç Taşdelen, Otokoç İstinye, Otokoç Sultanbeyli and Otokoç Beylikdüzü branches.

Throughout 2023, Otokoç Ford branch in Samsun pioneered regional development and social responsibility projects by undertaking several important initiatives.

- In cooperation with Ondokuz Mayıs University (OMU), a certificate program was launched to train technicians for the electric vehicle sector. The program offers trainings on selected topics diversified through distributor support. The committee composed of OMU and SOYS members is coordinated by the branch leader.
- A New Year's surprise was given to 17 children receiving treatment for leukemia, with these young patients at Ondokuz Mayıs University Oncology Department being supported on this special occasion.

- To improve the quality of vocational and technical education, two vehicles were donated to the Vocational and Technical Anatolian High School in Çarşamba in cooperation with our distributor Ford Otosan as part of a protocol signed with the Governor's Office. Otokoç Otomotiv aims to improve students' professional skills by providing them with the opportunity to receive hands-on training.
- The Koç School Entrepreneurship Program was launched for high school students, where students designed their own projects and developed their own business models, thus gaining a real entrepreneurship experience. The program involved 30 students and transformed four start-up ideas into business models using Design Thinking and Lean Startup methodologies over a period of 12 weeks. This entrepreneurship program was realized with support from expert mentors, start-up founders and investors and offered a diverse series of education and inspiration in collaboration with the Young Success Education Foundation and the Entrepreneurship Foundation. Participants were guided at every stage of their entrepreneurial journey.



## Ecording

Under our collaboration with Ecording, we took an innovative step and delivered 125,000 cedar and red pine seed balls with Ecodrones to difficult afforestation zones in Muğla. The project was completed after 21 drone flights and enabled the creation of new forests even at places with highly challenging geographical features. As part of the project, women's labor is involved in the seed ball production process.

Customers of Otokoç Otomotiv and Otokoç 2. El have the chance to scan the QR code in social media announcements to choose the type of seed ball to be planted. Through this interactive engagement, we directly involve our customers in our environmental protection efforts and act together for a sustainable future. With this project, Otokoç Otomotiv aims not only to contribute to the ecological balance and protection of nature, but also to raise environmental awareness by involving the society in the process.



## Collaboration with Tohum Türkiye Autism Early Diagnosis and Education Foundation

Through our collaboration with Tohum Türkiye Autism Early Diagnosis and Education Foundation, we support the access of individuals with autism to early diagnosis and education opportunities. To that end, we contribute to the realization of projects for individuals with autism and their families by actively participating in fundraising campaigns through the Otokoç Otomotiv Corporate Running Team participating in the Istanbul Marathon.



# Collaborations and Memberships

| Institution/Organization/Association/CSO                            |                                                                                                              |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| All Car Rental and Mobility Organizations Association (TOKKDER)     | Ankara Chamber of Commerce (ATO)                                                                             |
| Accumulator and Recovery Industrialists Association (AKÜDER)        | Young Enterprise Governance Association                                                                      |
| Quality Association of Türkiye (KALDER)                             | Foreign Economic Relations Board (DEİK)                                                                      |
| Integrated Reporting Association (ERTA)                             | Union of Chambers and Commodity Exchanges of Türkiye (TOBB)                                                  |
| Deniz Temiz Association (TURMEPA)                                   | İstanbul Chamber of Commerce (İTO)                                                                           |
| Women in Technology Association (CSO)                               | Bursa Chamber of Commerce and Industry (BTSO)                                                                |
| World-Our Home (Yuvam Dünya) Association (CSO)                      | Acentem Insurance Brokers Association (ASİAD)                                                                |
| Automotive Distributors and Mobility Association (ODMD)             | Association of Vehicle and On-Board Equipment and Construction Machinery Manufacturers Association (ARÜSDER) |
| Automotive Manufacturers Association (OSD)                          | Risk Managers Association (RİSK)                                                                             |
| İstanbul Chamber of Industry (İSO)                                  | Tohum Türkiye Autism Early Diagnosis and Education Foundation                                                |
| Authorized Automotive Dealers Association (OYDER)                   | Professional Women's Network (PWN) İstanbul                                                                  |
| Eskişehir Chamber of Commerce (ETO)                                 | Entrepreneur Institutions Platform                                                                           |
| İzmir Chamber of Commerce (İZTO)                                    | Entrepreneurship Foundation                                                                                  |
| Turkish Automobile Sports Federation (TOSFED)                       | Corporate Governance Association of Türkiye                                                                  |
| Association of Education Activities for the Hearing Impaired (IEEF) | Sales Network                                                                                                |

## Otokoç Otomotiv

With our “Our Path to the Future” vision, we focus on the needs of the planet, people, our business, and society within the framework of our sustainability strategy.



People



Planet



Society



Mobility



## 8. APPENDICES

# Economic Performance Indicators

| Economic Indicators*<br>(TL million)                                                             | 2022   | 2023    |
|--------------------------------------------------------------------------------------------------|--------|---------|
| Sales Revenues                                                                                   | 79,445 | 111,260 |
| Gross Profit                                                                                     | 12,089 | 11,582  |
| Operating Income                                                                                 | 6,410  | 4,946   |
| EBITDA                                                                                           | 11,268 | 13,272  |
| Profit Before Tax                                                                                | 10,481 | 9,339   |
| Net Income                                                                                       | 8,775  | 7,102   |
| Net Income - Parent Company Share                                                                | 8,385  | 6,674   |
| *Includes consolidated results in line with IFRS, including the effects of inflation accounting. |        |         |

# Social Performance Indicators

| Otokoç Otomotiv Employee Profile | 2021         |               | 2022         |               | 2023         |               |
|----------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
| Total number of employees        | Field Worker | Office Worker | Field Worker | Office Worker | Field Worker | Office Worker |
|                                  | 682          | 1,726         | 674          | 1,896         | 978          | 2,337         |
|                                  | 2,408        |               | 2,570        |               | 3,315        |               |

| Otokoç Otomotiv Employee Profile | 2021  |        | 2022  |        | 2023  |        |
|----------------------------------|-------|--------|-------|--------|-------|--------|
| Number of office workers         | Male  | Female | Male  | Female | Male  | Female |
|                                  | 1,087 | 639    | 1,173 | 723    | 1,500 | 837    |
|                                  | 1,726 |        | 1,896 |        | 2,337 |        |
| Number of field workers          | 682   |        | 674   |        | 973   | 5      |
|                                  | 682   |        | 674   |        | 978   |        |

| Otokoç Otomotiv Employee Profile                                 | 2021  |        | 2022  |        | 2023  |        |
|------------------------------------------------------------------|-------|--------|-------|--------|-------|--------|
| Number of persons in governing bodies and the Board of Directors | Male  | Female | Male  | Female | Male  | Female |
|                                                                  | 246   | 67     | 268   | 81     | 257   | 78     |
|                                                                  | 313   |        | 349   |        | 335   |        |
| Number of employees excluding governing bodies                   | 1,527 | 572    | 1,582 | 643    | 2,219 | 765    |
|                                                                  | 2,099 |        | 2,225 |        | 2,984 |        |

| Otokoç Otomotiv Employee Profile              | 2021  |        | 2022  |        | 2023  |        |
|-----------------------------------------------|-------|--------|-------|--------|-------|--------|
| Number of employees under 30                  | Male  | Female | Male  | Female | Male  | Female |
|                                               | 362   | 179    | 431   | 229    | 787   | 290    |
|                                               | 541   |        | 660   |        | 1,077 |        |
| Number of employees between the ages of 30-50 | 1,308 | 455    | 1,334 | 490    | 1,597 | 546    |
|                                               | 1,763 |        | 1,824 |        | 2,143 |        |
| Number of employees over 50                   | 99    | 5      | 81    | 5      | 88    | 7      |
|                                               | 104   |        | 86    |        | 95    |        |

| Otokoç Otomotiv Employee Profile     | 2021      |           | 2022      |           | 2023      |           |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Number of employees by working hours | Full-Time | Part-Time | Full-Time | Part-Time | Full-Time | Part-Time |
|                                      | 2,394     | 14        | 2,558     | 12        | 3,312     | 3         |

| Otokoç Otomotiv Employee Profile         | 2021  |        | 2022  |        | 2023  |        |
|------------------------------------------|-------|--------|-------|--------|-------|--------|
| Number of employees with disabilities    | Male  | Female | Male  | Female | Male  | Female |
|                                          | 46    | 13     | 51    | 18     | 59    | 25     |
|                                          | 59    |        | 69    |        | 84    |        |
| Ratio of employees with disabilities (%) | 2.60% | 2.00%  | 2.80% | 2.50%  | 2.40% | 3.00%  |
|                                          | 2.45% |        | 2.75% |        | 2.53% |        |

Covers TR operations





Social Performance Indicators

| Occupational Health and Safety Data                                                                                                                                                                                                                                                                                     | 2021 | 2022 | 2023 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|------|
| Rate of days lost due to accidents                                                                                                                                                                                                                                                                                      | 0.03 | 0.03 | 0.03 |
| Absenteeism due to accidents                                                                                                                                                                                                                                                                                            | 0.03 | 0.03 | 0.03 |
| Accident frequency rate*                                                                                                                                                                                                                                                                                                | 7.86 | 3.52 | 5.49 |
| Accident severity rate*                                                                                                                                                                                                                                                                                                 | 0.03 | 0.03 | 0.03 |
| Reducing Lost Time Injury Frequency (LTIF) by 5%                                                                                                                                                                                                                                                                        | 3.43 | 3.10 | 5.17 |
| Reducing Total Recordable Injury Frequency (TRIF) by 5%                                                                                                                                                                                                                                                                 | 6.79 | 4.56 | 5.27 |
| OHS Penalties                                                                                                                                                                                                                                                                                                           | 0    | 0    | 0    |
| Note: Training hours may vary depending on the hazard class of the subcontractor, the frequency of mandatory training and the regulation. (Mandatory trainings are carried out.)                                                                                                                                        |      |      |      |
| *Accident frequency rate: (Number of Accidents with Loss of 3 Days and Less than 3 Days (Minor Work Accidents) (Including Employee - Sports Accidents) + Number of Accidents with Loss of More than 3 Days (Major Work Accidents) (Including Employee - Sports Accidents) / Total Working Hours (Employee)) x 1,000,000 |      |      |      |
| *Accident Severity Rate: (Employee - Excluding Sports Accidents) = (Total Number of Lost Days (Employee / Total Working Hours (Employee)) x 1,000                                                                                                                                                                       |      |      |      |

| Number of Employees Subject to Performance Assessment        | 2021  | 2022  | 2023  |
|--------------------------------------------------------------|-------|-------|-------|
| Number of field employees included in the performance system | 603   | 643   | 662   |
| Number of office workers included in the performance system  | 1,626 | 1,919 | 2,456 |
| *Includes employee information regarding TR operations       |       |       |       |

| Number of Reports and Grievances Received from Customers               | 2021                                                                                                                                                                                                                                                                                  | 2022                                                                                                                                                                                                                                                       | 2023                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of complaints lodged to the customer contact center             | 41,751                                                                                                                                                                                                                                                                                | 26,932                                                                                                                                                                                                                                                     | 23,158                                                                                                                                                                                                                                                                       |
| Number of complaints handled by the customer contact center            | 100% for All Brands                                                                                                                                                                                                                                                                   | 100% for All Brands                                                                                                                                                                                                                                        | 100% for All Brands                                                                                                                                                                                                                                                          |
| Number of complaints resolved by the customer contact center           | 100% for All Brands                                                                                                                                                                                                                                                                   | 100% for All Brands                                                                                                                                                                                                                                        | 100% for All Brands                                                                                                                                                                                                                                                          |
| Response rate for complaints lodged to the customer contact center (%) | 100%                                                                                                                                                                                                                                                                                  | 100%                                                                                                                                                                                                                                                       | 100%                                                                                                                                                                                                                                                                         |
| Net Promoter Score (NPS) / Overall Satisfaction Score                  | Avis Short Term: 74.4<br>Budget Short Term: 78.0<br>Otokoç Fiat Sales: 93.2<br>Otokoç Fiat Service: 86.3<br>Otokoç Ford Sales: 96.0<br>Otokoç Ford Service: 93.0<br>Otokoç 2. EI: 77.0<br>Avis Filo Sales: 89.5<br>Avis Filo Operations: 89.4<br>Avis Filo After Sales Services: 89.0 | Avis Short Term: 75.6<br>Budget Short Term: 82.1<br>Otokoç Fiat Sales: 96.4<br>Otokoç Fiat Service: 92.8<br>Otokoç Ford Service: 97.4<br>Otokoç 2. EI: 72.0<br>Avis Filo Sales: 90.8<br>Avis Filo Operations: 90.9<br>Avis Filo After Sales Services: 89.8 | Avis Short Term: 76.5<br>Budget Short Term: 80.0<br>Otokoç Fiat Sales: 97.2<br>Otokoç Fiat Service: 92.9<br>Otokoç Ford Service: 4.8<br>(5-point scale)<br>Otokoç 2. EI: 69.4<br>Avis Filo Sales: 89.6<br>Avis Filo Operations: 87.0<br>Avis Filo After Sales Services: 89.1 |

| Supplier Data                | 2021  |               | 2022  |               | 2023  |               |
|------------------------------|-------|---------------|-------|---------------|-------|---------------|
| Total number of suppliers    | Local | International | Local | International | Local | International |
|                              | 338   | 0             | 1,252 | 12            | 1,300 | 7             |
|                              | 338   |               | 1,264 |               | 1,307 |               |
| Ratio of local suppliers (%) | 100%  |               | 99%   |               | 99%   |               |

# Environmental Performance Indicators

| Environmental Trainings*                                      | 2021  | 2022  | 2023  |
|---------------------------------------------------------------|-------|-------|-------|
| Number of employees receiving environmental training (person) | 1,142 | 2,880 | 2,239 |
| Total hours of environmental training                         | 1,485 | 3,341 | 3,762 |
| Training hours per person (hours/person)                      | 1.30  | 1.16  | 1.68  |
| *Includes employee information regarding TR operations        |       |       |       |

| Greenhouse Gas Emissions*                                                  | Unit                | 2021        | 2022      | 2023      |
|----------------------------------------------------------------------------|---------------------|-------------|-----------|-----------|
| Scope 1                                                                    | tCO <sub>2</sub> eq | 3,974.0     | 4,711     | 4,955     |
| Scope 2                                                                    | tCO <sub>2</sub> eq | 5,275.0     | 3,844     | 860       |
| Scope 3                                                                    | tCO <sub>2</sub> eq | 6,186,644.0 | 7,426,957 | 8,172,417 |
| Total                                                                      | tCO <sub>2</sub> eq | 6,195,893.0 | 7,435,512 | 8,178,232 |
| * Includes operations in Türkiye, Azerbaijan, Hungary, Georgia, Kazakhstan |                     |             |           |           |

| Environmental Expenditures and Penalties*  | 2021      | 2022       | 2023        |
|--------------------------------------------|-----------|------------|-------------|
| Environmental investments and expenditures | 2,783,062 | 10,216,594 | 228,689,413 |
| Environmental fines                        | 0         | 0          | 0           |
| *Covers TR operations                      |           |            |             |

| Water Consumption Data                   | Unit | 2021      | 2022      | 2023    |
|------------------------------------------|------|-----------|-----------|---------|
| Tap water consumption                    | m³   | 48,366.96 | 82,997.93 | 91,401  |
| Groundwater consumption                  | m³   | 8,813     | 4,416.40  | 20,373  |
| Total water consumption                  | m³   | 57,179.96 | 87,414.33 | 111,774 |
| Amount of rainwater reclaimed and reused | m³   | 132       | 203       | 380     |
| *Covers TR operations                    |      |           |           |         |

# Environmental Performance Indicators

| Energy Consumption Data*                                                  | Unit                   | 2021          | 2022         | 2023          |
|---------------------------------------------------------------------------|------------------------|---------------|--------------|---------------|
| Electricity consumption                                                   | kWh                    | 12,179,403.13 | 8,815,740.68 | 1,988,733.74  |
| Renewable electricity consumption                                         | kWh                    | 218,845       | 4,661,351.29 | 12,058,547.86 |
| Purchased Renewable Electricity (I-REC, YEKG-G, etc.)                     | kwh                    | 0             | 4,151,451.11 | 10,821,064.56 |
| Utilization of Renewable Electricity Generation for Domestic Consumption  | kwh                    | 218,845       | 506,792.78   | 1,237,483.30  |
| Greenhouse Gas Emission Savings from Renewable Electricity Use            | tons CO <sub>2</sub> e | 95            | 219          | 5,223         |
| Total installed capacity of commissioned SPP plants                       | (kWp)                  | 400           | 1,142        | 11,440        |
| Natural gas consumption                                                   | Sm <sup>3</sup>        | 885,190.50    | 820,398.52   | 956.747.04    |
| Other (LPG)                                                               | kg                     | 14,580        | 14,975       | 14,147        |
| Fuel oil                                                                  | kg                     | -             | -            | 29,493        |
| Other (diesel)                                                            | kg                     | 10,346        | 15,870.05    | 14,394.06     |
| *Includes operations in Türkiye, Azerbaijan, Hungary, Georgia, Kazakhstan |                        |               |              |               |

| Waste Data*                                                                                                                          | Unit      | 2021     | 2022      | 2023     |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|-----------|----------|
| Total waste                                                                                                                          | tons      | 1,533.61 | 2,067.79  | 1,533.62 |
| Hazardous waste amount                                                                                                               | tons      | 1,078.45 | 1,429     | 1,288.31 |
| Non-hazardous waste amount                                                                                                           | tons      | 455.17   | 638.79    | 642.12   |
| Recovered hazardous waste                                                                                                            | tons      | 1,078.40 | 1,428.858 | 1,288.12 |
| Recovered non-hazardous waste                                                                                                        | tons      | 455.17   | 638.79    | 642.12   |
| Hazardous waste disposed                                                                                                             | tons      | 0.05     | 0.14      | 0.19     |
| Amount of hazardous waste per vehicle in service (tons/piece)                                                                        | tons/unit | 0.0031   | 0.0058    | 0.0038   |
| *All hazardous and non-hazardous wastes except domestic and medical wastes are sent for recycling. Covers Türkiye retail operations. |           |          |           |          |

# Greenhouse Gas Verification Statement

CERTIFICATE

18

TUV  
SÜD

VERIFICATION OPINION STATEMENT

TÜV SÜD Türkiye  
Industry Service Division

certifies that the GHG Assertion reported by

Otokoç Otomotiv

Otokoç Otomotiv Tic. ve San. A.Ş.  
Otokoç Otomotiv Tic. ve San. A.Ş. Aydınevler Mah. Saygı  
Cad. No:60 Küçükyalı İstanbul 34854, Türkiye

Please see appendix for included sites & scope.

Contract No: 24-IS-0350a-34-C / 712926349  
Report No: 24-GR-0549

An audit was performed and has a demonstrated that the  
requirements laid down by

ISO 14064-1:2018

are fulfilled.

Certificate and Appendix Registration No.: 24-SER-05154-IS\_VOS

Issue Date: 04.11.2024  
Revision date / Rev. No: - / -

TUV  
SÜD

TÜV SÜD Türkiye  
Industry Service Division

Document No:FSU-003 Revision No / Date: 00 / 12.12.2023 Page: 1 / 3  
Ayazağa Mahallesi, Mimar Sinan Sokak, No:21 Kat:1, Seba Ofis Bulvarı B Blok, 34396 • Sarıyer / İstanbul / Türkiye

TUV®

Certificate and Appendix Registration No.: 24-SER-05154-IS\_VOS

APPENDIX

Base Year: 2021

Application Year: 2023

Categories opted for Demonstration:  
☒ Category 1 ☒ Category 2 ☒ Category 3 ☒ Category 4  
☒ Category 5 ☒ Category 6

Reporting Period: January 2023 to December 2023

|                                                                                                         | Market-based<br>emissions<br>(tCO <sub>2</sub> e) | Location-based<br>emissions<br>(tCO <sub>2</sub> e) |
|---------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------|
| Category 1 – Direct GHG<br>emissions and removals:                                                      | 4,955                                             | 4,955                                               |
| Category 2 – Indirect GHG<br>emissions from imported<br>energy:                                         | 860                                               | 6,083                                               |
| Category 3 – Indirect GHG<br>emissions from<br>transportation:                                          | 14,274                                            | 14,274                                              |
| Category 4 – Indirect GHG<br>emissions from products<br>used by organization:                           | 1,002,264                                         | 1,002,264                                           |
| Category 5 – Indirect GHG<br>emissions associated with<br>the use of products from<br>the organization: | 7,152,562                                         | 7,152,562                                           |
| Category 6 – Indirect GHG<br>emissions from other<br>sources:                                           | 3,317                                             | 3,317                                               |
| Total:                                                                                                  | 8,178,232                                         | 8,183,455                                           |

|                                                                     |         |
|---------------------------------------------------------------------|---------|
| Biogenic GHG emissions (vehicles) (tCO <sub>2</sub> )               | 290,852 |
| Biogenic GHG emissions (spare parts) (tCO <sub>2</sub> )            | 3       |
| Biogenic GHG emissions (secondhand<br>vehicles) (tCO <sub>2</sub> ) | 25,116  |
| Biogenic GHG emissions (rental vehicles)<br>(tCO <sub>2</sub> )     | 10,742  |
| Total                                                               | 325,713 |

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Certificate and Appendix Registration No.: 24-SER-05154-IS\_VOS

|                    |                                                                                                                                                                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project title      | Annual Final Verification of GHG Assertion Otokoç Otomotiv Tic. ve San. A.Ş. as per ISO 14064-1: 2018 and ISO 14064-3:2019                                                                                                                                                                                          |
| Name of the Client | Otokoç Otomotiv Tic. ve San. A.Ş.                                                                                                                                                                                                                                                                                   |
| Location           | Otokoç Otomotiv Tic. ve San. A.Ş. Aydınevler Mah. Saygı Cad. No:60 Küçükyalı İstanbul 34854, Türkiye                                                                                                                                                                                                                |
| Base year          | 2021                                                                                                                                                                                                                                                                                                                |
| Inventory year     | 2023                                                                                                                                                                                                                                                                                                                |
| Reporting Period   | 1 <sup>st</sup> January 2023 to 31 <sup>st</sup> December 2023                                                                                                                                                                                                                                                      |
| Criteria           | ISO 14064-1:2018 Greenhouse gases Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals<br>ISO 14064-3:2019 Greenhouse gases Part 3: Specification with guidance for the verification and validation of greenhouse gas statements |

Objective: The objectives of this audit were to:

- To determine the extent of conformity of Otokoç Otomotiv Tic. ve San. A.Ş. GHG emissions report with the applicable verification criteria ISO 14064-3 – Category 1, Category 2, Category 3, Category 4, Category 5, and Category 6, including the principles and requirements of ISO 14064-1.
- To assess the completeness of the organization's GHG inventory of GHG emissions.
- Evaluate the organization's GHG information system and its controls/management in preparing emission report.
- Confirm whether the GHG assertion is without material and whether the verification activities provide the level of assurance agreed to at the beginning of the verification process.

Level of Assurance Achieved:

"Limited"

Conclusion on the GHG assertion, including any qualifications or limitations (hypothetical, projected and/or historical in nature):

Whether there is

☒ evidence that the GHG assertion is materially correct and fair representation of the GHG data and information or that it has been prepared in accordance with the related international standard on GHG quantification, monitoring and reporting or to relevant national standards or practices.

☐ no evidence that the GHG assertion is materially correct and fair representation of the GHG data and information or that it has not been prepared in accordance with the related international standard on GHG quantification, monitoring and reporting or to relevant national standards or practices.

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# GRI Content Index



| GRI 1: Foundation 2021                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                      |                                                                                                                                                                              |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Otokoç Otomotiv reported in compliance with GRI Standards for the period of January-December 2023.<br>For the Content Index-Essentials Service, the GRI Services Team reviewed that the information is presented in a manner consistent with GRI Standards reporting requirements and that the information within the index is clear and accessible to stakeholders. This service was delivered on the Turkish version of the report. |                                                                      |                                                                                                                                                                              |            |
| GRI Standard                                                                                                                                                                                                                                                                                                                                                                                                                          | Disclosure                                                           | Page numbers and/or descriptions                                                                                                                                             | Exclusions |
| GRI 2: General Disclosures 2021                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                      |                                                                                                                                                                              |            |
| Corporate Profile, Corporate Governance and Effective Risk Management                                                                                                                                                                                                                                                                                                                                                                 |                                                                      |                                                                                                                                                                              |            |
| GRI 2: General Disclosures 2021                                                                                                                                                                                                                                                                                                                                                                                                       | 2-1 Organizational details                                           | Otokoç Otomotiv at a Glance, p.6-8<br>About the Report, p.4<br>About Otokoç Otomotiv, p.9                                                                                    | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-2 Entities included in the organization’s sustainability reporting | About the Report, p.4                                                                                                                                                        | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-3 Reporting period, frequency and contact point                    | About the Report, p.4                                                                                                                                                        | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-4 Restatements of information                                      | This is Otokoç Otomotiv’s first sustainability report.                                                                                                                       | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-5 External assurance                                               | Greenhouse gas verification has been received within the scope of the report.<br>Greenhouse Gas Verification Statement, p. 91                                                | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-6 Activities, value chain and other business relationships         | Corporate Profile and Founder, p.11<br>Services and Brands, p.18-19<br>Otokoç Otomotiv Globally, p.20<br>Stakeholder Relations, p.39<br>Collaborations and Memberships, p.82 | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-7 Employees                                                        | Employee Profile, p.50<br>Social Performance Indicators, p.85-88                                                                                                             | -          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2-8 Workers who are not employees                                    | Employee Profile, p.50                                                                                                                                                       | -          |

|                                 |                                                                                  |                                                                                                                                                                                                                                                              |   |
|---------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| GRI 2: General Disclosures 2021 | 2-9 Governance structure and composition                                         | Corporate Governance Approach, p.24<br>Organizational Structure, p.24-26<br>Sustainability Governance, p.35                                                                                                                                                  | - |
|                                 | 2-10 Nomination and selection of the highest governance body                     | Confidentiality Limitations<br><br>As a private company, Otokoç Otomotiv considers the details of the members of the board of directors, other collaborations and similar information as trade secrets and does not disclose this information to the public. | - |
|                                 | 2-11 Chair of the highest governance body                                        | Otokoç Otomotiv Company Leader’s Message, p.5<br>Organizational Structure, p.24-26                                                                                                                                                                           | - |
|                                 | 2-12 Role of the highest governance body in overseeing the management of impacts | Corporate Governance Approach, p.24<br>Sustainability Governance, p.35                                                                                                                                                                                       | - |
|                                 | 2-13 Delegation of responsibility for managing impacts                           | Sustainability Governance, p.35                                                                                                                                                                                                                              | - |
|                                 | 2-14 Role of the highest governance body in sustainability reporting             | Sustainability Governance, p.35                                                                                                                                                                                                                              | - |
|                                 | 2-15 Conflicts of interest                                                       | Business Ethics and Compliance, p.27-29                                                                                                                                                                                                                      | - |
|                                 | 2-16 Communication of critical concerns                                          | Enterprise Risk Management and Internal Audit, p.30-31<br>Sustainability Governance, p.35<br><br>During the reporting period, Otokoç Otomotiv did not receive reports on any critical issues.                                                                | - |
|                                 | 2-17 Collective knowledge of the highest governance body                         | Corporate Governance Approach, p.24<br>Organizational Structure, p.24-26                                                                                                                                                                                     | - |
|                                 | 2-18 Evaluation of the performance of the highest governance body                | Confidentiality Limitations<br><br>As a private company, Otokoç Otomotiv considers the details of the members of the board of directors, other collaborations and similar information as trade secrets and does not disclose this information to the public. | - |

|                                 |                                                         |                                                                                                                                                                                                                                                              |   |
|---------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| GRI 2: General Disclosures 2021 | 2-19 Remuneration policies                              | Human Resources Approach, p.51<br>Equal Opportunities, Diversity and Inclusiveness, p.53-54                                                                                                                                                                  | - |
|                                 | 2-20 Process to determine remuneration                  | Human Resources Approach, p.51<br>Equal Opportunities, Diversity and Inclusiveness, p.53-54                                                                                                                                                                  | - |
|                                 | 2-21 Annual total compensation ratio                    | Confidentiality Limitations<br><br>As a private company, Otokoç Otomotiv considers the details of the members of the board of directors, other collaborations and similar information as trade secrets and does not disclose this information to the public. | - |
|                                 | 2-22 Statement on sustainable development strategy      | Sustainability for Otokoç Otomotiv, p.34<br>Sustainable Development Goals (SDGs) Contributed, p.34                                                                                                                                                           | - |
|                                 | 2-23 Policy commitments                                 | Business Ethics and Compliance, p.27-29<br>Corporate Policies, p.29                                                                                                                                                                                          | - |
|                                 | 2-24 Embedding policy commitments                       | Business Ethics and Compliance, p.27-29<br>Corporate Policies, p.29                                                                                                                                                                                          | - |
|                                 | 2-25 Processes to remediate negative impacts            | Enterprise Risk Management and Internal Audit, p.30-31<br>Sustainability for Otokoç Otomotiv, p.34<br>Environmental Management, p.41                                                                                                                         | - |
|                                 | 2-26 Mechanisms for seeking advice and raising concerns | Business Ethics and Compliance, p.27-29<br>Customer Satisfaction and Experience, p.65                                                                                                                                                                        | - |
|                                 | 2-27 Compliance with laws and regulations               | Business Ethics and Compliance, p.27-29                                                                                                                                                                                                                      | - |
|                                 | 2-28 Membership associations                            | Collaborations and Memberships, p.82                                                                                                                                                                                                                         | - |
|                                 | 2-29 Approach to stakeholder engagement                 | Human Resources Approach, p.51<br>Stakeholder Relations, p.39<br>Responsible Sourcing Practices, p.48                                                                                                                                                        | - |
|                                 | 2-30 Collective bargaining agreements                   | Otokoç Otomotiv does not have any workforce working under collective bargaining agreements.                                                                                                                                                                  | - |

| GRI 3: Material Topics 2021                         |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                       |   |  |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|--|
| GRI 3: Material<br>Topics 2021                      | 3-1 Process to determine material topics                                                                 | Materiality Matrix, p.36<br>Sustainability-Linked Material Topics, p.37                                                                                                                                                                                                                                                                                                                                                               | - |  |
|                                                     | 3-2 List of material topics                                                                              | Sustainability-Linked Material Topics, p.37                                                                                                                                                                                                                                                                                                                                                                                           | - |  |
| Employee Satisfaction                               |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                       |   |  |
| GRI 3: Material<br>Topics 2021                      | 3-3 Management of material topics                                                                        | Materiality Matrix, p.36<br>Employee Satisfaction, p.55-56                                                                                                                                                                                                                                                                                                                                                                            | - |  |
| GRI 401:<br>Employment<br>2016                      | 401-1 New employee hires and employee turnover                                                           | Employee Satisfaction, p.55-56<br>Social Performance Indicators, p.85-88                                                                                                                                                                                                                                                                                                                                                              | - |  |
|                                                     | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Fixed-term employees do not have additional benefits such as Koçilem membership, Koç Holding Pension Fund Foundation membership and therefore Foundation Private Health Insurance and Foundation Needs Financing. They are not included in Flextra and do not receive daycare assistance.<br><br>In addition to these, part-time and fixed-term contract employees do not benefit from bonuses and the triple social benefit package. | - |  |
|                                                     | 401-3 Parental leave                                                                                     | Social Performance Indicators, p.85-88                                                                                                                                                                                                                                                                                                                                                                                                | - |  |
| Diversity and Inclusiveness                         |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                       |   |  |
| GRI 3: Material<br>Topics 2021                      | 3-3 Management of material topics                                                                        | Materiality Matrix, p.36<br>Equal Opportunities, Diversity and Inclusiveness, p.53-54                                                                                                                                                                                                                                                                                                                                                 | - |  |
| GRI 405: Diversity<br>and Equal<br>Opportunity 2016 | 405-1 Diversity of governance bodies and employees                                                       | Equal Opportunities, Diversity and Inclusiveness, p.53-54<br>Otokoç Otomotiv at a Glance, p.6-9                                                                                                                                                                                                                                                                                                                                       | - |  |

|                                                       |                                                                                                                  |                                                                                       |   |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---|
| GRI 408:<br>Child Labor<br>2016                       | 408-1 Operations and suppliers at significant risk for incidents of child labor and actions taken                | Human Resources Approach, p.51<br>Responsible Sourcing Practices, p.48                | - |
| GRI 409: Forced<br>or Compulsory<br>Labor 2016        | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor and actions taken | Human Resources Approach, p.51<br>Responsible Sourcing Practices, p.48                | - |
| Equal Opportunities                                   |                                                                                                                  |                                                                                       |   |
| GRI 3: Material<br>Topics 2021                        | 3-3 Management of material topics                                                                                | Materiality Matrix, p.36<br>Equal Opportunities, Diversity and Inclusiveness, p.53-54 | - |
| Gender Equality                                       |                                                                                                                  |                                                                                       |   |
| GRI 3: Material<br>Topics 2021                        | 3-3 Management of material topics                                                                                | Materiality Matrix, p.36<br>Equal Opportunities, Diversity and Inclusiveness, p.53-54 | - |
| GRI 406: Non-<br>Discrimination<br>2016               | 406-1 Incidents of discrimination and corrective actions taken                                                   | There were no cases of discrimination reported during the reporting period.           | - |
| Reduced Inequalities                                  |                                                                                                                  |                                                                                       |   |
| GRI 3: Material<br>Topics 2021                        | 3-3 Management of material topics                                                                                | Materiality Matrix, p.36<br>Equal Opportunities, Diversity and Inclusiveness, p.53-54 | - |
| Occupational Health and Safety                        |                                                                                                                  |                                                                                       |   |
| GRI 3: Material<br>Topics 2021                        | 3-3 Management of material topics                                                                                | Materiality Matrix, p.36<br>Occupational Health and Safety (OHS), p.61-62             | - |
| GRI 403:<br>Occupational<br>Health and Safety<br>2018 | 403-1 Occupational health and safety management system                                                           | Occupational Health and Safety (OHS), p.61-62                                         | - |

|                                                       |                                                                                                                                                     |                                                                                                                                              |   |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|---|
| GRI 403:<br>Occupational<br>Health and Safety<br>2018 | 403-2 Types of injuries and accident frequency rates, occupational diseases, lost days and absenteeism, and total number of work-related fatalities | Social Performance Indicators, p.85-88                                                                                                       | - |
|                                                       | 403-3 Occupational health services                                                                                                                  | Occupational Health and Safety (OHS), p.61-62                                                                                                | - |
|                                                       | 403-4 Worker participation, consultation, and communication on occupational health and safety                                                       | Occupational Health and Safety (OHS), p.61-62                                                                                                | - |
|                                                       | 403-5 Worker training on occupational health and safety                                                                                             | Occupational Health and Safety (OHS), p.61-62<br>Social Performance Indicators, p.85-88                                                      | - |
|                                                       | 403-6 Promotion of worker health                                                                                                                    | Occupational Health and Safety (OHS), p.61-62                                                                                                | - |
|                                                       | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships                                 | Occupational Health and Safety (OHS), p.61-62                                                                                                | - |
|                                                       | 403-9 Work-related injuries                                                                                                                         | Social Performance Indicators, p.85-88                                                                                                       | - |
| Digitalization and Innovation                         |                                                                                                                                                     |                                                                                                                                              |   |
| GRI 3: Material<br>Topics 2021                        | 3-3 Management of material topics                                                                                                                   | Materiality Matrix, p.36<br>Our Path to the Future for Mobility, p.63-75<br>Digital Transformation: New Paths, Innovative Solutions, p.68-69 | - |
| Economic Performance                                  |                                                                                                                                                     |                                                                                                                                              |   |
| GRI 3: Material<br>Topics 2021                        | 3-3 Management of material topics                                                                                                                   | Materiality Matrix, p.36                                                                                                                     | - |
| GRI 201:<br>Economic<br>Performance 2016              | 201-1 Direct economic value generated and distributed                                                                                               | Otokoç Otomotiv at a Glance, p.6-9                                                                                                           | - |
|                                                       | 201-2 Financial implications and other risks and opportunities due to climate change                                                                | Managing Sustainability Risks, p.31                                                                                                          | - |
| GRI 203: Indirect<br>Economic<br>Impacts 2016         | 203-2 Significant indirect economic impacts                                                                                                         | Otokoç Otomotiv at a Glance, p.6-9<br>Managing Sustainability Risks, p.31                                                                    | - |

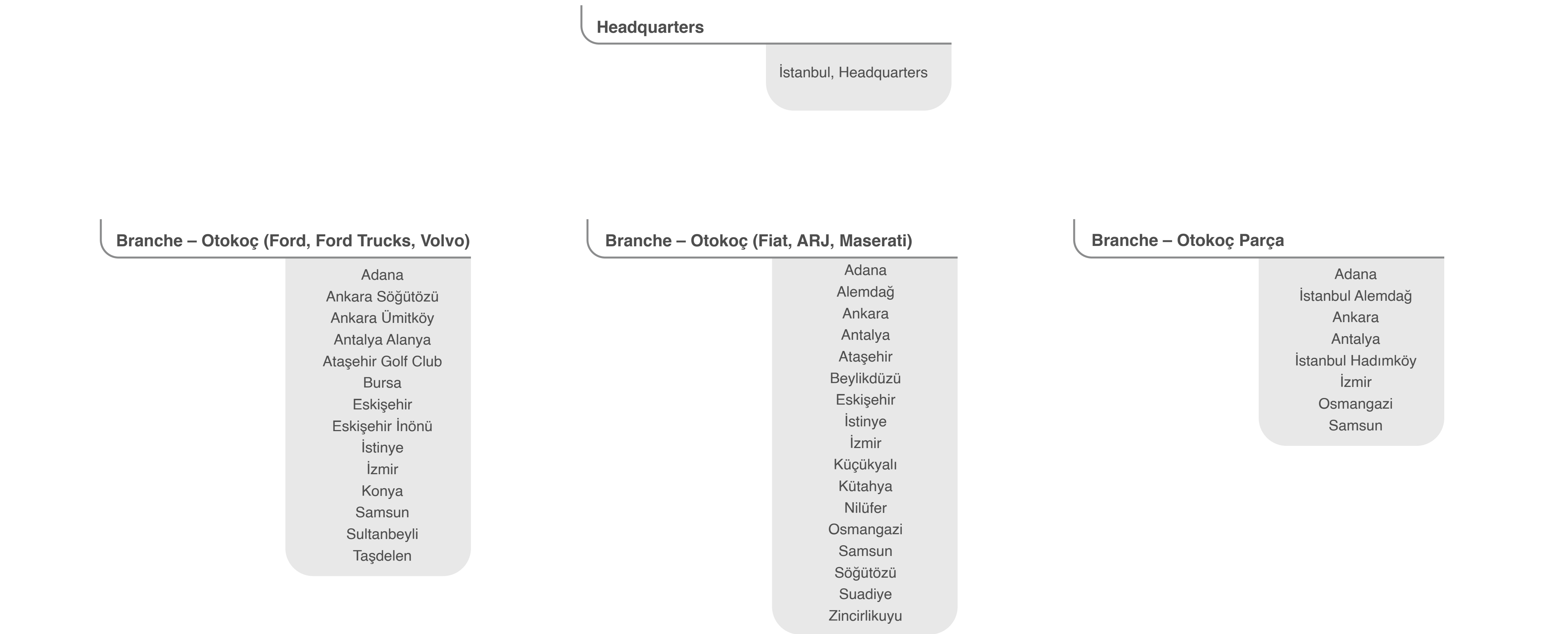
| Environmental and Waste Management |                                                              |                                                                                      |   |
|------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------|---|
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                            | Materiality Matrix, p.36<br>Environmental Management, p.41<br>Waste Management, p.46 | - |
| GRI 306: Waste 2020                | 306-1 Waste generation and significant waste-related impacts | Waste Management, p.46                                                               | - |
|                                    | 306-2 Management of significant waste-related impacts        | Waste Management, p.46                                                               | - |
|                                    | 306-3 Waste generated                                        | Waste Management, p.46<br>Environmental Performance Indicators, p.89-90              | - |
|                                    | 306-4 Waste diverted from disposal                           | Waste Management, p.46<br>Environmental Performance Indicators, p.89-90              | - |
| Energy and Water Management        |                                                              |                                                                                      |   |
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                            | Materiality Matrix, p.36<br>Energy Management, p.44-45<br>Water Management, p.37     | - |
| GRI 302: Energy 2016               | 302-1 Energy consumption within the organization             | Energy Management, p.44-45<br>Environmental Performance Indicators, p.89-90          | - |
|                                    | 302-3 Energy intensity                                       | Energy Management, p.44-45<br>Environmental Performance Indicators, p.89-90          | - |
|                                    | 302-4 Reduction of energy consumption                        | Energy Management, p.44-45                                                           | - |
| GRI 303: Water and Effluents 2018  | 303-3 Water withdrawal                                       | Water Management, p.37<br>Environmental Performance Indicators, p.89-90              | - |
|                                    | 303-4 Water discharge                                        | Water Management, p.37<br>Environmental Performance Indicators, p.89-90              | - |
|                                    | 303-5 Water consumption                                      | Water Management, p.37<br>Environmental Performance Indicators, p.89-90              | - |

| Talent Management                    |                                                                                            |                                                                                    |   |
|--------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---|
| GRI 3: Material Topics 2021          | 3-3 Management of material topics                                                          | Materiality Matrix, p.36<br>Training and Development, p.57-59                      | - |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee                                      | Training and Development, p.57-59                                                  | - |
|                                      | 404-2 Programs for upgrading employee skills and transition assistance programs            | Training and Development, p.57-59                                                  | - |
|                                      | 404-3 Percentage of employees receiving regular performance and career development reviews | Performance and Potential Assessment, p.60                                         | - |
| Combating the Climate Crisis         |                                                                                            |                                                                                    |   |
| GRI 3: Material Topics 2021          | 3-3 Öncelikli konunun yönetimi                                                             | Materiality Matrix, p.36<br>Combating Climate Change, p.42-43                      | - |
| GRI 305: Emissions 2016              | 305-1 Direct (Scope 1) GHG emissions                                                       | Combating Climate Change, p.42-43<br>Environmental Performance Indicators, p.89-90 | - |
|                                      | 305-2 Energy indirect (Scope 2) GHG emissions                                              | Combating Climate Change, p.42-43<br>Environmental Performance Indicators, p.89-90 | - |
|                                      | 305-3 Other indirect (Scope 3) GHG emissions                                               | Combating Climate Change, p.42-43<br>Environmental Performance Indicators, p.89-90 | - |
|                                      | 305-5 Reduction of GHG emissions                                                           | Combating Climate Change, p.42-43<br>Environmental Performance Indicators, p.89-90 | - |

| Customer Satisfaction and Safety                          |                                                                                                                                 |                                                                                                   |   |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---|
| GRI 3: Material Topics 2021                               | 3-3 Management of material topics                                                                                               | Materiality Matrix, p.36<br>Customer Satisfaction and Experience, p.65                            | - |
| GRI 416: Customer Health and Safety 2016                  | 416-1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement | Customer Satisfaction and Experience, p.65                                                        | - |
| Innovative/Environmentally Friendly Products and Services |                                                                                                                                 |                                                                                                   |   |
| GRI 3: Material Topics 2021                               | 3-3 Management of material topics                                                                                               | Materiality Matrix, p.36<br>Electrification: Environmentally Friendly Mobility Solutions, p.66-67 | - |
| Corporate Social Responsibility/Social Contribution       |                                                                                                                                 |                                                                                                   |   |
| GRI 3: Material Topics 2021                               | 3-3 Management of material topics                                                                                               | Materiality Matrix, p.36<br>Corporate Social Responsibility, p.77-81                              | - |
| Corporate Governance                                      |                                                                                                                                 |                                                                                                   |   |
| GRI 3: Material Topics 2021                               | 3-3 Management of material topics                                                                                               | Materiality Matrix, p.36<br>Corporate Governance Approach, p.24                                   | - |
| Compliance with Laws and Legislation                      |                                                                                                                                 |                                                                                                   |   |
| GRI 3: Material Topics 2021                               | 3-3 Management of material topics                                                                                               | Materiality Matrix, p.36<br>Compliance Program at Otokoç Otomotiv, p.28                           | - |

| Customer Data Privacy                    |                                                                                       |                                                                                                     |   |
|------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|---|
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                     | Materiality Matrix, p.36<br>Information Security: Steps for a Secure Future, p.74-75                | - |
| Anti-Bribery and Anti-Corruption         |                                                                                       |                                                                                                     |   |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                     | Materiality Matrix, p.36<br>Business Ethics and Compliance, p.27-29                                 | - |
| GRI 205: Anti-Corruption 2016            | 205-1 Operations assessed for risks related to corruption                             | Business Ethics and Compliance, p.27-29                                                             | - |
|                                          | 205-2 Communication and training about anti-corruption policies and procedures        | Business Ethics and Compliance, p.27-29<br>Corporate Policies, p.29                                 | - |
|                                          | 205-3 Confirmed incidents of corruption and actions taken                             | In 2023, there were no cases of corruption.                                                         | - |
| GRI 206: Anti-Competitive Behavior 2016  | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | During the reporting year, there were no legal actions for anti-competitive behavior and practices. | - |
| Sustainable Supply Chain Management      |                                                                                       |                                                                                                     |   |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                     | Materiality Matrix, p.36<br>Responsible Sourcing Practices, p.48                                    | - |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria                          | Responsible Sourcing Practices, p.48                                                                | - |
|                                          | 414-2 Negative social impacts in the supply chain and actions taken                   | Responsible Sourcing Practices, p.48                                                                | - |

# Otokoç Otomotiv Headquarters, Branches and Offices



Office - Avis

Adana Airport Domestic Flights  
Ankara  
Ankara Avis Filo  
Ankara Batıkent  
Ankara Esenboğa Airport  
Ankara Kavaklıdere  
Antalya Airport Domestic Flights  
Antalya Airport Domestic Flights  
Antalya Konyaaltı  
Ataşehir  
Beylikdüzü  
Küçükyalı  
Bodrum Airport Domestic Flights  
Bursa  
Çeşme  
Dalaman Airport Domestic Flights  
Eskişehir  
İstanbul Havalimanı  
İstinye  
İzmir Adnan Menderes Airport Domestic Flights  
İzmir Konak  
İzmir Bornova  
Kadıköy  
Konya Airport  
Konya City  
Koşuyolu  
Kuşadası  
Manisa Laleli  
Ordu Giresun Airport  
Rize Artvin Airport  
Sabiha Gökçen Airport Domestic Flights  
Samsun Airport  
Samsun City  
Sancaktepe  
Taksim  
Trabzon Airport Domestic Flights  
Yenibosna  
Zincirlikuyu

Office - Budget

Adana  
Adana Airport  
Adnan Menderes Airport International Flights  
Ankara  
Ankara Batıkent  
Antalya Airport Domestic Flights  
Ataşehir  
Beylikdüzü  
Bodrum  
Bodrum Airport Domestic Flights  
Bursa  
Dalaman Airport Domestic Flights  
Esenboğa Airport Domestic Flights  
Eskişehir  
İstanbul Airport  
Karşıyaka  
Konya  
Konya Airport  
Koşuyolu  
Levent  
Manisa  
Sabiha Gökçen Airport  
Taksim  
Trabzon Airport  
Yenibosna

# Otokoç Otomotiv

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OUR PATH TO THE FUTURE