



CORPORATE SOCIAL  
RESPONSIBILITY REPORT

‘09





## **On the road...**

Movement is the dynamics of life. Journeys long or short, going through desert roads, small villages, the wild, gigantic cities and festivals are experienced every day. The roads change, countries are passed through, the colour of the sky changes and the magnificence of life springs from the essence of this movement.

For some, our automobiles are just vehicles we use on these journeys. Yet an automobile takes a journey on the limits of human beings while it passes through life. An automobile is the means to express and understand the people of our day, the time we are living in, our desires, our dreams, and our emotions. This mechanism, brought together by technology and art, transforms into a social and physical spirit in the hands of its owner...

As Doğu Otomotiv, we have always laid emphasis on this relationship between human beings and the road in all of our works for fifteen years. We realise that inside or outside the automobile, on the road or when idle, life goes by in a different way according to our feelings at the moment. An image of a landscape where distances change, come close, or move away, forms in our minds. There, we carry out all our service processes with this understanding, and we stand by our social shareholders all along...

This is our first CSR report. We are at the bottom of the ladder yet. Nevertheless, we are decisive. We would like to share our journey with everyone...

DOĐUŐ OTOMOTİV  
CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT

'09

## CORPORATE PROFILE

# A responsible and pioneering approach to the automotive value chain...

“Doğuş Otomotiv Group has grown rapidly during the last 15 years, and is aware of the social and environmental aspects of its operations. Because our employees and managers are quick to sense the opportunities arising from such awareness, we know that we will continually be able to further raise our standards, and we are committed to, and support this commitment with our vision.”

Our journey continues towards an ever

- More efficient
- More reliable
- More sustained
- More accurate
- Higher quality
- More responsible service understanding.

## Doğuş Otomotiv

### Our Vision

To provide innovative services beyond expectations.

### Our Mission

Doğuş Otomotiv is an automotive company, which

- Operates on the principle of customer-focus,
- Knows its sector well,
- Is aware of its stakeholders' expectations and also recognizes new ones that it seeks to satisfy at the highest level possible,
- Possesses a creative workforce and makes good use of technology to that end,
- Is trustworthy,
- Seeks to deliver productive and profitable service in every stage of the automotive value chain.

### Our Corporate Strategy

Doğuş Otomotiv's corporate strategy is set on three basic tenets:

*“Be sizeable, be close, be innovative.”*

By saying *be sizeable*, Doğuş Otomotiv pursues growth through systematic, efficient and profitable activities in the Turkish and international markets in which it provides service, and it builds up its own human resources in keeping with such growth.

By saying *be close*, Doğuş Otomotiv strives to understand the expectations of its customers and all of its stakeholders and to exceed those expectations in the fastest and most effective way possible.

By saying *be innovative*, recognizing that the only way to distinguish itself is by being original, Doğuş Otomotiv continuously seeks out competitive advantages through innovations that take an all-embracing approach to product development, customer service, and business concepts and it takes measures to conduct its activities more efficiently, more quickly, and more economically by means of process enhancement and effective teamwork.

### About the Doğuş Otomotiv 2009 Corporate Responsibility Report

This corporate responsibility report, our first, was prepared at level C in accordance with the G3 principles of the Global Reporting Initiative (GRI). Within the scope of the report, Doğuş Otomotiv's social, environmental, ethical and economic performances with regard to the corporation, the governance and its employees were evaluated and reported.

Our performance, commitment and goals that comprise part of our 2009 Corporate Social Responsibility Report were gathered by the Doğuş Otomotiv Corporate Social Responsibility (CSR) Team, our Key Stakeholders and the Material Issues related to our impact were determined using the methodology recommended by the AA1000SES (Stakeholder Engagement) Standard (<http://www.accountability.org/aa1000ses>). Two workshops, where the methods of the above standard were applied, were organised in March 2010 with the participation of the Doğuş Otomotiv CSR Team. The Doğuş Otomotiv CSR Work Group consists of the managers of units directly related to customer expectations.

The principles of inclusivity, completeness, responsiveness and materiality were observed in the report, in accordance with the AA1000 AP (Accountability Principles) Standard, prepared in keeping with the assurance and accountability principles for international sustainability reports (<http://www.accountability.org/aa1000aps>). The contents of the report with respect to these principles have been explained in the 'Approach to Sustainability' chapter.



## CORPORATE PROFILE

## Corporate Social Responsibility Team

Name and Surname	Department/Section/Unit	Position
A.Aykut Saętekin	Spare Parts and Logistics - Vehicle Distribution	Car Distribution Manager
A.Selim Baysal	Financial and Administrative Affairs / General Administrative Affairs	General Administration Assistant Manager
Aylin Bekem	VW Commercial Vehicle - Planning & Logistics	Strategic Planning and Logistics Assistant Manager
Bakiye Arabacıoęlu	VW Passenger Cars - Planning & Logistics	Strategic Planning and Logistics Manager
Beste Taşar	Financial and Administrative Affairs / Investor Relations	Investor Relations Investor Relations Assistant Manager
Beyza İşler	Strategic Marketing & Corporate Communications/Communication Management	Communications Management Supervisor
Burak Uyanık	Financial Affairs / Financial Control	Financial Control Assistant Manager
Burtay Koraltan	Human Resources and Process Management/Human Resources (Doęuş Oto)	Human Resources Manager (Doęuş Oto)
Cem Kaya	Dealer Development/Dealer Management	Dealer and ISO Inspector Assistant Manager
Ceylan Aksak	Strategic Marketing and Corporate Communications / Brand Management	Brand Management Manager
Çaęla Şenkardeş	Scania-Krone-Meiller / Marketing	Marketing Manager
Ebru Savaryego	Strategic Marketing and Corporate Communications / Brand Management	Brand Management Assistant Manager
Erhan Bayraktar	SEAT / Marketing	Marketing Manager
Faiz Barlass	VW Passenger Cars / After Sales Services	VW Passenger Cars After Sales Services Manager
İ.Can Şiram	Doęuş Oto General Management / Support Functions	Quality & Lean Management Director
Koray Bebekoęlu	Strategic Marketing and Corporate Communications	Strategic Marketing & Corporate Communication Director
Levent Gençaęa	DOD, VW Marine, Scania Engines, Thermo King Marketing	Marketing Marketing Assistant Manager
Okan Özkaynak	Foreign Investments	Foreign Investments & After Sales Services Director
Ömer Talu	Finance and Administrative Affairs / Budget and Planning	Str.& Business Dev. and Budget
Özge Esen	CEO Office	CEO Office Manager
Özlem Başbuę	Strategic Marketing and Corporate Communications / Communication Management	Communications Management Assistant Manager
Senem Kaçamak Susuzlu	Human Resources & Business Process Management/Human Resources (Doęuş Otomotiv)	Human Resources Assistant Manager (Doęuş Otomotiv)
Serkan Cebelli	Human Resources and Process Management / Business Process Management	Process Management Manager
Sermin Küküküye	Financial and Administrative Affairs / Information Technologies	Information Technologies Manager
Tanıl Bilgen	Dealer Development / Authorized Dealer Development	Dealer Development Assistant Manager



## CORPORATE PROFILE

Unless otherwise stated, social, environmental and economic performance data found in our report consist of the performance of the Doğuş Otomotiv Servis ve Ticaret A.Ş. and Doğuş Oto Pazarlama ve Ticaret A.Ş. group companies during the period between January 1, 2009 and December 31, 2009. Although financial data are Doğuş Otomotiv Group's consolidated data, with respect to the environment, only headquarter data from Doğuş Otomotiv and Doğuş Oto were used in this report (2009). Our efforts to extend the scope of our data collection process continue.


We are aware that with this first report, in which we communicate our corporate responsibility performance to our stakeholders, we have embarked on a challenging quest in developing and improving ourselves each new day. We believe that, by sharing your views on our report with us, you will assist us and contribute to enable Doğuş Otomotiv in attaining an even better performance in fields related to sustainability. You are welcome to contact our related department for your opinions on our report.

**Koray Bebekođlu**

Strategic Marketing and Corporate Communications Director

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		C	C+	B	B+	A	A+
Mandatory	Self Declared						
	Third Party Checked		Report Externally Assured		Report Externally Assured		Report Externally Assured
Optional	GRI Checked						
			Report Externally Assured		Report Externally Assured		Report Externally Assured

**(Global Reporting Initiative - GRI)**

GRI, which was established in 1997 by CERES, known for the CERES1 Principles, and which became an independent corporation in 2002, works in co-operation with the United Nations Environment Programme (UNEP) and the Global Compact Programme (United Nations Global Compact). GRI cooperates with representatives of the business world and with individuals and corporations specialized in accounting, investment, the environment, human rights and labour relations.

GRI describes its own mission as 'developing globally accepted reporting standards to assist corporations in reporting the

economic, social and environmental aspects of their operations/products/services. 'The Sustainability Reporting Guidelines prepared with this goal in mind offers a framework for the reporting of activities and reports regarding environmental, economic and social sustainability at Company level. The Guidelines were first published in 1999, and revised in 2000. To date more than 1,500 Companies worldwide have published corporate responsibility/sustainability reports using this reporting framework.

Please visit <http://www.globalreporting.org> for further information on GRI.

**Doğuş Otomotiv Group**

Doğuş Otomotiv is a member of the Doğuş Group, which operates in the financial services, automotive, construction, media, tourism, real estate and energy sectors.

Doğuş Otomotiv represents 15 international brands, each a leader in its respective sector, in the fields of

- Passenger cars,
- Light commercial vehicles,
- Heavy commercial vehicles,
- Industrial and marine engines,
- Cooling systems.

With approximately 1,700 employees, Doğuş Otomotiv offers both retail and corporate customers a wide product portfolio consisting of the following brands: Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Audi, Porsche, Bentley, Lamborghini, Bugatti, SEAT, Skoda, Scania, Krone, and Meiller. We offer over 80 models of these brands. Also, Doğuş Otomotiv competes in the industrial and marine engines market through the Volkswagen Marine and Scania Engines brands, in the cooling systems market through the Thermo King brand and in the corporate used car market through its DOD brand. As Doğuş Otomotiv, we also successfully carry out the distributorship of 15 international brands that address different target groups, each brand more valuable than the other. Striving to exist at each stage of the automotive value chain, Doğuş Otomotiv provides automotive financing, fleet leasing and vehicle inspection services through its subsidiaries. The success we have achieved through vdf Automotive Finance in the automotive financing field, through the operational leasing Company LeasePlan, and through TÜVTURK, 33% of which we own, which provides vehicle inspection services, reinforces our leading role in the sector.



## CORPORATE PROFILE

Supplying the products and services required by Authorized Dealers and Authorized Service Centers at a high quality, thanks to its 13,200 m<sup>2</sup> spare parts and 1,200 m<sup>2</sup> customs warehouses, Doğuř Otomotiv contributes to its customers' wellbeing. Also, it conducts new vehicle distribution and logistics activities in its 140,000 m<sup>2</sup> storage yards and customs zones.

With almost 1,700 employees, Doğuř Otomotiv has a Turkey-wide Authorized Dealer and Authorized Service Center network. Our Authorized Dealer and Authorized Service Center organisation supplies services at a total of 527 points, (269 sales and 258 service centers) which provide employment for approximately 5,500 people. This organization includes Doğuř Oto Pazarlama ve Ticaret A.ř., a Doğuř Otomotiv subsidiary which serves all brands represented by Doğuř Otomotiv with more than 1,100 employees, on a total area of 175,000 m<sup>2</sup>, 35 Authorized Dealers and 32 Authorized Service Centers in the cities of Istanbul, Ankara, Izmir and Bursa.

Doğuř Oto, where customers can receive all kinds of services from a single point, is the largest and most decisive member of this organisation, with technical superiority proven by the service

awards at both national and international competitions. Facilities that totally conform to brand standards, using only original spare parts, 24-hour roadside assistance, fair and reliable business practices ensured its place as an ideal corporate solution partner for retail and corporate consumers.

Doğuř Otomotiv's shares are traded in the Istanbul Stock Exchange under the DOAS.IS ticker symbol.

### Doğuř Otomotiv Financial Indicators

TL million	2007	2008	2009
Sales (units)	71,690	55,307	50,789
Market Share	11.7%	10.6%	8.9%
Used Car Sales (units)	13,190	13,125	10,746
Net Revenues	2,552	2,144	2,129
Operating Expenses	260	269	224
EBIT (Operating Profit)	92	23	78
EBIT Margin	3.6%	1.1%	3.6%
Gross Profit	352	291	302
Gross Profit Margin	13.8%	13.6%	14.2%
Net Profit for the Period	63	-110	31
Net Profit Margin for the Period	2.5%	-5.1%	1.4%





CORPORATE PROFILE

Milestones from Doğuş Otomotiv's history

# Total car park nearly 700,000

Scania distributorship agreement



Volkswagen and Audi distributorship agreement



Distributorship contract with Volkswagen AG

Scania Industrial and Marine Engines distributorship contract signed



Porsche distributorship agreement



Customs duties on vehicles imported from the EU abolished

SEAT distributorship agreement and partnership with Yüce Auto

Skoda distributorship agreement and partnership with Yüce Auto

Joint venture on consumer financing with Volkswagen Financial Services AG

Used car operations established



Krone distributorship agreement



Assembling Operations

Merger of automotive companies under Doğuş Otomotiv

1994

1995

1996

1997

1999

2000

2001

2003

0.5% Market Share

5.8% Market Share



CORPORATE PROFILE



## CORPORATE PROFILE

## Capital Structure and Shareholding (\*)

	Nominal Values (TL)	%
Doğuş Holding A.Ş.	38,730,609	35.21
Publicly Traded	37,950,000	34.50
Doğuş Araştırma Geliştirme ve Müşavirlik Hizmetleri A.Ş.	33,319,043	30.29
Other Doğuş Group Companies	348	0.00
Total	110,000,000	100

\* There were no changes in the issued capital of Doğuş Otomotiv during the reporting period.

## Sales Units (Wholesale)

	2007	2008	2009
<b>Passenger Cars</b>	40,966	33,742	39,378
Volkswagen	26,110	21,485	26,862
Audi	5,898	5,647	6,260
Porsche	218	157	253
Bentley	19	12	7
Lamborghini	3	9	9
SEAT	3,426	2,874	2,577
Skoda	5,292	3,558	3,410
<b>Light Commercial Vehicles</b>	27,669	18,969	10,269
Volkswagen	27,669	18,969	10,268
Skoda	0	0	1
<b>Heavy Commercial Vehicles</b>	3,055	2,596	1,142
Scania	2,174	1,894	800
Krone	811	518	208
Meiller	70	184	134
<b>DOD</b>	13,190	13,125	10,746
<b>Thermo King</b>	0	0	103
<b>Scania Engines</b>	44	57	78
<b>Volkswagen Marine</b>	5	71	24
TOTAL	84,929	68,560	61,740

## Doğuş Oto

Genoto, which served the Turkish Automotive sector starting in 1993 with the motto '**Unconditional Customer Satisfaction**' since 1993, continues to serve under the name Doğuş Oto since 2004.

Doğuş Oto offers new and used cars, spare parts, accessories and after-sales services in Istanbul, Ankara, Izmir and Bursa, and provides its customers with insurance and finance services for the six brands it represents. In addition to authorized sales and after sales services for the Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Audi, Porsche and SEAT brands, Doğuş Oto also carries out authorized after sales services for the Skoda brand. Doğuş Oto also conducts used car sales as the DOD authorized dealer.



In 2009 we transferred funds at an amount of TL 771,020 for community engagement purposes.

Our environmental investments exceeded TL 33,000.

The amounts for the purchases we made from our local suppliers were TL 127,135,450 for Doğuş Otomotiv and TL 21,624,733 for Doğuş Oto.

Operating on a total area of 228,000 m<sup>2</sup> with more than 1,000 employees, Doğuş Oto realized sales of 14,126 new and 1,909 used cars in 2009. Moreover, a total of 183,212 customers received after sales services in 2009.

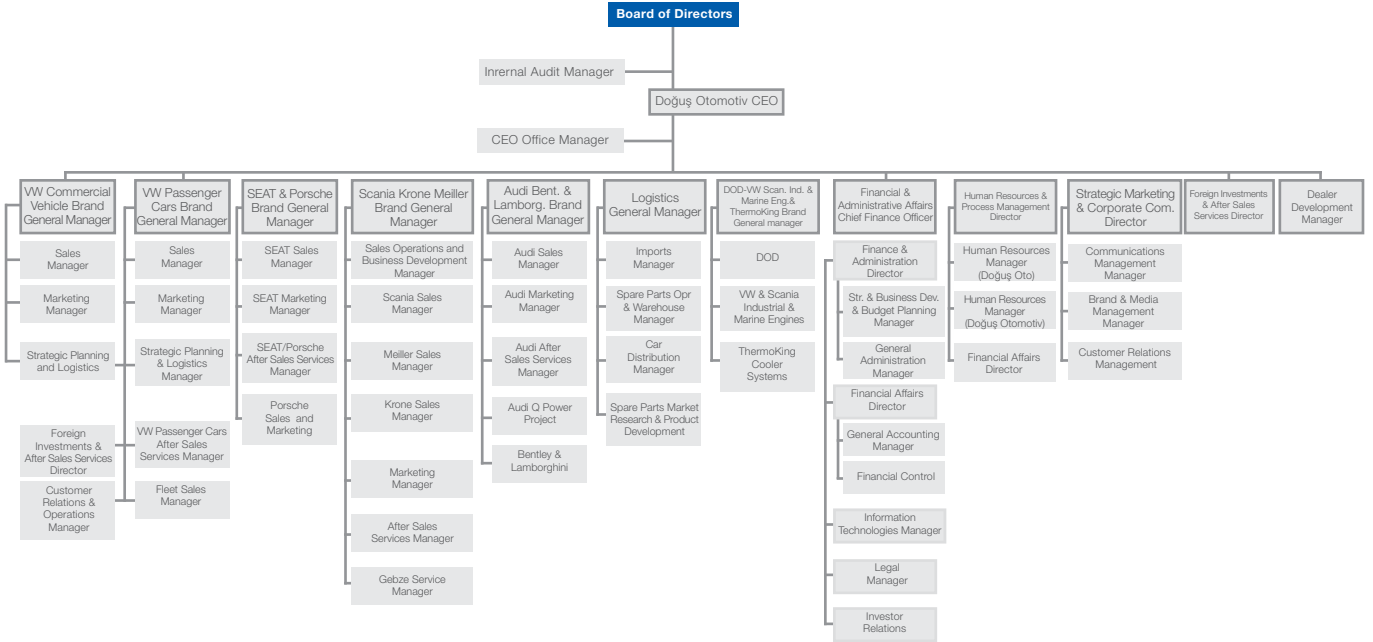
Doğuş Oto's mission is to provide for the highest quality sales and after sales services of the passenger cars and commercial vehicle brands it represents in its designated regions.



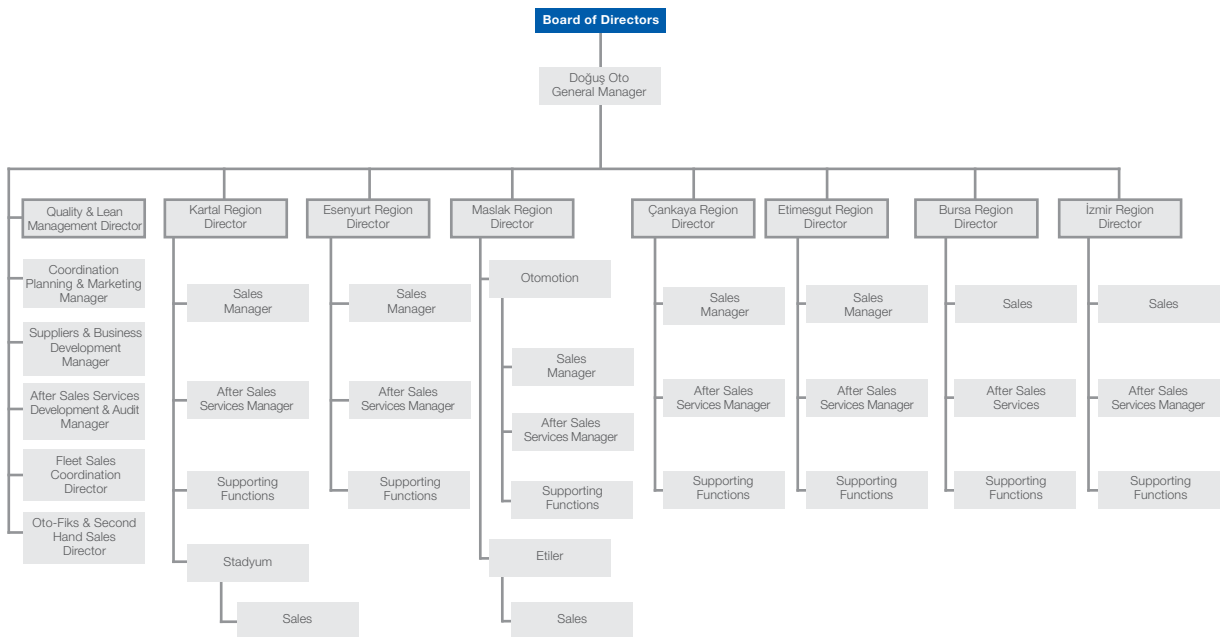
CORPORATE PROFILE

# Organisation Chart

## Doğuş Otomotiv Organisation Chart



## Doğuş Oto Organisation Chart



## CORPORATE PROFILE

## 2009 in Figures

- We realized **50,789 vehicle sales**.
- We realized **10,746 used car sales**.
- The number of our employees exceeded **1,700**.
- Our car park reached **700,000**.
- We served nearly **800,000 customers**.
- We provide services in **450,000 m<sup>2</sup> covered sales and services area**.
- We reached **approximately 750,000 service entries**.
- We provide **employment** for approximately **5,500 people** within our indirect economic impact.
- We have **more than 500 customer service points**.
- We provided a **social contribution of TL 771,020**.
- Our environmental investments exceeded to **TL 33,000**.
- According to the brand image research conducted in Turkey, Volkswagen Commercial Vehicles has become the most attractive and most desired brand according to customer perception with **80.5 points**.
- Through the **Triple the Age Campaign** (within the Segment 2-3 Campaign) offered to Volkswagen vehicles of four years and older, services were provided to **30,000 customers** who had not been using Authorized Service Centers.
- A monthly average of **20,000 customers were given authorized after sales services** in Volkswagen Commercial vehicles.
- The Audi brand reached its highest number of sales in Turkey with **6,251 units**.
- Turkey's largest **Porsche Centre** was opened in Esenyurt, Istanbul.
- DOD's **largest used vehicle integrated facility Doğuş Oto Etimesgut**, was opened **in Ankara**.
- Through DOD's pricing module, **more than 500,000 consumers** were able to find out their vehicles' value online.
- The **traditional DOD Auctions** were organised in Ankara, Mersin and Samsun (for the first time outside of Istanbul), and **1,031 vehicles were sold** at a total of 31 public auctions.
- **More than 100 of our investors** were met face to face and informed about Doğuş Otomotiv.
- With **800 sales**, the Scania brand became the **best selling brand** in the heavy commercial vehicles market **for the 8<sup>th</sup> time**.
- With **208 sales**, Krone became the **best selling imported trailer brand** of Turkey.
- Considering the 2009 results of the world-wide **Heavy Truck Study** commissioned by heavy commercial vehicles manufacturers from an independent research company, the Scania brand was the **Brand Offering the Most Successful Maintenance Services** in Turkey.
- The **D-Auto Suisse Porsche Lausanne Authorized Sales and Authorized Service Center** was opened.
- **1,615** customers who had not taken advantage of maintenance services for various reasons were given maintenance services under the **SEAT Lost Customer Campaign** and the **SEAT Service Grade Campaign**.
- Through the contributions made by the SEAT Service Grade and Lost Customer Campaigns, our Customer Loyalty rate was reversed from a downtrend to an uptrend and reached 54%.
- A close-to-perfect level was achieved in the repeat repair average for the Porsche brand for 2009 with a value of 3.67%.
- A customer loyalty rate of 80% was achieved by the end of 2009 in the Porsche brand, which is the highest loyalty rate to be seen among Doğuş Otomotiv brands.

## Awards

- Doğuş Oto won the first prize at the Turkey Practical Final for the **Twin Cup 2009**, through which the service and technical skills of Audi Authorized Service Centers are evaluated.
- At the **Volkswagen Service Quality Awards 2009**, Doğuş Oto was chosen as one of the top 100 Volkswagen Authorized Service Centers in Europe in the '**Customer Satisfaction**' and '**Repeated Repair**' branches.
- The Ministry of National Education awarded Doğuş Otomotiv an Appreciation Certificate for its '**Contributions to the Development of Vocational Education**' (10.02.2009 - Certificate No: 28).
- Due to the marketing and sales activities conducted during the first year of its distributorship of the Thermo King brand, Doğuş Otomotiv was awarded the rare '**Outstanding Achievement Award**' by OEM.
- AUDI A4 was the brand that received the highest number of awards in the **2009 Otobil Contest** organised by Oto Yaşam of the daily newspaper Hürriyet.
- In the **TCSI Turkey Customer Satisfaction Index** compiled by the Turkish Quality Association, Volkswagen Passenger Cars was awarded the first prize 4 times in the last five years.



## Our Approach to Reporting

## Approach to Sustainability

- Strategy and Vision
- Corporate Governance and Ethics
- Stakeholder Engagement
- Sectoral Issues
- Material Issues
- Joint Ventures

## Economic Impact

- Value Chain
- Multiple Brand Management
- Supply Chain
- Business Continuity
- Quality and Process Management
- Lean Applications
- Risk Management
- Information Technologies
- Sales and After-Sales Services
- Authorized Sales and After Sales Services

## Environmental Impact

- Climate Change
- Environmentally Friendly Technologies & Products
- Energy Efficiency
- Water Consumption
- Waste and Scrap Management

## Social Impact

- Products and Services
- Employees
- Employee Health and Safety
- Customers
- Customer Health and Safety
- Traffic is Life
- Human Rights
- Community Engagement



## TABLE OF CONTENTS

CHAIRMAN'S MESSAGE	02
CEO'S MESSAGE	04
APPROACH TO SUSTAINABILITY	06
Strategy and Vision	07
Corporate Governance and Ethics	08
Ethical Principles	09
Stakeholder Engagement	10
The Current Situation of the Automotive Sector and The Issues Experienced	12
ECONOMIC IMPACT	16
Value Chain	17
Multiple Brand Management	17
Supply Chain	18
Business Continuity in Dođuş Otomotiv	20
Risk Management	23
Dođuş Otomotiv Information Technologies	24
Sales and Marketing	25
After-Sales Services	30
Authorized Dealers and Authorized After Sales Service Centers	33
ENVIRONMENTAL IMPACT	38
Climate Change	39
Environmentally Friendly Products	39
Energy Use	43
Water Consumption	44
Waste and Scrap Management	44
SOCIAL IMPACT	45
Products and Services	46
Customers	46
Customer Health and Safety	47
Employees	50
The Dođuş Otomotiv Human Resources Policy	50
Training and Development at Dođuş Otomotiv	56
Employee Health and Safety	59
Human Rights	59
Community Engagement	60
Traffic is Life	60
GRI INDEX	64
UNGC INDEX	71



**“ Our responsibilities are increasing day by day; from now on corporate social responsibility becomes a concept of management and decision making.”**



**CHAIRMAN'S MESSAGE**



## CHAIRMAN'S MESSAGE

To Our Esteemed Stakeholders:

As the Doğuş Otomotiv family, we have acted and continued to act in accordance with our stakeholders' expectations since our establishment. Even though we have been the heroes of a great story of success since we first took a step into the sector in 1994, we also know the significance of growing while learning, developing and keeping up with contemporary standards.

Our world is in an important transition period. The globalization and communication technology, has brought us face to face with numerous crises, challenges and problems never seen until the present. Matters like the global economic crisis, disasters caused by climate change, social inequality, human rights, and occupational health and safety have become important items of agenda for not only the nations but also the private sector. Our responsibilities are increasing day by day; from now on corporate social responsibility becomes a concept of management and decision making.

The year 2009 started under difficult circumstances in Turkey as well as all over the world, and it was a difficult year for the Turkish private sector. As we had anticipated at the beginning of the year, the Turkish economy had a contraction by 5.5 to 6 percent. In the first quarter of the year, because of a decision taken by the Government of the Republic of Turkey, the reduction of Private Consumption Tax rates in automotive sales prevented a serious shrinking in our sector. Through dynamic sales strategies we practiced, in addition to the tax reduction, we reached the highest sales figures ever with some of our brands.

“ The year 2009 was completed by a financial success. It was also a productive year for Doğuş Otomotiv in terms of investments. ”

In addition to the Meiller Doğuş Damper Plant, which started its operations in Sakarya in 2008 in partnership with the world's leading tipper manufacturer Meiller, the preparations of Krone Doğuş Trailer Factory was built in Tire, Izmir, in partnership with Krone, also was completed in 2009.

The Porsche Authorized Dealership and Service Centre D-Auto Suisse has been established in Lausanne, Switzerland.

While we were successful with values such as our superior quality products and services, our increasing profit, and the employment we provide, we now also stand out among our competitors with more distinguished environmental and social performances. These include such things as our methods of anticipating the risks regarding climate change, our corporate stance regarding human rights, the precautions we take for the health and safety of our stakeholders within

the scope the products and services we offer, the satisfaction we provide, responsible marketing, and the concept of ethical and accountable corporate management.

Nowadays, our customers, our investors, states, and even our competitors are much more sensitive and conscious about good, appropriate corporate behaviour. It is now possible to talk of a new concept of business. The respectability of a company is its most valuable possession, and from now on corporate social responsibility is one of the key components of corporate reputation.

As a Company that closely keeps up with all these changes and developments, we have focused our vision and mission on stakeholder expectations from the very outset. With our impact in the social and environmental spheres of influence of our suppliers, each among the very best of their own sector and are corporate players, we work to create added value for both Doğuş Otomotiv and the brands we represent.

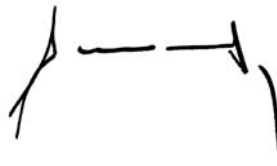
In this first corporate social responsibility report, we share with you our initial performance within our impact in accordance with the expectations of our stakeholders, using the Global Reporting Initiative (GRI) standard. As we present to you our operations in this field and the first steps of this long and challenging journey, I wish to express, with all my colleagues, how eager and decisive we are as Doğuş Otomotiv, and how much we believe in doing better every day.

This report is a commitment of Doğuş Otomotiv's desire to put into effect its responsibilities within the scope of its impact to shape the world of the future, to make it healthier and more habitable, and to create educated and aware societies with high social welfare, respectful of human rights. It is also a reflection of our concept of ethical and accountable corporate management.

In our fifteenth year, our line of success, which displays a continuous upward momentum, is the result of a balanced union of our concept of responsibility and our competitive constitution. As we quickly move towards our goals, our most important principle that guides us is founded upon 'Be sizable, Be close, Be innovative'; we shall carry the leadership we expect to maintain regarding sustainability in our sector into the future with the same desire.

Yours faithfully,

Aclan Acar  
Chairman




**“ Our approach to sustainability is the way of doing our business. Our first CSR Report will also be a cornerstone in our business and represent the road map of Dođuş Otomotiv in a sustainable future.”**



**CEO'S MESSAGE**

## CEO'S MESSAGE

Dear Stakeholders,

Today we are presenting our first Corporate Social Responsibility (CSR Report). This report is prepared according to international CSR reporting framework set by the Global Reporting Initiative (GRI). We can proudly underline that Doğuş Otomotiv is the first automotive company in Turkey to present such a report. This is due to the fact that Doğuş Otomotiv is a responsible company towards the society in which we are living as well as holds itself accountable for its decision and action.

GRI Reporting Framework proposes that environmental, social, and governance reporting should become a general practice to help markets and society take informed and responsible decisions. GRI advocates that by 2015 all large and medium-sized companies in OECD countries and fast-growing emerging economies should be required to report publicly on their CSR performance, or if they don't, explain why. It is absolutely more important than ever before to work willingly with sustainability issues and demonstrate understandable results. It is very clear that, the issues are also becoming of increasing significance for our customers and as such an important competitive advantage for any business.

Since more than 15 years Doğuş Otomotiv has been a pioneer of the automotive industry in Turkey as well as Europe. For us, CSR is an integral part of our business. Our approach to sustainability is the way of doing our business. I am sure, our first CSR Report will also be a cornerstone in our business and represent the road map of Doğuş Otomotiv in a sustainable future.

It is evident that our stakeholders are also our partners along this challenging sustainability journey. In this CSR Report we focused on the importance of partnership and cooperation with our stakeholders to understand their expectations and concerns on economic, social, environmental, managerial and ethical issues as well. I would also like to take the opportunity to imply that we are, as a member of Doğuş Group, committed to the ten principles of United Nations Global Compact.

The automotive sector in Turkey has significant potential of growth both in the demand and supply side. This potential motivates us to focus on future investments and on extending the right of comfortable transportation for all of our stakeholders. We continue to be one of the most important representatives of the concept of international safety and quality in Turkey in our activity area, and we emphasize this to all the links in the automotive value chain that we represent.

“ We regard our sense of responsibility, embraced in our corporate management principles toward products and services, as essential in our relationship with all of our stakeholders; our employees being in first place. ”

We continue to show the necessary care about matters concerning human and employee rights, and the environment as always.

As one of the leading automotive importers and distributors in Turkey, we concentrate on our sensitivity about environmental awareness on new technologies. We shall continue our efforts to promote added values in Turkey such as the production of environmentally friendly vehicles with lower carbon footprint. Competition in these areas encourages our society and the national economy. As a member of one of the prominent Groups in our country, we had already been continuing our existence as a responsible company from the beginning of our operations. In addition to this, our esteemed business partner Volkswagen AG's experience and performance in environmental, social and broader economic areas guides us.

My wish is to accomplish success in the field of Corporate Social Responsibility in the future as well, each more significant than the other, and to be shown as role model in our sector and in our country.

Yours faithfully,

Ali Bilalođlu  
CEO



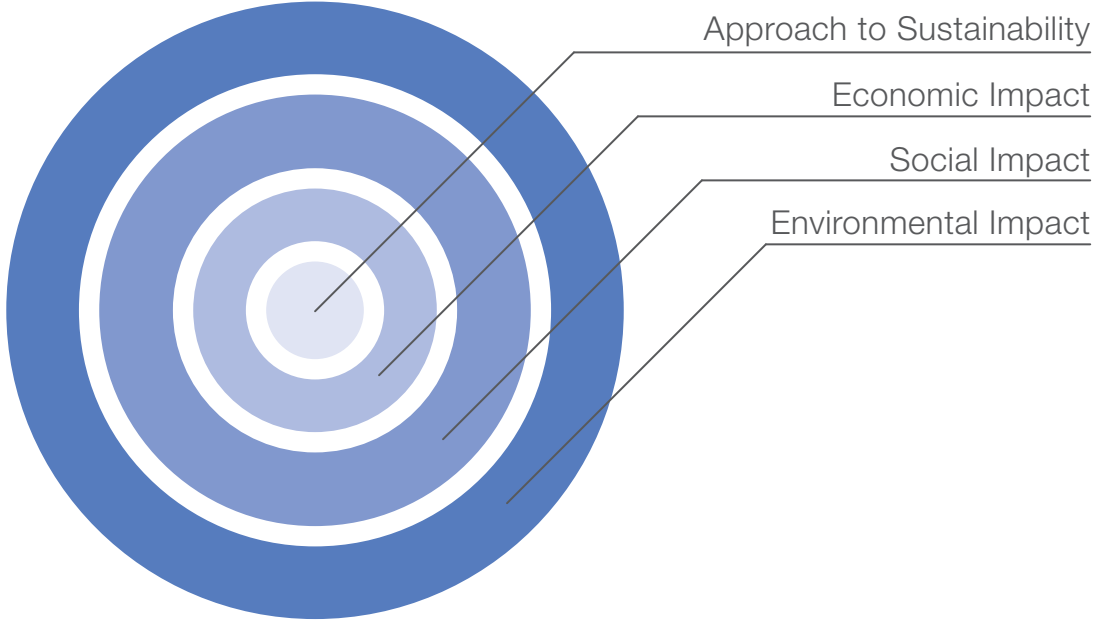

**“ Be Sizeable,  
Be Close,  
Be Innovative.”**

**APPROACH TO  
SUSTAINABILITY**



## APPROACH TO SUSTAINABILITY

## Sustainability In Doğuş Otomotiv



## Strategy and Vision

## Strategy

Our goal of fully meeting the expectations of our key stakeholders, which is part of our corporate strategy and vision as Doğuş Otomotiv, also forms the basis of our Corporate Social Responsibility (CSR) strategy.

While focusing on efficient, profitable and sustainable growth, we strive to become a leader and a role model in all of our operations within our value chain, in accordance with our stakeholders' expectations regarding our social, environmental, ethical and economic responsibility.

Our corporate culture, which is focused on continuous development through our specialized employees and high-technology investments, forms a meaningful synthesis with our understanding of corporate responsibility.

Our priority is to bear the responsibility of the products and services we offer at each phase of our value chain and to manage our impact.

## Vision

- We believe in the importance of our employees' contribution in ensuring our existence as a strong and trustworthy corporation at each phase of the automotive value chain.
- We give importance to the reputation of the brands we manage in the eyes of our stakeholders and ensure that this reputation parallels our performance in all of our fields of responsibility.
- We are aware of the fact that the right to safer, healthier, more environmentally friendly and more comfortable transportation are part of social welfare.

- We ensure continuous improvement through dialogue platforms with our employees, customers, Authorized Dealers, Authorized Services Centers and all other key stakeholders, based on a service understanding that is, based on open communication, respect and tolerance.
- We regularly ascertain our key stakeholders' expectations, and co-operate with them to respond to these expectations as fully as possible.
- As one of the most important representatives of the international safety and quality understanding in our country, we make efforts to progressively increase our stakeholders' awareness and performance on this issue.
- Through activities aimed at influencing the behaviour of the youth, we call attention to the vital importance of safety in traffic.
- We conduct planning and establish and implement policies to minimise our activities' possible negative impacts on the environment.
- We are well aware of the vital importance of our employees' social, mental and professional contributions for the Doğuş Otomotiv Group and consider their health and safety our top priority.

## Our Accountability Principles

**Inclusivity:** We establish dialogue with our stakeholders in order to respond to them in keeping with our strategy and vision in fields related to sustainability, and make efforts to find out the expectations of our key stakeholders. Our material issues are established in accordance with all our stakeholders' expectations.

**Responsiveness:** We share open, comprehensible and accessible information in keeping with our stakeholders' expectations and our sectoral priorities.

**Materiality:** As Doğuş Otomotiv, we develop our performance and establish our goals in accordance with our social, environmental, ethical and economically material issues. Our stakeholders' expectations and the impact of these expectations on our Company help us in establishing our priorities.



## APPROACH TO SUSTAINABILITY

# Corporate Governance and Ethics

## Corporate Governance

In Doğu Otomotiv, all of our operations are based on our corporate values. These values are the building blocks of how we do business; during its 15 year corporate history, Doğu Otomotiv has focused on the concepts of high-quality service and plain dealing. We carry out our business in the best and most honest manner not only for financial success, but also because we believe this to be right.

We are aware that our values guide us not just in the short term, but also in the long run, in order to achieve best and permanent success. Doğu Otomotiv seeks to be a lasting brand. We make efforts so that the Doğu Otomotiv experience creates a real value for our employees, customers and other key stakeholders. Our entire corporate governance understanding rests on this point of view.

Our corporation acts on the belief that its basic governance structure depends on a synergy formed of four main elements: the Board of Directors, the Executive Committee, the Internal Audit and the Independent Audit.

## Doğu Otomotiv Board of Directors

The Board of Directors consists of eight members. Seven of the members, including the Chairman of the Board, are not assigned executive duties. Independent of executive functions, the Chairman of the Board fulfils the task of supervision. Only the Doğu Otomotiv CEO is assigned executive duties.

### Doğu Otomotiv Board of Directors

Aclan Acar  
Chairman

Süleyman Kadir Tuğtekin  
Vice Chairman

H. Murat Aka  
Member of the Board of Directors

E. Ali Bilaloğlu  
Member of the Board of Directors

Özlem Denizmen Kocatepe  
Member of the Board of Directors

Hasan Hüsnü Güzelöz  
Member of the Board of Directors

Nevzat Öztangut  
Member of the Board of Directors

Cem Yurtbay  
Member of the Board of Directors

## Executive Board

E. Ali Bilaloğlu  
CEO

Giovanni Gino Bottaro  
Executive Board Member

Dr. Berk Çağdaş  
Executive Board Member

İlhami Eksin  
Executive Board Member

Anıl Gürsoy  
Executive Board Member

Kerem Galip Güven  
Executive Board Member

Mustafa Karabayır  
Executive Board Member

Tolga Senyücel  
Executive Board Member

Vedat Uygun  
Executive Board Member

## Committees of the Board of Directors

1. *Audit and Risk Committee*  
Murat Aka, Nevzat Öztangut

2. *Dealer Committee*  
Cem Yurtbay, Ali Bilaloğlu

3. *Human Resources and Remuneration Committee*  
Aclan Acar, Hasan Güzelöz, Ali Bilaloğlu

4. *Strategic Planning and Business Development Committee*  
Özlem Denizmen, Ali Bilaloğlu, Süleyman Tuğtekin

5. *Ethic and Corporate Governance Committee*  
Nevzat Öztangut, Özlem Denizmen

6. *Discipline Committee*  
Hasan Güzelöz, Ali Bilaloğlu

## Distribution of 'Other' Duties of the Board of Directors

- *Industrial Investments and Construction Businesses*  
Süleyman Tuğtekin

- *Financial Participations*  
Murat Aka

- *Law Topics*  
Hasan Güzelöz

- *Relations with Shareholders*  
Hasan Güzelöz (ISE)



## APPROACH TO SUSTAINABILITY

### Assessment and Rewarding of the Board's Performance

Each year the Doğuş Otomotiv Board of Directors conducts a self-criticism and performance assessment based on criteria it specifies, and presents this to the General Assembly. The performance assessment criteria for the Board include attendance to at least 75% of the meetings, active contribution to committees and meetings, and the pursuit and fulfilment of assigned tasks.

Our performance reporting effort for the development and management of the sustainability strategy, which was initiated in 2009, is monitored by our Board of Directors and our Executive Board. After our current performance is evaluated and our goals are established, related parameters will be added to the performance goals of our executives for the year 2010.

Please see our Corporate Governance Compliance Report on our website for detailed information on conflicts of interest and other performance regarding corporate governance.

<http://www.dogusotomotiv.com.tr/c/en/pdf/ilkelere/EN/AnnualReports09-3.pdf>

### Investor Relations

In keeping with our principle of transparency, shareholders can obtain information on our Company and its activities and/or to share their opinions either via the Investor Relations unit or by contacting the Board of Directors directly.

You can obtain detailed information on the subject from our Investor Relations Section on the Doğuş Otomotiv website:

<http://www.dogusotomotiv.com.tr/c/en/investor-relations.aspx>

## Ethical Principles

The Doğuş Otomotiv Ethical Principles, which address all Doğuş Otomotiv employees, executives and key stakeholders, consist of issues such as the subjects to be taken into consideration while carrying out our activities, the ethical bases to build our relations with our stakeholders on, and our corporate expectations on these issues in keeping with our corporate mission and principles. The Doğuş Otomotiv Ethical Principles Statement has the nature of a guide for all of our employees. Our ethical principles cover our general values and our ethical principles procedure rests on this basis.

Please visit the related section on our website for the Doğuş Otomotiv Ethical Principles and their detailed explanations:

[http://www.dogusotomotiv.com.tr/c/en/code\\_of\\_ethics.aspx](http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx)

**It is essential that all Doğuş Otomotiv Group employees and executives comply with the following ethical principles:**

1. We carry out our activities in compliance with Doğuş Otomotiv's mission and goals and the basic principles of the United Nations Global Compact.
2. We observe the principles of integrity, honesty and transparency in all of our actions within Doğuş Otomotiv's sphere of influence.
3. We treat all of our stakeholders and each other justly and avoid discrimination.
4. We respect the reputation, property and all other human and commercial rights of others.
5. We make and implement decisions independent from individuals and bodies from outside the corporation.
6. We respect different cultures and points of view.

### Corporate Social Responsibility Management

We are aware of the importance of executives' support and trust in adopting correct performances related to sustainability in our Company's business processes in a manner that provides advantages for all parties concerned. In addition to Doğuş Otomotiv's mission and values, we also affirm that, since the Doğuş Holding, of which we are a member, signed the United Nations Global Compact in 2007, sustainability has become part of our management and business strategy.

The Doğuş Otomotiv Corporate Responsibility strategy and vision, upon which we agreed during the publication stage of our first Corporate Social Responsibility Report, forms the basis of the policies and principles established with respect to our social, economic and ethical responsibilities and declared in subsequent reports. In addition to this, Doğuş Otomotiv plans to independently sign the United Nations Global Compact that has already been signed by the Doğuş Group, and to make a corporate commitment with respect to the 10 principles in 2010.

The Doğuş Otomotiv Materiality work, which we conducted during our first reporting period that we consider to be an important learning process, was established through two workshops by the 'Corporate Social Responsibility Work Group' that was formed of one representative from among the managers of each related unit within the corporation and that reports Doğuş Otomotiv's performance on fields related to sustainability directly to the Corporate Governance Committee. The AA1000SES Standard "<http://www.accountability.org/aa1000ses>" "<http://www.accountability.org/aa1000ses>" implementation methods were used for establishing our material issues. Although some specified issues were taken as bases while collecting data for the 'Corporate Social Responsibility Work Group' reports, Doğuş Otomotiv's general performance for the year 2009 was disclosed in this report. It is our goal for the next reporting period to conduct more comprehensive data collecting and to reflect the performance of our entire value chain to our report.

Doğuş Otomotiv Board of Directors

Ethics and Corporate Governance Committee

Corporate Social Responsibility Steering Council  
Members of the Doğuş Otomotiv Executive Board

Corporate Social Responsibility Work Group  
All unit managers and related department representatives



## APPROACH TO SUSTAINABILITY

### Stakeholder Engagement

As global guidelines, norms and standards regarding corporate social responsibility started to emerge, be adopted and implemented by large companies around the globe, the communication that companies established with their stakeholders, based on their material issues, and informing stakeholders and developing products and services in keeping with their opinions, became the main axis of corporate social responsibility. Doğu Otomotiv, which has believed in the importance of stakeholder expectations and considered stakeholder engagement as part of its vision since its inception, will continue to take its stakeholders' opinions and concerns into consideration, and thus be able to predict opportunities and risks much earlier, and continue on its course towards becoming a sustainable corporation.

However, increasing stakeholder engagement and related performances will not always be easy. Therefore our stakeholder engagement strategy, that we will follow parallel to our sectoral priorities and corporate sustainability, shall be to reach more stakeholders each day, explain our performance to them, and review our strategies for the future according to their opinions and suggestions.

1. Stakeholder Groups	Existing Dialogue Platforms
<b>Employees</b>	Dinamik regarding Human Resources Applications, D-İnsan Performance and Development Management System, Briefings and Events Conducted within the Scope of the Human Resources Communications Plan, In-house Bulletins, Employee Satisfaction and Loyalty Surveys, 'I Have an Idea' Platform, Suggestion Rewarding System, Vision and Strategy Meetings, Executive Briefings, CEO Messages, Trainings, Picnics, End-of-Year Dinners, Seniority Encouragement Rewards, Birthday Presents, Birth Presents, Women's Day Celebrations, Feast Day Celebrations, the Intranet System, the Turkuaz, the Demand Management System, Corporate Briefings, Daily News Reflections Report, Happy Hours.
<b>Affiliates and Subsidiaries</b>	Briefings, Presentations, Exhibitions and Events, the Website, Online Reporting Systems, Daily News Reflections Report.
<b>Authorized Dealers and Authorized Service Centers</b>	Authorized Dealer Meetings, Audits, the web-based Communication Portal, the Authorized Dealer and Authorized Service Center Satisfaction Survey (DSS), Briefings, Trainings, Workshops, Market Researches, the Top Team Competition, the Spare Parts and Logistics Unit, Letters from the Chairman and the CEO of the Executive Board and the Board of Directors, the Communication Bulletin, Regular Visits, Factory Trips and Roadshows.
<b>Customers</b>	Fairs and Events, Website, Customer Satisfaction Surveys, Customer Relations Management Unit (CRM), Mystery Customer Researches (NPS), Lost Customer Research, Customer Life Cycle (CLC) Studies, E-bulletins, E-mail Announcements, Test Drives, 24h Information and Support Lines, Free Mobile Service, Mobile Assistance Centre, Warranty Services, Market Researches, Safe and Economical Driving Techniques Trainings, the Young European Truck Driver Competition, Seasonal Maintenance Campaigns, Seminars, Loan Campaigns, Certified Advanced Driving Techniques Trainings, Oto-Fix Express Service Points, Car Insurance Services, Spare Parts and Logistics, Insurance Services, Advertisements and Notices, Brand Websites, The Customer Complaint Unit, Authorized Dealer and Authorized Service Centers, DOD Service Centers.
<b>Investors</b>	Presentations to Investors, Website, Annual Reports, Corporate Governance Compliance Reports, Briefings, Stockwatch Documents, Conferences and Roadshows, Showroom and Logistics Centre Visits, the Investor Relations Unit, Material Disclosures, Media Tools, Ratings.
<b>Suppliers</b>	CRM Report, Briefings, Annual Reports, Website, Visits, the Supplier Quality Regulations.
<b>OEM (Original Equipment Manufacturers)</b>	Briefings, Website, Visits, Spare Parts and Logistic Unit, Co-operation Platforms.
<b>Local Community</b>	Marketing Power Project, Direct Communication Activities through Sponsorships, Introduction Meetings in Anatolian Cities, Local Automotive Exhibitions, Traffic is Life, Volkswagen Training Laboratories in Vocational High Schools, Conferences and Seminars at Universities, Career Day Participations, Long Live Our School, Roadshows.
2. Stakeholder Groups	Information Platforms
<b>NGOs and Pressure Groups</b>	Website, Meetings, Traffic is Life, Sponsorships, Memberships, Presentations and Conferences at Vocational Institutions.
<b>Competitors</b>	Co-operation Platforms, Website, Annual Reports, Sectoral Associations and Unions.
<b>Business Partners</b>	Website, Annual Reports, Briefings, Joint Work Fields.
<b>Global Initiatives</b>	Memberships, Contributions to Reporting Activities, Briefings, Conferences, Panels, Participation in Events, Sponsorships.
<b>Media</b>	Press Bulletins, Press Meetings, Brand Launches, Product Promotions, Information Bulletins, Website, Annual Reports, Press Trips, News and Interview Works.
<b>Government and Regulators</b>	Conferences and Panels, Meetings, Co-operation Platforms.





## APPROACH TO SUSTAINABILITY

### Examples from Dialogue Platforms

#### Quality Management Conference

Doğuş Otomotiv attends the Quality Management Conference which is held annually by the manufacturers of the Volkswagen, Audi, SEAT and Skoda brands, and to which the related brand distributors from all over the world are invited. The most recent conference was held in June 2009 in Hamburg. The chief subjects discussed at the conferences have been the service standards of Authorized Dealers and Authorized Service Centers as well as the auditing and certification of these standards. TÜV, a certification body having its headquarters in Munich, Germany also attends this conference. Presentations comparing the latest economic and legal developments as well as deviations from the standard are given.

Doğuş Otomotiv also attends workshops that are up-to-date training sessions on quality. Our audit team, which also carries out Company Quality Management Representation activities, attends these conferences, which make it possible to obtain information on service standards and strategies developed by the manufacturers, receiving feedback from distributors and enabling us to communicate these developments to our customers through Authorized Dealers and Authorized Service Centers.

#### Investor Meetings

In 2009, all questions and queries made by shareholders were responded via phone, e-mail or one-to-one interviews without discrimination. During the reporting period more than 200 different people requested information, more than 250 written queries were made via e-mail and fax, and the requested information was supplied. 80 meetings, one conference call and one analyst meeting were held, thereby providing information to 50 individual and corporate investors and shareholders.

Investor visits were held in London, Frankfurt, Paris and New York within the scope of investor conferences to supply information to foreign-based corporate investors.

#### Authorized Dealer Get-Togethers

Authorized Dealer Get-Togethers are motivation-oriented meetings held annually with the participation of all Doğuş Otomotiv Authorized Dealers and Authorized Service Centers and where the corporate mission, vision and annual strategies are shared. Ferit F. Şahenk, Chairman of the Board of Doğuş Holding and executives from Doğuş Holding and Doğuş Otomotiv attend these events.

#### Authorized Dealer Meetings

Each year Authorized Dealer Meetings are held with the participation of authorized dealers of the Doğuş Otomotiv brands. In these meetings the past year is evaluated, forecasts are shared, and information on new models and works are provided through workshops. Doğuş Otomotiv executives also attend the Authorized Dealer meetings.



#### WEF World Economic Forum - Davos

Together with the Doğuş Group, Doğuş Otomotiv executives attend the World Economic Forum, and uses the opportunity to conduct bilateral negotiations.

#### TÜSİAD (Turkish Industrialists' and Businessmen's Association) High Advisory Council Meetings

Aclan Acar, Chairman of the Board of Doğuş Otomotiv, is a TÜSİAD member. As Chairman of the Board of Doğuş Otomotiv, he attends the TÜSİAD high advisory council meetings.

#### Muğla University - The 'Leaders of Society Are Coming' Project

Aclan Acar, Chairman of the Board of Doğuş Otomotiv, attended a conference that was held within the scope of the 'Leaders of Society Are Coming' project organised by Muğla University, and gave a presentation on 'Leadership'.

#### Doğuş Otomotiv's Principles Regarding Its Stakeholder Relations

- Considering that reputation management is successful only through competence in strategic communication, it is essential that 'communication' efforts should be managed.
- Doğuş Otomotiv Group's corporate reputation shall be served, and its protection, development and management in accordance with business goals and responsibilities shall be taken as a fundament.
- It is important that good internal and external communication be maintained in accordance with the Doğuş Otomotiv Corporate Communications Manual.
- The Strategic Marketing and Corporate Communications Department must be informed beforehand of any projected press communication by Doğuş Otomotiv brands and affiliates.
- Active, coherent and continuous communication is Doğuş Otomotiv's goal.
- Corporate spokespeople of Doğuş Otomotiv, its affiliates and brands, are identified in the Corporate Communication Manual. Designated spokespeople may deliver information and opinions with regard to Doğuş Otomotiv.
- 'Univocal' communication and the correct management of relations with respect to all affiliates/brands are essential for successful and active strategic communication.
- In Doğuş Otomotiv Group Companies it is essential that corporate and marketing-oriented communication processes are implemented in a harmonious, active and efficient manner.
- It is necessary that all affiliates and brands under Doğuş Otomotiv Group prepare regular communication plans along with their business plans and share these with those concerned, to achieve coordination across the entire Group.



## The Current Situation of the Automotive Sector and the Issues Experienced

Because of its impact and the employment it creates, the automotive sector is generally regarded as the locomotive of an economy. The total turnover of the automotive sector, which is equal to the size of the 7<sup>th</sup> largest economy of the world, amounted to GBP 1.8 trillion in 2008 and provided jobs for 50 million people. In 2009, 59.2 million vehicles were produced worldwide.

While it comprises one of the backbones of the world's economy, the sector has a sensitive structure that can rapidly change course in times of economic turmoil. The global automotive sector has undergone a radical change with the economic recession that started in the last quarter of 2008 and continued in 2009 and beyond. Now the balances are being established anew. A global automotive sector that will be much different in terms of both technology and structure is expected in 2010 and afterwards.

Last year our sector, along with the entire world economy, changed its form due to the global crisis caused by the imbalance in consumption. The volume of global trade was reduced palpably. The deceleration experienced in developed economies spread to developing economies as well. In our country too, growth that had continued uninterrupted for 27 quarters, was replaced by shrinkage in the last quarter. Turkey announced the highest rate of unemployment in its history, and our total export was reduced by almost 50%. One after another, all governments announced support packages; government incentives became prominent all over the world, and the total amount of these incentives reached USD 50 billion.

The general economic conjuncture affected our sector as well, shrinking the sector overall by 17% compared to the previous year. The immediate future shall be a term in which the field of operations of the automotive sector will be redefined and consolidations and mergers come to the fore.

Like everywhere else in the world, the automotive sector is among the locomotive sectors of the Turkish economy. The automotive sector ranks first among exporters in Turkey. While a vehicle is produced every 20 seconds, a vehicle is exported every 30 seconds. 16.3\* out of every 1,000 vehicles in the world is produced in Turkey. In the automotive sector, which has a large impact on production and distribution, vehicle sales are carried out at 4 thousand points through 1,292 Authorized Dealers. The sector's 2009 turnover is between TL 30 to 35 billion. This large structure brings with it many issues that need to be shaped and managed.

\* Resource: Oica, 2008 Data

The Turkish automotive market has a significant potential for growth, which has not yet reached the saturation point. It is estimated that an average production volume of 2 million units will be achieved in the automotive sector within the next 25 years. While calculations reveal that the total car park is approximately 10 million by 2009 figures, Turkey's population is 72.5 million. Today there are 138 vehicles per 1,000 people in Turkey, with 61 vehicles per 100 households.

By comparison, Bulgaria, the country closest to Turkey in terms of GNP, has 361 vehicles for every 1,000 people in Bulgaria, and 92 vehicles per 100 houses. Based on vehicle ownership by households, Turkey will be able to catch up with Bulgaria only after selling 5 million more vehicles. These data, while clearly indicating Turkey's potential, also demonstrate that Turkey has an unsaturated and growing automotive market. Issues presented by experts, such as pulling tax rates back to European standards and improving investment conditions, are improvements that must be given priority.

Another important subject is the automotive sector's impact on the environment and on climate change. With a population of over 72 million, Turkey ranks 13<sup>th</sup> among greenhouse gas-producing countries. As is the case all over the world, measures to decrease greenhouse gasses are taken in Turkey, as well. The automotive sector leads the sectors in taking these precautions. Today, research on electric-driven vehicles, hybrid models and especially fuel cell technologies are conducted. Parts of this research are still far from meeting consumer needs, both in terms of performance and price. In this transition period, interest in fuel and diesel vehicles shall continue, and conventional engines shall be built to be 30% more economical than they are today. Additionally, the Volkswagen Group, whose distributor we are, conducts comprehensive research on electric-driven and fuel cell-driven vehicles. Doğu Otomotiv's goal is to support the sale of environmentally friendly vehicles in Turkey.

Scrap incentives are another important issue regarding the environment. During the recession of 2009, governments all over the world and especially in Europe, provided scrap incentives enabling the circulation of old-new vehicles. In keeping with this, a scrap market parallel to the automotive market must be formed in Turkey. However, Turkey does not yet possess the infrastructure necessary for carrying out this work, which calls for both incentives and support at each phase of the scrap market. Scrap incentives must follow the completion of these infrastructure works. Such a practice would be as important for environmental and traffic safety as it is for the economy. Some 160 thousand vehicles currently in use are more than 30 years old and pose a serious threat to the environment due both to fuel consumption and to carbon dioxide emission. In Turkey there are about 13 million registered passenger, commercial and heavy commercial vehicles. While fuel consumption and carbon emission increases in vehicles over a certain age, security of life



**APPROACH TO SUSTAINABILITY**

decreases in proportion to this. The fuel consumption and environmental impact of a 15 year old vehicle is 20 times higher than those of today's new vehicles. This condition gives rise to a significant rate of pollution and costs.

With respect to long-standing investments, global know-how transfers and government incentives of both large producers and distributors, the automotive sector of Turkey has displayed rapid growth. Its potential is conspicuous. Another issue that must be dealt with in order to realise this potential is unfair competition and unregistered system, which harm the richness of competition as well as consumer rights.

Taking into consideration the course the world is taking, all of the above issues are top-priority issues for achieving the sustainable growth of our sector both on a global scale and in our country. In addition to government policy support of the sector, all players conducting operations must act as responsible and conscious corporate citizens. At Doğuş Otomotiv our goal is to give utterance to our sector's material issues on all platforms, to take the necessary precautions, and to carry out improvement-oriented works.

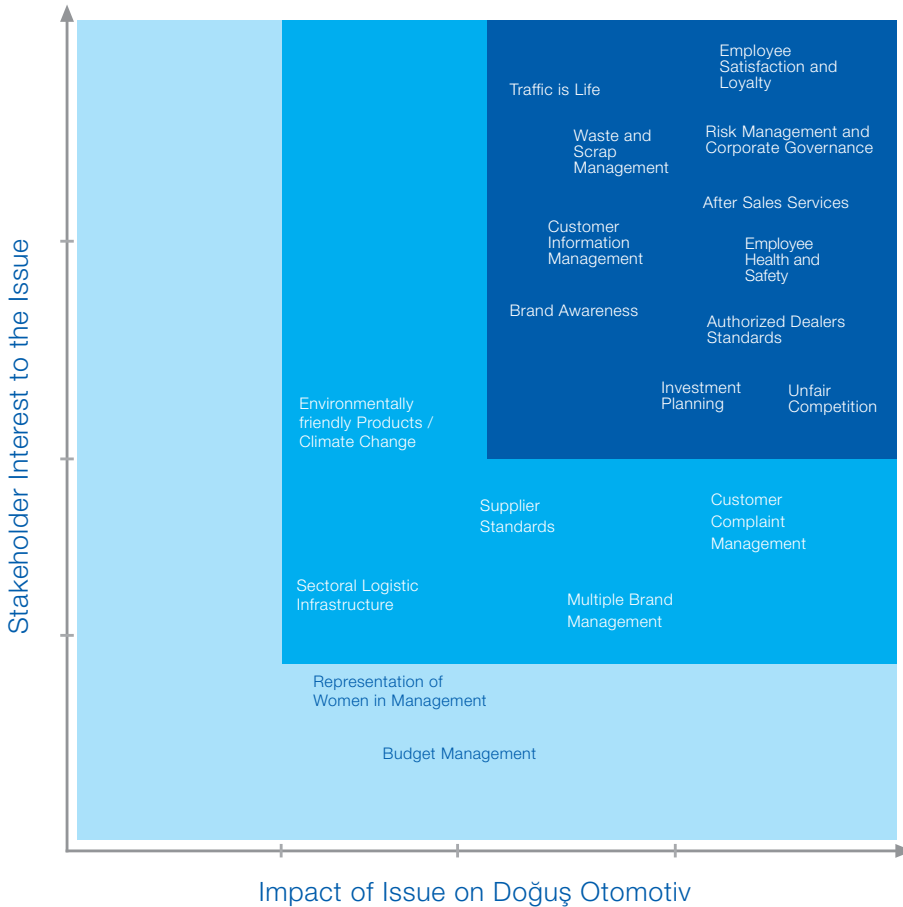
**Material Issues**

Many important social, environmental, economic and ethical risks are closely related to the performance of the business world and the global community. As Doğuş Otomotiv we believe that many of the problems encountered or anticipated by the business world are also opportunities. We are aware that the internal evaluations, as well as determining and prioritising the issues that directly affect our in-house decision making mechanisms, are very important for us as well as the entire business world. We know that all steps we shall take and all practices we shall implement with respect to these matters have a great importance for the sustainability of our practices.

To this end, Doğuş Otomotiv's material issues are evaluated under the following two important headings:

1. The level of our stakeholders' interest to the issue.
2. The level of impact of the issue on Doğuş Otomotiv.

**Doğuş Otomotiv Material Issues Chart**



- Material:** Get into a dialogue process with the related stakeholders on the issue, set goals, display performance.
- 2. Priority:** Monitor, inform related stakeholders, determine risks and opportunities.
- 3. Priority:** Plan, make preparations.



## APPROACH TO SUSTAINABILITY

### Our Goals for 2010

<b>Economic</b>	Increasing Doğuř Otomotiv's brand value in the national and international markets and progressively improving our stance as a transparent company.
	Receiving feedback from our investors and shareholders on our sustainability performance and developing our performance for 2010 in this line.
	Increasing the number of long-term corporate investors, the market value of the Company and the transaction volume.
<b>Environmental</b>	Developing our data-collection process with respect to environmental performance and establishing tangible goals by consolidating our environmental data within Doğuř Otomotiv's value chain that also includes Authorized Dealers and Authorized Service Centers.
	Reducing our carbon footprint and thereby our costs.
<b>Social</b>	Extending our works aimed at reducing traffic accidents and promoting responsible driving among youth under the <b>Traffic is Life</b> heading.
	Extending our <b>Indicator Project</b> and implementing it in 5 more Authorized Dealers in Turkey, and developing the project by conducting an impact measurement.
	Contributing to the awareness-raising works among our employees with respect to human rights, maintaining the same awareness study among our Authorized Dealers and Authorized Service Centers.
	Starting brand audits within 2010 and completing the audits for the Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, SEAT, Porsche and Audi brands. Also, conducting the Financing, Import and DOD audits within the corporation. Completing the Oto-fix audits for the whole of Doğuř Oto and for the regions of Istanbul within 2010.
	Implementing customer satisfaction measurement systems at sale and after-sales points in certain periods for all Doğuř Otomotiv brands and increasing service quality in accordance with customer feedback.
	Attracting attention to the importance of safe driving by heavy vehicle drivers throughout Turkey through the Safe and Economic Driving Techniques Trainings and training drivers in 40 more companies.
	Through co-operating with Industrial Vocational High Schools, supporting the raising of trained personnel such as technicians, service advisors, spare parts, warranty and customer relations staff, offering internship opportunities and continuing to employ skilful students trained with the Volkswagen technology at our Authorized Services Centers, especially at those of Doğuř Oto.
<b>Employees</b>	Repeating the employee satisfaction and loyalty surveys conducted in the previous years and conducting internal customer satisfaction surveys.
	Implementing the voluntary work applications to be attended by employees in order to ensure that the Doğuř Group values are kept in the fore in all operations.
	Determining potential executive level candidates and developing programmes to contribute to the leadership and management skills of these employees.
	Harmonising employee titles with the current structure of the organisation and current conditions.
	Providing support and training for primary schools and professional institutions in the Gebze Region under the scope of the voluntary work programmes.
	Providing employees with interactive training on controlling and defining /preventing corruption.
	Making an agreement with a private training institution to provide employees with training in order to develop their foreign language skills and to invest in their personal development.
<b>Stakeholder Engagement</b>	Conducting an expectations analysis with at least 3 material stakeholder groups until 2012, revising our material issues according to the results and sharing our related performances.



## APPROACH TO SUSTAINABILITY

### Associations, unions and initiatives of which we are members

- TAİD Association for Heavy Commercial Vehicles
- ODD Association of Automotive Distributors
- KALDER Turkish Quality Association
- ÇEVKO Environmental Protection and Packaging Waste Recovery and Recycling Trust
- TKYD Corporate Governance Association of Turkey
- TÜSİAD Turkish Industrialists' and Businessmen's Association
- DEİK Foreign Economic Relations Board
- KİD Corporate Communication Association
- TÜYİD Turkish Investor Relations Society
- RVD Advertisers Association of Turkey
- DENTUR Turkish Marine Industry Association
- AKÜDER Accumulator and Recycling Industrialists Society



**“ In addition to its decisive role in global economies, the automotive sector is one of the most important growth factors for many local economies. The most remarkable element of its economic impact is the sector’s considerable supply chain. ”**

**ECONOMIC  
IMPACT**

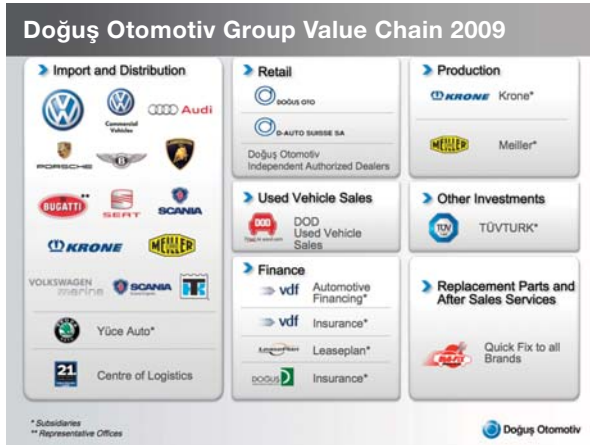


## ECONOMIC IMPACT

In addition to its decisive role in global economies, the automotive sector is one of the most important growth factors for many local economies. The most remarkable element of its economic impact is the sector's considerable supply chain. Whereas, in many sectors, important sustainability effects emerge during the production phase, in the automotive sector these effects continue even after production and during the use of the product. Additionally, while mobility maintains its strategic importance both in developing and in developed countries, it continues to be one of the most prominent indicators of social welfare.

Playing a very important role in the life cycle of the automotive sector, extending from production to consumption and to after-use, Doğuş Otomotiv supplies services diligently at each phase of the automotive value chain in order to reach the end-user after production and to extend the product's life cycle in the most efficient manner.

## Value Chain



Detailed information on Doğuş Otomotiv's products and services on our website  
<http://www.dogusotomotiv.com.tr/c/en/default-en.aspx>

and in our annual report at  
<http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx>

## Multiple Brand Management

As Doğuş Otomotiv, we are aware of the fact that if not managed well any advantage of multiple brand management may turn into a disadvantage for all. The Doğuş Otomotiv Value Chain, which we established to this end, turns multiple brand management into an advantage, enables us to take measures against many difficulties and risks, and forms a system that helps us to manage key processes for the continuity of our business.

*The following factors explain Doğuş Otomotiv's Multiple Brand Management understanding:*

- In-house communication is enhanced through the Executive Board system.
- It is provided that the Brand Executives share the projects suggested through the Executive Board, which in turn makes it possible for the project to be implemented in all brands.
- Marketing activities develop joint working skills.
- A positive contribution is made to the Company market value by strengthening the Doğuş Otomotiv brand.
- The rotation and efficiency of quality and well trained human resources are achieved.
- The number of customers addressed in the market increases.
- Customers can be exposed to various brands at a single location.
- It is possible for the management to simultaneously monitor and compare the performances of many brands.
- Through the ability of serving in many different segments and conducting the Turkey distributorship of a large number of brands it is possible to analyse the market accurately and to forecast risks much earlier.
- A balanced income is enabled and dependence on the income from a single brand is avoided.
- Greater efficiency at Authorized Dealers and Authorized Services Centers is generated by shared Authorized Dealers and Authorized Services Centers.
- An increase in efficiency is achieved due to the fact that shared units support all brands.
- It is possible that support units provide services to all brands through a joint strategy and common principles.
- The proper operation of the system is ensured by determining the risks and opportunities regarding time management.



ECONOMIC IMPACT

## Supply Chain

### OEM (Original Equipment Manufacturer)

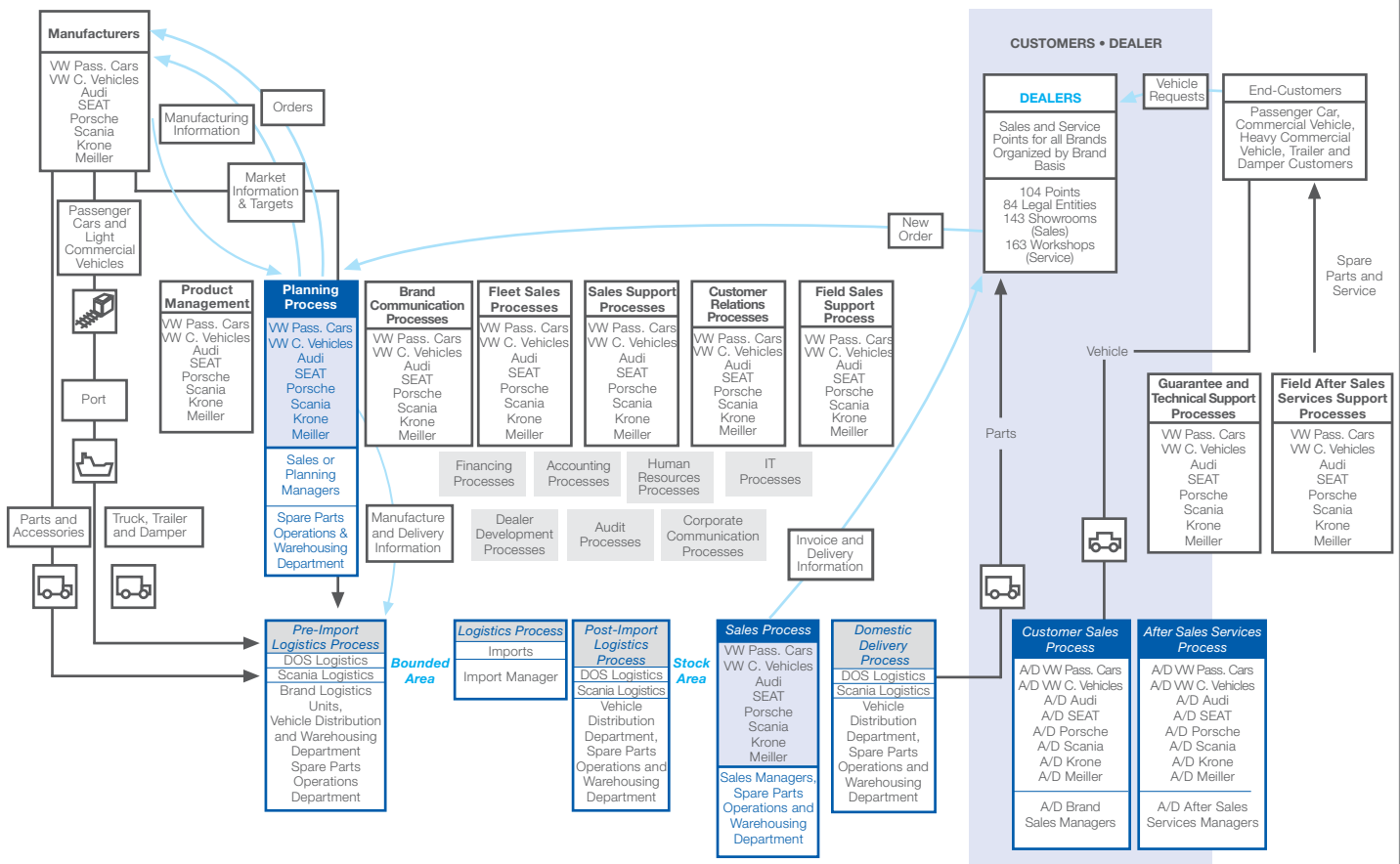
Doğuş Otomotiv's close, transparent relationship with the producers of the brands whose distributorship it carries out, from the time when Doğuş Otomotiv obtained the distributorship for the Volkswagen and Audi brands in 1994, has progressed for more than 15 years. Today Doğuş Otomotiv is the only company in the world that brings every Volkswagen Group brands together under a single roof.

Acting in keeping with the vision *'innovative services beyond expectations'* in its relations with all of its social stakeholders, Doğuş Otomotiv forms long-term and continuously developing business ventures. Having the ISO 9001:2000 certificate from German TÜV for the Volkswagen, Audi and SEAT brands and the Logistics Centre, the Company considers customer satisfaction and quality as its most important values. The Company, which has carried the successful retail services it renders in Turkey to Switzerland, opened a Porsche sale and service centre under the name *'D-Auto Suisse SA'* in Lausanne in September 2009. The Centre is a product of Doğuş Otomotiv's co-operation with its manufacturer partner.

As a result of the evaluations carried out during 2009 by Volkswagen AG, its business partner Opat Otomotiv and Doğuş Otomotiv's retail affiliate Doğuş Oto were awarded a place among Europe's top 100 service centres at the *'Service Quality Awards'* competition. In addition to this, in the sales CSS (Customer Satisfaction Survey) conducted by Audi AG, the goal of 100 points was exceeded, and an average CSS point of 101.19 was achieved. During the same term, Doğuş Oto won the first prize in the Turkey finals of the *'Audi Twin Cup'*, a competition held by Audi AG for Audi Authorized Service Centers around the world with regard to after-sales services.

Doğuş Otomotiv's relation with all its business partners, supplier companies and manufacturers is based on an understanding of transparency and productivity. This way it forms long-term co-operations with all suppliers and business partners as well as manufacturers.

## Corporate Value Flow - Supply Chain





## ECONOMIC IMPACT

### Supplier Eligibility Criteria

The Suppliers list is revised and renewed annually in July, according to the 'Supplier Quality System Inspection Survey' and based on the criteria listed below. Companies meeting at least two of the criteria preserve their places in the Approved Supplier and Evaluation List. These criteria are also valid for companies that will take place in the list for the first time. The Approved Supplier and Evaluation List is approved by the Doğuş Otomotiv Financial and Administrative Affairs Director.

#### Criteria:

- The TSE, ISO 9000 Certificate / TSE quality certificate/ manufacturer-approved certificate awarded;
- Audited by us;
- Recommended;
- Have a long work experience;
- Selected by Group Companies.

### Spare Parts Supply Chain

The Doğuş Otomotiv spare parts supply system consists of the order, inventory control, import, warehousing and sale processes.

The order and sale transactions of Authorized Service Centers are conducted over the **Turkuaz System\*** Parts that are sold are processed by the collection and packaging processes at the Spare Parts Warehouse; a daily average of 7,000 items are shipped to Authorized Service Centers. After the import process is completed, parts obtained from suppliers through active inventory control methods are received into the goods receipt and stowing processes by the Spare Parts Storage, and a daily average of 2,000 units are made ready for sale.

70% of the spare parts order volume is conducted through shipments that occur twice a day. 97.5% of the orders arriving from Authorized Service Centers are immediately met from our stocks. Also within this process, Authorized Service Centers are given technical support in matters pertaining to spare parts and are assisted in the solution of any customer complaints.

Foreign/domestic transport and customs services are obtained for spare parts supply. Tenders are held for these services in accordance with the purchasing procedure. The quality standards for the contracts signed with transport and customs companies (costs, transit time, timely provision of vehicles, customs clearance time etc.) are continuously monitored and are audited through monthly reports on the companies.

Spare parts activities are periodically inspected by ISO, Doğuş Holding, internal audit and an independent audit company.

Products supplied from abroad are imported from European Union (EU) countries. Within this framework they are documented according to EU product health and safety legislation. The vehicles we import bear EU and national approvals. **CE, E, e** etc. markings confirming product safety are to be found on the spare parts and accessories we import. In addition to this,

certain products are examined and approved by certain institutions (Turkish Standards Institution, Undersecretariat of Foreign Trade, Ministry of Industry and Trade etc.) before being imported to Turkey.

Also, if they exist, certificates such as TÜV, MSDS are required from the companies in question for products that are supplied within the scope of marketing products. For instance, Britax-Römer, the company with which Volkswagen AG works, was preferred for the sale of children's seats. Additionally, the company must have met the European Safety Standard (ECE R 44/04) and must have passed the ADAC tests. Similar to the importance of the Euro NCAP standard for vehicles, the ADAC test is important for children's seats. ADAC (German Automobile Club) is Europe's largest and most respected automobile club. The crash tests they conducted on children's safety seats exceed normal conditions.

### Domestic Distribution of Vehicles

The domestic vehicle distribution process starts upon the arrival of the vehicles imported by our brands to Turkish Ports. Then the following operations are conducted, in order:

1. The vehicles disembark from the vessel to the port area. Vehicle checks at this stage are conducted by an internationally certified inspection company, the vessel quality representative, the domestic vehicle transport personnel and the Doğuş Otomotiv personnel.
2. After obtaining the necessary customs permits, the vehicles that were disembarked at the port area are transferred, under Doğuş Otomotiv's supervision, to areas controlled by the General-Directorate of Customs.
3. The official importation transactions are conducted by the Doğuş Otomotiv Import Unit and by customs brokers according to the brands' import requests, and the import phase is completed.
4. The vehicles, the import of which are completed and which have been sold to Authorized Dealers are loaded on trucks after a suitable route programme is determined and are shipped to the dealers.

The Vehicle Distribution unit creates a synergy through conducting the domestic transport of eight brands together. This synergy ensures efficiency, quality and cost advantages in the route optimisation and logistics activities. Car transporters can be loaded to their maximum and reach Authorized Dealers in the shortest distance and time possible.

Also;

- a. Domestic transport and logistics services are procured. Tenders are held for these services within the scope of the purchasing procedure. After the tender a contract is signed with the transporter. The quality standards (costs, transport times, timely provision of vehicles, number of carriers,

\* Doğuş Otomotiv's integrated information technology system. For the detailed information about the system please refer to the related pages.



## ECONOMIC IMPACT

number and quality of personnel etc.) in the contract are continuously monitored and are inspected through monthly reports on the company.

- b. Vehicle distribution activities are periodically audited by TÜV, Doğuř Holding, internal audit and independent inspection company.
- c. Maintenance for vehicles in our customs and storage areas are conducted at 30 – 60 and 90-day intervals according to the manufacturer's maintenance instructions.
- d. Standards regarding the movement of vehicles stored in our customs and warehouse areas are implemented according to the Volkswagen AG General Instructions for Drivers and Loading Personnel.
- e. Loading and fastening vehicles on carriers are conducted in accordance with the Domestic Vehicle Transport Agreement and the Volkswagen AG General Instructions for Drivers and Loading Personnel.
- f. The company supplying the domestic transport and logistics services is evaluated according to the criteria stipulated in the '**Subcontractor Evaluation**' criteria prepared by the Vehicle Distribution Unit.

### Responsible Marketing

As Doğuř Otomotiv, we comply with the Turkish Consumer Protection Law and the related regulations in all matters concerning our marketing activities. Agreements signed with third parties that conduct joint works with Doğuř Otomotiv contain articles of commitment to compliance with all obligations towards customers, the public, the media, competitors and employees according to the principles adopted under the International Communications Consultancy Organisation (ICCO).

Doğuř Otomotiv carries out all of its marketing activities through a responsible marketing understanding, by considering its customers' needs and expectations and by creating solutions suitable for their concerns. In mobile marketing activities and in calls made to customers, we communicate within the framework of the Authorized Marketing Rules, which are the product of the responsible marketing understanding.

## Business Continuity in Doğuř Otomotiv

### Quality and Process Management

#### Process Improvement Studies

Having adopted the '*Lean Management*' understanding in 2006, Doğuř Otomotiv forms all of its business processes accordingly. Doğuř Otomotiv's vision '*to provide Innovative services beyond expectations*' and the motto '*Be sizeable, Be close, Be innovative*' are our guiding us in our business processes.

Believing that expectations should be determined before they could be surpassed, Doğuř Otomotiv reviews its business processes regularly and conducts the necessary improvements. Accordingly, the infrastructure work necessary to ensure that creative solutions and suggestions from all employees and lean leaders are communicated have been conducted.

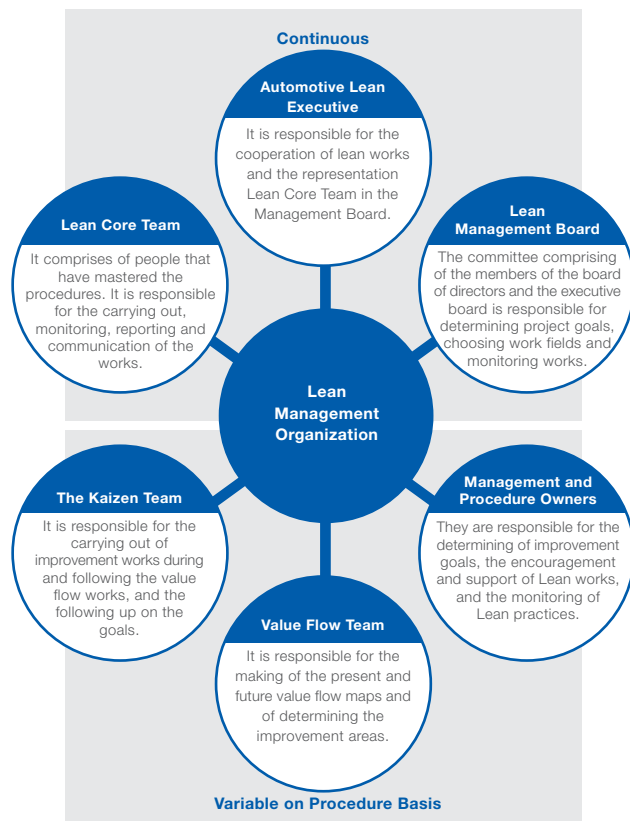
In keeping with our institutionalisation and sustainable profitability management principles, the process improvement studies are important tools for supporting a more active, efficient and cooperative management understanding, for the lean and systematic thought culture and open communication that focuses on the same target throughout the Company in all its units, and for ensuring business continuity.

Along with the improvement works conducted by each unit according to its own mechanism, lean works and the Suggestion and Reward System also reinforce this approach.

#### D-Yalın: Doğuř Otomotiv Lean Initiative

Lean Initiative takes the total value offered to the customer into consideration. D-Yalın encompasses the entirety of the methods, principles and techniques used to cut unnecessary costs and increase the speed and efficiency of transactions. By determining and perfecting the steps that provide value to the customer, eliminating steps that do not provide value, and shortening the time required for transactions that are not expected by the customer but are nevertheless necessary, a tool that ensures development in the cost, speed and quality components of processes emerges. The principle of basing all these works on data and the steps of defining, analysing and standardisation improvement opportunities are all found in the basis of Lean Initiative.

Doğuř Otomotiv Group's lean management process was initiated in 2007. As the first step in meeting sustainable and permanent process improvements on the quest for perfection through Lean Initiative tools the following lean management organisation was created:



## ECONOMIC IMPACT

Value flow works were conducted in the determined work areas by the Lean Management Board. The team supporting these works consists of at least one representative from each unit that has a role along the value flow. This helps to ensure that the efficiency of the steps are evaluated individually and the entire flow is evaluated as well, taking the bigger picture (that starts and ends with the customer) into account.

These works began in our 'After-Sales Services Process', which is among the work fields in which we are closest to our customers. 35 people participated in the work conducted at our Doğuş Oto Kartal Region and 19 Kaizen works were conducted. The goals set for increasing the speed in deliveries to our customers and increasing the service capacity, which were the primary focuses of this work, were achieved and the implementation of these works in other Doğuş Oto Regions was co-ordinated by the Lean Core Team.

Another work was conducted in the Spare Parts Supply and Sale Process, which was attended by 35 people, and 27 Kaizen works were carried out. As a result, works especially focused on increasing stock cycle speeds and warehousing efficiency, and shortening our services' spare parts supply times, achieved the values set as targets and extended improvements to include all of our Authorized Service Centers.

An important work in terms of scope and process size was the New Vehicle Supply and Sale Value Flow Work. 52 people attended the works and 22 Kaizen works were conducted. Works conducted especially under headings

such as, the warehouse and order management, increasing the effect of retail sales achieved their goals.

**Lean Leaders**

The *Lean Leaders Training Programme* was organised so that the departments within the body of Doğuş Otomotiv Group could conduct their own improvement activities in accordance with the Lean Management principles. The aim of this programme is to raise Lean Leaders for certain work processes within each unit and to ensure the continuity and standardisation of improvement activities.

At the end of the 5-day training, in order to receive a training certificate, our Lean Leaders are expected to conduct an improvement project related to their own business field. The project presentations are conducted to executives, who award the training certificates.

In the first Lean Leaders wave, initiated in 2008, training was given to one person from each sale and after-sales service field within the Doğuş Oto Region.

The second and third wave Lean Leaders trainings were conducted in 2009. Two Lean Leaders Training Programmes were completed and another was started in 2009. Through the Lean Leaders Programme, 23 projects were implemented in 2009.

Our Spare Parts Management and After Sales Services Regional Managers attended the second Lean Leader trainings; the third was mostly for participants from the sale and marketing work areas.

**Lean Leaders (LL)**

The goal of the Lean Leaders Applied Training Programme is to spread the lean culture to the entire Company and to develop process improvement skills for individual employees and Company units.

Until 2009, 37 Lean Leaders were recognized in 3 training groups attended by 132 people. TL 340,000 was estimated to have been saved due to these projects.



## ECONOMIC IMPACT

Our Lean Leaders conducted projects based on cost, quality and efficiency, such as shortening maintenance times, savings in cost and efficiency through the tracking of forms electronically instead of in print, a saving in costs due to the rearrangement of spare parts cages returned abroad, an increase in efficiency through shortening report and presentation creation times, reducing costs by recycling packaging material used in shipments made to Authorized Service Centers, and accelerated order times for repeated orders by fleet customers.

The Lean Leaders Certificate Ceremony, which was held in March 2009 with the participation of Doğuř Otomotiv executives, featured speeches by Mr. Aclan Acar, Chairman of the Board of Doğuř Otomotiv, and Mr. Ali Bilalođlu, CEO of Doğuř Otomotiv, the presentation of our Lean Leaders' training projects, and ended with the handing of the certificates by executives.

The meeting regarding Doğuř Oto's works for 2009 was held at Doğuř Oto Maslak Otomotiv and was attended by more than 140 participants. After the opening speeches delivered by Mr. Aclan Acar, Chairman of the Board of Doğuř Otomotiv, and Mr. Zafer Bařar, Doğuř Oto General Manager, the works carried out within the body of Doğuř Oto in 2008 were reported and the Bodywork Paint Value Flow Work that will begin in 2009, the Suggestion System that aims at involving all employees in lean thought, and the 5S projects that aim at increasing efficiency by creating an orderly and clean work environment were introduced. 5S works were conducted in all regions together with the Bodywork Paint Value Flow work that was completed in the Doğuř Oto Kartal Region.

A project aiming at reducing costs and improving quality by reducing customer complaints was conducted within Doğuř Otomotiv in 2009. Among the goals of the work were to decrease complaints and the costs resulting from these.

Another project was the creation of a corporate value flow map to illustrate the efficiency opportunities presented by the processes. For each process, processes were examined on a workload basis, processes that do and do not add value were reviewed, and efficiency works were conducted.

In addition to ensuring that lean thought was spreading to all units within the entire Company through projects and lean leadership programmes, training where basic concepts were explained to our employees were conducted within the scope of the Internal Trainer Project.

As a result of all works, by the end of 2009 32% of our employees in Doğuř Otomotiv and 45% of our employees in Doğuř Oto attended Lean Projects directly and contributed to the lean and systematic thinking culture.

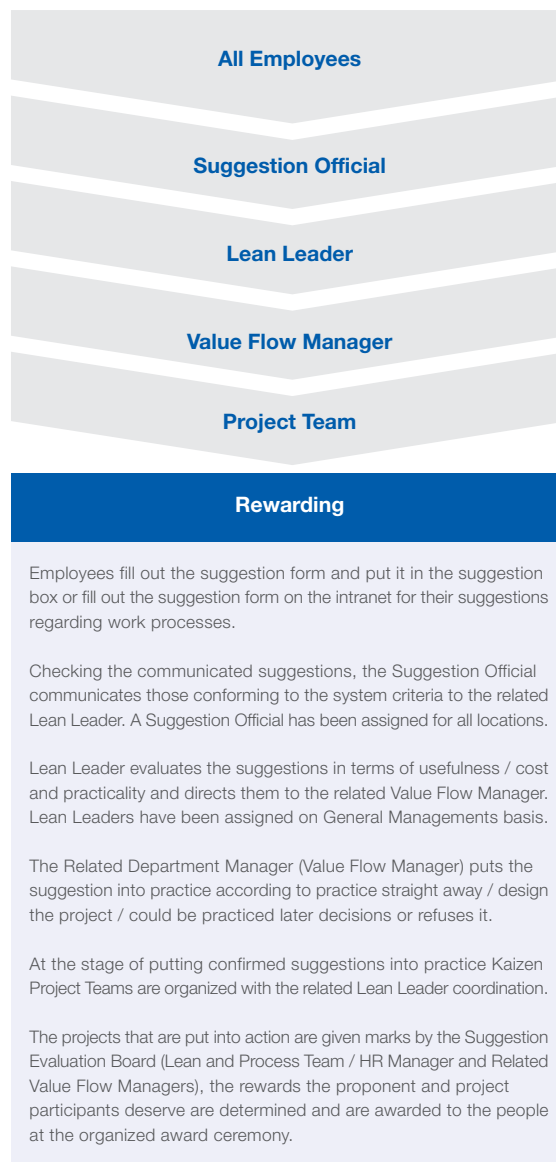
## Suggestion and Reward System

### 'I Have a Suggestion'

The goals of the suggestion and reward system that was put into practice under the title 'I Have a Suggestion' are to improve business processes by achieving participation by employees, to provide customer satisfaction parallel to the increased service quality, to increase efficiency, and to reward suggestion owners.

All employees are able to submit suggestions by completing the form found on our intranet system or in the suggestion boxes found in all locations. All projects completed after implementation following the evaluation process are reviewed and graded by the *Suggestion Evaluation Board* at 3-month intervals. The rewards earned by those making suggestions are presented at an award ceremony.

### Suggestion Evaluation Process



## ECONOMIC IMPACT

In the first year of the Doğuş Otomotiv suggestion system, initiated in October 2009, 31 suggestions were made and 11 suggestions were approved. Three people who made winning suggestions were recognized by our CEO at a New Year's dinner.

The Doğuş Oto suggestion system was initiated in March 2009. 128 suggestions were received and 49 of these were accepted; the applications are being monitored before being granted rewards. The first suggestion reward was given by our Chairman of the Board during the 2009 Lean Works meeting in March 2009, attended by executives.

Among the suggestions that have come from within Doğuş Otomotiv in 2009 are: reducing the use of envelopes for in-house communications, reducing paper and toner costs arising from business orders and attachments, accelerating the entry of accounting records to the system, accelerating the password resetting process in the case of forgotten passwords, and providing quick access to Authorized Dealer and Authorized Service Center phone numbers.

Among the projects that have arrived at the Doğuş Oto Regions within 2009 are: controlling and eliminating warehouse area damage, increasing the number of vehicles sold with accessories, increasing the number of vehicle entries, and rearranging customer services.

## Risk Management

The Audit and Risk Committee under the Doğuş Otomotiv Board of Directors assists the Board of Directors in auditory duties with regard to accounting, auditing, the internal control system, financial reporting practices and risk management policies. Our Company conducts its activities on these matters in compliance with the Audit and Risk Committee Regulations. These regulations were created within the framework of the arrangements, provisions and principles that are found in the Capital Market Legislation and the Capital Market Board Corporate Governance Principles.

Corporate Risk Management, which was established to identify any vagueness that may affect the Company, manage the risk - taking profile and achieve corporate goals, has an active structure affected by employees, executives and the Board of Directors, that is used in establishing strategies and implemented throughout the corporation.

Risks considered within the scope of probability, impact and process are classified as financial, operational, strategic and external environmental risks.

### *Duties of the Audit and Risk Committee*

- On behalf of the Board of Directors, it monitors the effectiveness and adequacy of the internal audit, internal control and risk management of the Company, the operation of these systems and the accounting and reporting systems in compliance with the Capital Market legislation and the principles set forth in this arrangement; it assures the integrity of the information produced, and regularly monitors

the disclosure of financial information to the public as well as independent auditing operations, and reports the results of these evaluations to the Board of Directors.

- It examines and resolves complaints from the respective partners and stakeholders with regard to the Company's financial statements, its internal control system, independent auditing operations or its field of activity. It is the Committee's task to form the infrastructure necessary for communicating such complaints to the Committee and evaluating them. Methods and criteria to apply to the confidential evaluation of Company accounting and independent auditing issues communicated by Company employees are specified by the Committee.
- It takes the precautions necessary for the active, adequate and transparent implementation of independent external auditing. Within this scope the choice of the independent auditing corporation, the preparation of independent auditing agreements and the commencement of the independent auditing process, and works conducted by the independent auditing corporation at all phases are carried out under the Committee's supervision.
- The independent auditing corporation whose services the Company shall procure and the services to be procured are determined by the Committee with the approval of the Board of Directors.
- It reviews the scope and approach of the auditing recommended by the independent external auditors, informs the Board of Directors on matters that limit or hinder their works, and makes suggestions. It ensures that important problems, which are found during or as a result of the inspections conducted by the independent external auditors, as well as suggestions for solving these problems are brought to the Committee's attention and discussed in a timely manner.
- It determines whether or not Company management shares the importance of internal auditing and risk management with Company employees, and whether or not a correct 'controlling culture' is adopted by the Company.
- It advises the Board of Directors on the healthy functioning of the internal control infrastructure in all of the Company affiliates, that it is being understood by employees and supported by the management.
- It monitors the healthy functioning of the coordination and communication between the internal control and internal auditing with the Company affiliates.
- It reviews the Internal Auditing Regulations prepared by the Internal Auditing Department and communicates its recommendations to the Board of Directors.
- It reviews the works and organisational structure of the Internal Auditing Department and informs and advises the Board of Directors on any matters that limit or prevent internal auditors from working.
- It may advise the Board of Directors in matters related to the assignment and dismissal of the Internal Auditing Staff.
- It reviews the Annual Audit Plan and communicates it to the Board of Directors for approval.
- Obtaining the views of the Company's responsible managers and of independent auditors on the accuracy and compliance of the annual and interim financial statements and footnotes with the current legislation, the accounting principles observed by the Company and with the truth, it submits these to the Board of Directors along with its own assessments.



## ECONOMIC IMPACT

For detailed information on the Doğuř Otomotiv Audit and Risk Committee and its procedure please refer to our Corporate Governance Compliance Report on our website: <http://www.dogusotomotiv.com.tr/c/en/pdf/ilkeler/EN/AnnualReports09-3.pdf>

### Audit Processes

In 2009 various inspections were conducted on 13 units in our Company. Additionally, 12 process examinations were conducted on activities conducted by all brands. Inspections were concluded for all of the Doğuř Oto Regions.

Management was advised on any matter found to be open to abuse during the inspections and examined in the process, ensuring that the necessary precautions were taken. In the event that any employee are found to have participated in any act of abuse, a report is issued and the respective management and our Human Resources Unit is advised for the implementation of the penalty specified by the Employee Regulations.

In all corporate decision mechanisms and sale, marketing and other activities Doğuř Otomotiv acts in compliance with the Competition and Commerce Law. In 2009 no lawsuits were filed against us with regard to acts hindering competition, unfair competition or monopolism.

### Certification Audits

#### ISO 9001 and DOS Certification Audits

Information on our Company's ISO 9001 implementations and inspections and the quality certification process and audits specific to the Scania brand are given in detail in our report's Authorized Dealer and Authorized Service Centers section.

## Doğuř Otomotiv Information Technologies

Doğuř Otomotiv's competitive strength and its business continuity is, to a large extent, based on innovation and its leading position in the use of technology. Its powerful and innovative IT infrastructure enables the Company to keep track of technological developments, make, implement quick and active decisions.

Within this context our most important tool is the Turkuaz Information System, which is a Doğuř Otomotiv Value Chain application. Initiated in 2001 with the cooperation of Doğuř Otomotiv, Garanti Teknoloji and Microsoft, The Turkuaz Information System was put into action throughout Turkey on January 1<sup>st</sup>, 2005. Having celebrated its fifth anniversary, today Turkuaz forms an uninterrupted communication network over the internet,

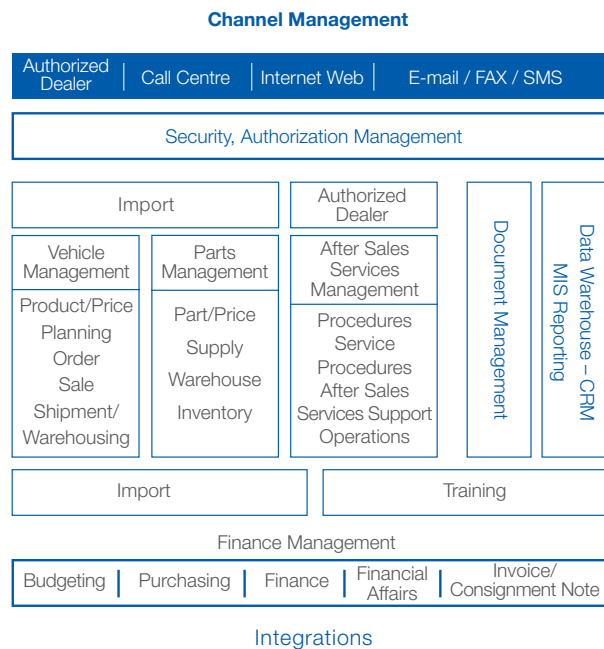
used both by Doğuř Otomotiv and all our business partners, Authorized Dealers and Authorized Service Centers. The sales, service, spare parts and call centre activities carried out by any of our customers through any of our contact points can immediately be monitored and analysed.

The Turkuaz Project, initiated in August 2001, is the greatest project using the Microsoft .NET platform in Turkey and Europe.

Through the Turkuaz, a sustainable integrated structure, Doğuř Otomotiv's entire business flow is conducted over a single platform. With its integrated and wide-ranging structure, involving employees and all business partners, the Turkuaz is among pioneers abroad.

Because it has an open, flexible structure, Turkuaz enables us to access real-time information immediately and speeds up our decision-making. The integrated and multi-brand flexible structure of our system and its measurable and controllable nature are also important advantages. As Doğuř Otomotiv we continually try to turn this valuable information source into quality service that surpasses expectations.

### Scope of the Turkuaz Information System



## ECONOMIC IMPACT

### Definition and Goals of the Turkuaz Information System

#### Description

Turkuaz is an integrated, internet based and flexible information system which allows wide use and which was designed to automate all business processes between the Authorized Dealer – Distributor – OEM.

#### Goals

- To establish an active and accurate use of information between Doğuş Otomotiv and its Authorized Dealers.
- To support the business processes of the Volkswagen Passenger Cars and Volkswagen Commercial Vehicles, SEAT, Skoda, Audi, Porsche, Lamborghini, Bentley, Bugatti, Scania, Krone, Thermo King, Meiller, VW- Scania Industrial and Marine Engines brands and of all Authorized Dealers.
- To provide automation for all business processes in general in a system that is functional and user-friendly.
- To form a central information system the maintenance and updating of which is easy and flexible.
- To provide a system that allows for operational controls as well as increasing the quality of work processes.

#### The Turkuaz Information System in Figures

Number of defined users	5,600
Average daily pages viewed (internet)	2,000,000
Number of GUI Screens	6,000
Number of stored procedures	15,000
Number of tables	2,500
Number of transactions in average	1,500 tx/sec
Average number of logins	400 times/sec

### Request Management System

The Request Management System is used for the user requests of the Information Technologies, Administrative Affairs, Legal and Human Resources applications in Doğuş Otomotiv. Through this system requests are monitored in a controlled manner. The satisfaction survey at login of to the system enables the response and satisfaction rates for requests to be measured.

### Sales and Marketing

As Doğuş Otomotiv we carry out the distributorship of 15 international prestigious brands. Our company has a strong place among the most trusted brands of our country, and has adopted a quality and customer-oriented service understanding ever since it was founded, and has maintained a creative and dynamic service process.

Because of this continuity, one of the most important functions in our field of operations is sales and marketing. In addition to the Strategic Marketing and Corporate Communication unit, which is a centralized function that conducts the corporate communication and marketing management of the Doğuş Otomotiv umbrella brand, each of our brands have separate marketing and sales functions.

Conducting the communication of brands and models according to the corporate identity and developing current products according to market dynamics are among the tasks of our sales and marketing operations. Other tasks are the preparation of all information documents on the emerging products of our brands, such as catalogues, web pages and brochures, supervising advertisement works, and conducting pricing, profitability and sales analyses.

Forming an infrastructure to support the sale of our vehicles by our Authorized Dealers, developing sales strategies, carrying out production and logistics planning, bringing customer satisfaction to the highest level and determining goals are also among the tasks of our sales and marketing unit. Other important roles are the establishment of coordination with our manufacturer partners, and the conduct of pricing works.

Doğuş Otomotiv provides services at more than 500 customer contact points in Turkey over all. We give great importance to our sales and marketing operation and improve, standardise and develop this wide structure each day. We follow all innovations, both centrally and within the several brands, aiming to surpass our customers' expectations and to stand beside them all along the customer life cycle. Our strong marketing and sales teams ensure that innovations are spread to our entire Authorized Dealer organisation and managed properly.

### Volkswagen Passenger Cars



At Volkswagen Passenger Vehicles, we put the technological innovations that separate Volkswagen from its competitors in the foreground in our communication projects in 2009. We were able to reach larger target groups with our extending product range. Also we launched Tiguan in the SUV segment under the 'A Sweet and Tough Volkswagen' slogan and Polo in the A0 segment under the 'You are Great' slogan. We also presented Volkswagen's eagerly awaited 1.6 TDI engine for the consumers' liking in 2009.

For Volkswagen Passenger Cars, 2009 was also a year in which we earned many awards. While the New *Golf* was chosen as the *Automobile of the Year* in 2009, the New *Polo* won the Green Steering Wheel and Golden Steering Wheel awards in *Golden Steering Wheel 2009*.

Volkswagen's ground breaking engine, the TSI, won the first prize in the engine of the year and the green engine of the year categories in *Engine of the Year 2009*. The perfect design of CC, a suprasegment Volkswagen with a 33% share of its class, won the 'Red Dot Design Award Best of Best' design award. In Turkey we closed the year 2009 with 7.2% market share and 26,752 sales.



## ECONOMIC IMPACT

### Website and Social Media: vw.com.tr

2009 was also a year in which we came together with our customers on the internet much more frequently. Our website was renewed at the beginning of 2009, and became Volkswagen Passenger Vehicles' new showroom. With a daily average of 16,981 visitors we achieved a "click rate" high above the rest of the sector. In keeping with our strategy of meeting our target group through an always up-to-date and interactive website, we also included features such as the *car configurator* into our website. Through these innovations the time spent by users at our website reached a high figure such as 7 minutes. Our strategy is to reach our stakeholders through a website that is always interactive and up-to-date.

[www.vw.com.tr](http://www.vw.com.tr)

Daily average of visitors: 16,981

Average time spent on the website: 7:26

In 2009 the communication of our new Touareg brand was carried out through social media, and 1,273 customer data were collected through our website. Based on this data, our customers were sent information directly through e-mails, and potential customers were invited to test drives at Authorized Dealers.

### Volkswagen Commercial Vehicles



#### Commercial Vehicles

As a result of the global recession, changes were suffered in the market dynamics of the commercial vehicle sector and customers' buying tendencies displayed a decrease.

The continuous mass communication conducted in a competitive market within the scope of brand communication took an important place in the marketing strategy in 2009 as well, and Volkswagen Commercial Vehicles conducted both its product and corporate communication using other local channels as well as national channels.

In 2009 Volkswagen Commercial Vehicles achieved good visibility in the press through its intensive communication management, and preserved its place among the first three brands in a news activity evaluation conducted among light commercial vehicles.

In 2009 direct marketing activities based on customer segmentation were conducted and heuristic and direct marketing activities and CRM projects were carried out simultaneously in order to establish one-to-one communication especially for the targeted key commercial vehicle sectors. Within this context, 5,800 customer data were collected during activities conducted at 200 points.

Within the frame of the sales and marketing strategy created and developed by Volkswagen Commercial Vehicles,

*Marketing Power Project*, 20,000 people were contacted in 2009. Volkswagen Commercial Vehicles closed 2009 with a sale of 10,300 vehicles.

### Audi



'*One step ahead with technology*' is not only Audi's slogan, but also its basic philosophy that guides its entire communication activities. The '*One step ahead with technology*' slogan forming the foundation, Audi is built upon three brand values: progressive, sophisticated and sportive. In all communication activities for the Audi brand, the brand values and its slogan are emphasized to the customers. In the premium segment, Audi acts in a manner that emphasises its progressive character while possessing sophisticated and sportive values. In connection with this a basis is formed for increasing the progressive prestige level, positioning the brand and realising the goals set for sale and after-sales services.

The promotion and communication for the brand, which has achieved significant success in 2009, reaching the highest number of sales in its history with 6,119 units, aims to increase Audi's brand awareness, its progressive prestige level, and also to support sales. Launching Advertisement campaigns were started for Audi *Q5*, *A5 Sportback* and *A5 Cabriolet*. In order to ensure that the Audi brand was experienced in the best possible manner, the Audi Driving Experience event was offered between 9-11 October 2009; 360 people were able to try Audi's most impressive Quattro models such as R8, A6 and A5 on the Formula 1 track in Istanbul. The Audi brand, which supports many sports figures and sports from sailing to tennis in various countries, continued its sponsorship activities with the Audi automobiles; which Doğu Otomotiv Audi provided to football players of the Beşiktaş and Fenerbahçe Clubs.

#### Sales Approaches

Different sales actions were conducted throughout the year to enable customers to be able to purchase Audi brand vehicles under easier conditions, and to receive services at the high quality offered by Audi.

Financing payment alternatives were developed through the vdf company suitable for various needs, and regular market evaluation negotiations were held with the manufacturer in order to be able to offer competitive prices. Monthly sale actions that enabled the sale of various vehicles offered by the manufacturer to be sold were taken according to the domestic demand. Special sales were conducted for both the most preferred models and the special niche models that make a strong contribution to the brand image. Our Authorized Dealers' test vehicle procedures were revised so that customers could test the vehicles of their choice. Our Authorized Dealers' sale processes were examined in detail through the internal quality project and development maps for each of the Authorized Dealers were created.





## ECONOMIC IMPACT

## Porsche



## PORSCHE

Our Porsche service network was extended through the opening of new Doğuş Oto showrooms and service centers in Ankara and Istanbul. In order to meet customer expectations, the first diesel engine option - the *Cayenne Diesel Model* - was put on sale in February 2009. The SUV model enjoyed increased sales. The *Panamera*, Porsche's first four-door model, was introduced at the Istanbul Park F1 track in November; various engine options were offered to customers for test drives on the track. Members of the press were invited to international new product launches. New models were announced via various channels. The brand's website is updated simultaneously throughout the world. The vehicle exhibition and test drive activities conducted by our Authorized Dealers in order to introduce the Porsche driving experience are supported. In order to keep the Porsche spirit alive we also support the Porsche motor sports activities as well as the events organised by the Porsche Club Istanbul, the members of which are all Porsche users. The Porsche magazine Christophorus is sent to our customers once every two months.

## Bentley and Lamborghini



## BENTLEY



Marketing investments for the Bentley and Lamborghini brands have continued despite the shrinkage in the market in 2009. Throughout the year importance was given to customer communication activities for both brands. A CRM grade was established and a system enabling regular contact with the customers was developed. In September 2009 Lamborghini's traditional customer event, the '*Lamborghini Track Day*' was held at Istanbul Park and a new model was launched. In December 2009 the Bentley *Mulsanne* model was brought to Turkey for a day for a special advertisement, and a special promotion was made for 110 guests.

## SEAT



SEAT primarily supports marketing activities such as test drives for our potential and current customers, exhibitions, and vehicle displays at the Authorized Dealer level. *BIAD (Brand Image Awareness Development)* Project regularly checks showrooms and service centers for compliance to

corporate identity standards. Therefore the proper use of signposts, posters and printed material suitable for the brand identity is ensured at all SEAT Authorized Dealers and Authorized Service centers and increased our customers' satisfaction.

In all sales and marketing enterprises, transparency, customer satisfaction, brand value and image, trust and the Doğuş Otomotiv corporate identity are carefully protected. In communication, cultural differences in different regions of Turkey are taken into consideration and messages that address all different cultures are chosen.

National and regional communication projects are conducted for the new models as they are launched through sales and service campaigns, and participation in international launching events is organised with our Authorized Dealer network. Brand strategy and the situation in general are evaluated in periodical meeting organisations targeting the sales and service teams, and actions for the future are planned. All works include disclosures to customers in issues such as the fuel consumption and CO<sub>2</sub> emission of products.

Parallel to our global corporate identity our national website was redesigned to provide the most comprehensive and up-to-date information on our brand and our models. Easy access to our Authorized Dealer and Authorized Service Center network is provided through our website, and all information regarding current after-sales services are given in full detail.

We also have a mobile website application that enables customers on the move to find what they need with respect to our brands and services. Regular customer satisfaction measurements are conducted separately for sale and after sale services. Our Authorized Service Center staff are granted Quality Service Premiums when they realize their CSS goals for the period.

## Skoda



Superb, Skoda's flagship and successful representative in the D-Segment, was completely renewed in 2008 and was introduced at the Istanbul Auto Show fair in October 2008 and met the Turkish consumers in the first days of 2009 at the Skoda showrooms.

One of the most important renovations in the new Superb is the patented boot opening system, called "Twindoor", developed by the Skoda engineers. This clever and practical solution provides the placement of small objects into the vehicle by opening only the boot lid if desired, and makes it possible to lift the whole boot lid including the rear window when needed.



## ECONOMIC IMPACT

In November 2009 a campaign held until the end of the year with the slogan *'Come to test drive, go up to Prague'* for our Superb model reached 2,373 people through television, media and the internet.

During the first quarter of 2009, the newly face-lifted Octavia was put on the market for Turkish users. Octavia, which attracts attention as a comfortable, modern vehicle with new technological equipment and with simple, elegant and technical solutions, comes also forward in its segment with the rich variety of engine options it offers. The model 1.4 TSI 122 HP DSG equipped with a transmission engine of Octavia, which has 5 fuel and 3 diesel engine options, appeared in the showrooms in August 2009.

Skoda's first SUV vehicle *Yeti* was designed as recreational vehicle as well as for everyday urban use, and was presented to Turkish consumers at the Antalya Auto Show Fair in November 2009.

Furthermore, during the first half of 2009 the website [www.skoda-auto.com](http://www.skoda-auto.com) was completely renewed in both content and design, becoming more practical for visitors.

### Scania



## SCANIA

Scania has succeeded in being the leader for the seventh time by increasing its market share despite the difficult market conditions and the shrinkage experienced in 2009 in the 16 ton and above imported heavy commercial vehicle market. Supporting its success in leadership in the market with its expansive product range and its Euro 4 emission EGR system engines that run without requiring extra additives, Scania was granted the *"Best Heavy Commercial Vehicle of the Year"* award. Scania always stands by its customers by making the right moves at the right times, and keeps track of the priorities of the sector it serves and the requirements of the customers. Scania brand continues to grow with 21 Authorized Dealer and Authorized Service Centers serving almost all round Turkey, also putting great emphasis on being accessible to its customers at all times.

With its wide range of engines and products, Scania offers vehicles for various sectors and various usages suitable to the needs and demands of its customers. While Scania develops its technology towards finding the most suitable solution in terms of performance and cost, and suitable to the new Euro norms, it also enables its customers to adapt to the new technologies without making concessions from their habits. Scania has a product range of vehicles from 230 horse power to 480 horse power, with EGR system Euro 4 engines with various axle shaft configurations. Engines meeting the Euro 4 emission norms and the transmission and other drive train options provide superior performance

and low fuel consumption in all road conditions. In three basic cabin types, P-, G-, and R-, a variety of cabins of various ceiling heights are provided according to requirements. While the life span of the breaking equipment is increased up to four times with Retarder, the auxiliary break system, which is one of Scania's indispensable qualities, the safety of the driver and the vehicle is prioritized with the superior breaking performance. The Opticruise automatic gear shift system offered as optional, on the other hand, provides that the vehicle is driven efficiently and that the driver is able to fully concentrate on the road while driving, thereby contributing to both fuel saving and driving safety and comfort.

Scania continues to manufacture durable and safe vehicles of highest quality that have a high used car value in order to develop and improve its existing technology, and to provide its customers with the most appropriate solutions by providing the most suitable operating economy.



**Within the scope of safe driving techniques, 1,940 drivers in 171 companies were given training between 2005 and 2009. In 2009, 311 drivers in 35 companies received such training.**

### Krone



Krone Brand attracts attention through marketing activities, one-to-one contacts with its customers and press in addition to highly qualified products. Intensive marketing campaigns were held in 2009, and sales campaigns for our new products made sure that all potential customers would be reached. As large fleets of vehicles were sold, delivery ceremonies were held and the growing Krone family was put before the whole sector and the public at large through the media. Krone's website was renewed and updated so that our customers could receive extensive information on our products and the services we provide.



## ECONOMIC IMPACT

In 2009, adding another new sales point in Kayseri to the wide Authorized Dealer and Authorized Service Centers network, Krone sponsored numerous organizations such as *'We are taking Turkey's blood pressure'* and *'UND Congress'*, parallel to Doğuş Otomotiv's basic commitment to being beneficial.

Krone broke ground in the transportation sector with its nitrogen cooling system, considered to be the most environmentally friendly cooling system in the world. With this newly developed system, New Krone Cool Liner Duoplex comes to the forefront of the industry in terms of quietness and comfort as well as its environmentally friendly features.

## Meiller



In 2009, Izmir and Antalya were added to the Authorized Dealer and Authorized Service Centers on top of the existing ones located in Gebze, Ankara, Bursa and Denizli, expanding its service network and making it more accessible to customers. Meiller's semi-trailer dump truck varieties have been accepted by the market in recent years, and from the second quarter of 2009, high capacity truck top dumps were added to the product range and offered to customers.

Shortly after entering the Turkish market, Meiller has become the preferred brand of dump truck; the company aims at presenting its products to potential customers in the best possible way through one to one communication, focusing on activities that increase brand awareness, especially with test drives. During 2009, Meiller brand dump trucks carried out special marketing campaigns with various commercial vehicle brands in order to introduce various superstructure products to wide target groups. For example, extensive test drive activities organized in cooperation with MAN company and joint activities held with Ford company at the Commercial Vehicles Fair have enabled our brand to meet the target customer group. As a continuation of these effective efforts, various advertising and media campaigns were made for the MAN and Scania brand magazines..

## VW-Scania Industrial and Marine Engines



Volkswagen Marine Engines provides superior technological advantages to customers. In addition to superior compact design and low weight, Volkswagen Marine Engines boast high performance, continuous torque and quiet working features in its *'two-stage injection system'*, which has proved itself in terms of efficiency and fuel economy which had already been used for years in the automotive sector.

With Doğuş Otomotiv's widespread service network, where service beyond expectations and unconditional customer satisfaction are basic qualities, Volkswagen Marine Engines brand provides service that can meet all the requirements of the maritime sector in our country, supports the education of specially trained technicians, provides quick and economic access opportunities to original spare parts, and provides continuous support with 7/24 call centre service, ever standing by for its customers.



The Scania brand has an engine production capacity of more than 60,000 each year; in addition to trailer, truck and bus lines, it has produced a variety of industrial and marine engines and land generators over the years. User-friendly engines with low maintenance expenses are distinguished by being economic and long lasting, as well as technologically advanced electronic control systems, developed for maximum performance under most difficult circumstances. Scania Marine Engines has a strong, widespread network of Authorized Dealers and Authorized Service Centers within Doğuş Otomotiv, and provides its customers with a high standard of service supplying spare parts through the Doğuş Otomotiv group Spare Parts and Logistic centre and technological support. Conforming with IMO and other important emission regulations and thereby manifesting its environmentally friendly qualities, Scania Marine Engines meets all national and international standards regarding exhaust emissions.

## Thermo King



The pioneer brand among cooling systems in the world, Thermo King continues its activities in our country through Doğuş Otomotiv assurance and widespread Authorized Dealer/ Service Center network. As a result of the unity between Thermo King's superior technology and Doğuş Otomotiv's high quality standards, customers enjoy such advantages in the sector as high efficiency, fuel economy, product safety, after sales service quality, appropriate and continuous spare part support, widespread Authorized Service Center network, and easy and economic maintenance opportunities. The great success and customer satisfaction Doğuş Otomotiv has displayed with its Thermo King activities was awarded by OEM in only the first year of our distributorship activities with the *'Outstanding Achievement Award'*.



## ECONOMIC IMPACT

### Doğuş Oto



At all points of sale when the sales transaction is completed, Doğuş Oto provides access to auto loans, insurance (automobile insurance, traffic insurance) and, for customers requiring it, licence plate transaction services.

In all the brands and models Doğuş Oto represents, it provides its customers with the opportunity to test drive vehicles to buy by the test fleet comprising of 94 vehicles and assists customers in making the right decision for themselves during the buying of the vehicle.

## After Sales Services

### Volkswagen Passenger Cars and Volkswagen Commercial Vehicles

At all Volkswagen service centers the following after sales services are offered:

- *'Temporary Vehicle Supply': a temporary exchange vehicle is provided for owners of vehicles requiring extensive time for service.*
- *At our service areas we use only (2 year) warranted 'Volkswagen Original Spare Parts and Accessories'.*
- *'Call 24' service is available to our customers 365 days a year, 24 hours a day for immediate road assistance, tow truck service, hotel accommodation and emergency transportation.*
- *'Volkswagen Express Service' provides quick and trustworthy service in the operations within the scope of the express service.*
- *In order to increase customer satisfaction, during 2009 '100 Steps Against Repeat Repair' training was given by our technical unit to all Volkswagen Authorized Service Center employees at location; as a result of these and similar practices, our repeat repair rates have reached the lowest level since 2005, and an improvement of about 350% has been achieved.*
- *At all our Authorized Service Centers customer acceptance, vehicle repairs and delivery is carried out in accordance with Volkswagen AG 'Service Center Core Process' application.*
- *According to the surveys carried out by independent research institutions, a Customer Satisfaction Index is established and reported each month, and according to the results of this index, appropriate actions are taken.*
- *The 'Service Center Quality Award' selection made by Volkswagen Passenger Cars each year (6,450 Volkswagen authorized dealers from 27 countries participated in 2009), two of our authorized dealers from Turkey were among the 100 most successful authorized dealers in the world.*
- *Practices aimed at customer and authorized dealer satisfaction were found to be successful in the project titled RASE (Retail After Sales Excellence), which are actualized by Volkswagen Passenger in other countries as well.*

- *At the end of the examination of after-sales services, our practices have placed Turkey among '5 Exemplary Countries' chosen by Volkswagen Passenger Cars. Volkswagen After Sales, serving at 61 Authorized Service Centers around Turkey, has expanded its service center network for its customers in 2009 with the first Authorized Service Center in Rize.*
- *With the 'Triple the Age Discount of the vehicle' opportunity provided for 4 year old and over Volkswagen vehicles by the Segment 2-3 campaign in 2009, 30,000 customers who had not come to Volkswagen Authorized Service Centers were recovered in the recent year.*
- *At Volkswagen Passenger Cars, with nearly 310,000 car entries, approximately 26,000 customers a month were served, and Volkswagen Commercial Vehicles served approximately 20,000 customers a month with nearly 240,000 vehicle entries.*
- *In the Volkswagen after sales services, we are one of the few focus markets chosen by the manufacturer for both Volkswagen Passenger Cars and Volkswagen Commercial Vehicles, and we regularly report our field observations to the manufacturer.*

### Audi

Some of AUDI's practices for the continuation of customer safety, satisfaction and comfort after sales are as follows:

- Technical training given to the employees of our Authorized Dealers;
- 'Core Process' standards;
- Our original spare parts policy;
- Practices for which we have been chosen pilot country;
- *'Mobility Warranty'* formed with the idea of Audi customers being served 7/24 everywhere;
- The 7 principles, which rule in favour of Audi customers without which Doğuş Otomotiv Authorized Services Centers will make no commitments;
- benimAudim.com (myAudi) website on which Audi customers can make online appointments, keep track of their vehicles, and make requests for test vehicles and brochures;
- An LCD screen on which up-to-date data are continuously displayed in each of our Authorized Dealers. (Sales screen, up-to-date service campaigns, alerts, technical information etc.);
- Authorized Service Center contest *'Twin Cup'* organized by Audi AG.

### benimAudim.com (myAudi)

- Online service operations;
- Information about the state of a vehicle left at the service center;
- Service Center appointment, test drive and catalogue requests;
- Access to interim invoice and bank account information of the service in question;
- Ordering special products from the Audi Boutique;
- Online access to Audi accessory catalogue.



## ECONOMIC IMPACT

## Porsche

All vehicles purchased come with a 2 year unlimited kilometer warranty service (plus 3 years paint and 12 years anti-corrosion warranties) and a guarantee that the products were produced faultlessly, in accordance with the latest technology.

Our customers are able to make unlimited use of the free Porsche Assistance service privileges during their warranty period. With *Porsche Mobility Plus* all Porsche special customers are given special service; the substitute/rental car period can be extended up to 15 days, and authorized pick-up and delivery service is guaranteed. Within the warranty period, customers may also purchase a prolonged warranty, up to 9 years and/or 200,000 km. Porsche original spare parts can be obtained from all Authorized Service Centers. Boutique products designed specially for Porsche users, and Tequipment\* special equipment accessory products customized for their cars are offered.

## Special for Porsche customers and authorized dealers:

- Porsche Info line;
- Porsche Authorized Service Network (19 service points in 18 cities);
- Detailed vehicle check up service prior to TÜVTURK Physical Inspection;
- On the job training for Authorized Service Centers by the Porsche technical department always on the field;
- Porsche Service Clinic summer and winter campaigns at striking discount rates for special parts and for services for customers, who have done free check-up for their vehicles at Authorized Service Centers;
- *'Do it Yourself'* activities where customers can do their own repairs on their own vehicles, especially for those who feel the 'Porsche spirit';
- Porsche brand 'Porsche Service Center Development Programme' assisted by producer consultants of manufacturers in order to increase service quality in the field of after sales services;
- Training for after-sales service teams, with a world-wide accepted certification programme for mechanics on Cayenne Diesel, Panamera, Boxster, Cayman, 911 Turbo, and introduction to all other Porsche new products.

## SEAT

SEAT customers are given a 2 year unlimited kilometer service warranty (3 years for paint, and 12 years anti-corrosion) for the vehicles they buy and a guarantee that the products they purchase are produced in accordance with the latest technology and faultlessly. Our customers are able to make unlimited use of the free SEAT road assistance service privileges for 365 days a year and 24 hours a day during their warranty period. SEAT Service Center customers can also use the substitute and rental

vehicle service if they wish to, and additionally are provided with pick-up and delivery service of their vehicles by authorized people.

A vehicle purchased before the end of the 18<sup>th</sup> month from the beginning date of the warranty may obtain a further 2 year prolonged warranty (vdf-Fulllife). SEAT Original spare parts can be obtained from all Authorized Services Centers.

Original accessories are provided according to the tastes of our customers at special prices in sportive design models like Leon and Ibiza. The most recent information on our brands are communicated to our customers by the SEAT phone consulting and website information lines.

SEAT Service Center provides services at 42 Authorized Service points in 28 cities. Should they wish to, our customers have the opportunity to obtain credit loans for their service expenses at 0% interest with vdf service credit. Detailed vehicle check-up service prior to TÜVTURK Physical Inspection is given at all SEAT Authorized Service Centers.

Planned technical training is given to foremen and mechanics, so they have up-to-date technical knowledge to apply at service centers. Customers with service appointments or who are waiting for spare part orders are continuously and speedily kept up to date through mobile messaging over the Turkuaz software.

Customer demands, requirements and complaints are closely watched by the Call Centre and customer relations departments, to be addressed as soon as possible; these demands are closely monitored for performance evaluation according to established criteria.

*LEX Coaching* has been initiated at all service centers with the assistance of the producer and the contribution of our employees in order to develop all service procedures (appointment, repair, delivery, visual image etc.) at service centers.

Doğuş Otomotiv - SEAT is held up as an example to other countries with its SEAT Service Center campaigns which are also appreciated by the SEAT manufacturer as well.

[http://www.seat.com/newsletter/2010/SEATService/N17\\_june/newsletter.html](http://www.seat.com/newsletter/2010/SEATService/N17_june/newsletter.html)

## Skoda

Skoda's basic principle in after sales services is to evaluate customer desires and requirements from their own perspective, to provide quality service, and to provide customer satisfaction by making all our authorized dealer network embrace our brand's communication principle *'Human Touch'*.

\* Additional accessories that could be mounted on the Porsche vehicles.



## ECONOMIC IMPACT

Skoda aims to increase our after-sales quality by organizing technical and non-technical training of our service center staff at various times. Parallel to these sessions, an activity entitled After Sales Services and Spare Parts Motivational Meeting is held every year, including 2009. Furthermore, in 2009 the devices and equipment at our service centers were upgraded to provide maintenance appropriate to present day technology. These upgrades of both training and equipment reduced the rate of repeated repairs by 57% in comparison to 2008. The usage of oxyacetylene in the body workshop was curtailed.

### Scania

Growing with its Authorized Dealers, Scania attaches great importance to being accessible to its customers.

Surveys reveal again that the reason for re-selection of Scania brand, which embraces standing by its customers not only during sales but also in after sales as a main target, is related to its success in service quality.

Presenting its customers with many kinds of standard equipment to reduce operating costs, including engines with low fuel consumption, Scania continuously assists its customers with its after sales service and attitude. Scania continues to work for its customers with its Scania 7/24 emergency roadside assistance, its network of Authorized Dealer and Authorized Service Centers scattered all over Turkey, its financial solution packages offered by Scania Finance, its devoted employees committed to customer satisfaction, its expert driving instructors, and a team which trains the Scania organization 144 days a year.

Always standing by its customers and making a difference with its products and services in a market in which vehicle profitability and transportation prices have fallen and which is highly competitive through high technology vehicles, Scania held 35 various promotional activities during 2009 and reached 15,000 customers all around Turkey.

Scania brand offers its customers spare parts and all kinds of after-sales service support assistance at 21 Authorized Service points across the country. 193 mechanics, 271 staff and 283 vehicle repairing areas are ready to serve customers. In addition to Authorized Service points, Scania offers its customers 24 hour emergency assistance at location, and service support, with 27 fully equipped emergency assistance vehicles. The 24 hour emergency phone line offers customers in Turkey and in Europe service in their own language, to provide emergency assistance service at any location.

In 2009 Scania's 1-10 year old car park reached 12,800, and 57,247 work orders were issued by Scania Authorized

Service Centers. By the end of the year 762 employees had participated in technical, commercial and driving training.

Free pre-control service was offered by our Authorized Service Centers for the TÜV vehicle inspection preparations, an throughout the year nine different campaigns, offered special discounts and services in service and spare parts fields. These were announced to all our customers through mobile messaging, e-mail and publications.

Our in-house publication, *Scania Post*, was published 4 times in 2009 and distributed free of charge to all the vehicles that entered all of our service centers; It was published in order to announce Scania service center campaigns and special discounts and to inform our customers of services and novelties. 24,000 copies were printed and distributed to all of our Authorized Service Centers.

### Krone

The year 2009 was characterized as a year of progress in the quality of Krone after-sales service centers. During this year we concentrated on training, documentation and procedure preparations, to increase the impact of Krone Authorized Service Centers serving our customers across Turkey, to contact Krone customers more closely and directly, listen to their requirements, and improve first hand dialogue; considerable achievement resulted. Authorized Service Centers and customer visits were emphasized and the necessary activities focused in this areas in 2009.

Two technical training sessions were held in 2009 for all Krone Authorized Service Centers at location, and customers in the district were visited by management. Technical service was given to numerous customer vehicles: maintenance, repair and warranty.

At the places where we have customers as a distributor, including Gaziantep, Adana, Denizli, Bursa, Samsun and the European side of Istanbul, on-site service was provided. The present Krone After Sales Services website came into active use. The Krone spare parts catalogue was improved and a catalogue that could be used by all Authorized Service Centers was prepared.

Additionally, during 2009 Krone maintenance periods were determined and related forms were prepared. Krone Warranty Procedures were formed and warranty requirements were standardized. Contacts were made with the producer regarding chronic breakdowns in Krone trailers, and extended warranties were offered.

An in-house briefing for Krone Sales Representatives, in which all works carried out during the year were reported, was held.



## ECONOMIC IMPACT

## Meiller

We have focussed our efforts in the development of our emerging Authorized Service Center Network across Turkey, and in the increase of service quality provided to our customers:

Technical training was held twice with the participation of all Meiller Authorized Service Centers. All Authorized Service Centers were visited and theoretical training was given on relevant subjects. Customers were visited by management and subjects regarding products and services that need improvement were explored.

In addition, in 2009 numerous customers' vehicles were given technical service in terms of maintenance, repair and warranty operations, and spare parts supplying activities were carried out both at home and abroad.

## Doğuş Oto

In all Doğuş Otomotiv service centers our customers are offered numerous solutions according to their needs.

Doğuş Oto provides owners whose vehicles require lengthy service '*temporary exchange vehicles*'. There are 137 exchange vehicles in the Doğuş Oto fleet specifically for this purpose.

Gathering all kinds of services customers might need under a single roof, Doğuş Oto provides '*Auto Coiffure*' services in all its regions. Many professional practices such as detailed interior cleaning, paint polishing, paint protection and glass protection film application are offered at all facilities, where competent employees serve with the highest quality materials.

In all Doğuş Oto Districts there are customer-relations officers and customer satisfaction budgets. Some TL 362,000 was expended in 2009 toward achieving customer satisfaction.

Each of our executives and people who have contacted with our customers has a '*consumer satisfaction survey (CSS) score*' within his/her performance goals, by which customer satisfaction is kept at the highest priority. Complaints made to our Company are communicated to the customer relations units and solutions are found in a short time.

## Authorized Dealers and Authorized Service Centers

During 2009, when the world economy was going through a difficult time, we also were faced with the destructive effects of the crisis. Despite all negative circumstances, we passed through this period applying disciplined expense management, and continue on this path with a perspective secured by our determination for consistent profitability, which was reinforced by the crisis period.

In the fields of sales and service, our Company has a unique, large scale organization that is in contact with thousands of customers every day. Our main goal is to provide good humoured, quick and high quality service, and to continuously develop that service, when each of our customers select and use our products. This challenging but enjoyable journey starts again with each new customer, and we are aware that our employees - well trained, with the necessary equipment and the goal of providing perfect service - constitute our most important competition advantage.

Doğuş Oto is a Company that is delighted to exist with its investors, customers, employees and suppliers. We are aware that our existence is only possible when our stakeholders, which we are a part of, are sustainable. It is certain that our sense of work, formed in accordance with our Corporate Social Responsibility vision which places sustainability in the focus of our activities, adds great value to our Company in this sense too.

*Zafer Başar*  
General Manager  
Doğuş Oto



## ECONOMIC IMPACT

## Our Service Points

	3S (A)	Sales Point (B)	After Sales Service Point (C)	Add.nal Sales Points (D)	Total Sales Points (E = A+B+D)	Total After Sales Service Points (F = A+C)	Service Centers (E+F)
Volkswagen	57	0	5	1	58	62	120
Audi	18	0	13	1	19	31	50
Porsche *	4	0	16	0	4	20	24
Scania	16	0	5	1	17	21	38
SEAT	24	0	19	0	24	43	67
Krone	15	1	0	1	17	15	32
Meiller	1	4	1	0	5	2	7
VW Marine	9	0	0	0	9	9	18
Scania Engines	6	4	4	0	10	10	20
Thermo King	5	1	0	0	6	5	11
<b>DOAŞ TOTAL</b>	<b>155</b>	<b>10</b>	<b>63</b>	<b>4</b>	<b>169</b>	<b>218</b>	<b>387</b>
DOD	0	68	0	0	68	0	68
<b>DOD INCLUDED TOTAL</b>	<b>155</b>	<b>78</b>	<b>63</b>	<b>4</b>	<b>237</b>	<b>218</b>	<b>455</b>
Skoda	28	2	12	2	32	40	72
<b>TOTAL</b>	<b>183</b>	<b>80</b>	<b>75</b>	<b>6</b>	<b>269</b>	<b>258</b>	<b>527</b>

**3S:** Points where sales, after sales service and spare parts sales are carried out at the same time.

**Sales Point:** Not affiliated to any 3S, points where there is only sales.

**After Sales Service Point:** Not affiliated to any 3S, points where there is only service and spare parts.

**Additional Sales Point:** These are additional sales points affiliated to 3S points.

**Employees: 5,389 People**  
**Total Closed area: 448.570 m<sup>2</sup>**

\* 14 Service Points are Type C Porsche service centers.





## ECONOMIC IMPACT

## Number of Legal Entities

	Number
VW	49
Audi	3
SEAT	15
Scania	16
Krone	1
Skoda	40
Thermo King	1
Marine Engines	2
<b>TOTAL</b>	<b>127</b>

6 of DOD Authorized Dealers are Skoda Authorized Dealers, the others are the Authorized Dealers of Doğuş Otomotiv.

## Audi Q-Power

Audi Q-Power is an Authorized Dealer consultancy programme applied by Audi AG in all large markets. It involves the determining of fields of progress specific to the Authorized Dealers, providing consultancy in these fields, in accordance with the authorized dealers' location, customer profile and market needs, and the monitoring of the progress. The aim is to increase Authorized Dealers' profitability, improve their quality values, increase volume in sale and after sales, and improve their process flows. The utmost advantage of the programme is being specific to the Authorized Dealer and Authorized Service Center, that it can be practiced in a modular structure, and is a programme that guides rather than directs Authorized Dealers. The strongest side of the programme is that Q-Power has become part of the working style of the Doğuş Otomotiv Audi Sale and After Sales Services Regional Teams, subsequent to the project's first practice stage (which lasted almost a year) to create continuity and consistency.

Audi Q-Power is a performance-enhancing programme for Authorized Dealers and Authorized Service Centers provided by Audi AG. Analyses are made according to Audi AG's 4 main strategy areas; and these 4 areas are completed with the 'Employer Attractiveness' principle:

- Income (contribution margin)
- Volume increase
- Customer satisfaction
- Process performance

A holistic approach to increasing benefits of the programme provides a general view about the Authorized Dealer, so actions and improvements are planned in the most efficient way. In Turkey, the project is realized under the assistance of AUDI AG and Doğuş Otomotiv, without any cost to Authorized Dealers.

## Authorized Dealer and Authorized Service Center Operation Management System

In the present competitive atmosphere, companies have to work effectively and efficiently in order to reach their goals. As Doğuş Otomotiv, with the *Operation Management System* technique that we have put into practice, we are primarily aiming at bringing the costs of our Authorized Dealer and Authorized Service Centers under control, and at developing strategies that would increase their income. The Operation Management System is carried out with reports prepared jointly with our Authorized Dealers and Authorized Service Centers.

Having the chance to see their performances from a wider perspective through this system, our Authorized Dealers and Authorized Service Centers are able to carry out financially better work. Furthermore, by developing assessments based on comparison with the averages of other Authorized Dealers and Authorized Service Centers they can check the 'work', through Key Performance Indicators they get an opportunity for analysis thus allowing them to make better decisions regarding work, and can determine their educational and developmental needs.

## Doğuş Otomotiv Dealer Committee

As a committee affiliated with the Company Board of Directors, with the authority given by Doğuş Otomotiv Servis ve Ticaret A.Ş., *Doğuş Otomotiv Dealer Committee* decides Authorized Dealers and Authorized Service Center assignments and cancellations of the brands which our Company imports, monitors authorized dealer performances and designates Authorized Dealers and Authorized Service Center strategies. The committee meets at least twice a year.

## Authorized Dealer and Authorized Service Center Audits

## ISO Certification

The Spare Parts and Logistics Centre, which supplies new vehicles and spare parts with our Volkswagen, Audi, SEAT and Scania brands, which constitute a major share of our business, possesses an internationally valid service quality certificate.

In 1998 our Company received the ISO 9001 certificate from TÜV MANAGEMENT SERVICE GMBH centred in Munich, Germany for our Volkswagen Passenger Cars, Volkswagen Commercial, Audi, SEAT brands and our Spare Parts and Logistics Centre. Our Company is audited and recertified by this institution at least annually. In order to receive and maintain this certification, various criteria determined by the producing firms and the ISO norms must be met.

In association with distributor's ISO certificate, our Authorized Dealers and Authorized Service Centers for each of the brands are audited and certified at least annually. The



## ECONOMIC IMPACT

corporate audit unit directly reports to the CEO and a team that has received Authorized Dealers and Authorized Service Center auditor certificate from TÜV. This team carries out the audit procedure and reports directly to TÜV on Authorized Dealers and Authorized Service Center base. Each year TÜV auditors attend a certain number of Authorized Dealers and Authorized Service Center audits. 77 of our 80 Authorized Dealers and Authorized Service Centers have the ISO 9001 certificate. As well as the ISO norms, the audits are made according to the Quality Standards and Procedures Leaflet (QSPL), the supplement of Authorized Dealers and Authorized Service Center agreements, and the Authorized Dealers and Authorized Service Center criteria (physical conditions, devices, equipment etc.) in the circular in the form of revision.

### Scania DOS Certification and Authorized Dealer and Authorized Service Center Audits

#### The 14 major commitments Scania made to its customers

1. We promise that we are easy to find, easy to access and give a good overall impression.
2. We promise you a friendly and professional atmosphere.
3. We promise to be a dependable and easily accessible business partner identifying and caring for all our customers' needs.
4. We promise to keep the agreed-upon delivery time.
5. We promise a comprehensive product handover
6. We promise to carry out or arrange for any repair or maintenance work on your Scania product.
7. We promise you quality work carried out by qualified staff.
8. We promise to earn your trust by carrying out correct and cost efficient repairs.
9. We promise to respect your time by being available for you.
10. We promise to maximise your uptime.
11. We promise to deliver parts to you so that you can take full advantage of your vehicle.
12. We promise to provide emergency assistance 24 hours a day, 365 days a year.
13. We promise to take your complaints seriously.
14. We promise to reduce the environmental impact of our activities.

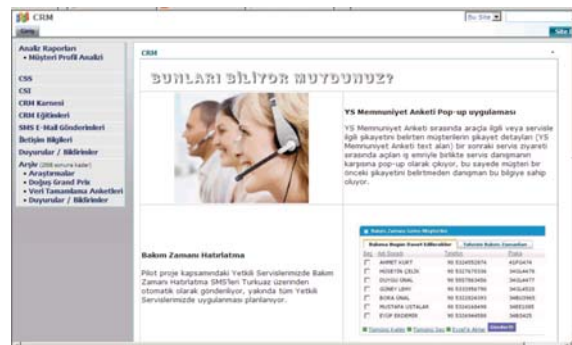
DOS is an international certification process specific to Scania brand. We have an audit team within the body of our Company for this certification. Authorized dealer audit is carried out once a year together with an inspector from abroad. Audit reporting to the producer is made online. At the times the producer proposes, the Company audit team goes abroad for training and gets updated about developments.

Scania authorized dealer audit is carried out through 124 questions, 81 of which are compulsory, and 43 are progress-related questions. For the Authorized Dealers and Authorized Service Center to be successful in any audit they have to be successful at all of the compulsory questions and at least 17 of the progress related questions (both corporate identity standards and work processes are audited in these audits). 17 of the present 20 Scania Authorized Dealers and Authorized Service Centers have DOS certificates; the process is continuing with the others.

Within the context of DOS Certification, Authorized Dealers are expected to give competency trainings to their employees. Authorized dealers and authorized after sales services conduct employee satisfaction surveys. The survey is made at least once a year by the authorized dealer. To assure that employees dedicate themselves to serve all customers, necessary adjustments are made according to survey results.

The ISO and DOS audits aim at guaranteeing the quality of service given to customers

### Authorized Dealer Intranet System



There is an intranet system set up for the Doğu Otomotiv Authorized Dealers and Authorized Service Centers. Our Authorized Dealers and Authorized Service Centers can directly track their performances through this system, and can access trainings, online CRM trainings videos, and video trainings whenever they wish, and access archival research from previous years. Our Authorized Dealers and Authorized Service Centers can keep track of up-to-date announcements and declarations through the intranet system specific to them as well.



**ECONOMIC IMPACT**

At DoğuŖ Otomotiv our Authorized Dealers and Authorized Service Centers are given CRM training, as well. This training, given to each Authorized Dealers and Authorized Service Center yearly, may be repeated in case the brand or the authorized dealer themselves demand it. CRM training can also be given locally; any Authorized Dealers and Authorized Service Center in that location can participate.

DoğuŖ Otomotiv carries out pilot projects with the Authorized Dealers and Authorized Service Centers that have high sale and service performances. Following pilot projects, the project plan is installed in the intranet system, allowing other authorized dealers to benefit from these practices.

**Authorized Dealer and Authorized Service Center Satisfaction Surveys**

Another survey, Authorized Dealer and Authorized Service Center Satisfaction Survey, carried out by authorized dealers to assess customer satisfaction, is carried out by calling the customers to whom sales were made.

**CRM Report**

Authorized dealers that fall short in aspects of CRM are assessed and included in the CRM Report; the criteria are decided upon and graded together with the brands. All criteria points are added, an overall point is arrived at and displayed in the report. The CRM Report holds great importance as agents with high performances are paid premiums.

Authorized Dealers and Authorized Service Centers are responsible to region chiefs, so these reports allow these individuals and the brands to see their own performances as well.

**Authorized Dealer and Authorized Service Center CRM Report**

CRM assessments are made regularly every month so that areas that need to be improved are identified and monitored.

After the surveys, DoğuŖ Otomotiv assigns duties to the Authorized Dealers and Authorized Service Centers that are seen to be problematic and encourages them to take corrective actions.

In all actions regarding competition, DoğuŖ Otomotiv acts in accordance with Competition Laws and Commercial Laws. There were no adverse decisions in this respect in 2009.

**2009 CRM General Averages**

DoğuŖ Otomotiv Sales	: 77%
DoğuŖ Otomotiv Service	: 71.77%

According to DoğuŖ Otomotiv sales and service CRM Report average, there is more than 70% performance per brand basis in sales and after sales services areas of 15 brands affiliated with DoğuŖ Otomotiv, and this performance manifests the importance laid on CRM works even though it is the first year of the practice.

The goal is that in the long run the CRM Report practice started in 2009 will be embraced by the field employees and will rise above 90% of the average.



**“As Dođuş Otomotiv we move parallel with our concept of corporate sustainability and in accordance with the investments that the brands we represent make in environmentally friendly technologies, and the precautions they take against the risks in these matters.”**

**ENVIRONMENTAL  
IMPACT**



## ENVIRONMENTAL IMPACT

## Climate Change

Climate change, which we often define as ‘*global warming*’ today, is probably the most important risk that the earth has been faced with, which endangers the world economy and our physical environment to a very great extent. Furthermore, it is very difficult, and in fact impossible, to change the results that are or may be caused by climate change, which has a very expansive impact area in comparison to all other corporate risks.

With potentially irretrievable consequences, climate change has a singular place among those risks the effects of which may be reduced by long term precautions: it is a complex problem which can only be solved with the cooperation of the worlds of science, corporate risk management and public policies.

*The most important risks the world of business may face due to climate change can be summarized under the following headings:*

- The threats caused by continuously changing climate conditions, rising sea levels and new health and safety problems caused by these;
- Subjects related to the insurance market, endangered natural resources, labour and corporate risk management;
- Increasing sanctions in environmental laws and regulations;
- Increase in the environmental awareness of stakeholders and activities related to it;
- The rising costs of energy and other resources, etc.

In many fields related to climate change, while there are risk factors that must be anticipated for the world of business, it is also true that the precautions taken against climate change create various opportunities for Companies at the same time. As Doğuş Otomotiv we act correspondingly with our concept of corporate sustainability and in accordance with the investments that the brands we represent make in environmentally friendly technologies, and the precautions they take against the risks in these matters. With this, our first corporate responsibility report, we believe that we have taken a first step by evaluating and assessing our environmental impact, and clearly stating our goals and commitments in this matter to the public.

Reports on the natural and environmental conditions of the investment area are made prior to our Company's investments at home and abroad, by having analyses and examinations made by institutions expert in this field. Following these examinations, when elements threatening nature and the environment are determined in an area, all necessary improvements and arrangements are made carefully.

## Environmentally Friendly Products

### Volkswagen - Environmental Awareness, Human Health

All the diesel powered vehicles we distribute under the Volkswagen brand have engines with low fuel consumption and are in accordance with the emission norms valid in the European Union countries. Each vehicle sold is provided with documents measuring exhaust emissions such as carbon monoxide, hydrocarbon and nitrous oxide.

Our Caravelle vehicles are labelled in sales areas with information containing official fuel consumption and official CO<sub>2</sub> emission within the scope of *Regulations on Consumer Information* about Fuel Economy and CO<sub>2</sub> Emission. It is also indicated on the label that CO<sub>2</sub> is the most effective greenhouse gas that causes global warming.

The technology that reduces fuel consumption includes engine control systems, injection systems, VTG (variable turbo geometric), and double turbo used in 180 PS engines. Low fuel consumption, EGR (Exhaust Gas Recirculation system) and the oxidation catalyser found in all of our vehicles, provide low exhaust emissions. While EGR reduces the amount of nitrous oxide, the oxidation catalyser reduces the amount of hydrocarbons and carbon monoxide. DPF (Diesel Particle Filter) found in Crafter reduces the amount of released dirt particles.

Volkswagen manifests its stance as a pioneering brand in the automotive world by its environmentally friendly attitude as well. In addition to turning the concept of ‘*Big Engine is Powerful in Automotive*’ upside down, the TSI engine technology, which is a proof of environmental friendliness, was selected ‘*Green Engine of the Year*’ leaving all hybrid and diesel engines behind. Through the TSI engine technology, on top of high performance in small capacity engines, it is possible to achieve low fuel consumption and improved emission rates.

### BlueMotion



Introduced into the Turkish market with the new Touareg, BlueMotion technology is a reflection of Volkswagen's philosophy of producing environmentally friendly automobiles. The start&stop system that automatically stops the engine and automatically re-starts it in stop-and-go heavy traffic circumstances provides low fuel consumption and emission values, and while they are stopping, the vibration and noise that vehicles make are curtailed. Again, through BlueMotion technology, the weight of the vehicles is reduced, and the driving dynamism is increased by low rolling resistant wheels.



## ENVIRONMENTAL IMPACT

**Automobile of the Year** title holder Polo obtained the *Grünes Lenkrad - Green Steering Wheel* award, given since 2007 with BlueMotion. Polo BlueMotion was selected the world's most economic and most environmentally friendly automobile, with approximately 3.3 litre fuel consumption at 100 kilometers and CO<sub>2</sub> emission of only 87 grams.

### Volkswagen Passenger Cars;

- By introducing the TSI and TDI engines produced in accordance with the EU5 norms into the Turkish market, we provided our customers the opportunity to enjoy higher performance from a more environmentally friendly engine.
- By increasing the rate of DSG tiptronic transmission cars in our total sales, we provided our customers with more environmentally friendly as well as more comfortable driving.
- By offering the automotive navigation system as standard in our cars, we enabled the drivers to obtain instant approximate fuel consumption data, so they can consume less fuel.
- In the areas outside Turkuaz in our reporting system, we used e-reporting, thereby obtaining both easy and effective information and paper saving.

### Volkswagen Commercial Vehicles

All the Caddy, Crafter and Transporter models on the market conform with the Euro 4 norms. Caravelle Comfortline 140 HP and 180 HP vehicles, on the other hand, conform to the Euro 5 exhaust emission standards. Towards the end of 2009, Euro 5 norms shall be applied for Caddy vehicles. Furthermore, the Caddy EcoFuel vehicles put on sale upon specific order are distinguished with considerably reduced exhaust waste, working on Compressed Natural Gas (CNG).

### Audi

#### Gear Shift Indicator

Low engine speeds reduce consumption; however, many manual transmission drivers do not make use of this, shifting later than they should. This may result in the loss of efficiency potential in city traffic; based on standard driving style fuel consumption may increase by as much as 30% depending on the driver. The Audi gear shift indicator assists drivers in this way.

In the new Audi models, the fact that the gear shift indicator advice has been made visual allows the customer to better understand efficiency in terms of fuel consumption. The computer programme compares the working point at that moment and the present engine management in the selected gear. If the next gear is found to be more efficient, gear shift up is suggested. Through this, in city driving where gears are shifted frequently, fuel saving up to 30% is obtained.

Moreover, we make sure that CO<sub>2</sub> and fuel consumption labels are on all Audi vehicles on display, and in our showrooms we keep posters on which the CO<sub>2</sub> and fuel consumption values of all of our vehicles can be seen. These posters are regularly updated every six months.

### Audi Space Frame

The letters ASF stand for Audi Space Frame, the pioneer aluminium technology that allowed Audi to become the leader in the field of lightweight construction in the early 1990s. ASF is composed of mould nodes and rolled parts with high durability; and having aluminium sheet metal, it is suitable for conveyor style manufacture. All the components join low weight with ideal function, conforming to the design principles of its nature.

The ASF chassis is impressive: with high rigidity and collision safety, it is nevertheless much lighter than a steel body. The chassis of the luxurious Audi A8 Sedan is only 220 kilograms, much lighter than any of the other medium size automobiles; that of the high performance R8 sports automobile weighs only 210 kilograms.

For TT and TT Roadster, Audi took another step towards the future by joining the ASF construction principle with steel. The chassis is largely made of aluminium; steel parts are used in the rear. This construction principle, known as the *'hybrid concept'* from the combining of various materials, provides the ideal distribution of axle load and sportive use as a result. The chassis of the Coupé would be 48% heavier if it were made out of steel; it only weighs 206 kilograms. A weight saving of almost 100 kilograms means an increased dynamic performance and less fuel consumption by about 0.3 litres per 100 kilometers.

### Porsche

Porsche, rapidly continuing its efforts to reduce fuel consumption (and thereby the CO<sub>2</sub> emission levels), reduces its CO<sub>2</sub> emission by 1.7% a year. All sports automobile models are produced in accordance with the Euro 5 emission standards. With the hybrid engine to be put on the market with the New Cayenne. It aims for 25% fuel consumption reduction; the project started in 2005. Porsche draws attention not only with the vehicles it produces but also its environmental friendliness at the production stage, performing all legal requirements regarding the environment.

### Bentley

Bentley Motors started using FlexFuel technology, introduced in 2009 in the Continental Supersports Coupé model, in all of the Continental series of 2011 models including the Supersports Convertible. Thus more than half the total of Bentley's production in 2010 will now be compatible with FlexFuel. In the Bentley models in which



## ENVIRONMENTAL IMPACT

the FlexFuel technology is used, all the 6 litre W12 power units can operate with petrol, bio-ethanol or a mixture of the two in the same tank. The aim is to reduce average vehicle emissions by a minimum of 15%, and to obtain 40% improvement in fuel economy by 2012.

**Lamborghini**

Automobili Lamborghini has started to use the new 17,000 square meter photovoltaic (solar battery) system in accordance with the integrated environment strategy within their production processes renovations. This investment which would make a 30% reduction in the CO<sub>2</sub> emissions possible is equal to an amount over 1,067 tons of CO<sub>2</sub>. The new photovoltaic system based on the solar battery put into practice at Lamborghini's Sant'Agata Bolognese factory constitutes the largest integrated system in the industrial sector in the area. Occupying a total area of over 17,000 square meters, an area larger than two football fields, the system includes a production plant, sales offices, customer services department and Centro Stile. Through this, Lamborghini aims at reducing CO<sub>2</sub> emissions by 50%.

A counter on a column at the entrance of the factory displays the amount of electric energy produced in kilowatt hours, and the saved amount of CO<sub>2</sub> in kilograms in real time.

In the reformist structure of Lamborghini, while remaining faithful to its basic values and character, work is carried out to reduce the environmental impact of the automobiles produced at Sant'Agata. The Research and Development Department makes it possible to actualize the possible goals by using reformist materials and technologies such as composite materials and carbon fibre.

**Lamborghini researches focus on the following subjects:**

- Reduction of vehicle weight
- Improvement in combustion
- Reduction of friction
- Integration of Start-Stop systems
- Hybrid transmission solutions
- Bio-fuels

The first milestone in this field is Gallardo LP 560-4: the new technical solutions put into execution on this automobile provided an 18% reduction in CO<sub>2</sub> emissions. The latest, rear wheel drive Valentino Balboni version, shows nearly 20% reduction.

Automobili Lamborghini's environment policy has made Lamborghini the first and only Italian Company to receive the EMAS environment certificate in the automotive sector. The EMAS organization is designed by the European Union to evaluate and develop the environmental efficiency of companies; this important approval being given only a few months after Lamborghini received the ISO 14001 certificate

in July 2009 enabled Lamborghini to meet the international standards of environmental management.

**SEAT**

All the vehicles imported as SEAT have environmentally friendly engines in accordance with the European Union norms. The TSI engine technology used in the Ibiza, Leon, Altea XL and Exeo models unifies high performance with low fuel consumption and low exhaust emission values. The DPF (diesel particle filter) in diesel engines reduces the amount of released dirt particles. The target of SEAT is to develop environmentally friendly technologies without making concessions to driving pleasure.

**Ecomotive**

SEAT put into effect the '*Environmental Management System*', which enables those working within its scope to demonstrate the maximum environmental friendliness in office life, in production and in the selection of the parts used in production. As a principle, effort is put on not to produce any waste before producing harmful waste, and on reuse before recycling. The name 'Ecomotive' represents the most environmentally friendly among the SEAT products. The 'Ecomotive' versions in the Ibiza, Leon and Altea XL models aim at the lowest fuel consumption and exhaust values in their segments.

Leon 1.6 TDI CR 105 hp Ecomotive model is the most eco friendly vehicle in its segment, with 99g /km exhaust emission rate. The automotive navigation system displays the gear shift times, so drivers are guided by the vehicle itself for the most environmentally friendly drive.

Ibiza 1.4 TDI 80hp Ecomotive model received the '*Most economic vehicle in segment*' award from the German newspaper Bild am Sonntag with 98g /km exhaust emission rate.

In addition to the present technologies, SEAT brand is working to develop more environmentally friendly models for the future. In this context, the IBE concept vehicle, which runs completely on electrical energy was presented at the Geneva Motor Show.



## ENVIRONMENTAL IMPACT

### Scania-Krone-Meiller

#### *Environmentally - Friendly Engines from SCANIA*

Scania rapidly continues its preparations of hybrid vehicles and ground- breaking engine technologies toward its goal of sustainable transportation.

In these days when sensitivity regarding global warming and pollution is very high, Scania brand continues its role as a pioneer in the automotive sector. In the heavy commercial vehicle sector, in which compliance to emission standards becomes increasingly difficult each day, Scania introduced engines in accordance with the Euro 5 emission norm in 2007, 2 years earlier than the effective date of norms in 2009. At the same time, while Scania introduced the third generation ethanol engines which reduce CO<sub>2</sub> emissions by 90%, it also moved onto the critical testing stage about making the hybrid technology, which reduces fuel consumption and pollution to a great extent, commercially practicable.

The new engine scale, which meets Euro 5 emission norms without any processes in the exhaust gas, is the result of 5 years of research. Scania also proved its environmental sensitivity 2 years before the Euro 5 emission norm was put into effect through engines which meet that norm. At the same time, Scania holds the claim of being the first heavy commercial vehicle producer that produces engines that meet the Euro 5 emission norm without any additional processes in the exhaust gas. Scania's superior technology underlies this achievement, which includes a new fuel injection system controlling performance and fuel efficiency, and the EGR (Exhaust Gas Recirculation) system which helps reduce the hazards in the combustion cycles of exhaust gasses. Furthermore, all of Scania's engines are appropriate for the renewable fuels presently available.

You may find more information about Scania's product and service innovations as well as its new engine scale, hybrid technology and position regarding renewable fuels on Scania's website. [www.scania.com](http://www.scania.com)



#### *Safe and Economic Drive Training from SCANIA*

Doğuş Otomotiv Scania has been giving free training for drivers in Turkey since 2005 as part of the global vision of Scania under its roof, aimed at reducing traffic accidents and safe and economic driving. In the theoretical training, given by Doğuş Otomotiv's professional driving trainers, drivers are given useful information on the using of Scania vehicles' ABS and exhaust break systems and using the sequence of differential locks. The vehicles are introduced, and points which affect safe driving, fuel consumption, safety and vehicle maintenance are analysed. In the second, practice section of these lessons, instructors assist drivers with the suggested driving styles, and correct their mistakes through one-to-one drives. Finding the opportunity to learn how to develop their reflexes correctly, drivers experience more economic driving with less fuel consumption. During the daily training, where theory meets practice, drivers are provided with information on how to act in all road conditions.



#### *Scania continues to support trainings*

Starting from 2005 Doğuş Otomotiv has provided 281 drivers from the following 15 firms with safe and economic drive training: Kardemir Nakliyat, Yılmazzer Nakliyat, Borusan Lojistik, Demirbilek, Kavak, Mise Grup, Er-Ke Nakliyat, Nevşehir Firmaları, Standart Beton, Yibitaş Beton, Samsun Yem, Daniş Beton, Önba Nakliyat, As Çimento and Apdioğlu. They reported in very short time with positive results, especially in fuel consumption.

Safe and economic drive training, which makes a major difference in avoiding traffic accidents and reducing operational costs of transportation companies, has been designed in accordance with the specific needs of everyone, and is appreciated by the participating drivers and fleet owners.





## ENVIRONMENTAL IMPACT

**Euro 5 Engines**

The European Union and numerous other developed countries have established and are continuing to develop various policies in order to solve global warming and other environmental problems caused by the greenhouse effect. In order to prevent global warming, it is necessary to reduce the carbonmonoxide and nitrousoxide gasses released into the atmosphere by the millions of vehicles moving in traffic, thereby reducing the damage to the ozone layer and minimizing the negative effect on human health.

Members of the European Union are forcing carmakers to produce environmentally friendly vehicles by continuously setting the Euro 0 Emission standard level initiated in 1990 higher and higher. Traffic registration permits were given to vehicles meeting Euro3 norms in 2001, Euro4 norms in 2006, and Euro5 norms were made legal starting from October 2008 for new engines and in 2009 for all engines. These regulations set standards for fuel consumption, waste exhaust gas processing and diesel engines, which means less pollution and more productivity. In order to achieve its goal, the European Union encourages the using of Euro5 engines by promotions such as discounts in road tolls and taxes.

The basic distinction between Euro5 engines and Euro4 and earlier engines is that the amounts of nitrousoxide, carbonmonoxide and hazardous particles they emit is reduced, and even though particle emission remains at a level of 0.02g/kWh as in Euro4, NOx drops from 3.5 g/kWh to 2.0 g/kWh.

**Environmental Commitment from Scania Authorized Dealers and Authorized Service Centers**

Scania expects from the Authorized Dealers and Authorized Service Centers to commit reducing negative environmental impact for the Operation Standards (DOS 3) Quality Profile Report Authorized Dealer. Authorized Dealers and Authorized Service Centers are expected to conform to minimum Scania standards to reduce waste fuel and hazardous chemicals. The employees are expected to learn the appropriate environmental arrangements for their premises and act accordingly. Scania's Black/Grey List is used by all staff doing chemical purchasing. Chemicals on the black list are not used in the Company, nor are they distributed; instead of the chemicals in Scania's Black/Gray List other substitute substances, if they exist, are used. All Authorized Dealers and Authorized Service Centers are obliged to abide by this standard. Each unit has a person assigned for the oversight of environmental matters.

Each unit has a written plan of action for environmental works, and an environment policy document. Environmental targets are embedded in the written plan of action. All environmental goals conform to the environmental policy. Environmental exercises are continuously a point of focus on the agendas of the executive staffs of the Authorized Dealers and Authorized Service Centers.

**Volkswagen Marine**

Distinguished for its environmentally friendly features as well as technological superiority, Volkswagen Marine Engines contribute to the protection of natural sources, as it is almost completely produced of recyclable materials, and makes use of technology, which minimizes fuel consumption. The Volkswagen Marine Engines offer features applicable even to emission laws as yet unendorsed; the exhaust smoke is invisible and conforms to EU emission regulations.

- Minimal fuel consumption, to enable the protection of natural sources,
- Exhaust smoke is invisible,
- Compliance to the EU emission regulations and future emission laws,
- Almost all of the engine parts are produced of recyclable materials.

**Scania Engines**

- Meets all national and international standards of exhaust emission;
- Complies to IMO and other important emission regulations.

**Thermo King**

One of the most important features of the SLX model cooling unit, environmentally friendly with its **GreenTech** engine, is that it is designed to reduce pollution. Most of the materials used in production are recyclable, in order to reduce waste.

A maintenance interval of 3,000 hours minimizes oil, filter and refrigeration substance waste. Particulate matter emissions for cooling equipment are regulated by non-methane hydrocarbons and nitrous oxides. The **GreenTech** engine in the SLX series has reduced exhaust emission below this requirement. The **GreenTech** symbol is a guarantee that the SLX series has environmentally friendly features.

**Energy Use****Non-renewable Direct Energy Consumption**

Energy Source	Amount	Remark
Natural gas (m <sup>3</sup> )*	499.783	
Diesel fuel (lt)	103.114	Generator and paint ovens
Fuel (lt)	878.765	Employee transportation and Company vehicle usage
LPG (kg)	500	
Electricity (kWh)*	9.807.203	

\* Intermediate energy amounts consumed by purchasing from non-renewable energy sources.

In 2009, nearly 13% energy saving was obtained by using economy light bulbs in the head quarter and by opening lighting bands to the roof of the Spare Parts Warehouse. The total amount of saving was 377,000 kWh.



## ENVIRONMENTAL IMPACT

Within the Doğu Otomotiv body, various efforts have been carried out to increase energy efficiency since the beginning of 2009. For instance, 27 servers were reduced to 3 in 2010, thereby planning to achieve a considerable amount of energy saving.

In comparison with 2008, Doğu Otomotiv Group's electricity consumption in 2009 was reduced by 11.48%.

### Spare parts and auto transportation

The CO<sub>2</sub> amounts released due to spare parts operations at home and abroad and transportation operations at home were 20,929 tons in 2007 and 18,091 tons in 2008.

During 2009 the total amount of CO<sub>2</sub> released due to personnel transportation, spare parts transportation at home and abroad and auto transportation at home was 18,957 tons. 16,848 tons of this comes from spare parts transportation operations at home and abroad; 2,109 tons of CO<sub>2</sub> is due to the fuel for employees' commuting.

The CO<sub>2</sub> released directly is 7,313 tons, indirectly released CH<sub>4</sub> is 18 kg, and N<sub>2</sub>O is 16 kg.

## Water Consumption

The amount of water obtained by Doğu Otomotiv from Municipalities and consumed was 68,194 m<sup>3</sup> in 2009. All of the water used in our facilities is supplied from dams by municipality lines.

## Waste and Scrap Management

Through recollecting packaging material in our Spare Parts warehouse, 11% of the packages were reused in 2009.

Nearly 235 tons of metal waste from Doğu Oto Regions were collected for scrap from repair centers of Volkswagen, Audi and SEAT and were disposed of by our suppliers.

The weight of packaging used in our Spare Parts Storage room in 2009 was 356 tons; 212 tons of this was recovered. The use of recyclable packaging in 2008 was 315 tons, and there was a recovery of 67%.

As Doğu Otomotiv is in the 'Emitting Economic Enterprise' category, it falls under the category of Package Wastes Recycle Notification. Our Company, a member of Çevko (Environmental Protection and Packaging Waste Recovery and Recycling Trust), works under contract with Tanrıkulu Geri Dönüşüm Tesisi (Tanrıkulu Recycling Plant). The amount of paper given for recycling in 2009 was 506 tons.

Waste batteries within the Company and at the Authorized Service Centers are collected and sent to İZAYDAŞ to be disposed.

All the corporate printing for Doğu Otomotiv Volkswagen brand in 2009 was done on 100% recycled paper.

Waste water in all our activity areas is discharged into the municipality sewage system. Rain water on the other hand is directed into rain ducts.

### Waste Management in After Sales Services

Authorized Service Centers collect waste engine oils in association with PETDER, waste batteries with AKÜDER, and tires in accordance with regulations. We make sure that all contaminated wastes emanating at the Authorized Service Centers are disposed of in accordance with regulations. Furthermore, at all Doğu Oto stations there are water extracting channels.

In addition to the fact that there are waste collecting boxes at the Authorized Service Centers, all paint shops have started using water based paint. Important work regarding 'environmental policies' is being carried out at DOS 3 (Dealer Operating System) standards at the Scania Authorized Service Centers.

We are continuing to work on *Worn-Out Vehicle Control Draft Regulations* published under the surveillance of the Republic of Turkey, Ministry of Environment and Forest.

### Waste Management Investments

Entity Name	Remark	TL
Çevko	Paper, cardboard, plastic recycling	7,693.23
Aküder	Environmental Compliance Document 2009 Waste Management Plan involvement cost	1,980.00
Petder	Waste engine oils collecting and recycling project participatory expenses	5,153.08
Ekasan	Waste extermination and hazardous waste transportation expense	18,441.21
<b>Total</b>		<b>33,267.52</b>

### Doğu Oto

Doğu Oto has taken its first steps towards becoming a green dealer.

- Only environmentally friendly water based paint is used in all damage repairs.
- Exhaust emission control is carried out annually for vehicles over one year.
- Service center wastes (tire, oil, oil filter, paper etc.) are disposed by authorized recycling firms.
- Waste water is run through waste water treatment system and recycled.



**“Doğuş Otomotiv has a leadership role in every area where it serves through its large portfolio of products and services.”**

SOCIAL IMPACT



## Products and Services

Doğuş Otomotiv has a leadership role in every area where it serves through its large portfolio of products and services. Our Company supports this understanding through cooperation and partnerships with strong brands and a great number of those brands represented are leaders in their own segments.

The high scores obtained in the CSS (Customer Satisfaction Survey) carried out by the manufacturers of the international brands that we represented in 2009 to measure customer satisfaction in the sales area was again a significant response by our customers to Doğuş Otomotiv's customer oriented approach.

### 2009 Customer Satisfaction Survey Results\*

Doğuş Otomotiv Sales: 95.14  
Doğuş Otomotiv Service: 83.11

\*In the customer satisfaction survey the lowest score was determined as -40 while the highest as 120.

Doğuş Otomotiv aims to keep our quality of service at minimum a 'good level' and to progress towards a 'very good level' of service.

To know our customers, to understand their requirements and expectations, and to be in direct contact with them is of vital importance for Doğuş Otomotiv. Activities aimed at developing our relations with our customers toward a modern CRM understanding has been one of our priority issues in 2009, as it was in the past.

Despite the shrinking market in 2009, Doğuş Otomotiv also recorded significant progress in after-sales services. Through its efficient quality and service system, Doğuş Oto, a subsidiary of Doğuş Otomotiv, obtained an increase in the number of vehicles entering its service centers and customer satisfaction increased.

Widespread service understanding and campaigns conducted also had a great effect on the increase in performance, as did our customer satisfaction policy, which has been applied for many years.

Doğuş Otomotiv will continue to maintain activities in every link of the chain of automotive value, and enhance value for stakeholders with customer satisfaction and responsible, quality service open to communication.

## Customers

### Doğuş Otomotiv Customer Satisfaction Main Principles

#### 1. We are institutional

- We never forget that we represent Doğuş Otomotiv.
- We act in the knowledge that we are the players in a great team.

#### 2. We are trustworthy

- We do not forget that the commitments we make carry the Doğuş Otomotiv guarantee.
- We combine the consistency of Doğuş Otomotiv with the consistency of our personality.

#### 3. We are competent

- We make our customers feel our competence in our business.
- We promote our team's competence by sharing our knowledge and experience.

#### 4. We are far-sighted

- We design each business we conduct and each relationship we establish thinking of it in long-term.
- We accomplish the long-term philosophy of customer relations management step by step.

#### 5. We are customer oriented

- We structure all our procedures according to our customers.
- We put ourselves in the place of our customers and try to see things from their point of view.

#### 6. We are open and transparent

- We instil trust in our customers with our openness and transparency.
- We are sharing, open and transparent towards all our colleagues.

#### 7. We are genuine

- We keep our sincerity within the limits of our professionalism.
- We establish warm relations with our customers and team mates.

#### 8. We are mindful

- We take care of ourselves the same way as we take care of our work.
- We are mindful to our customers and colleagues.

#### 9. We are distinctive

- We know that differences are formed by following novelties.
- We respect to diversity of our customers.

#### 10. We are solution-oriented

- We know that being constructive is the most effective way to reach a solution.
- We take on our customers' problems with sincerity.

#### 11. We are open to improve

- We pay importance to personal improvement.
- We take advantage of the opportunities provided by our institution for our personal improvement.

#### 12. We are fast and dynamic

- We use time efficient when conducting our work.
- We set our priorities correctly.



**Customer Health and Safety**

Defect of vehicles sold by Doğuř Otomotiv that could put the customer’s safety and health at risk are immediately reported to the manufacturer via a data processing platform. When necessary, specially trained experts examine the vehicle concerned on the spot and submit detailed reports to the manufacturer. Furthermore, recall actions identified and notified by the manufacturer are put into practice within 7 working days, and their rate of actualization in the field is efficiently followed up.

All the facilities and procedures we provide to our customers are explained in detail in the *Customer Hand Book* and *Guarantee Manual* given to our customers on delivery of the vehicle. No legal procedures have been filed against our firm with regard to any adverse situation relating to rules and regulations regarding product and service information or product labels.

You are welcome to visit our website at <http://www.dogusotomotiv.com.tr/c/en/default-en.aspx> for our brands’ technical specifications related to safety.

**Recall Actions**

Defects that are frequently discovered and that give rise to customer complaints are prioritized by evaluating all technical reports that reach the manufacturer and that are taken for examination.

The manufacturer notifies all their distributors by a ‘technical corrective action directive’ (technical bulletin) of the specifications of any defect, explains its cause and details the method for repair. These technical bulletins are sent out by Volkswagen AG Environment and Consumer Protection Department GQM-4/2.

**Doğuř Oto**

Our retail firm, Doğuř Oto, checks new vehicles before delivering them to the customers with a *PDI –Pre-Delivery Inspection*. On delivery, customers are given a user’s manual and provided with the features of the vehicle in detail.

In 2009 Doğuř Oto set up a bacteria cleanup campaign to fight bacteria that could breed inside a vehicle; 61,809 people were sent e-mails on this subject. All vehicles coming out of service that have had a final check on the engine, the inside and underneath the vehicle, and a general check are cleaned inside and out and delivered to the customer.

Doğuř Oto sends automatic mobile messages and e-mails to the owners of all vehicles whose tires are more than 4 years old, and/or passenger vehicles with more than 40,000 km and commercial vehicles and all-terrain vehicles that have more than 20,000 km to remind them of the tire change period.

In all Doğuř Oto’s service center waiting lounges and vehicle admission areas brochures are to be found to raise customer awareness on fuel saving, warning signs on the display panel, used vehicles, security systems, pets, and child safety. Moreover, while it is forbidden for customers to be in the workshop for safety reasons, the waiting rooms are enclosed with glass, so they can easily observe the work’s progress.

Doğuř Oto carries out the recall campaigns communicated by the brands without fail. In 2009, 783 vehicles were recalled for servicing. In addition to this, Doğuř Oto serves its customers with a 24 hour service, 365 days of the year, with 7 tow trucks and 13 emergency assistance vehicles.

**Call Centre (Volkswagen, Audi, SEAT, Scania)**

<i>Total Number of Requests:</i>	<b>15,692</b>
<i>Request Closure Period:</i>	<b>4.39 days</b>

**Training Given to Call Centre Employees:**

- Corporate culture
- Product training
- Effective communication techniques over the phone
- Briefing on details of the operation

**Targeted trainings:**

- Communication, conflict management, problem solving, result oriented

**Call Centre and Customer Satisfaction**

Complaints and requests received at our call centre are solved by customer relations personnel, together with the Authorized Dealers and Authorized Service Center concerned. At the same time, all complaints and proposals from our communication division found on our website reach our Strategic Marketing and Corporate Communication Directorate, and are communicated to the relevant departments and followed up.

**Customer Satisfaction Surveys**

Customer satisfaction surveys are carried out for all brands represented by Doğuř Otomotiv. Reformative actions are taken on Authorized Dealer and Authorized Service Center basis according to the results of these surveys shared with our brands.

**Surveys carried out by Doğuř Otomotiv for the purpose of measuring customer satisfaction are as follows:**

- Volkswagen AG Brand Awareness Survey
- Image, Recognition and Awareness Surveys
- Customer Satisfaction Surveys for Sale and After Sales Services
- Shadow Customer Surveys for Sales and After Sales Services
- Consumer Tendency Surveys
- NCBS- New Car Buyers Survey – made by OEM – with competitor benchmarks



## SOCIAL IMPACT

- IACS – International After Sales Customer Satisfaction – made by OEM – with competitor benchmarks
- Usage Habits Survey
- Lost Customer Survey

Surveys carried out by Doğuş Oto in 2009 were as follows:

- NPS (Net Promoter Score) Survey
  - Aspects of Doğuş Oto that remained weak in customer perception and that were recommended were examined.
- Lost Customer Survey
  - This survey is carried out on visitors to Doğuş Oto showrooms who did not buy a vehicle and customers who had previously checked in for service at least twice at the same Doğuş Oto Authorized Dealer but had not checked in for a service for the last 18 months at the date of the survey; the reasons for lost customers were transmitted to the Doğuş Oto Authorized Dealers and Authorized Service Centers, and recommendations for recovering lost customers were reached.
- At the Audi Service Center, information was given on the 7 principals. Audi customers who had had after sales service from Doğuş Oto were given information on Doğuş Oto's service principles by phone.

### CSS Customer Satisfaction Survey

CSS Customer Satisfaction Survey is performed throughout the year to measure the degree of satisfaction obtained by customers from all services during the sale and after sale period. Doğuş Otomotiv acts to improve its performance according to the results of this survey. As a result of CSS, a premium is given to Authorized Dealers and their employees with the aim of increasing customer satisfaction.

Supporting surveys for the factors influencing customer satisfaction are conducted throughout the year at various intervals (DSS - Authorized Dealer Satisfaction Survey, Secret Customer Survey, Competitor benchmark etc.).

The information that we record from customer input in our systems is meticulously protected with information technology that has international security standards. We have had no complaints or legal issues relating to infringement of our customers' privacy.

CSS Customer Satisfaction Survey Frequency Chart		
Volkswagen Pass. Cars	Service/Sales	Every month
Volkswagen Com. Vehicles	Service/Sales	Every month
Audi	Service/Sales	Every month
SEAT	Service/Sales	Every month
Porsche	Service/Sales	Every month
DOD	Purchasing	Once every 3 months
DOD	Sales	Once every 3 months
Scania	Sales	Once every 3 months
Scania	Service	Once every 2 months
Krone	Sales	Once every 6 months
Meiller	Sales	Once a year

### Customer Relations Excellence Practice

This is the expenditure of cash payments to customers at the same rate in situations where the vehicle's used vehicle market value has fallen after resolving the problem in the customer's vehicle, to increase customer satisfaction, protect brand loyalty, and to continue and strengthen loyalty to the Authorized Service Center. It is carried out by our Customer Relations unit.

## DOD



*ikinci elde güven*

### Advantages, Offers to Customers, Operations

In an environment such as used vehicles in which uncertainties and risks are high, Turkey's first and largest corporate used vehicle brand, DOD, offers its customers services based on high quality and safety that exceeds their expectations.

For a vehicle to be offered for sale with the DOD guarantee it has to pass the **101 Points Expertise** in which the vehicle is examined in detail from bodywork paint to engine parts. Vehicles that have passed the **DOD 101 Points Expertise** are offered to the customer with a **DOD Customer Certificate**. Thus in the used vehicle market customers



## SOCIAL IMPACT

have the opportunity to buy a certified vehicle whose past and present condition is known and documented, and DOD removes the uncertainties and risks from the customer's point of view.

Another advantage/convenience that DOD provides for its customers is realizing all the necessary transfer, notary and logbook procedures in the purchase of a used car with reliability and without trouble on behalf of customers. By this means DOD customers can buy and sell vehicles without the struggle of tedious and long procedures.

DOD offers its customers significant advantages in the selling of vehicles as well. The vehicles put up for sale in DOD corporate stockyards are insured until the sale has taken place; in this way vehicle owners are able to sell their cars without risk.

Each vehicle that is put up for sale at DOD is presented to the customers by expert sales teams giving the necessary appraisal.

When someone wants to sell a vehicle with DOD's latest product, ParkDOD, the trouble of being left temporarily without a vehicle is avoided; while vehicles are displayed only at particular times, they are continually offered for sale.

Furthermore, with its nationally published monthly *DOD Magazine*, DOD continuously sends regular information releases to the public about the used vehicle sector. An 'ask the expert' column addresses readers' questions. Publishing the *DOD Used-Car Sector's Guide* conveys all the issues with regard to buying and selling used vehicles; the brand also distributes informative brochures in this field to customers in its showrooms.

With all vehicles sold at DOD, customers are given *Traffic is Life Safety Cards* which include the necessary road safety information that customers should observe when travelling in their vehicles, and *Demir Bükey Academy Safe Drive Manuals* are also presented at the DOD showrooms for the perusal of visitors.

### DOD Guarantee System



All findings identified in the *101 Points Expertise* are presented in full to the customers. However, parts such as engine, transmission and control units may sometimes cause problems at a later date without giving any sign of defect beforehand. For this reason, the guarantee mechanism (put into effect for the first time in Turkey in

2000) the *DOD Guarantee System*, was put into practice. This is the most important assurance for those buying vehicles from DOD in terms of troubleshooting problems that cannot be foreseen. The DOD guarantee is given to vehicles that are not older than 8 years and have less than 160,000 km; no vehicle is offered outside these parameters. A vehicle needs to pass the 101 Points Expertise and fulfil certain warranty criteria to be included in the DOD Guarantee System.

### DOD CSS (Customer Satisfaction) Application

DOD, which accomplished the first CSS application in the corporate used vehicle sector in Turkey, aims at developing service quality by continually auditing Authorized Dealers with its regional teams with the feedback that comes from these reports.

### DOD Customer Constitution and Certificated Vehicle Sales System

Offering reliable service at the same high-quality standards upon its widespread authorized dealers throughout Turkey, DOD takes the *DOD Customer Constitution* criteria as a basis in all its services. The clauses of the constitution stated below, displayed in all DOD showrooms, are on DOD vehicle certificates and continually published on the website.

### DOD Customer Constitution

**Article 1:** The DOD Customer has the right to receive reliable service of high quality and standards.

**Article 2:** DOD Customers have the right to receive service beyond their expectations.

**Article 3:** The DOD Customer has the right to learn everything about the past and present condition of the vehicle that they are to buy.

**Article 4:** DOD fully meets all the requirements of reliability.

**Article 5:** For a vehicle to earn the right to be sold to DOD customers, it has to pass the 101 Points Expertise.

**Article 6:** At DOD, customer satisfaction is a smooth process, starts at determining and fulfilling of customer requests and needs and continues with after-sales services.

**Article 7:** When buying and selling a vehicle, everyone has the right to experience the DOD privilege.

**Article 8:** DOD offers payment options and credit opportunities to suit every budget.

**Article 9:** The DOD customer buys and sells vehicles without risk, without getting tired and having to deal with bureaucratic procedures.

**Article 10:** The DOD customer has the right to find a corporate counterpart in all procedures.



## SOCIAL IMPACT

### KeyDOD

The first and largest brand in the corporate used vehicle sector in Turkey, DOD offers the opportunity to everyone, without payment, to be able to perform virtual expertise - the very first in the world - through its website www.dod.com.tr, and thus to be able to determine the value of the vehicle. Approximately 40,000 vehicles a month are queried through this service channel.

### Magazine Subscription Support

A free subscription to a magazine of their choice from Doğuř Media Group magazines are being sent to the customers' addresses for a period of 6 months, and is offered to all customers who have purchased a vehicle from DOD.



## Employees

*Doğuř Otomotiv Human Resources Policy is to win employees into our Company,*

- Who embrace the values of Doğuř Group
- Who have the necessary competence for the Company's dynamism,
- Who recognize the importance of the customer,
- Who are willing to learn and improve,
- Who give priority to efficiency,
- Who present a system-oriented approach,
- Who can maintain high performance in long term to contribute to their professional and personal development, and to provide the opportunity to use their potential most productively.

Doğuř Otomotiv	2009 Turnover Rate (Female)	2009 Turnover Rate (Male)	(Between ages 25-34)	(Between ages 35-44)	2009 Turnover Rate
Number of Employees Resigned	18	21	31	7	39
Number of Employees at the Beginning of the Period	190	387	344	233	577
Number of Employees at the End of the Period	185	387	332	240	572
Employee Turnover Rate	9.60%	5.43%	9.17%	2.96%	6.79%

Doğuř Oto	2009 Turnover Rate (Female)	2009 Turnover Rate (Male)	(Between ages 18-24)	(Between ages 25-34)	(Between ages 35-44)	(Between ages 45-64)	2009 Turnover Rate
Number of Resigned Employees	19	46	18	37	8	2	65
Number of Employees at the Beginning of the Period	180	875	43	648	309	55	1.055
Number of Employees at the End of the Period	156	916	60	651	309	52	1.072
Employee Turnover Rate	11.31%	5.14%	34.95%	5.70%	2.59%	3.74%	6.11%

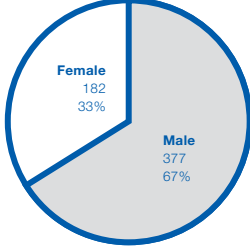
\* Employee turnover calculations were made according to the annual average number of employees.



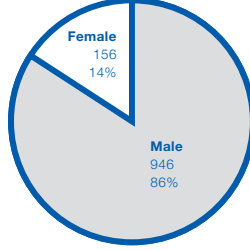


SOCIAL IMPACT

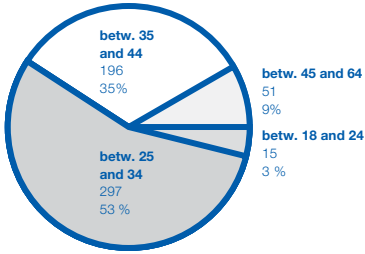
Doğuş Otomotiv Gender Distribution Chart



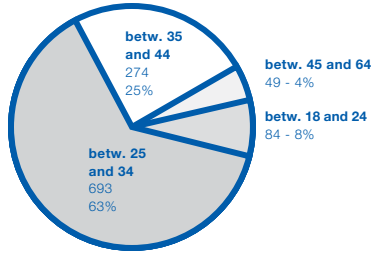
Doğuş Oto Gender Distribution Chart



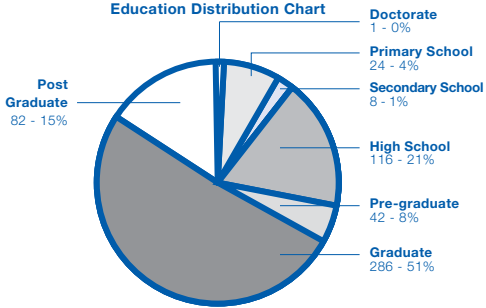
Doğuş Otomotiv Age Distribution Chart



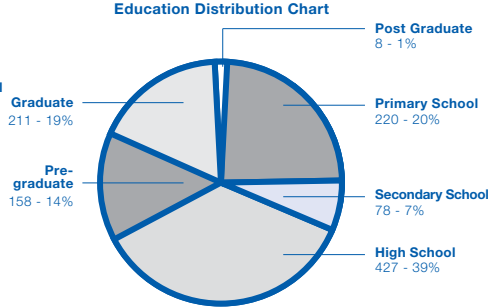
Doğuş Oto Age Distribution Chart



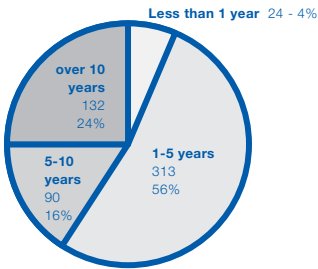
Doğuş Otomotiv Education Distribution Chart



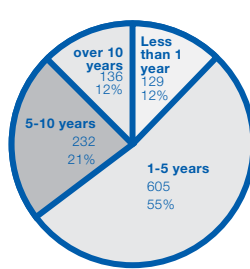
Doğuş Oto Education Distribution Chart



Doğuş Otomotiv Seniority Chart



Doğuş Oto Seniority Chart



## SOCIAL IMPACT

## Comparison of Wages

Doğuş Otomotiv				
Title	Male/Female	Title	Male	Female
Manager	-1.17%	Manager	29	8
Asst. Manager	-3.32%	Asst. Manager	119	38
Specialist	-1.55%	Specialist	68	69
Asst. Specialist	16.53%	Asst. Specialist	55	45
Staff	10.02%	Staff	53	3
Assistant Service Attendant*	10.81%	Assistant Service Attendant	25	4

Doğuş Oto				
Title	Male/Female	Title	Male	Female
Manager	5.38%	Manager	12	3
Supervisor	8.02%	Supervisor	76	31
Representative	7.88%	Representative	143	39
Officer	15.82%	Officer	93	78
Assistant Service Attendant	16.13%	Assistant Service Attendant	40	2

\*Median has been used.

## Open Communication with Our Employees

Doğuş Otomotiv's management concept focuses on open and clear communication with all of our employees. Prior to each project development we consult our employees for their opinions, and realize these projects in line with their feedback. For instance, prior to the project regarding the changing of the head quarter location, and the working hour practices, a survey was conducted for the employees the necessary changes were made according to their opinions with their approval.

Also, Doğuş Otomotiv intranet system has been renewed in accordance with the opinions of the employees. Within this framework, the *Intranet Committee* has been formed under the leadership of the Strategic Marketing and Corporate Communication Department. A person from each unit has taken a task on the committee, and all the necessary work for the intranet was realized according to consensus.

## What do our employees think?

Within the Doğuş Otomotiv scope we have no concern about our wages; our wages are paid right and on time. From the highest to the lowest - managers, chiefs, everyone - eats together in the dining hall. Tournaments are held. Employees are always close to each other, including authorized dealers. Conditions such as private health insurance, life insurance, and transportation are signs of our Company's corporate quality. Local staff recruitment provides a contribution to the local community.

*Cenk UNGAN*  
Parts Warehouse Staff

Our executives make the necessary effort to improve our conditions in the work field . The necessary investments are made. In this respect, education and safety precautions are provided within the scope of Worker Health and Safety. Safety belts, safety helmets, steel toe shoes, ventilation in the forklift recharge room may be given as examples. Thus work and worker's health is attempted to be rendered at the highest level.

*Ersin MAVIŞ*  
Parts Warehouse Staff

Collecting back the parcels we use for packaging from the Authorized Dealers and Authorized Service Centers again, we use the packing material twice, even three times. We make sure that these parcels which could no longer be used as well as other cardboard wastes are transported to Çevko by the company contracted on behalf of the municipality. By this means we help cardboard waste that could no longer be used to be made reusable. Under the leadership of foundations we help planting saplings in our forests and extending forest areas.

*Adem AYDIN*  
Spare Parts Warehouse Staff

Our Company has always regarded customer satisfaction as its foremost priority. Therefore, we employ quality staff and our trainings are always up to date. We try hard to do our job the best way; we do not cheat customers, in short we treat our customers' vehicles as if they were our own. Thus we have many customers who have been bringing their vehicles to our service centers for years, who prefer us again when they are going to buy a new vehicle.

*Deniz KETENCI*  
Spare Parts Warehouse Staff



## SOCIAL IMPACT

**The Doğuş Otomotiv Intranet System**

The Intranet is the homepage for all Doğuş Otomotiv employees. The target in Intranet in terms of both design and content is to bring together all documents, which our employees might need and which will ease their work within everyday work life.

*Sections in the Doğuş Otomotiv intranet include:*

- Corporate procedures
- Online education login screen (e-orientation and other training)
- d-card
- Career opportunities
- 'I Have an Idea' platform
- 'Suggestion Reward' system
- Activities section
- Employee satisfaction surveys
- Happy hours, table tennis tournament information and announcements
- Vision meetings and press briefings and presentations
- Sectoral – ODD (Association of Automotive Distributors) reports (retail sale analysis) and automotive sector analysis data
- Reminder for birthdays, weather condition, road condition, notices, and announcements
- Daily news
- All human resources documents
- Notice Board
- Information on CSR works
- Introductory Information on Doğuş Group and Doğuş Otomotiv
- Colleague Search Page

**Vision and Strategy Meetings**

The Vision and Strategy Meetings, in which executives and all employees of Doğuş Otomotiv come together, are held biennially, the most recent being in 2008. The past work of the Company is reported and future anticipations are shared by the executives. Ferit F. Şahenk, Doğuş Holding Chairman of the Board, attends this event as well. An activity in which employees and executives participate together is held after the meeting either. A survey was conducted among the employees after the meeting. The satisfaction surveys made following the Vision and Strategy Meetings provide an opportunity to assess the opinions of the participants and to make improvements in the contents of the subsequent meeting.

**Executive Briefings**

Management Briefings are held semi-annually, with the participation of the Doğuş Otomotiv Executive Board, managers and above-manager level employees. Information regarding the financial results of our Company is given by the CEO and the CFO during these briefings, which take place in the first and second half of the year. At the same time, matters requested to be shared by the other departments of Doğuş Otomotiv and brands are communicated. The meetings are held simultaneously with the Istanbul Stock Exchange (ISE) declarations when the year-end and the second six-month financials are declared.

**Message from the CEO**

The message of the Doğuş Otomotiv CEO is shared with all the employees in form of letters simultaneously with the declaration to the Istanbul Stock Exchange (ISE) when the year-end and the second six-month financials are declared. It is also posted on the intranet.

In addition to this, the Message from the CEO is also communicated to the employees for important information about issues that needs to be announced; for instance, during the course of moving from the Maslak head quarter location to Şekerpinar, all kinds of communication was carried out through CEO Messages.

**Corporate Information Messages**

For news regarding Doğuş Otomotiv and its brands, especially for the news in the press, information is shared through Corporate Information e-mail by the Corporate Communication Department to all Executive Board members and directors. By this means, the formation of a common communication language among units is provided.

**Happy Hour**

Happy Hours, aiming at increasing the motivation of employees working with busy schedules are held twice a year. During these meetings various activities and celebrations of successes are recognized.



## SOCIAL IMPACT

### Year-End Parties



Doğuş Otomotiv organizes an annual year-end party for the executives and all employees. At these parties the Chairman of the Board and the CEO evaluate the past year with speeches and, wishes and anticipations for the next year are shared. Additionally, throughout the year two Company dinners are organized in each region with the participation of all employees, monthly directors' meetings for Regional Directors, target meetings for Regional Directors, Sales Managers and After-sales Services Managers every six months, and plate and badge presentation ceremonies are held regionally every year for employees who have completed their 10<sup>th</sup> and 15<sup>th</sup> years are held.

### Dinamik

Dinamik is the Human Resources Practices System of Doğuş Otomotiv. Our employees can view and keep track of their annual leaves, payrolls, advance payment requests and all personnel information through this system. The performances of our blue-collar employees are monitored through this system. The annual leave and advance payment requests of all of our employees are transferred to the managers and put into operation through this system. Those employees who work overtime inform their managers of their overtime information here, and all of our executives can monitor and receive as reports for all kinds of information (wages, costs, numbers) about the employees under their supervision. Trainee requests are carried out and monitored through this system as well.

### Recruitment and Placement

Doğuş Otomotiv Human Resources uses interviews, assessment and evaluation, and reference check methods in the recruitment process.

When a position opens and is posted to the recruitment unit, CVs are received from both the database and through inserts. These are evaluated, and applicants suitable for the general qualifications are interviewed. Those who qualify in terms of suitability for corporate values, know-how, skills and general qualities are tested by assessment and evaluation instruments according to the characteristics of the positions.

Approved applicants are introduced to the related managers and upon the completion of reference checks, a face to face job offer takes place. Applications who are not granted positions are stored in the database and monitored for other positions. All applicants are informed of the results of the recruitment process.

Our recruitment process is carried out by the central Human Resources department in all the regions in which the operations of our Company take place. Nevertheless, all our processes are actualized through local practice and in accordance with the laws.

### Career Inserts

The career insert within Doğuş Otomotiv companies are on the intranet system. Each insert that is published on career websites is also simultaneously published within the Company. Applicants applying for a position from within the Company participate in all the processes determined for the position (all the processes applicants from the outside have to go through), obtaining the approval of their managers first. Successful applicants from within the Company are preferred for the respective position.

For our employees who have a high performance but whose career paths are blocked in the short run, other positions are sought within the Company or the group, and all efforts are made to keep our employees within the body of Doğuş Group.

### D-Internship Programme

D-Internship is an intern placement programme that aims at providing a prospective source of applicants and supplying the intern needs of departments.

The D-Internship Programme includes students from vocational high schools and universities; it comprises of one school term (September-June) for high school students and 3 terms in March, July and November for university students. Interns who would like to undergo training (either compulsory or voluntarily) may apply to the programme in question. Upon the evaluation of applications according to the demands of the units one-to-one or group interviews are held with the selected students, and successful applicants start their internship in the first week of the determined period.

During an e-orientation programme, on the first day of the internship programme, interns are first of all informed about Doğuş Group, Doğuş Otomotiv Group Companies, D- Internship Programme, and Company rules. Within the first 15 days of each term an acquaintance meeting is held by the Recruitment Team for all the interns.

### Performance Management System

With the *D-Insan Performance Management* infrastructure, the aim is to perpetuate high and continuous corporate performance by directing employees towards the right



## SOCIAL IMPACT

objectives, and carry the organization forward by developing skills they already have.

During the performance assessment process, job performance, career plans, strengths and weaknesses of employees, and their compliance to the Doğuş Group corporate values, are monitored. Employees receive feedback as a result of these evaluations through 'Face to Face Performance Reviews' by the related manager. The results are recorded and evaluated by the managers at the 'Round Table Meetings', and educational and developmental plans are made.

### Determining Potentials and Succession

#### Determining Potentials

The aim of the Determining Potentials is to determine and improve the employees who could rapidly rise to a higher management levels in Doğuş Otomotiv and take duties in various functions, to determine candidates for the 'Succession Plan', to make a candidate pool for promotion and to prepare the new generations for executive levels. The potential candidates are chosen according to determined criteria, and participate in educational and developmental programmes in accordance with their competency evaluations.

#### Succession Plan

The Succession Plan targets identification of the critical positions in the Company, the development and assignment of candidates with high potential that could replace the people at critical positions, and providing continuity of business processes without failure.

#### 'I Have an Idea'

This is the section where employees' ideas on everyday work life are shared over the intranet. The shared information goes to the Strategic Marketing and Corporate Communication Department and is then transferred to the related units. The aim is to evaluate and actualize each idea that comes to *I Have an Idea*. Contributions to *I Have an Idea* can be made anonymously.

The *I Have an Idea* suggestion box, brought into service on the intranet in 2007, has been designed to share the social rights of Doğuş Otomotiv employees, their marketing activities, and all other subjects they would like to communicate with the relevant departments. More than 1,000 ideas come to the suggestion box each year; nearly half of them can be taken into consideration and possess applicable criteria.

### Payment of Monthly Wages

Monthly wages at Doğuş Otomotiv Group are based on work and earn principle and are paid at the end of each month, 12 times a year. The wages are comprised of base salary and a bonus one fourth of the wage.

For those firstly employed in Doğuş Otomotiv, wages are prorated and paid each day from the day they start work to the end of the month. The wages of an employee who leaves the Company are likewise prorated according to

the number of days, they worked in the month and paid net on a daily basis.

Salary calculations of '*Part-time Workers*' are based on the days they have worked and paid accordingly. Additionally, incentive premium payments can be made to employees in order to reward performance, to maintain the continuity of high performance, and to strengthen the loyalty and trust between the Company and the employee; these incentive premiums are granted by the decision of the Board of Directors in accordance with the financial results.

### Severance and Notice Pay

It is carried out within the frame of the Labour Law in effect.

### Health Insurance

Doğuş Otomotiv employees are given private health insurance, the premiums of which are paid by the Company.

### Life Insurance

Doğuş Otomotiv Group foreign exchange (US Dollars) Group Life Insurance provides the payment of compensations in the cases of death, death by accident, total, permanent total or permanent partial disability as a result of accident or illness within the period of insurance.

*The insurance coverage is as follows:*

- Death Indemnity
- Supplementary Coverage
  - Indemnity for death by accident
  - Disability coverage

### Clothing Aid

The clothing of the employees who should be given clothing/uniforms according to the quality of the work are provided by the Company.

### Pension Rights

Employees are entitled to pensions in accordance with the Labour Law in effect. Retiring employees or those who are entitled to pension may continue employment, with the approval of the General Manager, depending on the importance of their position or duties. In addition to these rights, employees are provided with lunch and transportation facilities.

### d-card

This special card, which has 18,000 users, is a card of opportunities, valid at 80 contracted firms, offers Doğuş Group employees special advantages.

### Consultancy Support for Resigned Employees

When necessary, our employees who left for various reasons have been given '*Correct CV Writing*' and '*Interview Techniques*' training, and are given support in their job search. Severance pay is granted according to law, taking into account age and number of days worked.



## SOCIAL IMPACT

### Training and Development at Doğuř Otomotiv

The training and development activities for employees of the Doğuř Otomotiv Group are planned within the framework of *Values and Competence*, for development on both a Company-wide and personal basis. Training sessions for competence, know-how, skill and brand development are developed internally or brought in from outside. All training takes place at the řekerpinar Headquarters' Training Centre, which has a capacity for 500 participants (4,000 square meter, four storeys).

#### Internal Training Program

Our philosophy is to meet all training requirements using internal resources and know-how, instead of using external sources to increase the employees' levels of competence and job related skills. Internal Training Programme is exercised with this scope.

Course headings are: Basic-Advanced Excel, Powerpoint, Access, Consumer Law, Effective Communication, Time Management, Basic Accounting Practices, Emotional Intelligence, Marketing Techniques, Sales Methods According to Behaviour Patterns, Lean Basic Concepts, Problem Solving Techniques, Customer Relations, Market Planning Trainings, Professional Attitude and Behaviour Training, and Recruitment and Evaluation.

Internal trainers help with the development of other employees through their know-how, keeping alive the continuous learning environment in the Company while continuing to work in their own fields, at the same time.

#### E-Orientation Programme

This is the training that enables employees who have just started work to learn, in the quickest and at the same time most productive way, the standard information about all brands and departments within the body of the Doğuř Otomotiv Group via the intranet (distance learning). Employees are invited to start the training on the day they start work, and are expected to complete the course within a week.

#### E-Orientation Programme Participation Rates

Doğuř Otomotiv	26 people	Total 62 man/hour
Doğuř Oto	166 people	Total 402 man/hour

#### Training Programmes

In accordance with the Company strategies and goals, training and development plans are organized individually according to needs.

Programme	Contents
<b>Potential Programme</b>	Programme for developing employees with great potential, who could speedily rise to the next level and could take duties in various functions at Doğuř Otomotiv.
<b>Succession Programme</b>	Programme for developing candidates with high potential to replace employees in critical positions in case they leave.
<b>Competence Development Programme</b>	Programme for developing employees' competence in areas of Company competence.
<b>Value Development Programme</b>	Programme for developing Company values.
<b>Knowledge and Skill Development Programme</b>	Programme for developing necessary knowledge and skills for employees to carry out their work more efficiently.
<b>Executive Development Programme</b>	Programme prepared for the needs of the new executive level candidates and their respective positions.

#### In 2009:

- Total number of trainings given by internal trainers: 63
- Number of people participating in the trainings: 577
- Hours of training: 4,552 man/hour
- Amount saved: TL 158,000

Internal training sessions of Doğuř Otomotiv are announced online on the intranet. Additionally, employees can fill out a 'training request form' and submit it to the Human Resources Department in order to receive training on a desired subject. These sessions are planned in accordance with the employees' development needs.

#### 2009 Total Training Data

Doğuř Otomotiv	9 hour/person
Doğuř Oto	21 hour/person



## SOCIAL IMPACT

**Volkswagen Commercial Vehicle Trainings**

In 2009 a total of 797 man-days training was given to Sales Representatives. 437 of these were product and behaviour training within the scope of the International Sales Training programme.

For the New Transporter, put on the market in October, 240 people were given 360 man-days training. Held in Antalya and distinct from the classical programme, special designed behaviour trainings were given to sales managers and representatives in addition to vehicle presentations and test drives.

**Volkswagen Passenger Car Sales Academy Turkey Programme (SAT)****Success based:**

- Long term working with Successful Sales Consultant
- Individual Evaluation
  - Programme Participation Conditions
  - Training Performance, Field Performance, Region Manager's Opinion

**Continuance**

- Inter-modular Field Duties and Evaluation
- Restructured Field Coaching Mechanism

**Rewarding Programme**

- Programme Specific to Assignment (Authorized Dealer, Sales Manager, Sales Consultant) and Certification
  - Travels
  - Representational duties
  - Development opportunities

**SAT Training Flow Chart**

Volkswagen International Sales Certificate

Guidance for purchasing at Volkswagen  
Expertise in Sales  
New Technologies

Volkswagen International Sales Diploma

**Audi Trainings**

The training carried out by the Audi Sales Department training can be summarized under five headings:

1. Audi Sales Consultant International Basic Training and Certification
2. Audi Sales Executives' International Basic Training and Certification
3. Product Training
4. Advanced Sales Skills Training
5. Other Audi Sales Staff General Briefing Training (Comprises of used vehicle sales consultants, fleet sales consultants, receptionists).

- For Audi Sales Consultants who started in 2009 the Audi Sales Consultant International Basic Training comprising 3 modules was completed.
- Audi Sales Executives International Basic Training comprises 6 modules on completion of which a certification exam is given. The 6 modules extend over 3 years. In 2009 '*Used Vehicle Management*' training was given by an Audi AG trainer.
- In 2009, within the scope of product training Audi A4 Allroad, Audi A5 Sportback, Audi A5 Cabriolet and Audi Q7 training sessions were offered.
- Advanced Sales Skills training is given to the Audi Sales Consultants, who have completed the certification exam, on a need basis. During 2009 'Requirement Analysis' training and 'Sales Closing Techniques' training were given by an Audi AG trainer.
- Fleet sales consultants, receptionists and used vehicle sales consultants were given 'Introduction to Audi' training in the scope of Other Audi Sales Staff General Briefing Training.
- In addition, authorized dealers were supported with training at their own locations in line with their own requirements.

**Porsche Trainings**

Cayenne Diesel, Panamera, Boxster, Cayman, 911 Turbo product trainings and Porsche introduction trainings were given to the sales team.

**SEAT Trainings**

SEAT organizes product trainings parallel with the novelties in its model range. SEAT organized an Exeo Product Training for the Exeo model put out on the market in 2009; 52 people were introduced to the new product in a one day long session.

**Scania-Krone-Meiller Trainings**

Aware of the fact that trainings are an important factor for the service quality reaching to the end-customer, Scania provides training both in-house and for its customers. The foundations to carry a Company into the future will be its well-informed employees. Aware of this, Scania provides sales and after-sales service and various other trainings on many subjects for in-house and Authorized Dealers and Authorized Service Centers. The in-house '*Commercial and Technical Training*' qualifies as a continuation of our sales and after-sales services, given to transfer the information of our products and services in the fastest and most efficient way to customers during the sales process and to provide our customers with both time and cost benefit in after sales.

Scania organizes its trainings under three main headings. Two of these are in-house training, intended for employees at authorized dealerships. They are entitled '*Scania Commercial Training*' and '*Scania Technical Training*'. It aims to increase the capabilities and know-how level of Scania employees so that they can serve the customers more efficiently. In the '*Scania Commercial Training*', employees attend international training programmes as well as those held in Turkey. These sessions enable the



## SOCIAL IMPACT

flow of all information for strong customer relations, and the ability to analyse customer requirements well, within the framework of international standards.

Another training module is '*Scania Technical Training*', which Scania employees attend. This includes an extension which best explains all the technical features of Scania vehicles and is intended especially to enable the service center employees to identify problems of Scania vehicles in the fastest and most correct way. It is held with the participation of the Scania Authorized Service Center staff worldwide and called '*Top Team Competition*'.

Scania invites customers as well as its own employees to training sessions. In addition to the training intended for more productive and safer use of vehicles, Scania supports the European Commission's goal of decreasing traffic accidents by half by 2010, by drawing the attention of young truck drivers across Europe to safe and efficient driving through the *Young European Truck Driver Competition (YETD)*. Furthermore, guidance is given in customer training regarding on how to obtain the highest operational benefits from the vehicles, which are regarded as investment tools.

Doğuş Otomotiv Scania's training sessions are appreciated by the Headquarters of Scania in Sweden, and various projects are actualized by Scania Headquarters to make use of the competence of Doğuş Otomotiv Scania.

### Thermo King Trainings

Thermo King provides CRM trainings within the context of marketing trainings in addition to the sales and purchasing trainings for the authorized dealers' employees held twice a year.

### Marine Engines Trainings

Volkswagen Marine and Scania Engines brands hold CRM training under the scope of marketing training, as well as an annual sales and purchasing training for authorized dealers' employees.

### DOD Trainings

Making new employees in the corporate used vehicle sector go through a certified training course, DOD holds CRM trainings within the scope of marketing training as well as sales and purchasing training, held twice a year for the sales and purchasing representatives.

### Technological Facilities of Doğuş Group Training Centre



- A fully equipped simultaneous translation room, a modern conference room for 200 people, testing and measuring devices, PCs, projectors, and 6 workshops with full infrastructure (which could be used as separate training hall by closing of the partition).
- Nine classrooms also suitable for workshops whenever needed, equipped with projector, TV, videos, flipcharts, overhead projector,
- One classroom with a Showroom for sales trainings.
- A 14 station PC classroom for all kinds of computer training.
- A cafeteria for 300, with open buffet lunch; tea and coffee service; photocopy, multimedia, trainers' preparation rooms.
- One diagnosis centre also suitable for applied training.

### University Cooperations

Doğuş Otomotiv supports employees enrolled in post graduate education with discounted or special placement practices with Bahçeşehir University and Bilgi University. In the context of this practice, during 2009 one of our employees joined the MBA programme at Bahçeşehir University.

### Local Employment

90% of the security staff, 100% of the cleaners and 75% of the administrative employees (technical staff) at Doğuş Otomotiv reside in Gebze. There are 17 permanent staff and 61 subcontractor employees residing in Gebze.





## SOCIAL IMPACT

**Employee Health and Safety**

*Occupational Health and Safety Commissions* have been established in regions where there are 50 or more employees of Doğuş Group. Meetings are held under the presidency of the employer's representative at these commissions, and Company health units are natural members. In each region there is an Occupational Safety Specialist responsible for occupational health. The total work force represented on the health and safety commissions is above 75%\*.

The rate of work accidents that occurred at Doğuş Otomotiv during 2009 to the total number of employee is less than 1%.

**Health Panels**

Panel discussions were held in 2009 to inform employees on important subjects regarding health, offered by specialist doctors. Topics included: Head and Neck Pains, Heart Diseases, Swine Flu, Oral and Dental Health, and Body Mass Index. Participated employees have been informed on important health issues. An increase in the public awareness is achieved for health issues of great importance for the masses.

**Human Rights**

Doğuş Otomotiv respects human rights in all of its operations. In stakeholder relations and on dialogue platforms it acts with the principle of equal rights and fair conditions for everyone without discrimination of religion, language, gender, age or ethnicity. Operating according to the principals of the United Nations Global Compact, to which Doğuş Group has committed by signing for the group companies as well, Doğuş Otomotiv has clearly declared its sensitivity about human rights within the context stated in the Universal Declaration of Human Rights in its corporate Ethical Principles.

For more information on our Ethical Principles please visit the related section on our website:  
[http://www.dogusotomotiv.com.tr/c/en/code\\_of\\_ethics.aspx](http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx)

There were no instances of discrimination or anything against human rights during 2009.

In our Company there are no employees under 18. In accordance with the laws and regulations, students from Vocational High Schools are provided with training opportunities as a regular part of their education. In the labor regulations of Doğuş Otomotiv there are articles which include serious sanctions against child labour. As recruitment in Doğuş Oto is also carried out through the Doğuş Otomotiv headquarters this subject is under serious corporate observation.

There is no forced labour or involuntary servitude within the Doğuş Otomotiv Companies. Explicit corporate commitments on these matters are in the Ethical Principles Procedure. Overtime policy is in accordance with article 41 of the Labour Law of the Turkish Republic; employees keep track of their overtime and annual leave through the 'Dinamik' Human Resources system. Insurance funds for each employee are shared on the notice boards in each unit.

Furthermore, policies on employee rights are shared with employees through the e-orientation system, and related procedures and policies are communicated in writing to employees.

Security staff working within the body of our Company are provided by subcontractor companies, and are given training on employee health and safety.



\* The departments represented by the members of the commission have been taken into consideration.



## Community Engagement

### 'Traffic is Life'



The society we live in is one of our important stakeholders in order to keep our business sustainable. We recognize that the increasing awareness and development of society, and the increase in the social welfare level is going to play a crucial role in the future of Doğu Otomotiv. Therefore, when we plan our investments we always put community engagement in forefront and determine our priorities for the society to live in a healthy and safe future according to our impact.

The safe use of the vehicles we sell and service in traffic is our primary heading among our social contribution goals. Therefore, after the vehicles enter our responsibility area, we continue to share this responsibility not only until the sales but after the sales as well.

In order to create an awareness in society and in our customers in various safety matters such as safer driving in traffic, awareness of pedestrians, efficient use and accepting of traffic rules, our slogan '*Traffic is Life*' is also included in all logo use. This is our general community engagement practice, in effect since 2005.

#### The primary target group: Children

Underlying Doğu Otomotiv's concept of education and raising an awareness of responsibility in Turkish society at an early age on the subject of traffic is the fact that the rate of children harmed in traffic accidents in our country is very high. For instance, while children's rate of death and injury in traffic accidents is only 3% in developed countries, the fact that this rate is 46% in Turkey makes it compulsory and meaningful for us to take responsibility regarding our impact in every way.

#### 'Arka Koltuk Benim' (The Back Seat is Mine) and 'Kırmızı Işıktaki Dur' (Stop at the Red Lights)

Our awareness campaign, entitled '*Traffic is Life*' started with an awareness project '*The Back Seat is Mine*' in

### Arka Koltuk Benim!

Onların Can Güvenliği İçin Arka Koltuk Çocuklarımızın



2004, in partnership with the General Directorate of Security of the Turkish Republic. The aim of the project is to raise the consciousness of safety and precautions in traffic and to ensure that children sit at the back seat. '*Stop at the Red Lights*,' another awareness campaign of that progresses parallel to this practice was carried out to remind children that pedestrians and vehicles should stop at the red lights.

#### The activities carried out as part of the campaign are:

- Public concerts
- Trafi Rap Fest Music Contest
- Traffic Week Walk and Activities
- Distribution of DOD On-Board Safety Card at Authorized Dealers and Authorized Service Centers
- The use of the logo '*Traffic is Life*' on number plates
- The use of the logo '*Doğu Otomotiv Traffic is Life*' in brand communications
- The use of the logo '*Traffic is Life*' on advertisements within the context of sponsorship rights
- Sponsorship to the Driver's Manual by the General Directorate of Security
- '*Caution in Traffic Saves 10 Thousand Lives*' Project Platform membership

#### 'Caution in Traffic Saves 10 Thousand Lives'

With the intention of preventing increasing traffic accidents on the highways, and the loss of lives in these accidents an awareness project, '*Caution in Traffic Saves 10 Thousand Lives*' was carried out with the support of Abdullah Gül, the President of the Republic of Turkey.

A 'Saving Lives in Traffic' platform was formed with participation of the officials of Gazi University, the Ministry of Internal Affairs, the Ministry of National Education, and the Ministry of Transport and Communication, under the auspices of President Abdullah Gül, which included the support and participation of brands such as Doğu Otomotiv, PETDER (Turkish Petroleum Industry Association), Renault, Temsa, ToyotaSA, Bridgestone and Volvo.

The mission and three-year targets of the '*Caution in Traffic Saves 10 Thousand Lives*' project, the first awareness project regarding traffic with wide participation and supported at the highest level in Turkey, was announced at a press conference at the presidential palace on April 29<sup>th</sup>, 2007.



## SOCIAL IMPACT

## The Indicator Project



The *Indicator Rooms* application was started in order to provide a more efficient and effective use of the customers' waiting rooms, and at the same time to clarify the connection between traffic and vehicle safety. This is one of the keystones of our awareness campaign '*Traffic is Life*'.

In order to serve for the information in need of customers about safe driving and the maintenance and life cycle of vehicles visually, effectively and easily, waste parts obtained from our service centers were collected. The supplied parts are shaped across, so that they can be used for a visual exhibition. Some parts were painted with a protective veneer and added to lucid explanations; real samples were sometimes used, aiming always at positive informing of our customers during this work.

Indicator rooms aim to correctly inform our customers in a smooth way about the matters they face most. There is also a notebook in the Indicator Rooms to provide the opportunity for our customers to write criticisms or suggestions.

The differences between original part and reproduced parts, as well as between Authorized Service Centers and unauthorized ones are displayed in the Indicator Rooms. The information needed during vehicle use and breakdowns is also shown with examples. Service Center Consultants available in service centers with Indicator Rooms have been trained. Parts related to the most frequently asked questions were chosen and the layout of the room and displays were carried out accordingly.

The displays emphasize the impact of quality, necessity, appropriateness, use, and longevity. The benefits of an accessory and its positive affects on the vehicles' usage life is presented with examples. It is also shown, which of the alternative repair methods is more appropriate. For subjects such as driving safety, passive and active safety systems, visual and realistic enactments were conducted using the driver's cab, also answering questions like: Which of the alternative repair methods is more suitable? How does an airbag work? Why is a seat belt important? The works for supporting increased use of seat belts and for increasing awareness against accidents have been visually demonstrated. Information was given regarding the fact that safe and conscious driving makes for high safety. It has also been targeted that the sales team answers the questions from customers with examples and visuals, thereby informing the customers in a more accurate way.

During 2010, five more Indicator Rooms will come into service in Authorized Dealers. In addition to this, our work to support the traffic safety courses of local educational institutions in the Indicator Rooms, continues.



## SOCIAL IMPACT

### Vocational High Schools and Doğuř Otomotiv Cooperation

The following schools have programmes associated with Doğuř Otomotiv:

- Őiřli Industrial Vocational High School Automotive Volkswagen Training Laboratory
- Samandıra Industrial Vocational High School Doğuř Otomotiv Volkswagen Training Laboratory
- İÜ TBMYO (Istanbul University Technical Sciences College) Automotive Department Protocol
- Kocaeli Vocational Training Centre - Dekra Project
- Demo parts and training documents aid to 76 schools (Vocational Training Centre, Industrial Vocational High School, Vocational High School, University)
- Training support for Industrial Vocational High School (IVH) teachers, training and projects support for students



At Őiřli Industrial Vocational High School and Samandıra Vocational High School, laboratories and classes were set up and syllabuses written. The participation of Vocational High Schools in international competitions and the organization of these competitions by the Ministry of National Education was supported. Each year 50% of the 50 students graduating from the Volkswagen classes are employed in our Authorized Dealer and Authorized Service Center organization (60% being in Doğuř Oto). An investment of more than TL 350,000 has been made for this cooperation since 2005. Also, nearly 100 students from Vocational High Schools are provided with internship opportunity every year.

### Doğuř Otomotiv and Local Vocational High Schools Cooperation

Doğuř Oto centres are in the Maslak and Kartal districts in Istanbul. Őiřli Industrial Vocational High School students are provided with internship at Doğuř Oto Maslak while Samandıra Industrial Vocational High School students at Doğuř Oto Kartal. During their 4 year education the developments of the students studying at these schools are monitored regularly by a training supervisor in Doğuř Oto. Depending on their development process, each student is placed in position, the ones not placed continue with their graduate education.

Doğuř Oto organizes a graduation ceremony every year with the participation of students' families, teachers, Doğuř Oto and Doğuř Otomotiv executives and members of the Board of Directors.

### Benefits

- 94 of students are educated at the Őiřli Industrial Vocational High School Volkswagen Laboratory; 38 will graduate in 2010.
- 45 of students are educated at the Samandıra Industrial Vocational High School Volkswagen Laboratory; 15 will graduate in 2010.
- Lab-students participated at the International Mechanic Junior Competition, Doğuř Otomotiv was their sponsor.
- Students and their teachers won 4<sup>th</sup> prize in the Production and Engineering branch in the Ministry of National Education 2009/2010 Istanbul Project Based Skill Competition.
- In 2009 we employed 22 students who had graduated from the high schools we supported.
- Participation at the Euroskills competitions was enabled.
- Applications of 86 students were accepted for the 2010/2011 educational year .
- Bodywork and coating departments were supported and training organizations were held during the new educational year.
- Planning about the employment of the 2010 graduates was carried out.

“ Doğuř Otomotiv provides the students of our high school with both internship and employment opportunities. This provides that our students do not have trouble finding work when they graduate. A guest from abroad comes to visit our school every fifteen days. These opportunities and the training system established at the Volkswagen Training Laboratories are not present even in many of the vocational high schools in Europe. Therefore, we would like to express our thanks to Doğuř Otomotiv for their support. ”

*Fatih Kamil Bilgin*

*Principal Őiřli Industrial and Vocational High School*

“ We could never have guessed that we would come to this stage when we first started education in 2003. Our scream for education was heard by Doğuř Otomotiv. We deeply thank Doğuř Otomotiv for their support and concern. ”

*Mustafa Aslan*

*Principal Samandıra Industrial and Vocational High School*



## SOCIAL IMPACT

**VW - Scania Industrial and Marine Engines**

Pioneering the set up of the first laboratory for training blue collar staff in the Marine Engines sector in Turkey, Doğuş Otomotiv has contributed to the establishment of Şişli Industrial Vocational High School Marine Engines and Technology Laboratory as Volkswagen - Scania Marine Engines brand in a major way.

**Doğuş Otomotiv Volunteer Programmes**

Activities carried out in the volunteer programme of two primary schools, in accordance with the requirements of the District National Education Directorate in Çayırova district of Izmit, where Doğuş Otomotiv Headquarter is located are as follows:

**Akçakoca Primary School**

5 bookcases, painting of walls and ceilings, cleaning the floor, classroom curtains, teacher's desk, 3 PCs and sports equipment.

**Tahsin Tarhan Primary School**

TL 4,120 spent in the context of the programme was collected by the Company executives and employees. Missing books for the school library, sports equipment, and 3 PCs were delivered; furthermore, our employees supported the programme with nearly 400 books and 50 articles of sports equipment.

*Among the goals of Doğuş Otomotiv, which will continue to support these schools in 2010 as well, are:*

- Setting up a Science Laboratory at Tahsin Tarhan Primary School,
- Providing support on 'CV Writing and Interview Training' for the students of Gebze Apprenticeship Education Centre.

**Equality of Opportunity in Education and Darüşşafaka**

One of Turkey's long-established non-governmental organizations, Darüşşafaka, has been providing orphans and children lack of financial potential with an opportunity for qualified education, thereby changing their lives, since 1863. Depending on the support given by many persons and institutions since the day it was established, Darüşşafaka Cemiyeti (The Darüşşafaka Association) has been providing full scholarships and boarding facilities for more than 800 students each year.

Up to the present Darüşşafaka has provided more than 7000 students' education at the Darüşşafaka Eğitim Kurumları from fourth grade to graduating from high school, and has made it possible for many to go to university on scholarship. Going back a century and a half, the institution has embraced the '*Lives Changing with Education*' mission believing that throughout history the development of the country has been parallel to the development of individuals.

Students coming to Darüşşafaka from all over the country go through a foreign language intensive qualified education on the one hand while they are equipped with all that our age demands by participating in numerous social activities.

While preparing orphans and students with limited means for the future, Darüşşafaka also provides that they grow up to be Turkish intellectuals with the mission it has undertaken.

Providing equality of opportunity in education Darüşşafaka Education Institute aims at bringing up modern and self-confident leaders responsible to the society, who are life long learners. In 2009 Doğuş Otomotiv contributed USD 500,000 to the Darüşşafaka Association, thereby supporting the continuation of the institution's mission.



GRI INDEX



## GRI INDEX

Profile Indicators	Remark	State	Section Name and Location	Reference Pages
<b>1.Strategy and Analysis</b>				
<b>1.1</b>	Senior Management Declaration	Full	Chairman's Message CEO's Message	2-3 4-5
<b>1.2</b>	Key impacts, risks and opportunities	Full	Chairman's Message CEO's Message Approach to Sustainability Corporate Social Responsibility Management The Current Situation of the Automotive Sector and the Issues Experienced Material Issues Our Goals for 2010 Multiple Brand Management	2-3 4-5 7 9 12-13 13 14 17
<b>2.Organizational profile</b>				
<b>2.1</b>	Name of the organization	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report Identification Bracelet	iii 73
<b>2.2</b>	Primary brands, products and services	Full	Doğuş Otomotiv Group Doğuş Oto Value Chain Sales and Marketing	iii-v vii 17 25-30 Detailed information can be found at Doğuş Otomotiv Annual Report <a href="http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx">http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx</a> (Pages; 22-47)
<b>2.3</b>	Operational structure of the corporation	Full	Doğuş Otomotiv Group Doğuş Oto Organisation Chart	iii-v, vii, viii Detailed information can be found at Doğuş Otomotiv Annual Report <a href="http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx">http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx</a> (Pages; 66, 69, 71-73, 86, 101-102)
<b>2.4</b>	Location of organization's headquarters	Full	Identification Bracelet	73
<b>2.5</b>	Countries where the organization operates	Full	Doğuş Otomotiv Group	iii-v
<b>2.6</b>	Ownership structure and legal form	Full	Doğuş Otomotiv Group Capital Structure and Shareholding	iv-v, vii Detailed information can be found at Doğuş Otomotiv Annual Report <a href="http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx">http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx</a> (Pages; 66, 69, 71, 86)
<b>2.7</b>	Markets serviced	Full	Doğuş Otomotiv Group Doğuş Oto	iii-v, vii Detailed information can be found at Doğuş Otomotiv Annual Report <a href="http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx">http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx</a>
<b>2.8</b>	Scale of the organization profile	Full	Doğuş Otomotiv Group Doğuş Otomotiv Financial Indicators	iii-vii Detailed information can be found at Doğuş Otomotiv Annual Report <a href="http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx">http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx</a>
<b>2.9</b>	Significant changes regarding size, structure or ownership	Full	Doğuş Otomotiv Group	iii-vii There were no changes in the issued capital of Doğuş Otomotiv during the reporting period.
<b>2.10</b>	Awards	Full	Awards	ix
<b>3. Report Parameters</b>				
<b>3.1</b>	Reporting Period	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	iii
<b>3.2</b>	Date of the most recent report	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	iii Doğuş Otomotiv CSR Report is the first report of the company.



## GRI INDEX

Profile Indicators	Remark	State	Section Name and Location	Reference Pages
3.3	Reporting cycle	Full		Doğuş Otomotiv CSR Report is the first report of the company.
3.4	Contact people for questions regarding the report	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	iii
3.5	Process for defining report content	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	i, iii
3.6	Boundary of the report	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	i, iii
3.7	Limitations of the scope or boundary of the report	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	i, iii
3.8	Basis for reporting on joint ventures	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	iii Doğuş Otomotiv CSR Report includes all social, economic and environmental corporate performance of Doğuş Otomotiv Servis ve Ticaret A.Ş. and Doğuş Oto Pazarlama ve Ticaret A.Ş. group companies.
3.9	Data measurement techniques and bases of calculations	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report Corporate Social Responsibility Management	i, iii, 9
3.10	Re-statements of information	Full		Doğuş Otomotiv 2009 CSR Report is the first report of the company.
3.11	Changes from previous reporting periods in the scope, boundary or measurement methods	Full		Doğuş Otomotiv 2009 CSR Report is the first report of the company.
3.12	GRI Index	Full	GRI Index	64-70
3.13	External assurance	N/A		Doğuş Otomotiv 2009 CSR Report was prepared in accordance with the level C requirements of the GRI G3 Principles. It did not receive an independent audit.
<b>4. Governance, commitments and engagement</b>				
4.1	Governance structure of the organization	Full	Corporate Governance	8 Detailed information can be found at Doğuş Otomotiv Corporate Governance Compliance Report <a href="http://www.dogusotomotiv.com.tr/c/en/pdf/ilkeler/EN/AnnualReports09-3.pdf">http://www.dogusotomotiv.com.tr/c/en/pdf/ilkeler/EN/AnnualReports09-3.pdf</a> (Pages; 66, 68, 71-73)
4.2	Independence of the Chairman of the Supervisory Board	Full	Doğuş Otomotiv Board of Directors	8
4.3	Number of Independent Members in the highest governance body	Full	Doğuş Otomotiv Board of Directors	8
4.4	Co-determination right of employees and shareholders	Full	Investor Relations Stakeholder Engagement	9 10 Detailed information can be found at Doğuş Otomotiv Corporate Governance Compliance Report. <a href="http://www.dogusotomotiv.com.tr/c/en/pdf/ilkeler/EN/AnnualReports09-3.pdf">http://www.dogusotomotiv.com.tr/c/en/pdf/ilkeler/EN/AnnualReports09-3.pdf</a> (Pages; 62-65)
4.5	Linkage between executive compensation and achievement of sustainability goals	Partly	Assessment and Rewarding of the Board's Performance	9





## GRI INDEX

Profile Indicators	Remark	State	Section Name and Location	Reference Pages
4.6	Process in place to avoid conflicts of interest	Full	Assessment and Rewarding of the Board's Performance Ethical Principles	9 Detailed information can be found at Doğuş Otomotiv Ethical Principles. <a href="http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx">http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx</a>
4.7	Qualifications and expertise of the highest governance body regarding CSR topics	Full	Sustainability in Doğuş Otomotiv	7
4.8	Values, mission statements, principles and codes of conduct of organization relevant to sustainability	Full	Sustainability in Doğuş Otomotiv Corporate Social Responsibility Management	6-7 9
4.9	Oversight of sustainability performance and relevant risks by the Board of Management	Full	CEO's Message Corporate Social Responsibility Management	4-5 9
4.10	Assessment of the performance of the Board of Management regarding sustainability	Full	CEO's Message	4-5
4.11	Precautionary approach	Full	Chairman's Message CEO's Message The Present Situation of the Automotive Sector and the Issues Experienced Risk Management	2-3 4-5 12-13 23
4.12	Support for external economic, environmental and social activities	Full	Ethical Principles Human Rights	9 59
4.13	Memberships in associations and representations of interests	Full	Associations, unions and initiatives of which we are members	15
4.14	Stakeholder groups engaged by the organization	Full	Stakeholder Engagement	10-11
4.15	Basis for identification and selection of stakeholders	Full	About the Doğuş Otomotiv 2009 Corporate Responsibility Report	i, iii
4.16	Approaches to stakeholder engagement	Full	Stakeholder Engagement	10-11
4.17	Key stakeholder topics	Full	Stakeholder Engagement Material Issues	10-11 13
<b>Performance Indicators</b>				
<b>Economic Performance</b>	Management Approach	N/A		
EC1	Direct economic value produced and distributed	Full	Doğuş Otomotiv Financial Indicators Community Engagement	iv-vii 60 – 63 Detailed information can be found at Doğuş Otomotiv Annual Report <a href="http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx">http://www.dogusotomotiv.com.tr/c/en/annual-reports.aspx</a> (Pages;66, 74, 80-83, 109-110, 123)
EC2	The effect of climate change on the financial success of the corporation, risks and opportunities	Full	The Present Situation of the Automotive Sector and the Issues Experienced Climate Change	12-13 39
EC3	Corporate liabilities regarding defined benefit pension plan	Partly	Pension Rights	55
EC6	Policy, practice and rates of payment regarding payments made to local suppliers	Partly	Doğuş Otomotiv Group Supply Chain	vii 18-20



## GRI INDEX

Profile Indicators	Remark	State	Section Name and Location	Reference Pages
EC7	Local employment	Partly	Doğuş Otomotiv Group Local Employment	iv 58
EC8	Investments made for public interest	Partly	Community Engagement	60-63
EC9	Important indirect economic effects	Partly	Doğuş Otomotiv Financial Indicators 2009 in Figures Chairman's Message Sales and Marketing Our Service Points	iv-vii ix, 2-3 25-30 34
<b>Environmental Performance</b>	Management Approach	N/A		
EN3	Direct energy consumption	Partly	Energy Use	43
EN5	Saved amount of energy due to improvements	Partly	Energy Use	43
EN6	Products and services that provide energy efficiency	Full	Environmentally Friendly Products	39-43
EN8	Total amount of water used according to its sources	Full	Water Consumption	44
EN11	Production centres within protected areas	Full		There is no orbit of Doğuş Otomotiv in the protection area.
EN12	Effects on biological diversity	Full		There is no orbit of Doğuş Otomotiv carrying high biodiversity in the or the near the protection area.
EN16	Total direct and indirect greenhouse gas emission	Partly	Spare parts and auto transportation	44
EN17	Indirect greenhouse gas emission	Partly	Spare parts and auto transportation	44
EN18	Attempts to reduce emissions	Partly	Environmentally Friendly Products	39-43
EN22	Total waste according to type and disposal method	Full	Waste and Scrap Management	44
EN26	Attempts to reduce the environmental effects of products	Full	Environmentally Friendly Products	39-43
EN27	Percentage of recollecting of sold products and their packaging materials in categories	Partly	Waste and Scrap Management	44
EN28	Discordances with environmental laws and regulations	Full		Doğuş Otomotiv has not fined in the year of 2009 because of not complying with environmental laws and regulations.
EN29	Effects caused by product transportation and employee logistics	Partly	Spare parts and auto transportation	44
EN30	Total amount of environment expenses and investments	Partly	Doğuş Otomotiv Group Waste Management Investments	vii 44
<b>Labor Practices and Decent Work</b>	Management Approach	N/A		



## GRI INDEX

Profile Indicators	Remark	State	Section Name and Location	Reference Pages
LA2	Total number of employees and their circulation according to age groups, gender and district	Full	Employees	50-51
LA3	Benefits provided for the full time employees	Full	Employees The Doğuş Otomotiv Intranet System, Vision and Strategy Meetings, Executive Briefings, Message from the CEO, Corporate Information Messages, Happy Hour, Year-End Parties, Dinamik, Recruitment and Placement, Career Inserts, D-Internship Programme, Performance System, Potential Assessment and Backup, Online Free Idea, Payment of Monthly Wages, Health Insurance, Life Insurance, Clothing Aid, Pension Rights, d-card, Consultancy Support for Resigned Employees, Training and Development at Doğuş Otomotiv, Employee Health and Safety, Human Rights	53-59
LA6	Percentage total labour represented in the health and safety committees	Full	Employee Health and Safety	59
LA7	Injury, occupational illness, days lost and absence	Partly	Employee Health and Safety	59
LA8	Consultancy, precaution and risk control regarding serious illnesses	Partly	Health Panels	59
LA10	Annual average training hours per employee	Full	Training and Development at Doğuş Otomotiv	56
LA11	Employee training	Full	Training and Development at Doğuş Otomotiv Internal Training Program, E-Orientation Programme, Training Programmes, University Cooperations	56-58
LA12	Regular performance and development monitoring	Partly	Dinamik Performance Management System	54
LA13	Inventory of employees' age, gender and minority group	Full	Employees	51-52
LA14	Men-women wage rates according to employee category	Full	Comparison of Wages	52
<b>Human Rights Performance</b>	Management Approach	N/A		
HR4	Total number of incidents regarding discrimination and precautions taken	Partly	Ethical Principles Human Rights	9 59 (UNGC Principle 6) Detailed information can be found at Doğuş Otomotiv Ethical Principles. <a href="http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx">http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx</a>
HR6	Child employment and precautions taken	Full	Human Rights	59 (UNGC Principle 5)
HR7	Operations having the risk of forced labour and precautions taken	Full	Human Rights	59 (UNGC Principle 5)
HR9	Total number of incidents which resulted in the violation of the rights of the native public and precautions taken	Full		There has been no violation against human rights and Doğuş Otomotiv has not fined because of this reason.
<b>Product Responsibility Performance</b>	Management Approach			
PR1	Health and safety in the life cycle of products and services	Partly	Supply Chain Certification Audits Customer Health and Safety	18-20 24 47



## GRI INDEX

Profile Indicators	Remark	State	Section Name and Location	Reference Pages
PR2	Number of incidents in discordance with the regulations and voluntary rules regarding health and safety effects of products and services	Full	Customer Health and Safety	47 There has been no incidents of non-compliance with regulations and voluntary codes concerning health and safety impact of products and services during their life cycle, by type of outcomes. For related technical and security specifications of products : <a href="http://www.dogusotomotiv.com.tr/c/en/default-en.aspx">http://www.dogusotomotiv.com.tr/c/en/default-en.aspx</a>
PR3	Labelling	Full	After Sales Services The Indicator Project	30-35 61
PR4	Total number of incidents displaying discordance with regulations and voluntary rules regarding labelling	Full	Customer Health and Safety	47 Doğuş Otomotiv complies with regulations and voluntary codes concerning its products and services. There has been no incidents non-compliance with regulations and voluntary codes regarding labelling.
PR5	Customer satisfaction	Full	Authorized Dealer and Authorized Service Center Satisfaction Surveys, CRM Report, Authorized Dealer and Authorized Service Center CRM Report, 2009 Customer Satisfaction Survey Results Products and Service Customer Health and Safety, Recall Actions, Call Centre, Call Centre and Customer Satisfaction, Customer Satisfaction Surveys, CSS Customer Satisfaction Survey, Customer Relations Excellence Practice, DOD, DOD Guarantee System, DOD CSS (Customer Satisfaction) Application, DOD Customer Constitution and Certificated Vehicle Sales System	37 46 46-49
PR6	Adherence to laws and regulations regarding marketing communication	Full	Responsible Marketing Audit Processes	20 24
PR7	Total number of incidents displaying discordance with regulations and voluntary rules regarding marketing communication	Partly	Responsible Marketing	20
PR8	Confirmed complaints regarding customer confidentiality	Partly	Responsible Marketing CSS Customer Satisfaction Survey	20,48
PR9	Non-compliance with laws and regulations regarding supplying and usage of product services	Partly	Supplier Eligibility Criteria Audit Processes Customer Health and Safety	19 24 47
<b>Social Performance</b>	Management Approach	N/A		
SO1	The influence of our activities on local public	Partly	Stakeholder Engagement Doğuş Otomotiv Material Issues Chart Community Engagement	10 13 60 - 63
SO2	Risk analysis regarding corruption	Partly	Our Goals for 2010 Risk Management	14 23-24
SO3	Corporation's policies against corruption and trainings on the subject	Partly	Ethical Principles	9 Detailed information can be found at Doğuş Otomotiv Ethical Principles. <a href="http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx">http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx</a>
SO4	Precautions taken against incidents of corruption	Full	Risk Management Audit Processes	23 24 Detailed information can be found at Doğuş Otomotiv Corporate Governance Compliance Report. <a href="http://www.dogusotomotiv.com.tr/c/en/pdf/ilkelere/EN/AnnualReports09-3.pdf">http://www.dogusotomotiv.com.tr/c/en/pdf/ilkelere/EN/AnnualReports09-3.pdf</a> (Pages:67-68)
SO7	Number of legal cases regarding behaviour outside competition and monopolism	Full	Audit Processes	23, 24 Corporate Governance Compliance Report. <a href="http://www.dogusotomotiv.com.tr/c/en/pdf/ilkelere/EN/AnnualReports09-3.pdf">http://www.dogusotomotiv.com.tr/c/en/pdf/ilkelere/EN/AnnualReports09-3.pdf</a>
SO8	Number of fines due to discordance with laws and regulations	Full	Audit Processes	24



UNITED NATIONS  
GLOBAL COMPACT  
COMMUNICATION ON  
PROGRESS INDEX



**United Nations Global Compact Communication on Progress Index**

UN Global Compact Principles	Stance of Performance Information in Report
<b>Human Rights</b>	
<b>Principle 1.</b> Businesses should support and respect internationally proclaimed human rights.	9 - Ethical Principles 9 - Corporate Social Responsibility Management 59 - Human Rights
<b>Principle 2.</b> Businesses should take all precautions in order not to be complicit with human rights abuses.	9 - Corporate Social Responsibility Management 59 - Human Rights
<b>Labour</b>	
<b>Principle 3.</b> They should respect freedom of union and collective bargaining.	59 – Human Rights and BM KIS Principles
<b>Principle 4.</b> They should work for the elimination of all forms of forced and compulsory labour.	59 - Human Rights
<b>Principle 5.</b> They should work for the complete abolition of child employment.	59 - Human Rights
<b>Principle 6.</b> Businesses should uphold the elimination of discrimination regarding employment and occupation.	9 - Ethical Principles 51 - Employees 59 - Human Rights
<b>Environment</b>	
<b>Principle 7.</b> Businesses should support a precautionary approach to environmental challenges.	2-3 – Chairman’s Message 23 - Risk Management 39 – Climate Change 44 - Waste Management Investments
<b>Principle 8.</b> Businesses should support all forms of activity and formations that would increase environmental responsibility.	14 - Our Goals for 2010 43 - Environmental Commitment from Scania Authorized Dealers and Authorized Service Centers
<b>Principle 9.</b> They should encourage the development and diffusion of environmentally friendly technologies.	39 – 44 - Environmentally Friendly Products
<b>Anti-Corruption</b>	
<b>Principle 10.</b> Businesses should fight against all kinds of corruption including bribery and extortion.	7 - Sustainability in Doğu Otomotiv 9 - Ethical Principles Doğu Otomotiv Ethical Principles. <a href="http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx">http://www.dogusotomotiv.com.tr/c/en/code_of_ethics.aspx</a> 23 – Risk Management 24 - Audit Processes



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