

2019 **CORPORATE  
SUSTAINABILITY  
REPORT**

**INHERENTLY  
A BETTER  
FUTURE**

As we are leaving behind the 10th year of our journey of becoming a sustainable company, we are well aware that we are entering a new era as a company, as well as in terms of global, local, economic, social, and environmental issues.

The strategic value of sustainability rests on strategies based on stakeholder engagement. Stakeholder engagement means to be in continuous dialogue with your key stakeholders who are impacted by your activities and who directly impact your company, and to respond to their expectations by way of learning from them.

From the standpoint we have reached, we can see that the culture of value “creation” and “production” has changed considerably. For this reason, as Doğu Otomotiv, our goal is to move forward altogether by recognizing as a priority the adaption to the rapidly changing world, by redefining the concept of value, by constantly monitoring, surveying, assessing, and learning, and with an understanding of value built together with all of our stakeholders on top of transparency and accountability principles.



**2019 Doğu Otomotiv Corporate Sustainability Report has been prepared in two sections.**

The first section covers the Executive Summary where a summary of our performance is presented, and the second section contains the detailed analysis of our entire performance. In this way, we hope the Report will be made available for more of our stakeholders and in a more accessible format.

# MESSAGE OF THE CHAIRMAN AND CEO



“ From among our value chain, the number of Authorized Dealers and After-Sales Service Providers participating in the Sustainability Report rose to 24 and the number of suppliers to 27. ”

Dear Stakeholders,

As we are leaving behind the 10<sup>th</sup> year of our journey of becoming a sustainable company, we are well aware that we are entering a new era as a corporation, as well as in terms of global, local, economic, social, and environmental issues. Foreseeing the coming of this era in early 2018, we had revised our sustainability priorities set out in 2009 in line with our impact, and informed our stakeholders about our new focus areas in 2018 Sustainability Report. The year 2019 verified how incisive we were in our prediction. We observed how our new focus areas shed light on the days ahead, in particular in terms of non-financial risks, and we were able to make timely assessments by identifying opportunities early on.

The developments of the previous year witnessed throughout the world in both climate change and sustainable finance also demonstrated how important the role of the private sector is in creating a more sustainable world.

Fundamental transformations in areas such as economic growth, population, and information technologies, etc. are being monitored closely by everyone. It seems that trends reshaping the world, the research on the impact of these trends on different industries, demographic changes which will alter our lives in the future, accelerated urbanization on a global scale, climate change, limited resources, and technological advancement will be the topics making up the sustainability agenda up until 2030. It is estimated that the said trends will exert significant impact on the activities of all companies and consumers in the world. By analyzing these materializing trends here and now, many companies structure their strategies and investments in order to survive commercially in the future.

In addition, laws and regulations pertaining to different industries are also changing. Each passing day signifies a more crucial importance for companies in terms of adapting to these legislations and managing their supply chains in a sustainable way.



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More than 220 global companies, including Volkswagen AG, have declared their targets for 100 % renewable energy. Since from the time when Volkswagen launched ID.3 and promised a new electrical mobility era, we witnessed altogether how accurate this decision was. The decision made by Volkswagen AG is very loud and clear: as one of the largest producers of the world, the company will focus on electrical vehicles, while the R&D Department of the Volkswagen Group will continue working on its research on fuel cells. By way of example, Audi has announced that they will put on the market their first hydrogen fuelled vehicle in 2021. It is evident that starting from today onwards automobile producers shall promote e-mobility up until 2023/2025. The main reason behind this is the carbon emission standards which are expected to become gradually stricter in the coming years, and consequential laws and regulations. In this context, high initial investment costs of undertakings in this field have direct bearing on developments in the sphere of responsible and sustainable finance. It is possible to foresee that electrical vehicles will become attractive products for clients also in terms of financing up until 2035. In other words, because of rational reasons, large-scale economies

are in a position to transcend into e-mobility even faster than expected.

## “ The number of managers participating in the Coaching and Mentoring Women Program has reached 125. ”

The increase in extreme weather events put not only economies under immense pressure, but also investors. Due to this pressure, the estimation of financial risks resulting from climate change vis-à-vis the direct operations of the private sector and the supply chain has now inevitably become an anticipated approach. According to the “Global Commission on Compliance to Conditions of Climate Change” established by the United Nations, USD 1.8 trillion to be invested in the implementation of strategic measures will in return generate a total net benefit of USD 7.1 trillion.

Like it or not, we are entering a new era to which we are obliged to adapt substantially. Because of this, we must come up with rational solutions. Adaption does not mean acceptance of defeat; it signifies defending ourselves against factors which might inflict harm upon us under the conditions we anyhow

live under. Accurate investments shall prevent losses in the future, bring about economic gains through innovation, and provide social and environmental benefits for the entire humanity.

Companies which develop meaningful cooperation with key stakeholders such as clients and lawmakers will be positioning themselves more securely in terms of adapting to changing laws and regulations. Companies with foresight about enacting measures will at the same time have an easier time in meeting the expectations of investors with regard to risk management.

Since 2009, Doğu Otomotiv has been implementing its sustainability strategy centred on stakeholder engagement by regularly evaluating its own performance and by following developments with the goal of achieving progress in each year. Also, when we celebrated our 25<sup>th</sup> anniversary in 2019 we have continued to work on improving our performances in line with the material issues declared in our Sustainability Report of that year. In accordance with the sustainability strategy of Doğu Otomotiv, the strategic value of sustainability is derived from processes based on stakeholder engagement.



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The reason for this is the fact that stakeholder engagement rests on learning from and responding to the needs of our key stakeholders who have a direct influence on us. Companies which have adopted such a sustainability strategy are much better positioned than their counterparts in ensuring to be prepared for changing economic, social, environmental and regulatory conditions, i.e. laws and regulations, as well as international standards and codes, to predict such changes, and to act upon them in a timely manner and by turning them into an opportunity.

Guided by our sustainability goals administered from this perspective, again in the year 2019 we continued with improvement efforts primarily in our managerial and then operational processes.

## “ Our Corporate Management Compliance Rating increased to 9.65. ”

With the aim of developing a direct and consolidated compliance mechanism in our risk management and ethics

processes, we completed our efforts of enacting the Compliance Function commenced in 2018. We have revised all of our processes and procedures in terms of the Code of Ethics, laws and regulations.

In order to ensure adoption of sustainability approach, as well as the culture of survey, assessment and reporting in all of our value chains, also in 2019 we have conducted visits to our Authorized Dealers and Service Providers and to our suppliers in the supply chain, and informed all of their managers about the importance of the subject matter. The number of Authorized Dealers and Service Providers participating in our 2019 report has exceeded close to 40 % of our entire Dealership network. With the inclusion of our affiliate, Doğu Oto, this ratio reached 73 %. The number of suppliers, whom we have tried to include in our report to promote the transparency principle of the sustainability performance, has reached 27, with the participation of 10 new suppliers. The share of these suppliers in the total Administrative Purchasing is approximately 13 %. Additionally, our Purchasing Policy, inclusive of sustainability principles, was approved by the board of directors in 2019 and disseminated to our relevant stakeholders.

Our efforts focused on satisfaction and loyalty have also continued in 2019 for our employees, who have the most prominent position as among our key stakeholders, in terms of digital transformation culture and sustainability vision. Our internal communication efforts geared toward increasing the familiarity of our employees about our sustainability policies have resulted in great success, and familiarity rate has reached 71 %.

In 2019, we have conducted a large number of projects in order to improve the abilities of our employees and to establish a common language with the new generation of our employees. While our D-Internship Program was rated as tenth among the 100 companies evaluated by toptalent.co, it was awarded with the second prize within the automotive industry. We have got together with our employees in a variety of programs, including Conversation Days with General Managers, Senior and Junior Doğu Employee, The Day When Ideas Are Born, Go-Fest, Professionalism Training in the 21<sup>st</sup> Century, in which we have evaluated and awarded the employees' proposals, considered in great detail their ideas with the managerial team, and answered their questions.



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Digital Transformation has been administered by a General Directorate of our company since 2016 and it is considered as among our priorities in the area of sustainability. The Energetic Room established inside the Doğu Otomotiv Headquarters in 2019 has started to be used to visualize projects by bringing together the business units and the IT world. Owners of digital projects and Doğu Teknoloji software teams have met regularly at D-GTL Mini Garden meetings organized in this room. For Doğu Otomotiv, one of the most important current agenda items for being a sustainable company is innovation and corporate entrepreneurship. For this reason and in order to be able to get in touch with more start-ups and to follow the developments in entrepreneurship in Turkey, we have commenced the "Start-Up Catalogue" Program in cooperation with Doğu Teknoloji.

In consideration of our 50 % female Board of Directors, in 2019 we were awarded with the Women Empowered Board of Directors Prize by Sabancı University

Corporate Governance Forum and increased our Corporate Governance Compliance Rating to 9.65. Additionally, we were awarded with the title of "The Most Honourable Company" in the EMEA Region Management Team 2019 Survey realized by the Institutional Investor Magazine.

🗨️ **Thanks to the waste management practices, we have prevented 34,873 ton CO<sub>2</sub> emissions over the last five years.** 🗨️

Gender Equality, as among the priorities of Doğu Otomotiv under the heading of human rights, has continued to be of great importance for us in 2019. We are trying both to increase the number of women employees and to make them more active in decision making mechanisms through the "Coaching and Mentoring Women Program" which we have been running since 2014. The number of women managers who have participated in the Program has reached 125.

From the standpoint we have reached, we can see that the culture of value "creation" and "production" has changed considerably. For this reason, as Doğu Otomotiv, our goal is to move forward altogether by recognizing as a priority the adaption to the rapidly changing world, by redefining the term value, by constantly monitoring, surveying, assessing, and learning, and with an understanding of value built together with all of our stakeholders on top of transparency and accountability principles.

On our sustainability journey, I would like to thank all of our business partners who have supported and contributed to us for their cooperation. I would also like to thank all managers and employees of Doğu Otomotiv who consider sustainability not as a new item to be added to their existing tasks, but as a constructive contribution to their ways of doing business and as a complying and changing perspective.

Respectfully Yours,

**E. Ali Bilaloğlu**  
**Chairperson of Executive Board and Board of Directors**



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# SEIZING THE NEW ERA AS A SUSTAINABLE COMPANY



Mr. Koray Bebekoğlu, the General Director of Digital Transformation and Corporate Relations of Doğu Otomotiv, is responsible for the management of sustainability performance of the company and he is the leader of the Corporate Sustainability Council as well.

**Q: What would you like to say about the impact management strategy of Doğu Otomotiv and its governance approach to issues pertinent to sustainability?**

**KB:** When in 2009 we decided to revise all of our strategies in terms of sustainability by world standards and set on to do this, there were only a few companies in Turkey sharing the same perspective. World standards were not known very well by then. Even though studies on sustainability are based on comparison, initially we could not identify a precedent for our company in the world in our own segment. This meant we could not find an example to compare ourselves with. For this reason, we modelled and recreated the entire structure from scratch, starting with our strategy, and going down to policies, impact, and material issues. We witnessed immense and rapid developments in this area throughout the world during the last decade. For this reason, in 2018 we revised and updated the impact and materiality study which had been carried out in 2009; and specified our 2015 goals.

As we strived to become the first and only example in the world in this field, we were guided by monitoring the world and our country very closely and intensively, especially by following the world's best practice OEMs, i.e. our business partners Volkswagen AG, Audi AG, Porsche AG and Scania. Additionally, from day one onwards we chose to manage all aspects of sustainability with regard to our impact, we have engaged a large team for this purpose, and approached the issue from the perspective of risk management.

**Q: One of your business partners, Volkswagen AG, announced that they would integrate sustainability issues into their global 2025 strategy, and they would treat them as a priority throughout the world. How did this decision affect Doğu Otomotiv?**

**KB:** Compared to the other business partners of Volkswagen AG, Doğu Otomotiv is a company which has been noticeable investing in these issues over a long period of time.



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Our company considers sustainability issues from the perspective of process management, erects the mechanisms to manage these processes, has been producing pertinent reports by global standards for the last 10 years, and integrates impact management into business processes. For this reason, our compliance to the OEM requirements takes a truly short time and gets done with much ease. Generally, we anyhow recognize that companies will strategically embrace sustainability issues as priority in the coming years, and we make our own preparations accordingly. Topics such as Digital Transformation, electrical vehicles, compliance mechanisms, ethical processes, management of sustainable supply chains, and non-financial risk management may become more important for companies in the near future, but nevertheless as of the end of 2017 we commenced our work in this regard by prioritizing these issues along the line with stakeholder expectations. We are one of the first companies in Turkey which declared that they accepted climate change as a financial risk. We are aware that becoming a sustainable company cannot be realized instantly. With the goal of continual progress in the

long run, at the moment our most significant priorities include to be responsive to stakeholder expectations, to make progress consistent with our goals, and to adapt ourselves to new developments.

**Q: For the past two years Doğu Otomotiv has been making significant investments in this area by placing digital transformation at the centre of becoming a sustainable company. In particular, for a company like yours, which is a leader in the sales and service providers segment in the automotive industry, what kind of change did digital transformation create in 2019 and what are your goals for the future?**

**KB:** Even if we call it digital transformation, in reality what is traditional cannot possibly be transformed into digital. For this reason, we rather consider these processes as digital evolution. In other words, it means foreseeing the opportunities presented by the era, adapting our processes accordingly, changing our perspectives in this regard, as well as being open to new perspectives. To be able to respond

to technological developments and the expectation of new generations makes us a more efficient company, which is more mindful, and which is optimizing more and more of its processes. As the General Directorate for Digital Transformation and Corporate Relations of Doğu Otomotiv, we at the same time lead the Sustainability operations. For companies to exist in the future, i.e. for developing skills of responding and adapting to changes, agile management is a very crucial approach. In this regard, in 2019 we established a Digital Board made of members of the Executive Board, in which all digital projects of our company are pooled together and evaluated. In the meetings of the Board, which are organized at regular intervals, the digital projects requested to be implemented by the brand and departments of Doğu Otomotiv are identified and prioritized. At the same time, in 2019 we have also started to work on data analytics regarding machine learning/artificial intelligence. We are setting our goals in line with these efforts which encompass operationally all of our brands, and certainly the logistics unit.



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# DEVELOPMENTS IN ACCORDANCE WITH OUR GOALS

In accordance with our revised material issues published in 2018, we have realized a large number of activities in 2019. We have continued to measure with a variety of tools how these issues were material to our stakeholders.



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# COMPLIANCE AT DOĞUŞ OTOMOTİV

Doğuş Otomotiv believes that the fundamental social responsibility of companies is to conduct their operations ethically. As such, as of 2012, it has started to work on creating ethics mechanisms at global standards. Parallel to the ethics processes, work on creating processes of sustainable management and integrating them to operational processes of the Company was carried on.

All of our efforts to conduct our business with best methods of complying with laws and regulations and with international standards and codes were reinforced together with our employees, responding to their expectations, inquiring about the problems they may face in realizing these processes on a regular basis, and through face-to-face trainings culminating from a 2 years' work of a committee established for this purpose.

Efforts to establish a Compliance Function commenced in 2018 bared fruit in 2019 when it was put into effect with an introductory and informative meeting organized for all units. At the initial stage, the Function reviewed all of the processes the Code of Ethics and relevant procedures, and conducted work on ensuring that the Code of Ethics and all implementations were in harmony and on developing procedures linked to the policies. In this regard, amendments to be made in the Code of Ethics in terms of new laws and regulations, policies and changing material issues were identified. Following the updates in the Code of Ethics and its new version will be presented to the Board for approval.

## The compliance processes of Doğuş Otomotiv were developed on the basis of the following factors:

### Risk Prediction

Predicting social, environmental, and economic risks in order to guide company units for them to take relevant precautions

### Ethics

Developing monitoring and warning mechanisms with regard to compliance to and management of the Code of Ethics and relevant procedures

### Monitoring and Audit

Performing the monitoring and audit functions in all of the compliance processes of the Company

In this regard, the informative meeting on the Compliance Function was organized with the participation of the managers of all relevant units. A commission was formed, and the feedbacks of all members of the commission were gathered to be used as basis for work on the Compliance Policy.

Doğuş Otomotiv Compliance Policy can be accessed on the Company's website.



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# BUSINESS DEVELOPMENT UNIT AT DOĞUŞ OTOMOTİV

One of the fundamental issues of sustainability is to create the necessary conditions so that companies can adapt to the changing circumstances by developing new products and services.

Under the heading of Digital Transformation, for many years Doğuş Otomotiv has been monitoring developments in this regard, contributing to its operational processes by developing innovative products, and initiating pilot projects for increasing productivity. When the Business Development Unit was established in 2019, Doğuş Otomotiv was able to engage in new products and services which would transport the company to the future not only in the digital matters, but in all of the innovation areas.

## Business Development Unit Goals:

- With regard to the changing world order, to reach out to more customers with less contact,
- Through interventions in the dealership network and cooperation and integrating with digital processes, to reach out to customers through more channels and to present the products,
- Through start-up cooperation within the company, to achieve speedy solutions,
- To engage in digitalization of sales and service processes.

In line with the stakeholder engagement strategy of Doğuş Otomotiv, the Unit was designed as open to innovative ideas of all of our employees, and its main function is to ensure that Doğuş Otomotiv develops innovative business models, as well as to ensure that our existing business styles fuse with novel styles through innovative flows.

The Business Development Unit which plays a guiding role in our Company's digital transformation and combines the information technology and informatics projects of the brands and support functions under a single portfolio, ensures coordination of the projects of the brands by monitoring industrial and global strategic developments. The project portfolio, made of approximately 35 projects, is evaluated and prioritized with a value-focused perspective

in Digital Board and Mini Garden meetings organized periodically and participated by 17 Business Owners representing Doğuş Otomotiv's brand and units and 10 Product Owners from Doğuş Teknoloji.

With a aim of getting into touch with more start-ups and to be able to follow up closely the developments in entrepreneurship in Turkey, the "Start-up Catalogue" website was developed together with Doğuş Teknoloji. You may access information regarding all of the new entrepreneurships with whom we have conducted pre-interviews up until now, and may review in detail the companies you might want to do business with on this website. The "Start-up Catalogue" can be accessed at <https://Inkd.in/ghNUjuH>.



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# WASTE MANAGEMENT AT DOĞUŞ OTOMOTİV

## LIVE YOUR LIFE WITHOUT PLASTICS

In 2019, DoğuŖ Otomotiv started a new program in the context of Waste Management, which is one of the material issues of environmental sustainability. With the aim of minimizing single-use plastics, the purpose of the in-house awareness effort is to draw the attention of particularly our employees to the environmental damage caused by use of plastics, to reduce single-use plastics in waste management, and to create a social voluntarism platform for our employees.

## Let's Start Changing the World with Ourselves: Living your Life without Plastics!

At the start of the program, along with dissemination of information, at the cafeteria plastic plates and cutlery were replaced with products made of environment-friendly birch tree material. In this way, the annual use of 35,000 plastic plates and 40,000 cutleries was terminated. Additionally, plastic straws were replaced with straws made of wheat stems. All beverages sold at the cafeteria in plastic bottles were replaced with those offered in glass bottles.

Within the framework of the awareness raising efforts, a workshop was organized with the participation of TRT Artist Zuhal Sunal who is a pioneer in Waste-Free Life.



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# SUSTAINABLE LOGISTICS AT DOĞUŞ OTOMOTİV

Given its main areas of operation including direct imports, distributorship, authorized dealership and after-sale service provision, and logistics services, the sustainable management of the supply chain is one of the material issues of DoğuŖ Otomotiv. The processes that we manage with an approach of risk management, control, and development not only in environmental issues, but also in social and economic development within the supply chain, result in our gradual progression towards more systematic and concrete targets, and us continuing to be part of the solution through awareness raising.

Spare Parts and Logistics, which runs the importation, storage, and transfer to Authorized After-Sales Services of the world's most prestigious brands, including Volkswagen, Audi, SEAT, ŖKODA, Porsche, Bentley, Lamborghini and Scania and their spare parts, as well as Scania Industrial and Sea Motors, Thermo King Mobile Heating Control Systems and their spare parts, realized in 2019 the imports of 58,174 vehicles and delivery of 75,539 vehicles to Authorized Dealers and completed the year with a revenue of TL 1,337.8 million. The B2B website Dpar, which facilitates the process by bringing together the commercial customers and Authorized

Dealers in the spare parts market, was put into effect at the start of the year.

Spare Parts and Logistics has saved up on CO<sub>2</sub> emissions emanating from logistics with the intermodal route system it manages. Since 2014, in the area of waste management, Spare Parts and Logistics has centralized its structure including Authorized After-Sales Service Providers and has undertaken successful undertakings in waste management and collection. In this respect, in 2019,

waste accumulators were collected in amounts well above the legal liability.

With efficient management of its service level, as well as its stock depth, the Unit enjoys a cost advantage. While augmented reality applications allow for a 3-D view at the planning stage of a new facility, in business processes such as optimization of vehicle loading or releasing the correct product from storage, it introduces great many novelties to guide employees in these business processes.

**DoğuŖ Otomotiv's  
Logistics Unit, which raised  
spare parts servicing to the  
highest level thanks to advanced  
prediction mechanisms, ranks as  
number one among the distribution  
centers in Europe in terms of an  
availability level of 99 % for the  
brands it provides  
services for.**



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# SUSTAINABLE CUSTOMER SERVICES AT DOĞUŞ OTOMOTİV

Sustainable Customer Service (SusCRM) has become a widely used process management in recent years. Its general meaning is essentially to integrate the Company's material issues of economic, environmental and community aspects and sustainability to the customer services processes. In current times, when both of these concepts reshape business strategies, change operations methods, and change the course of approach to competition, DoğuŖ Otomotiv takes into account the expectations of its customers, who are considered as priority stakeholders, in matters of sustainability, and integrates them to its customer service strategies.

According to the sustainable customer service approach of DoğuŖ Otomotiv, sustainability draws attention to fundamental values, which are rarely dealt with, and strategic issues within customer services, and contributes to our ability to further develop established processes and structures. Putting emphasis on issues of sustainability in Customer

Service Management and its processes allows for continuity in the Company's operations, and at the same time, facilitates responsiveness to ecological and community expectations.

In order to increase customer satisfaction in sales and after-sales services with the vision of "Creating Loyal Customers", our Company has combined dialogue (interest management), road assistance, and call centre (surveys and appointments) operations services provided by third parties (outsourced) within its own body with a new quality approach. In order to emphasize the significance of customers and service quality, the unit called "Value and Interest Centre" (VIC) was established in November 2014 in Kavacık at a separate location under the Digital Transformation and Corporate Relations Department with the aim of providing innovative services exceeding expectation, enabling customers to go through positive experiences, and increasing the numbers of loyal customers by offering them value and assurance.



**In 2019, more than 46 thousand customers were contacted and asked about their satisfaction related to sales and after-sales services, and relevant units have planned correcting actions accordingly.**

Preparations for the infrastructure for online surveys instead of surveys by phone, as introduced and necessitated by digitalization, have been completed and online surveys have been worked on.



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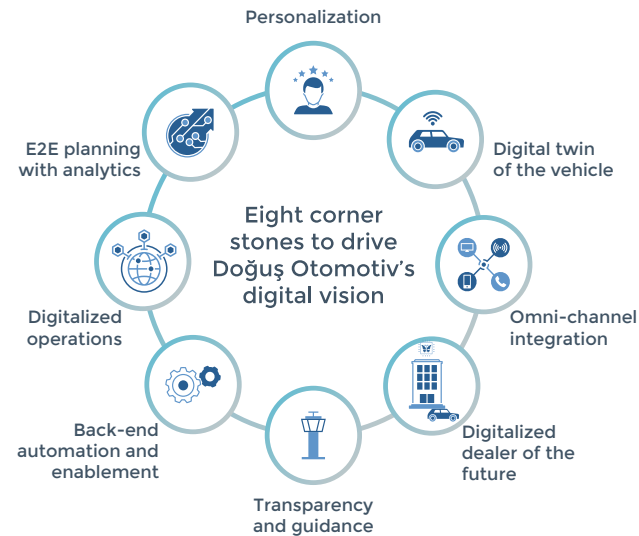
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# DIGITAL TRANSFORMATION AT DOĞUŞ OTOMOTİV

As a company which possesses the culture and ability of learning fast and transferring knowledge to operations with the same speed, since 2017 DoğuŖ Otomotiv has strategically approached Digital Transformation, which is one of the areas contributing the most to sustainability at the present time, and manages its processes.

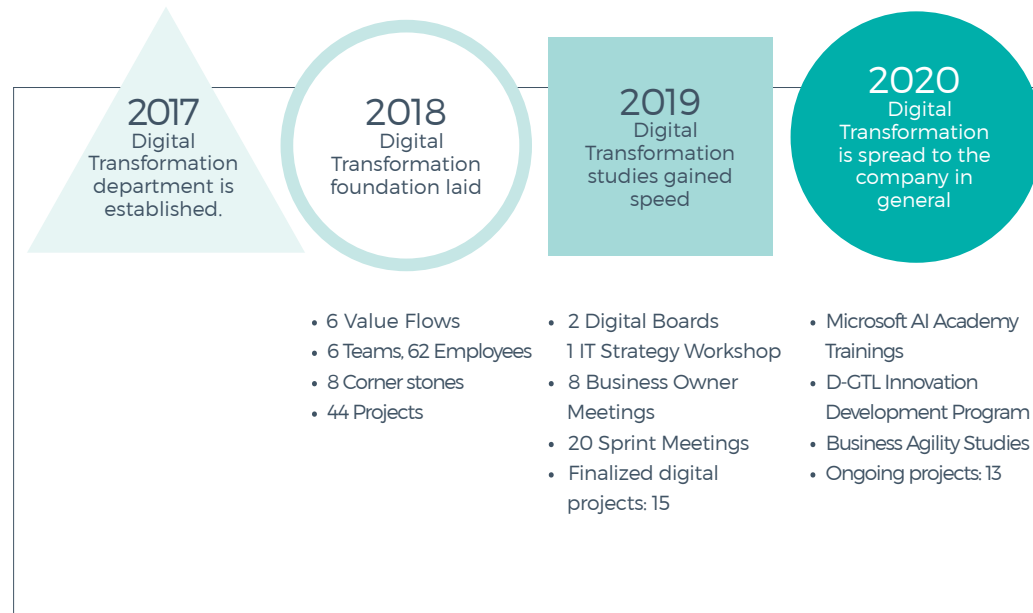
## DoğuŖ Otomotiv Digital Transformation Vision



We are well aware that the vision that fundamentally defines a sustainable company is to redesign not only the present day, but also the future of the company.

## DoğuŖ Otomotiv Gaining Speed with Digital Transformation

As DoğuŖ Otomotiv, we are working with all our energy for the Digital Transformation movement we started in 2017 within the scope of our vision for the future.



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# EQUALITY AT WORK AT DOĞUŞ OTOMOTİV

The most important aspect of the culture of equality is to offer a work environment for our employees which allows them to be themselves both at work and outside of work, and where they can display all of their personal skills. Doğuş Otomotiv is aware that one of the material issues through which our Company will excel is the diversity of our employees, and continues to conduct its business with new ideas and awareness about diversity being a part of the future vision.

The program of “Equality at Work” is a significant part of this approach. This program aims at both increasing the number of women employees and empowering them to become more effective in decision making mechanisms.

In 2019, 15 new women managers participated in the “Coaching and Mentorship for Women Program” which had been commenced in 2014. The 125 women managers who have participated in this

process and completed their training since 2014 were presented their graduation certificates in a ceremony.

Within the context of the “Equality at Work” platform activities, specialized coaching and mentorship training is provided for women in our Company, and opportunities are created to prepare themselves for the next management level. The program supports women employees in their efforts to better manage their own impact areas, and contributes to their personal/professional development. In addition, a large number of implementations geared toward facilitating the work/private life balance for women were realized.

Moreover, in 2019, the education program jointly realized with the Turkish Education Foundation designed to prepare girl students for the business world produced its first graduates. In the context of this program, women volunteers who had been trained in coaching and mentorship have provided

mentorship support for girl students with scholarships from the Turkish Education Foundation.

Having awarded with the “Women Empowered Board of Directors” prize by the Sabancı University Corporate Management Forum, Doğuş Otomotiv sets a precedent in Turkey with its high ratio of women in its board of directors, which reflects its determined stand in this respect.

**As Doğuş Otomotiv, we increased our female employee rate to 32 % in 2019. In the Board of Directors, this rate was 50%.**



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# TRAFFIC IS LIFE! AT DOĞUŞ OTOMOTİV

In line with the impact of Doğu Otomotiv, the Traffic Is Life! Platform run since 2004 in order to raise awareness in road safety, and to promote safe driving by inducing changes in attitudes, completed its 15th year in 2019. This platform, which is the most long-lasting social engagement program in the industry, believes that positive cultural change in traffic will result in positive contributions in all aspects of life, and will cause a significant change in terms of handing down liveable cities and tomorrows to future generations.

In 2019, Traffic Is Life! Platform has turned its focus on urbanization and urban life, as well as how increased mobility and technology is affecting our lives. The Platform has correctly analysed the changes in technology and media consumption trends and is following the strategy of being active in social media and digital platforms in order to reach out to its target population effectively.

In 2019, Traffic Is Life! was the awareness program on social media with the highest number of followers among similar platforms within the industry. The number of followers of

the Facebook account of Traffic Is Life! Platform rose to 154,780 by an increase of 21 %, and the number of followers of its Instagram account rose to 16,676 by an increase of 220 %.

In 2019, Traffic Is Life! Platform continued with its "Road Safety Distance Training", which was started in 2013 as part of its essential responsibility of inducing positive cultural transformation in society regarding traffic issues. The distance training, as recommended by the Higher Education Board under the category of "Social Elective Courses", is the first corporate responsibility program accepted within the university SCORM system with its road safety content. Through this program, more than 25,000 students from 14 universities have been accessed up until now.

The Traffic Is Life! Platform will continue also in 2020 to reach out to a large target population and to conduct interactive projects and field activities geared toward creating positive culture and raising awareness in traffic issues in all segments of society.



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## REPORT DETAILS

# A WORLD REDEFINING THE VALUES AND PEOPLE WHOSE INSPIRATION IS SUSTAINABILITY



Doğuş Otomotiv's 2019 Sustainability Report features 3 main headings in line with the material issues. All headings of the Report have been arranged in a way to include and to complement the Company's annual report, Corporate Governance Compliance Report and Corporate Governance Information Form templates prepared on KAP Platform in the context of Corporate Governance Compliance Reporting, as well as the corporate content presented on its website.



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## ABOUT THE REPORT

### Reporting Principles

The 2018 Corporate Sustainability Report of Doğu Otomotiv Servis ve Ticaret A.Ş. (Doğu Otomotiv), covering the company's performance in non-financial aspects (social, environmental, economic, ethical and governance) for the period from January 1, 2019 to December 31, 2019 has been drawn up in accordance with the comprehensive content of Global Reporting Initiative's (GRI) sustainability reporting standards. Since 2010, the first year of sustainability reporting, Doğu Otomotiv continues to be the first and only company in its segment worldwide to publish reports in GRI Standards. Doğu Otomotiv's 2019 Corporate Sustainability Report, regularly published in Turkish and English, is the 11<sup>th</sup> edition that the company has released. Doğu Otomotiv self-declares that the 2019 Sustainability Report has been prepared according to GRI Standards' comprehensive content.

Doğu Otomotiv's 2018 Corporate Sustainability Report is prepared by considering the materiality analysis and management approach structure of GRI Standards, and certain standard disclosures have been included within the scope of GRI Index. In line with the expectations of the Standards, Doğu Otomotiv's way of doing

business, its sustainability performance in material topics, its position and the Company's impact in nonfinancial areas constitute the contents of the report.

The report also includes United Nations Global Compact (UN Global Compact) principles, of which the Company is a signatory since 2010, and United Nations Sustainable Development Goals (UN SDG) Index, which is a direct part of our sustainability strategy since last year. Furthermore, Doğu Otomotiv uses the methodology recommended by AccountAbility AA1000SES (Stakeholder Engagement Standard) for identifying material issues and key stakeholders as guidance. The Company considers the Standard's framework and principles in all stakeholder engagement focused performances.

In December 2017, Doğu Otomotiv organized a new workshop on material issues, using the methodology proposed by the AA1000SES Standard and updated these topics in line with evolving conditions, laws and regulations and stakeholder expectations. Accordingly, the reporting content used until the 2017 Sustainability Report has been amended in the 2018 report. The material topics that constitute the content of the 2018 sustainability report

were identified during a comprehensive workshop led by the Chairman and CEO and attended by managers from all Doğu Otomotiv Group brands and administrative departments. In identifying the social, environmental, economic, ethical, and governance areas impacted by Doğu Otomotiv's operations, the respective performance indicators of GRI Standards have been considered. However, due to lack of sufficient examples of sustainability performance among our global peers, the study has been finalized by taking into account industry-specific stakeholder and particularly OEM expectations.

Stakeholder expectations have been evaluated in line with the information collected from Doğu Otomotiv's key stakeholders on dialogue platforms through different channels and tools throughout the year. These platforms are described in detail in the Stakeholder Engagement Section of the report.

Doğu Otomotiv inquiries about the expectations of its key stakeholders on different platforms throughout the year. After the sustainability report is published every year, it is sent to key stakeholders' representatives, executives of the companies within the Doğu Otomotiv value chain, all employees of the company,



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and opinion leaders in the industry, accompanied by a personal letter from the Chairman and Chief Executive Officer, and the recipients' views are sought. Report content and performances are announced

## Report Audit

For the 2019 Corporate Sustainability Report, Doğuř Otomotiv took an important step for the first time toward ensuring the accuracy of the data contained in the 2018 Sustainability Report through the assurance of an independent assurance company and procured limited assurance services from PwC Turkey. The 2019 Corporate Sustainability Report was audited in the same way. Audited data are shown with the (\*) symbol in line with the Reporting Guidelines. As shown in the details of the Report's audit section, the accuracy of data has been reviewed in limited scope in accordance with the ISAE 3000 (revised version) standard, and the fact that the report has been prepared at Comprehensive Reporting level in accordance with GRI (Global Reporting Initiative) principles has been self-disclosed to the public.

Additional Reporting as part of the Report Scope on including partners in the value chain of Doğuř Otomotiv, such as Authorized Dealers and After-Sales Services, Suppliers, Subsidiaries and Doğuř Oto Pazarlama ve Ticaret A.ř., within the scope of sustainability

report is ongoing. So far, 24 Authorized Dealers and After-Sales Services and 27 suppliers have been included in the reporting system with their sustainability performances. Detailed information regarding the performance of these stakeholders can be accessed in the relevant sections on the website. Doğuř Otomotiv's affiliates included in the 2019 Sustainability Report are Doğuř Oto Pazarlama ve Tic. A.ř. (Doğuř Oto), Doğuř Bilgi İşlem ve Teknoloji Hizmetleri A.ř. (Doğuř Teknoloji), Yüce Auto Motorlu Araçlar Tic. A.ř. (ŠKODA Türkiye), and vdf Servis ve Ticaret A.ř. (vdf).

## Indexes

Since 2015, Doğuř Otomotiv has been among the companies whose performances are evaluated within the scope of Borsa İstanbul Sustainability Index. The 2019 index evaluation process will start in July 2020 and the results will be announced in October 2020. The 2018 evaluation was announced in October 2019 and Doğuř Otomotiv was included in the index with its sustainability performance.

## For further information:

Doğuř Otomotiv Sustainability Report provides an overview of the Company's publicly available sustainability performance statements. The report includes references to external documents in relevant sections. Stakeholders that seek further information

may refer to information linked below. Doğuř Otomotiv 2019 Annual Report  
Doğuř Otomotiv 2019 Corporate Governance Report (CGCR) and Corporate Management Information Form (CMIF) templates  
Doğuř Otomotiv Website Sustainability Pages <http://www.dogusotomotiv.com.tr/tr/surdurulebilirlik/surdurulebilirlik/surdurulebilirlik>

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UN Global Compact and UN-SDG Index

**2020 Note on Report Content:** As the Doğuř Otomotiv Corporate Sustainability Report was being prepared for publication, on March 11, 2020, the World Health Organization declared a global pandemic, and since then the entire world has entered into an unprecedented societal and economic crisis of serious proportions because of the coronavirus. In this period, our Company has reorganized all of the administrative departments towards working out of their homes, and has included additional information in the relevant sections of the Report regarding Covid-19 mitigation and measures program. These sections were added to the Report with the awareness of the fundamentals of sustainability that require risk prediction and taking appropriate measures in order to carry the Company to the future.



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# CORPORATE PROFILE

In 2019, when it celebrated its 25<sup>th</sup> anniversary, Doğuř Otomotiv continued to be one of the largest automotive companies of Turkey. Doğuř Otomotiv is the company with the largest number of brands and service network of the Turkish automotive industry.

Doğuř Otomotiv is the distributor of 12 international brands, all leaders of their respective segments in the passenger vehicles, light commercial vehicles, heavy vehicles, industrial and marine engines, and cooling systems. To its individual and corporate customers Doğuř Otomotiv's offers a broad brand portfolio which includes such brands as Volkswagen Passenger Cars, Audi, SEAT, řKODA, Bentley, Lamborghini, Bugatti, Porsche, Volkswagen Commercial Vehicles, Scania, and over 80 models of these brands. The Company also operates in the industrial and marine engines market with Scania Engines and in the cooling systems market with Thermo King. Doğuř Otomotiv's DOD brand caters to customers in the used vehicle market.

Close to 550 customer service points dispersed throughout the entire

country offer to Doğuř Otomotiv's customers extensive and continuous sales, after-sales and spare parts services. The Value and Attention Center established in 2014 based on customer satisfaction studies provides 7/24 road assistance services to the Company's customers.

With more than 2000 employees, Doğuř Otomotiv is one of the most significant players in the Turkish automotive industry. Since the IPO in 2004, the Doğuř Otomotiv shares continue to be traded in Borsa İstanbul (BIST) with the ticker code "DOAS.IS". The Corporate Management Compliance Rating of the Company was raised to 9.65 (2018: 9.64)

Doğuř Otomotiv is a member of the Doğuř Group, which operates with over 300 companies and more than 25,000 employees in seven core industries: automotive, construction, media, tourism and services, real estate, energy, and food & beverage. The Group serves its customers with advanced technology, high brand quality and a dynamic human resource.



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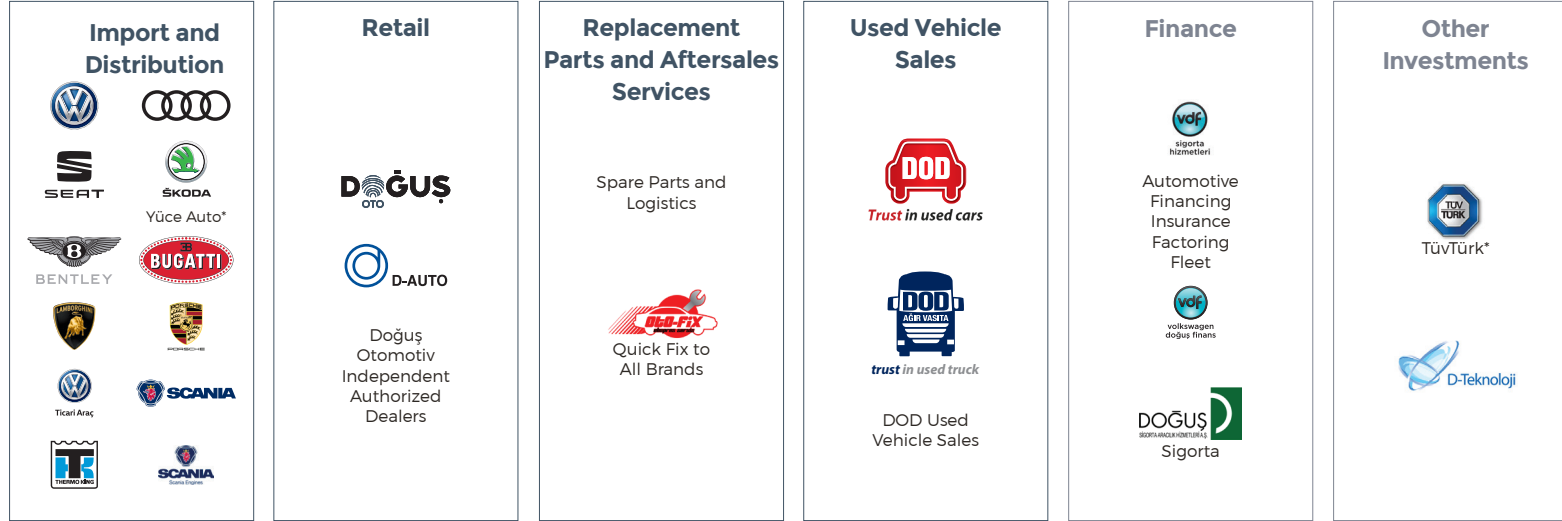
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# DOĞUŞ OTOMOTİV/VALUE CHAIN 2019

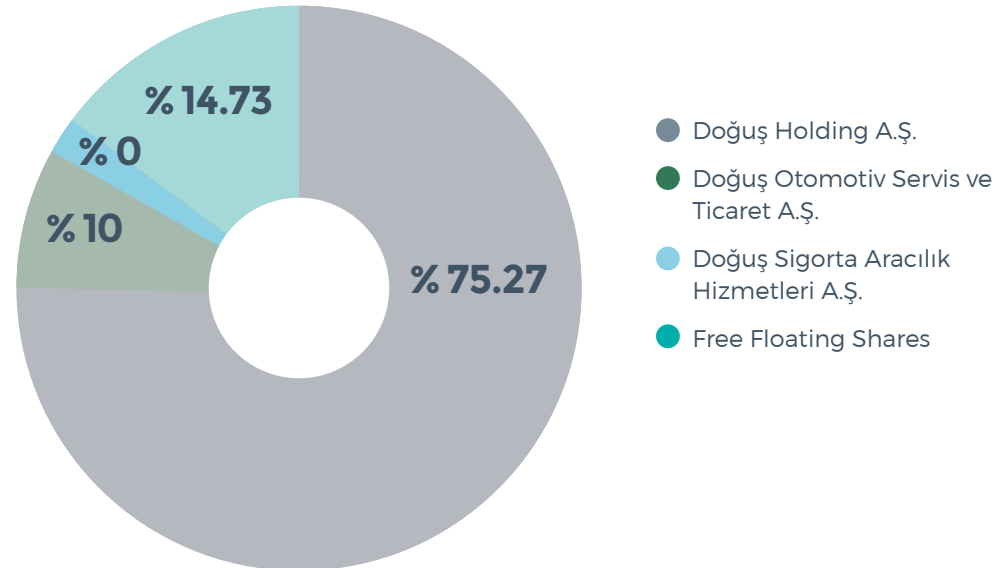
## CORE ACTIVITIES



## Capital and Shareholding Structure

As of December 31, 2019, the capital structure of Doğuş Otomotiv remained unchanged.

For more information about the Board of Directors of Doğuş Otomotiv and its structure please see annual report and the Doğuş Otomotiv 2019 Corporate Management Compliance Report and Corporate Management Information Form with the same content.



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# DOĞUŞ OTOMOTİV IN NUMBERS <sup>1</sup>

	2017	2018	2019
<b>Total Vehicle Sales (Units)</b>	182,199	113,607	182,199
<b>Number of Employees (*)</b>	2,492	2,099	2,035
<b>Women Employment Ratio (%) (*)</b>	22.4	21.1	21.5
<b>Number of Interns</b>	225	232	176
<b>Average training time per employee</b>	29.9	24.66	16.30
<b>Training cost per employee (TL)</b>	892	693	570
<b>CO<sub>2</sub> emissions per vehicle sold (kg)</b>	122	126	122
<b>Number of Suppliers</b>	554	603	601
<b>Total Local Procurement (TL million)<sup>2</sup></b>	1,053.3	1,191.5	908.0

<sup>1</sup> Doğuş Otomotiv's approach regarding the Turkish Automotive Industry and 2020 market expectation are available in the relevant sections of the Annual Report: [https://www.dogusotomotiv.com.tr/newdogusotomotiv\\_files/202022823217799\\_DogusOtomotivFR\\_2019\\_EN\\_WEB.pdf](https://www.dogusotomotiv.com.tr/newdogusotomotiv_files/202022823217799_DogusOtomotivFR_2019_EN_WEB.pdf)

<sup>2</sup> Includes procurement by the brands in addition to the purchasing department procurement amount.



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## Financial Data

Financial Indicators	2016	2017	2018	2019
Net Sales (TL million)	11,925	13,220	10,688	9,844
Gross Profit (TL million)	1,153	1,301	1,301	1,270
Gross Profit Margin (%)	9.7	9.8	12.2	12.9
Operating Costs (TL million)	727	827	774	784
Operating Costs/Sales (%)	6.1	6.3	7.2	8.0
EBIT (TL million)	426	474	527	486
EBIT Margin (%)	3.6	3.6	4.9	4.9
Net Profit (TL million)	238	184	134	77
Net Profit Margin (%)	2.0	1.4	1.3	0.8
ROA (%)	4.9	3.6	2.8	1.7
ROE (%)	21.3	13.8	10.3	6.1
Net Financial Debt/Shareholders' Equity <sup>3</sup>	2.39	2.16	1.79	1.43
Investment/CapEx (TL million) <sup>4</sup>	208	315	179	45
Paid to Shareholders <sup>5</sup> (TL million)	300	0	143	135
Corporate Income Tax (TL million)	38,987	32,358	1,674	0 <sup>6</sup>
Community Investments (TL million)	14,305	1,681	1,149	2,465

<sup>3</sup> Short-term borrowings, current portions of long-term borrowings, long-term borrowings, and cash equivalents have been taken into account.

<sup>4</sup> Material fixed asset acquisitions have been taken into account.

<sup>5</sup> Dividend payments have been entered based on cash payment dates.

<sup>6</sup> Since no financial profit was realized in 2019, there has been no payments of Corporate Income Tax.



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## Retail Sales Units

	2016	2017	2018	2019
<b>Passenger Cars</b>	<b>174,124</b>	<b>152,709</b>	<b>95,345</b>	<b>70,506</b>
<b>Volkswagen</b>	101,763	89,688	49,749	38,820
<b>Audi</b>	22,005	21,578	13,286	10,024
<b>SEAT</b>	20,637	16,064	10,383	5,914
<b>Skoda</b>	28,876	24,679	21,340	15,369
<b>Bentley</b>	14	16	10	9
<b>Lamborghini</b>	7	7	3	9
<b>Porsche</b>	827	670	565	361
<b>Light Commercial</b>	<b>32,772</b>	<b>27,793</b>	<b>17,085</b>	<b>9,676</b>
<b>Volkswagen</b>	32,772	27,793	17,085	9,676
<b>Heavy Commercial</b>	<b>2,060</b>	<b>1,697</b>	<b>1,177</b>	<b>465</b>
<b>Scania</b>	2,050	1,697	1,177	465
<b>Krone <sup>7</sup></b>	2	-	-	-
<b>Meiller</b>	8	-	-	-
<b>TOTAL</b>	208,956	182,199	113,607	80,647
<b>Doğuş Otomotiv Market Share <sup>8</sup> (Retail) (%)</b>	21.0	18.9	18.1	16.7
<b>Used vehicles sold (DOD)</b>	22,534	22,009	21,767	18,067

<sup>7</sup> Distributorship activities are discontinued.

<sup>8</sup> Including Škoda



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## Operational Indicators

	Doğuş Otomotiv 2017	Doğuş Oto 2017	Doğuş Otomotiv 2018	Doğuş Oto 2018	Doğuş Otomotiv 2019	Doğuş Oto 2019
<b>Sales Units</b>	182,199	60,405	113,607	40,341	80,647	27,649
<b>Service Entries</b>	-	295,613	-	300,509	-	288,955
<b>Number of Employees</b>	847	1874	820	1470	609	1426

## Procurement Data <sup>9</sup>

	Doğuş Otomotiv 2018	Doğuş Oto 2018	Total 2018	Doğuş Otomotiv 2019	Doğuş Oto 2019	Total 2019
<b>Total Procurement (TL million)</b>	71,366,059	90,560,816	161,926,875	70,079,239	29,615,346	99,694,585
<b>Transactions</b>	1,986	1,296	3,282	2,152	1,762	3,914
<b>Number of Suppliers</b>	482	432	603	412	466	601 <sup>10</sup>

<sup>9</sup> It is only the amount of purchasing made by the Purchasing Unit.

<sup>10</sup> Since Doğuş Otomotiv and Doğuş Oto have common suppliers, the total number of suppliers is 878. The number of 601 is obtained when joint suppliers are subtracted from this figure.



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# ABOUT DOĞUŞ GROUP

**With over 300 companies and more than 20,000 employees, the Doğuş Group serves its customers with advanced technologies, highest brand quality and a dynamic human resource.**

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

The Doğuş Group, active in seven core businesses including automotive, construction, media, tourism and services, real estate, energy and food & beverage, sustains its growth with

new investments in the areas of technology, sports, and entertainment along with its current operations. With over 300 companies and more than 20,000 employees, the Group serves its customers with advanced technologies, highest brand quality and a dynamic human resource.

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

The Doğuş Group currently partners and cooperates with some of the large global players including: Volkswagen AG and TÜVSÜD in automotive; Condé Nast (Vogue, GQ, Traveller) in media; Hyatt International Ltd. in tourism; the Latsis Group and the Kiriacoulis Group in marina and nautical operations; the international Azumi Group that holds under its roof brands such as Coya, Roka, Zuma and Oblix in food&beverage and entertainment; and the South Korean SK Group in e-commerce.

The Doğuş Group's management approach also embodies a strong

corporate citizenship awareness that the whole society does and will benefit. In launching social responsibility projects, the Group always aims to leave a mark on people's life and make it much better. The Group's social responsibility projects are managed with the objective to help the society to create a progressive future, a modern lifestyle.

The Group launches and carries out a variety of corporate social responsibility and sponsorship projects, particularly focused on culture and arts, sports and education. Aware of its responsibilities in all the areas it supports, Doğuş Group acts with the vision of leading the community by example, and contributes to the economy and employment through its investments.

As a pioneer of change in Turkey, the Doğuş Group capitalizes on its broad network of services, knowledge base and collaborations to attain its goals. The Doğuş Group, driven by its vision of becoming a global player that sets the standards and advances through explorations, continues to consider the partnership and investment opportunities that might be beneficial for the nation's economy.



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# STRATEGY AND MANAGEMENT

Managing our sustainability priorities while managing our business.

**Sustainability Management**

**Impact and Materiality**

**UN Sustainable Development Goals**

**Strategic Stakeholder Engagement Management**



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# SUSTAINABILITY MANAGEMENT

Doğuş Otomotiv, established as a subsidiary of Doğuş Holding 25 years ago, entered the Turkish market in order to provide sales and aftersales services of major global brands with a highly innovative approach and customer satisfaction-centred strategy. From that day onwards, we chose to operate with a strategy not only geared towards ensuring customer satisfaction, but also understanding customer behaviour. This strategy, which in later years was referred to in the literature as “stakeholder engagement”, constituted the foundation of our Company’s way of doing business as Doğuş Otomotiv. Over the past years, we have continued to be a pioneer in sustainability in our segment in the automobile industry. As Doğuş Otomotiv, we were first in implementing and acknowledging that sustainability issues had to rely on priorities, that sustainability as a management process and risk forecasting method had to be managed at the highest level in the company, that reporting had to be done in accordance with international standards, that being a signatory of UNGC was of great importance, that ethical processes had to be part of sustainability, and employees had to be integrated into all of the processes

of the Company with their ideas and opinions through an employee proposals system, and as such we have become a role model in our industry both in the world and in Turkey.

In 2018, we updated our material issues given the changing circumstances, standards, and market conditions. In order to make possible for all of our investors and other key stakeholders to compare us with our counterparts, we used world standard methodologies when identifying our material issues. We declared that non-financial risks had to be included into risk management as much as financial risks, and adapted our systems in line with this approach. As Doğuş Otomotiv, we have always favoured a strategic approach focused on long-run solutions, and have valued the expectations and opinions of our stakeholders. We have succeeded in moving forward with innovative solutions and valuing people.

From the standpoint we have reached on our step-by-step journey since 2009, we observe that even a single action may have multiplier effects on our business, our customers, our subsidiaries, our suppliers, and on the society in which we live, and that we

can create new opportunities and establish robust cooperation just by listening to our stakeholders.

From now onwards, our aim will continue to create value for our stakeholders by achieving positive results with regard to our social and environmental impact.

## Responsible Governance Approach

As Doğuş Otomotiv, we design all of our processes and set out our targets with a responsible management approach throughout our entire value chain. This approach signifies formulating our corporate management approach with sustainable reasoning and placing transparency on the main axis of our management model.

As Doğuş Otomotiv, we follow developments in sustainability not only in our country, but also throughout the world, we monitor laws and regulations that may directly impact our key stakeholders, and we plan our efforts regarding compliance and timely adaptation of our business processes.



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Parallel to our transition to strategic sustainability management encompassing all of our value chain, we are trying to establish a sustainable supply chain that constantly advances the rightful business culture with the model of in-house integrated compliance and risk management. As Doğu Otomotiv, we are part of a large business sphere composed of more than 8,000 employees, in consideration of our distributorship of 12 international brands that we represent, 38 Doğu Oto Sales and 40 Doğu Oto After-Sales Service Points, more than 500 Authorized Sales and After-Sales Services, 5 subsidiaries, and associated partnerships. Having a substantial impact, this business sphere requires the management of different expectations of different stakeholder groups, and accurate impact analysis and risk management approach. For this reason, in 2016, Doğu Otomotiv has added among the tasks of the Corporate Governance Committee functioning directly attached to the Board of Directors the task of sustainability, changed the name of the Committee to Corporate Governance and Sustainability Committee, and designated the Committee with the official responsibility of strategies, policies and targets of the Company related to sustainability. The

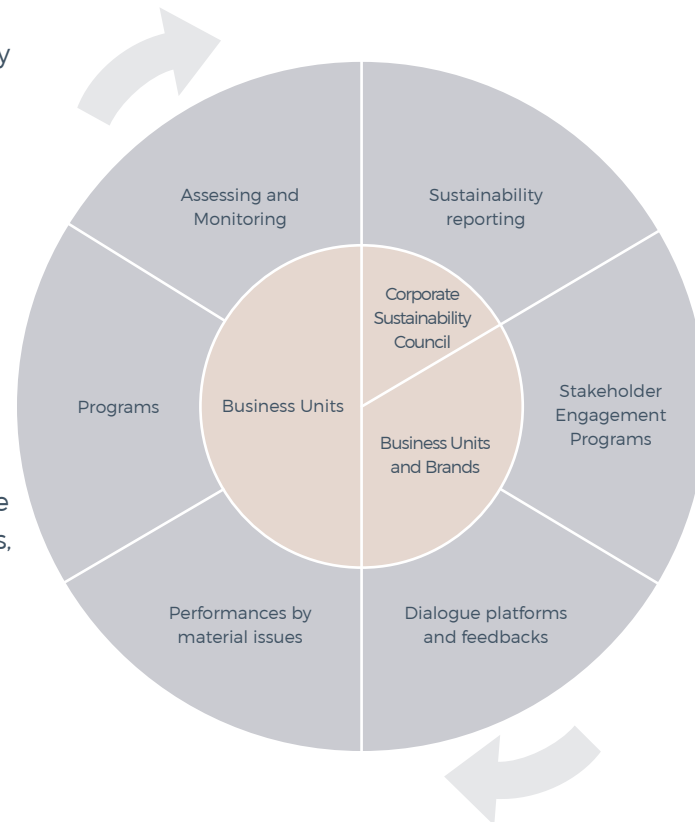
Committee has met 4 times in 2019. The Committee is composed of 5 persons. Its chairperson is an independent member of the Board of Directors, and 2 other members are non-executive members of the Board of Directors.

2 members of the Early Risk Detection Committee, which functions directly attached to Doğu Otomotiv's Board of Directors and the activities of which have direct bearing on sustainability, are concurrent members of the Corporate Governance and Sustainability Committee.

In addition, there is also a Sustainability Council attached to the Upper Committee. The Investor Relations Representative, one of the members of the Upper Committee, is a concurrent member of this Council, and whenever it is necessary, this person assumes such tasks as gathering information for the Committee, forwarding the findings of the Council to the Committee to guide their decision making processes, and to inform the Committee about operational risks and opportunities. Besides, The General Director of Digital Transformation and Corporate Relations, as a natural member of the Council, is a member of the Executive Board

on matters regarding sustainability. Doğu Otomotiv's Sustainability Council was formed with the participation representatives from all operational and administrative units and subsidiaries of the Company, and the Council has met 4 times in 2019.

Detailed information of the Corporate Governance and Sustainability Committee is available in the **2019 Annual Report**.



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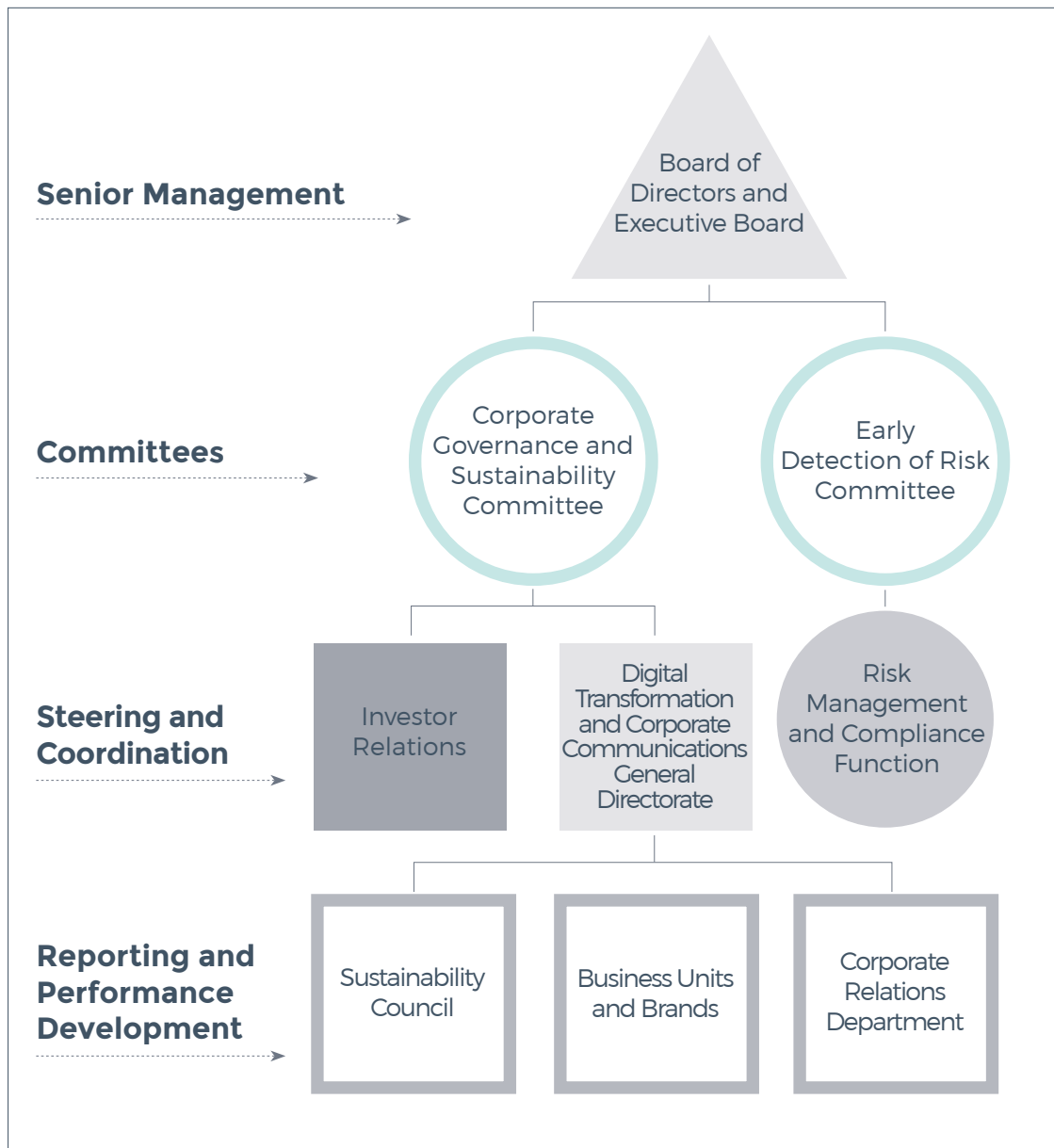
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We know that the key to our success is the trust of our stakeholders in us. We believed that we could reach our goals much faster and reliably with an accurate understanding of governance, transparent and accountable ethical processes. You can find detailed information about Doğu Otomotiv's corporate governance processes in the 2019 Corporate Governance Report included in the 2019 Annual Report.



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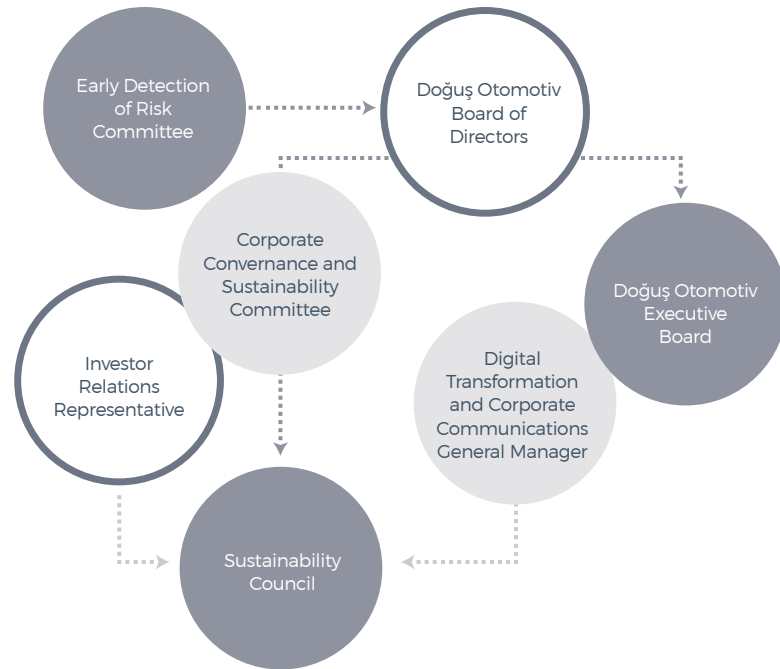
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## Doğuş Otomotiv Sustainability Management



### The Role of Digital Transformation and Corporate Communication Department

Due to its stakeholder engagement approach, which forms the cornerstone of Doğuş Otomotiv's strategic view of sustainability-related areas, studies such as monitoring and reporting of the area's performance and coordination of developments are managed with the leadership of the Directorate General of Digital Transformation and Corporate Communications, in collaboration with Investor Relations, Financial Control as well as Risk Management Units and the General Directorate of Human Resources.

Digital Transformation and Corporate Communications Department performs monitoring and coordination duties on sustainability related topics under the following headings:

- Leading the Sustainability Council, organizing meetings, communication with council members and managing internal communication programs,
- Reporting on Sustainability and management of data collection processes,
- Sustainability carried out by other units and departments and brands, monitoring their works and ensuring compliance with the strategy,
- Monitoring sustainability studies carried out by other units and departments as well as brands, and ensuring that these studies comply with the strategy,
- Following up and monitoring stakeholder dialogue platforms,
- Undertaking the coordination role in the implementation of decisions determined by the Corporate Governance and Sustainability Committee,
- Coordination of cross functions related to focus areas within the company, and providing information on compliance with the targets,
- Cooperation and coordination with the company training unit in training organizations, and;
- Cooperation and coordination with the Human Resources Unit in the volunteering platform organization.

### Business Units

In the company, business units and departments and brands take the ownership of priorities within the scope of sustainability focus areas, and report the progress made on these issues to the council and the top committee through their representatives at the council. Each business unit's setting targets in line with its sustainability focus areas, the methods and plans they use to achieve these goals, measurement and monitoring processes are conveyed to the Digital Transformation and Corporate Communications Department. Some priority issues in sustainability-related areas may directly affect the activities of many units or departments.

In such cases, multi-functional structures are created by forming sub-committees or working groups affiliated to the council. (For example, volunteering working group, environmental working group, ethics committee, etc.)



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# IMPACT AND MATERIALITY

**Determining material issues for our company and stakeholders and improving ourselves by setting targets in this direction constitutes the basis of our sustainability strategy.**

Today's commonly accepted principle of determining the impact and materiality that form the first step of sustainability strategies in accordance with stakeholder expectations and corporate strategies has also been accepted and implemented as the most

appropriate and comparable process management for Doğuş Otomotiv since 2009. Thanks to this assessment and work, we learn what our internal and external stakeholders expect from Doğuş Otomotiv, which issues are material for them, and in order to become a sustainable company we climb the steps according to these targets. Accordingly, our second materiality study was completed in December 2017 and published in the 2018 report. Doğuş Otomotiv questions stakeholder expectations by using various tools in the dialogue platforms it has implemented with all its stakeholders throughout the year. The results obtained are evaluated according to the material issues that may create risks and opportunities for us and necessary actions are taken within this scope. In Corporate Governance and Sustainability Committee meetings held regularly every year, relevant departments are informed in this area. 4 committee meetings were held in 2019.

Doğuş Otomotiv's last materiality study was realized under the moderation of an independent

consultant and results were published in the 2018 Corporate Sustainability Report.

Following approaches and analysis methods have been used to determine Doğuş Otomotiv's impact and material issues.

1. Basic focus areas and titles have been determined by taking into consideration all the Doğuş Otomotiv 2025 strategies, along with the sector analyses, global changes, laws and regulations, results of the surveys that regularly inquire stakeholder views conducted by our brands and departments, internal principles and targets, and strategies and targets of units. These titles have been evaluated in line with the economic, environmental and social impacts.

2. Issues updated by the GRI Standards, which are used as the reporting standard, especially in the impact assessment and materiality topics are taken into consideration, and are included in the study by obtaining expert opinion.



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3. A Materiality Workshop was held on December 27, 2017, with the participation of senior management and the moderation of independent experts, where managers of all operational units of Doğu Otomotiv and representatives of subsidiaries came together. All data available, social, environmental and economic impact analyzes, stakeholder expectations, stakeholder expectations were evaluated using the AA1000SES methodology, and risks and opportunities were reviewed in the workshop, in line with the strategic objectives of the company.

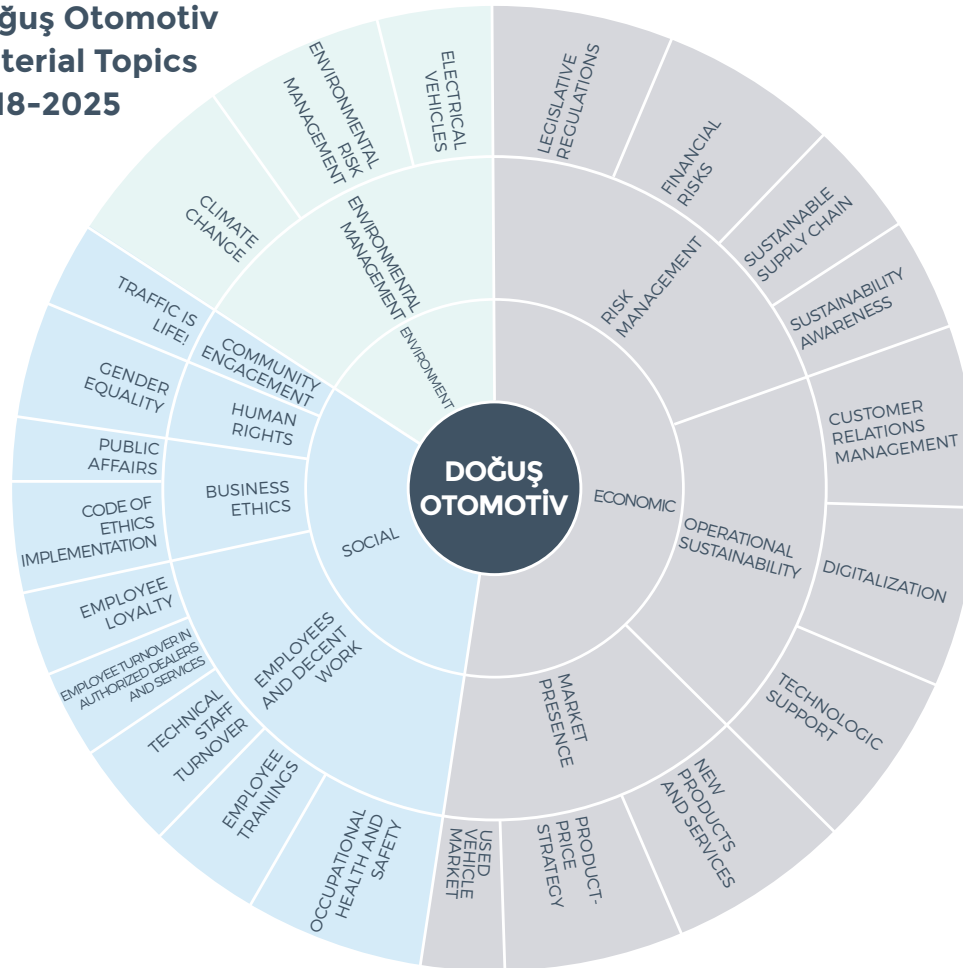
4. In the impact assessment, each phase of the company's life cycle was reviewed and all indicators of GRI Standards were reviewed one by one which were later discussed by the workshop participants.

5. Results of the workshop were analyzed and reported by an independent institution, first approved by the Sustainability Council, then by the Corporate Governance and Sustainability Committee and finally by the Board of Directors.

6. In the process of determining the material focus areas that are systematically constructed, results

of the 2025 sustainability strategy of Volkswagen AG, the key stakeholder of Doğu Otomotiv, were also evaluated, and compatibility of these results were evaluated in terms of risks and opportunities.

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# UN SUSTAINABLE DEVELOPMENT GOALS

We already know that all of our actions impact directly or indirectly the entire planet and the people living on this planet. In order to attain results by which this awareness transforms into opportunities for all parties, not only the private sector, but all organizations and institutions must cooperate and become actors of solution-focused action plans. As Doğu Otomotiv has operated with a business approach formulated in this direction over the last 25 years, it has embraced the principle of defining and actualizing processes which would have reflection on all of its stakeholders, ranging from employees to customers, from suppliers to authorized sales and after-sales services, who are all within its impact.



Since 2016, the framework of the United Nations Sustainable Development Goals (UNSDG) has played a guiding role for Doğu Otomotiv. With the declaration of the 17 goals, the United Nations (UN) expects all organizations and institutions in the world to get together around the same goals under a robust commitment and cooperation declaration and to become a part of change by implementing concrete action plans.

These goals, which are planned to be realized for the entire humanity by 2030, have been taken into consideration when identifying the priorities of Doğu Holding, and since 2017, they have been included in the Sustainability Report by means of an index.

A large portion of material issues of Doğu Otomotiv overlap with the UNSDGs.

As Doğu Otomotiv, we are aware that our material issues simultaneously open up a new window for us allowing to recognize corporate risks and opportunities, and we try to manage our impact at a maximum level by creating opportunities that will benefit our employees, customers, investors, suppliers, subsidiaries, authorized sales and after-sales providers, and all of our business partners.

Our Company shares the vision of the UN of striving to achieve a more fair and peaceful world for the entire humanity.



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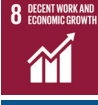







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## Material Issues and UNSDG

OUR PEOPLE AND COMMUNITY DEVELOPMENT	Material Issue	Definition of Issue	Relevant SDG	Supporting Strategies and Programs	Our Goals
	<b>Ethics and Integrity</b>	Doğuş Otomotiv's approach to work ethics features ethical standards at the highest level in our corporate policies, business conduct, and behaviour. In other words, ethical standards manifest themselves in all aspects of our business. Our company units, technological assets, financial and operational activities, in short, all of our business processes fully reflect an ethical approach to making business, even beyond moral customs and values.	  	<ul style="list-style-type: none"> <li>• Code of Ethics and relevant policies</li> <li>• Reporting and internal audit</li> <li>• Compliance function</li> </ul>	<ul style="list-style-type: none"> <li>• 100% completion of Code of Ethics training of our employees</li> <li>• Conducting OEM Ethics and Compliance training for our authorized sales and after-sales services</li> <li>• Completion of protocols for our suppliers including Code of Ethics policies</li> </ul>
	<b>Employee Development and Training</b>	Employee development is fundamental to Doğuş Otomotiv's human resources policy. In this respect, it is one of our most significant goals to ensure, monitor, and encourage the professional development of our employees through continuous training programs and development strategies.	 	<ul style="list-style-type: none"> <li>• Cooperation with vocational schools</li> <li>• Cooperation with Turkish Education Foundation</li> <li>• Increasing the numbers of women employees</li> <li>• Occupational Health and Safety policies and training</li> <li>• Policies regarding child labour</li> <li>• DIM employment</li> <li>• DRIVE Program</li> </ul>	<ul style="list-style-type: none"> <li>• Transferring continuous training facilities to digital platforms, used and easily accessed by all employees</li> </ul>
	<b>Diversity and Gender Equality</b>	Doğuş Otomotiv renounces all types of discrimination. It implements a zero-tolerance policy for all types of abuse on the basis of religion, language, race, colour, sex, age, ethnic background, disability, citizenship, or any other social status. In this regard, since 2015, it has been realizing programs geared towards women employees in the context of the Equality at Work Program.	   	<ul style="list-style-type: none"> <li>• Employment increasing activities (Authorized Sales and After-Sales Services)</li> <li>• Equality at Work Platform</li> <li>• Woman managers programs</li> <li>• Mentorship programs for girl students</li> <li>• The number of women managers in the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>• Continue the existing programs to increase the women employment rate.</li> <li>• Increasing the ratio of women employees to 40 % by 2025</li> </ul>



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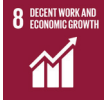

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	Material Issue	Definition of Issue	Relevant SDG	Supporting Strategies and Programs	Our Goals
OUR PEOPLE AND COMMUNITY DEVELOPMENT	<b>Social Engagement</b>	Doğuş Otomotiv's sustainability policies in particular emphasizes the goals of minding the welfare of the society in which we live and managing of our possible negative impact. Starting from our priority stakeholders, the society is composed of all segments within our impact who gets impacted by our activities that require social approval. Engagement, on the other hand, is composed of dialogue platforms and programs we have formed in order to meet the expectations of the society and to be an accountable company.	  	<ul style="list-style-type: none"> <li>• Traffic Is Life!</li> <li>• Voluntarism Platform</li> <li>• Doğuş Otomotiv's Code of Ethics</li> <li>• Code of Ethics training</li> </ul>	<ul style="list-style-type: none"> <li>• To be included in formal education programs with our Traffic is Life! Program with the aim of raising the awareness of and training particularly the children and youth who reaches the age of driving permit</li> <li>• Contributing to reducing inequality through employment generating activities and education supports.</li> <li>• Contributing to appreciation of society of the significance of corporate business ethics.</li> <li>• Achieving the goals of community engagement through cooperations</li> </ul>
	<b>Occupational Health and Safety</b>	Occupational Health and Safety Doğuş Otomotiv commits itself to provide a safe work environment for all of its employees and to carry out its environmental responsibilities	 	<ul style="list-style-type: none"> <li>• Occupational Health and Safety Management</li> <li>• Non-financial risk management</li> <li>• Business continuity activities</li> <li>• Emergency mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>• Implementing all measures in line with risk studies on Occupational Health and Safety</li> <li>• Using mechanical system for heavy materials by switching to vacuum transparent system in spare parts warehouse</li> </ul>
OUR PLANET AND ENVIRONMENTAL SUSTAINABILITY	<b>Waste Management</b>	Doğuş Otomotiv strives to improve its environmental management system and to acquire more data each year. Doğuş Otomotiv regularly measures the waste emanating from our activities, tries to minimize its environmental impact by beyond what is required by legally set limits, and conducts joint efforts with various organizations in order to realize its recycling strategy.		<ul style="list-style-type: none"> <li>• Implementations of waste management</li> <li>• Activities regarding environmental awareness</li> <li>• Live Your Life Without Plastics Program</li> </ul>	We will continue the awareness programs within the scope of Live Your Life Without Plastics Program



Material Issue	Definition of Issue	Relevant SDG	Supporting Strategies and Programs	Our Goals
<b>Climate Change</b>	Doğuş Otomotiv considers its environmental policy under five headings, including Water, Waste, Energy, Logistics, and Environmentally-Friendly Products. Doğuş Otomotiv takes into account the environmental impact of its management and operational decisions. It evaluates direct or indirect environmental impact emanating from its operations and commits to reduce this impact. Beyond what is required by laws and regulations, it is responsible towards the society in protecting the nature and resources. The company strives to install the same level of environmental awareness in its employees, the families of employees and companies with which it cooperates. It aims at creating the systems for measuring, monitoring and alleviating environmental impact. For better promotion, appreciation, and sales of high standard, environmentally-friendly products of brands it runs the distributorships of, it conducts cooperation and awareness raising within the value chain. It is committed to regularly review its environmental policy and to identify new goals and targets in this policy.	     	<ul style="list-style-type: none"> <li>• Live Your Life Without Plastics Policies</li> <li>• Environmental Policies</li> <li>• Digital Transformation Programs</li> <li>• Waste Management Implementations</li> <li>• Encouraging waste management actions and programs for suppliers and authorized dealers and services</li> <li>• Environmental Risk Management</li> <li>• Business continuity policies</li> <li>• Activities to prevent the cutting of trees through environmental management and waste management implementations</li> <li>• Intermodal Transport</li> </ul>	We will continue the existing programs



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Material Issue	Definition of Issue	Relevant SDG	Supporting Strategies and Programs	Our Goals
<b>Digital Transformation</b>	In line with our vision and mission, Doğu Otomotiv aims strengthening cost management, to implement digital transformation in all possible business processes, to create “fan customers”, and to be a Company which grows sustainably and productively for all of our employees, business partners, customers, and shareholders.	 	<ul style="list-style-type: none"> <li>• Digitalization of Human Resources processes</li> <li>• Agile Project Management</li> <li>• Digital Board</li> <li>• Data analytics with machine learning/ artificial intelligence</li> </ul>	<ul style="list-style-type: none"> <li>• Digital business development projects</li> <li>• Planning of work regarding electrical and connected vehicles</li> <li>• Integration of digital projects into all channels</li> <li>• Digital operations</li> <li>• Digital twin project</li> <li>• Digital dealers project</li> </ul>
<b>Risk Management</b>	The Corporate Risk Management was created in order to diffuse our approach of timely detecting uncertainties, evaluating them with correct methods, and taking measures appropriate to targets, throughout our Company as a business conduct. It is being developed as a corporate culture ranging from management organs to employees working at the lowest tier. Our risk compositions in the context of probability and possible impact, considered on the basis of processes and scenarios, have been enlarged with the inclusion of our recent health, safety, environment, business continuity and sustainability sensitivities, as well as non-financial risks. The risk measurement and assessment parameters, use of common terminology, business continuity approach, relevant reporting and information sharing with stakeholders are also being strengthened in this regard.	 	<ul style="list-style-type: none"> <li>• Environmental Risk Management activities</li> <li>• Establishing the Compliance Function</li> <li>• Publishing the Compliance Policy</li> <li>• Early Risk Detection Committee</li> <li>• Corporate Governance and Sustainability Committee</li> <li>• Sustainability Report</li> <li>• Sustainable Procurement Policies</li> <li>• Sustainability awareness for authorized sales and after-sales Services</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Risk Management Certification</li> <li>• Investment and awareness activities in the Sustainable Supply Chain</li> <li>• Increase the ratio of authorized dealers and after-sales services included within the sustainability program to 75 %</li> <li>• Including our suppliers from whom largest procurements are made in terms of revenue to the sustainability management model by 80 %.</li> <li>• Working on scenarios for Post-Covid-19 pandemics and their integration into the model (Added in March 2020)</li> </ul>



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OUR BUSINESS AND ECONOMIC DEVELOPMENT

Material Issue	Definition of Issue	Relevant SDG	Supporting Strategies and Programs	Our Goals
<b>New Products and Services</b>	As Doğuş Otomotiv, engaged in all aspects of sales and after-sales services in the automotive industry, our sustainability strategy rests on risk forecasting. In this regard, all research and development activities shaping the future of the market are closely monitored. The Business Development Unit plans its work in this respect.	 	<ul style="list-style-type: none"> <li>Establishing the Business Development Unit</li> <li>Digital Transformation Unit</li> <li>Electrical Vehicles Committee</li> </ul>	Integration of Digital Transformation and Business Development Unit Projects
<b>Used Vehicles Market</b>	Efforts to develop the used vehicle market in a corporate manner, to increase brand sales volume, and to ensure that customers can buy and sell in confidence are being continued.	 	<ul style="list-style-type: none"> <li>All employees acquiring professional proficiency certificates</li> <li>DOD.com.tr and DOD Mobil applications</li> <li>101 Point Control and Assurance Services</li> </ul>	<ul style="list-style-type: none"> <li>Improving DOD.com.tr an DOD Mobil with additional features and expanding the impact of the platforms</li> <li>Establishing new supply and sales channels</li> </ul>
<b>Sustainable Supply Chain Management</b>	Sustainable supply chain management is among the material issues of Doğuş Otomotiv because of its field of activity involving direct importation, distributorships, authorized dealer and after-sales service, and logistics services. Within the Supply Chain, the way we manage processes with an approach of risk management, control and development in not only environmental issues, but also in social and economic development issues, causes us to move towards more systemic and concrete targets and makes us continue to be part of the change and the solution by raising more awareness.		<ul style="list-style-type: none"> <li>Participation of 27 of our Suppliers and 24 of our Authorized Dealers and After-Sales Services into the sustainability report and encouraging them to engage in sustainability issues.</li> <li>Drive Program</li> <li>Addition of sustainability issues to the Selection and Audit Criteria for Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>At our Authorized Dealers and After-Sales Services, current status analysis and realization of promotion mechanisms in areas of Corporate Governance and Sustainability will be completed by 2025.</li> <li>Work on risk categorization of our suppliers will be commenced in 2021.</li> </ul>



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## Environmental, Social and Governance Indices

Doğuş Otomotiv's sustainability reporting conducted within the context of the Global Reporting Initiative (GRI Standards) has been ongoing for 11 years. Doğuş Otomotiv complied with the GRI before the deadline for compliance with the adoption of the improved reporting standards and produced reports in line with the new reporting standards. At the same time, since 2015, the Company has participated in Borsa Istanbul Sustainability Index and from the very first year onwards, has scored high among other companies subjected to the index.

In addition, Doğuş Otomotiv has also been rated in Borsa Istanbul Corporate Governance Index since 2009. With a score of 9.65 out of 10 achieved in 2019, the Company has shown that it has complied to a large extent with the Corporate Governance Principles declared by the Capital Market Board and has become a precedent for best practice. Possible risks for the Company are being identified and put under control. Activities for public information and transparency are high level. The rights of shareholders and interest are respected fairly. The structure and working conditions of the Board of Directors comply with corporate governance principles. In conclusion, the score achieved signifies that

the Company deserves at the highest level to be part of the BIST Corporate Governance Index.

## Public Policies and Government Relations

As one of the largest companies of Turkey, Doğuş Otomotiv closely follows the developments in the industry, and through a number of different NGOs and industrial unions, enters into dialogue with relevant organization and institutions on matters which may impact directly or indirectly its business partners, investors, or customers. These relations are managed through such organizations as Automotive Distributorship Association, Foreign Economic Relations Board, Heavy Commercial Vehicles Association, German Chamber of Trade and Industry, Managers of Stock Market Quoted Partnerships Association, New Investor Relations Association of Turkey.

**A complete list of unions and associations to which our Company is a member and of which activities it participates actively is available on our website.**

## Political Support and Donations

Doğuş Otomotiv does not provide corporate support for any political party, political party leadership, or election campaign. Our

company's donations policy is shared with the larger public and with relevant persons and organizations my means of our website and annual reports.

# STRATEGIC STAKEHOLDER ENGAGEMENT

Stakeholder engagement is more than being a perspective or approach, but a process applied systematically to Doğuş Otomotiv's entire managerial and operational processes. Parallel to the dialogue platforms we have formed together with our key stakeholders, it is established with the purpose of better appreciating our priorities, being responsive and creating the basis for our risk prediction mechanisms. The strategic stakeholder engagement process we manage in a ask, learn, respond" cycle in each platform, as we do our business allows us to learn about the social, environmental, and economic expectations of our stakeholders ahead of time and take the required precautions and actions.

Doğuş Otomotiv manages all of its sustainability activities with the aim of meeting the expectations of stakeholder groups fully and accurately by engaging in cooperation with relevant organizations and institutions.



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Aside from its membership to a number of associations and unions, it participates in and contributes to a large number of programs in coordination with many public organizations, local administrations, universities, and NGOs.

In addition to the work on material issues, throughout the year, Doğu Otomotiv inquires through dialogue platforms about a large number of issues and the opinions of its stakeholders, including current and newly emerging conditions and circumstances, as well as other expectations, evaluates the feedbacks received, and shares its pursuant action plans and programs in a transparent fashion, primarily in the sustainability website and sustainability report and by involving a large number of other means of communication.

Stakeholder engagement is the basic concept Doğu Otomotiv uses to learn about the social, environmental, and economic expectations of key stakeholders, and to explain the dialogue platforms and associated methods created in order to be responsive to these expectation through different channels. As for that, the strategic stakeholder engagement management is Doğu Otomotiv's managing the stakeholder engagement processes with strategic approach, reporting and regularly determining progress goals.

Even though Doğu Otomotiv carefully evaluates its material issues in line with stakeholder expectations and standards, and by taking into account its impact, it has not conducted a separate materiality study for the issues accepted as material.

**While carrying our company and our value chain into the future by giving equal attention to all material issues that harbour risks and opportunities, one of the main goals of Sustainable Development is to be a part of development as well.**

For this reason, we continue to report on our performance in all of the material issues from this perspective.

## Doğu Otomotiv's Key Stakeholders and Dialogue Platforms



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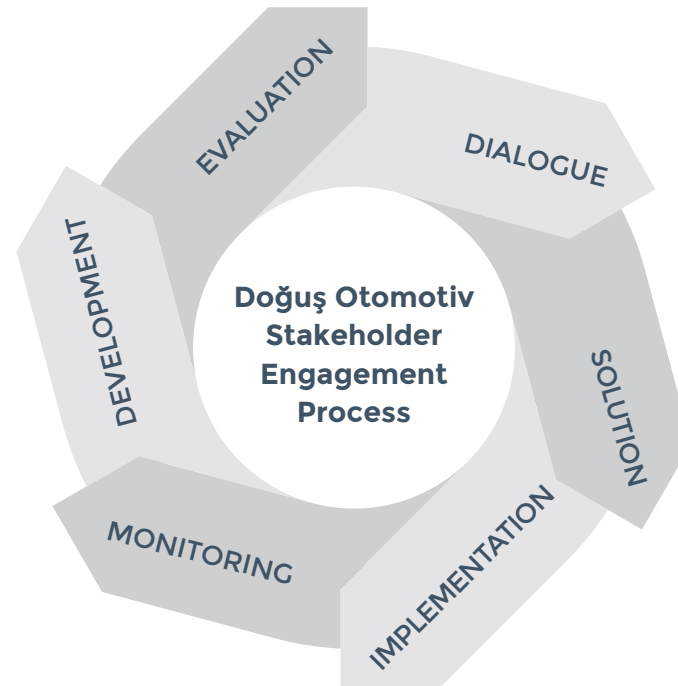
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Stakeholder Engagement is a method, by which the foundation of Doğu Otomotiv's sustainability strategy is formed, and which is integrated into the processes of all brands and operations for years. Nevertheless, our Company encounters different expectations of a large number of stakeholders in different contexts, given that we engage in representation of 12 brands in Turkey, has more than 8,000 direct and indirect employees, and manages more than 550 sales and service points. Stakeholder expectations also vary by different regions, cultures, and different industries. For this reason, Doğu Otomotiv calls its key stakeholders as "persons, groups, and organizations whose activities affect us and who directly affected by us. In our key stakeholder analysis, along with this definition and as a company whose operations focus on direct sales and service provision, our key stakeholders are identified as our employees, customers, and the producers of the products we directly import (OEM).

## Expectations of Stakeholders and our Responses

Doğu Otomotiv evaluates the opinions and expectations of all of its stakeholders by using different channels throughout the year. The management of non-financial

risks is as much important as financial risks for our Company. Given the nature of our business, we regularly analyse the expectations of our customers and update the required action plans accordingly. Each year we regularly evaluate the social, environmental and economic expectations of our internal and external stakeholders in terms of our risks and opportunities together with our own priorities, and try to respond to these expectations.



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MATERIAL ISSUES	STAKEHOLDER GROUP	DIALOGUE PLATFORMS	DOĞUŞ OTOMOTİV RESPONSE
<b>Sustainable Supply Chain</b>	Authorized Sales and After-Sales Services, Investors, OEM, Suppliers	Informative Meetings	Supplier Agreements and Audits, Supplier Reportings, Authorized Dealers and Services Reportings, Corporate Reports
<b>Sustainability Awareness</b>	Investors, OEM	Informative Meetings, Investor presentations	Corporate Sustainability Report, Website, Press bulletins, Traffic Is Life Platform, Voluntarism Platform
<b>Customer Relations Management</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services, Customers, Investors, OEM	DIM, Trainings, Surveys and Researches, Informative Meetings,	Corporate Reports, DIM Operations
<b>Digitalization and Technological Support</b>	Employees, Subsidiaries and Related Partnerships, Customers, Investors, OEM	Workshops, Social Media, Informative Platforms, Digital Transformation and Corporate Relations Unit Operations	Digital Transformation Platforms and Projects
<b>New Products and Services</b>	Authorized Sales and After-Sales Services, Customers, Investors, Suppliers, OEM	Surveys and Customer/ Market surveys, Informative Platforms, Social Media	Evaluation of findings from field surveys, Used Vehicle Market (DOD), DIM, Digital Transformation Programs
<b>Used Vehicles Market</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services, Customers, Investors, Suppliers	Surveys, Social Media, Customer Relations Management Tools, Informative Platforms, DOD Authorized Dealers Meetings	DOD, Compliance to Laws and Regulations, Employee trainings and certification
<b>Occupational Health and Safety</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services, Customers, Investors, Suppliers, OEM, the Society	Occupational Health and Safety Committees, Suggestion System	Implementations of Occupational Health and Safety, Informative messages, Corporate Reports, Compliance to laws and regulations, Trainings
<b>Employee Trainings</b>	Employees, Authorized Sales and After-Sales Services, Customers, Investors, OEM	Suggestion System, Human Resources Training Programs, Mentorship Programs, Trainings, Surveys	Bir'iz Employee Committee, Ninova, GO Development Platform, Workshop activities, D-Mobile, in-house trainings, skills and career management programs
<b>Technical Employee Circulation</b>	Employees, Authorized Sales and After-Sales Services, Customers, Investors, OEM	Cooperation with Vocational Schools, Informative Meetings	DRIVE Program, Vocational School Volkswagen Laboratories, Internship and Employment Programs, Young Women Development Project in Cooperation with TEV
<b>Authorized Service Employee Circulation</b>	Authorized Sales and After-Sales Services, Customers, Investors, OEM	Cooperation with Vocational Schools, Informative Meetings, Cooperation with Universities	DRIVE Program, Vocational School Volkswagen Laboratories, Internship and Employment Programs, Young Women Development Project in Cooperation with TEV



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<b>MATERIAL ISSUES</b>	<b>STAKEHOLDER GROUP</b>	<b>DIALOGUE PLATFORMS</b>	<b>DOĞUŞ OTOMOTİV RESPONSE</b>
<b>Employee Loyalty</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services, Customers, Investors, OEM	Surveys, Tet-a-Tet Meetings, Performance System, Bir'iz Employee Committee, Intranet, Social Media	Go Fest, Ninova, GO Development Platform, Hi To Motherhood Activity, Organics Bazaar, 8 March Women's Day Activity, Seminars, Equality at Work Program, Suggestion System, Pitstop, Volunteering Programs
<b>Code of Ethics Implementation</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services, Customers, Investors, Suppliers, OEM, the Society	Code of Ethics face-to-face Trainings, Ethics Line, Informative Meetings	Code of Ethics and Ethics Line, Code of Ethics e-learning modules, Code of Ethics section of the orientation program
<b>Government Relations</b>	Employees, Authorized Sales and After-Sales Services, Investors, OEM	Meetings, Seminars	ODD Membership, Traffic Is Life Platform
<b>Gender Equality - Diversity</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services, Investors, Suppliers, OEM, the Society	Surveys, Informative Meetings, Seminars, Abled Careers Fair, Social Media Platforms	Equality at Work Platform, BIST Index for Board of Directors Empowered with Women, Young Women Development Project in Cooperation with TEV
<b>Traffic Is Life!</b>	Employees, Subsidiaries and Related Partnerships, Authorized Sales and After-Sales Services Customers, Investors, Suppliers, OEM, the Society	Surveys, Panels, Seminars, Trainings and Informative Meetings, Radio Programs	Traffic Safety Trainings, Cooperation with Universities, Cooperation with Ministry of National Education and General Directorate of the Police Force, Distance Training on Traffic Safety, HOP! Facebook Chat Bot Application (preparatory tests for driver's licence), Public Service Ads
<b>Electrical Vehicles</b>	Employees, Subsidiaries and Related Partnerships, Investors, OEM, the Society	Perception surveys, Informative Meetings, Workshops	Importation, promotion and charging stations of electrical vehicles
<b>Environmental Risk Management</b>	Subsidiaries and Related Partnerships, Investors, OEM, the Society	Workshops, Productivity analyses, Preview studies, corporate reports, investor presentations, social media	Sustainability Reporting, In-House Awareness Raising Activities, Internal Communications, Productivity analyses
<b>Climate Change</b>	Subsidiaries and Related Partnerships, Investors, OEM, the Society	Workshops, Surveys and awareness raising activities	Sustainability Reporting, Risk Management and activities for early detection of risk

# OUR BUSINESS AND ECONOMIC DEVELOPMENT

Seeking to create economic and social value as a part of economic development.

Risk Management

Sustainable Supply Chain Management

Customer Relations Management

Digital Transformation

New Products and Services

Used Vehicles Market and DOD



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# RISK MANAGEMENT

Economic or social global crises encountered in recent years have shown that many unexpected losses incurred by the business world stem from non-financial risks. It is now accepted by the financial markets all over the world that companies that in some cases encounter unpredictable, undetectable and unmeasurable risks and have to manage these risks should adopt a more systematic and holistic risk management approach. It is clear that the prerequisite for such a risk management model is to develop a management framework.

While adopting the holistic approach to risk management since 2016, Doğu Otomotiv continues its efforts to create awareness of the model within the company by including non-financial risks in its processes. Risks, which include innovation and long-term growth opportunities for Doğu Otomotiv, are handled at the upper management level in our company, and non-financial risks are managed strategically as part of risk management.

The Risk Management Unit, which was established in Doğu Otomotiv in 2015 as a separate unit within the Financial Control unit, started to implement a complete corporate risk management

program with the establishment of the Compliance Function, the work of which started in 2018 and completed in 2019. The Compliance Function held its first meetings in 2019 and carried out studies on compliance of all procedures and practices with the Code of Ethics. Doğu Otomotiv Internal Audit Unit also works in coordination with the Compliance Function.

Our company's risk management approach implies that the threats to the organization, employees and assets are minimized within the rational and clearly documented methods and the effectiveness of the monitoring duty is increased. Command and coordination of the studies related to the early diagnosis of the causes that may endanger the existence, development and continuation of the company, implementation of the necessary measures, evaluation of the opportunity areas and the effective management of risks are carried out by the Early Detection of Risk Committee. Our Internal Audit Unit conducts prioritization studies within the scope of the annual audit plan it creates, and submits the risk assessments related to the findings to the Early Risk Detection Committee and the Audit Committee,

which are subordinated to the Board of Directors. Other Board of Directors committees present their views on risk assessment reports in the areas they are responsible for.

## Risk Management Policy

Our company's risk management policy has been established within a framework shaped by internal control and audit activities, where roles and responsibilities are determined from the Board of Directors to the lowest level, and where risk processes are planned and managed. The main issue we value within the existing structure is that the risk to be expressed in the same language by all our stakeholders as part of the common Company culture. It is considered essential that the models and methods designed for this purpose and intended to be implemented in our Company are also to be handled in accordance with generally accepted references. As always, determining the factors that may threaten our organization, our assets and stakeholders, taking precautions and increasing the effectiveness of the monitoring duty are the main factors that determine the direction of our works as always.



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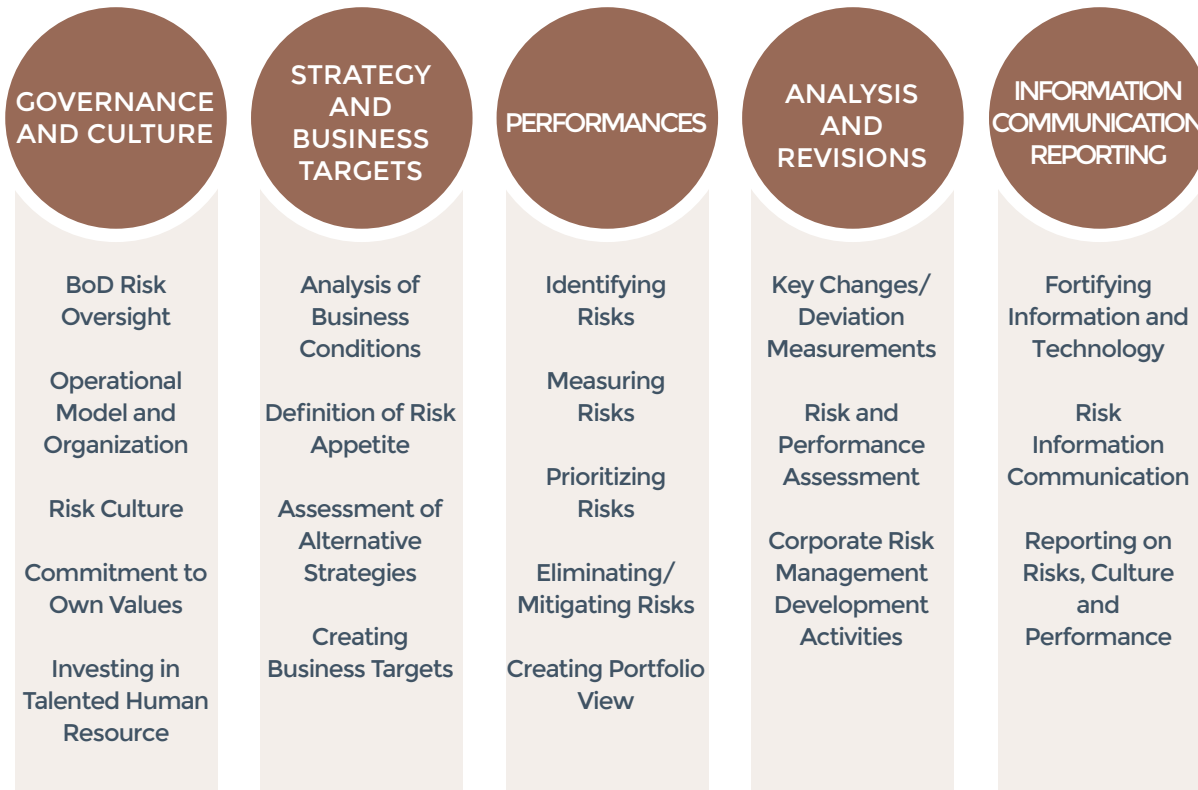
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**Risk management framework of our company is summarized with the structure given below:**



**Activities of Early Detection of Risk Committee**

The Early Detection of Risk Committee carries out studies on early diagnosis of the causes that may endanger the existence, development and continuation of the Company, taking the necessary measures in a timely manner and thus managing

the risk effectively. The interpretation and uncertainties of the future, which are often the main theme of these studies, are not only perceived as absolute obstacles with the Committee's strategic point of view and encouragement, but are considered as a set of opportunities that can prepare the ground for systematic self-assessment and new gains in our Company.

The Committee, which supports the monitoring duty of the Board of Directors by providing assurance to the Board with its qualified staff structure and accurate information flow, also reviews risk management systems at least once a year. In addition, it submits evaluation reports that it has prepared by holding meetings at the date intervals determined in accordance with the working principles to the Board of Directors during the year and shares it with the auditor. The Committee is directly linked to the Corporate Governance and Sustainability Committee within the context of its members.

**Risk Factors and Practices**

The risk point of view shaped by our company's field of activity, size and working structure is constantly maturing on a platform where international developments and examples of good practice are filtered with competencies. The necessity of managing risks that are part of this process not only in the context of natural events which occur due to financial, operational and climate changes, but also to be managed in a much wider perspective and with a sustainability understanding, is the main basic factor that determines our corporate risk management steps.



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With the studies we have created in a holistic template by also adding the relations of the risks to each other, the course of the processes within the scope of risk management towards a strategic and proactive company model is managed. Doğu Otomotiv Corporate Risk Management refers to systematic control of risks under the supervision of the Board of Directors, through process studies under the guidance of the Risk Management Unit, and a comprehensive process management performed with the participation of all relevant employees. On the other hand, when evaluated as a model, in order to prevent focusing only on known risks and to carry out risk management as an integrated process without an isolated process, a composite structure that includes the COSO Enterprise Risk Management Framework, FERMA (Federation of European Risk Management Associations) Risk Management Standards and ISO31000 Principles, which is built on five main issues, is being implemented.

## **Business Continuity and Crisis Management**

In this study, which is conducted in direct contact with business owners and Doğu Teknoloji, the relevant

ISO standards and the action plan prepared by the International Institute of Internal Auditors have been taken as a reference, in order for them to be more appropriate to the literature and adopt basic concepts, based on awareness raising, comprehensive, up-to-date and applicable in real life. As an important detail of these efforts, the fact that the titles of business continuity and disaster recovery are different but two vital elements complementary with each other in a whole structure, is taken into consideration. Studies on Business Continuity were shared with the Early Detection of Risk Committee throughout the year, and opinions and suggestions on the matter were noted. Despite the proactive efforts of our company, the urgent action plan and progressive crisis management scenarios developed for the recovery of processes that are likely to be interrupted as a result of destructive risks are also taken into account. In order to prevent loss of life, property and information, to meet the expectations of the rights-holders, to take legal steps correctly and to protect the reputation of the institution, accepted tools and consultancy services are also taken advantage of.

## **Occupational Health and Safety Risk Management**

In order for the OHS processes in our company to be executed/ managed effectively, OHS boards and organizational structure have been established. However, as of 2018, it was decided to carry out the process by receiving external services instead of internally and within this scope, a 3-year contract was entered. Within the scope of OHS, activities related to risk analysis, accident research studies, civil defense training and exercises relevant to our facilities and working environments are carried out. In addition, current determinations and legal responsibilities are regularly evaluated and followed up at the OHS board meetings. Throughout the year, trainings and tests aimed at measuring information under the supervision of a specialist are organized in terms of employee awareness. Details on Occupational Health and Safety are given in detail in the relevant section of our report.



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## COVID-19 Risk Management Processes

The period that began in March 2020 with the announcement of a global pandemic by the World Health Organization, has also embarked a period which has great economic and social impacts in Turkey, as well as all over the world. Although Doğu Otomotiv Sustainability Reporting period covers the year 2019, this process is included in the scope of the 2019 report due to the importance of the process and the timeframe when the report is prepared.

Following the rapid spread of the virus identified as Covid-19, Doğu Otomotiv adapted to the process very quickly, defined its internal processes in terms of health and safety, operational and risk management, and quickly implemented the necessary practices.

In order to manage operations centrally, analysis of critical processes and communication of action studies were carried out by the Emergency Management team. Considering that the primary issue in our management philosophy during the Covid-19 outbreak is human life, all our business processes related to human resources, operations, health, and security have been reviewed with the active

participation of our relevant business units. As a result of rigorous studies evaluated from the Risk Management perspective, control activities were planned and care was taken to proactively manage the efforts as much as possible.

## Doğu Otomotiv Compliance Function

In Doğu Otomotiv, the Compliance approach includes full compliance with existing laws and regulations, as well as compliance with internal policies and procedures, social norms, Doğu Otomotiv Code of Ethics and internationally related standards issues. All our operational activities are carried out in accordance with Doğu Otomotiv Code of Ethics in order to perform our business in the most accurate and trustful manner of our stakeholders. The Code of Ethics consists of four parts; it includes elements that will facilitate understanding of the practice by including 54 cases directly from the industry under the headings of Equal and Healthy Work Environment, Integrity and Fairness in Work Environment, Protection of Doğu Otomotiv Assets and Reputation, and Integrity and Fairness in the Market.

Doğu Otomotiv carried out internal communication activities in 2019 to

increase the awareness of policies within the company in order to ensure a full understanding of corporate policies and to support the duties of the Compliance Function.

Policy information notes and boards were posted at places where can be seen easily by the employees during a regular work day and details about the content of policies were shared. As a result of communication projects, the awareness of sustainability policies reached 71 %.

Doğu Otomotiv Compliance Function is committed to carrying out its commercial activities in compliance with local laws and regulations, in accordance with the company's high ethical understanding and international standards. The Compliance Function, reporting to the Early Detection of Risk Committee, the subcommittee of the Board of Directors, held its first meeting in December 2019 with its subordinate work group. It functions in coordination with the Function, Legal and Risk Management Unit and the Sustainability Council. Compliance Function's duties are designed by taking internal policy, legal regulations, legislative requirements, compliance with international standards and processes, identification and reporting of risks in related processes in consideration.



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The Function started its Compliance Policy studies in 2019, and it is submitted to the Board of Directors for approval after the policy is prepared and finalized by the relevant units with opinions and recommendations. Compliance Function will continue to work to minimize compliance risk in regions served by Doğu Otomotiv and to provide reasonable assurance in the related areas. Doğu Otomotiv has established a working group within the scope of the "Law on the Protection of Personal Data". With the joint endeavors of Legal, Risk Management, Customer Relationship Management and Information Security Units, the compliance process is managed by adhering to legal obligations and deadlines. Doğu Otomotiv Information Security Management System organizes, updates and identifies roles and responsibilities in security processes to protect company information assets and ensure compliance with applicable legal regulations.

## **Internal Control and Internal Audit Activities**

While internal control system and internal audit activities are based on

effective, reliable and uninterrupted management of services and assets in our Company, an environment of assurance is created for the integrity, consistency, timely availability and protection of the information provided. With the internal control practices that take place as a whole with our policies and procedures, it is aimed to protect the rights of shareholders and stakeholders, to provide realistic and accessible financial and non-financial information about the Company, to comply with the legislation and articles of association, and to perform operations effectively and efficiently. Since the internal control is a living activity and the evaluations give instant insight about the system, our existing structure is reinforced with a triple defense line. While the internal control system implemented by managers and employees forms the first line of defense; Financial Control and Risk Management activities restructured within the Directorate General for Financial Affairs are included as the second line in this defense system.

Financial control and risk management, which is at directly operational level, functions in coordination with other

control units such as Financial Control and Risk Management, Internal Audit, and Legal. Our third and last line of defense is internal audit. Our Company has an Internal Audit Department that operates under the Audit Committee in line with legal regulations and international standards. The department audits and reviews the processes and internal control activities regularly and systematically in the Internal Control and Internal Audit Activities, which are prepared on a risk basis and approved by the Board of Directors, in line with the specified objectives. In 2019, nine (9) meetings were held with the Committee Responsible from Audit, and one (1) joint meeting with the Early Detection of Risk Committee, regarding the independent audit results and the usual audit, review and investigation activities carried out by the Internal Audit Department.

Taking care of the compliance of internal audit activities with international standards, the Internal Audit Department evaluates development opportunities by considering quality assurance studies, senior management expectations and similar industry practices.



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In this context, studies geared for Information Technologies audit continued in 2019. In addition the audit methodology, which can produce daily, weekly and monthly reports on the system, and produce results over all data instead of sampling, has been implemented and an improvement has been made regarding the conformability, efficiency and effectiveness of the controls. In 2020, it is aimed to increase the effectiveness of continuous auditing in ordinary auditing endeavors. Furthermore, studies regarding the certification processes will be carried out in our teams regarding Information Systems audits. Additionally, the independent audit Quality Assurance Review (QAR) study is planned to be taken in 2020 to measure and monitor the quality of the audit.

## Information Technologies

An integrated information system (Turkuaz) is used to perform the activities in our company. The processes of many topics that require intensive transactions such as purchasing, stock management, sales and accounting are generally carried out through the applications found on this system. As a precautionary measure against possible risks, studies on resource

planning, the use of defined authority and access rights, trainings and certifications geared for the use of professional equipment, implementation of reference models and taking action in accordance with the results of the audit are being carried out.

## Decision Making Processes and Practices

Code of Ethics, which is created in accordance with global standards and approved by the management bodies of our Company, against the violation of company policies and as part of our governance principle, expresses the understanding of doing business beyond laws and regulations at every stage of corporate activities. The code adopted with its plain template and demonstrative explanation content has been meticulously prepared as an exemplary guide for all stakeholders. In order to maintain awareness on this issue, regular in-company training and information/reminder communication are provided and attention is paid to ensure that the Code of Ethics is easily accessible on various platforms.

## Information Security

In our company, both the protection of corporate information and the security of customer information are among the priority areas of risk management and are protected at the highest standards. An Information Security Policy has been established in order to ensure the security, integrity, confidentiality and accessibility of the company's information assets and to establish a continuous structure. Accordingly, the policy aims to:

- Define the principles of access and use of information systems of Doğu Otomotiv Group employees in accordance with the powers given to them, by using company information resources,
- Provide effective information and information security in the working environment,
- Determine the principles and rules of use of e-mail services provided by the company to its employees,
- Regulate internet access, control rules and access restrictions,
- Determine common user and personal file usage principles,
- Determine the password rules, information and resource access security methods used to access company information resources,
- Determine the principles for the creation and management of user accounts.



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# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Doğuş Otomotiv strives to make all its activities sustainable within its operational lifecycle. Our supply chain, which is largely based on logistics services, is restructured in this direction and aims to work in the most efficient way with the least risk in its field, with the developments recorded regularly every year. If we want to make the world a more livable place with what we do, we are aware that we should focus on how we do our business first. Doğuş Otomotiv's supply chain is basically managed through reliable, sustainable and ethical processes. Sustainability of this supply chain, which we carry out with hundreds of suppliers and business partners, is dependent not only on Doğuş Otomotiv, but also on the success of all companies in the chain, providing the same high standards of production and service. For this reason, we expect all of our suppliers other than OEMs to manage their operations also in accordance with the principles of sustainability. This approach, which is also among the preferred expectations of our investors, business partners, customers, shareholders and other stakeholders, is part of Doğuş Otomotiv's 2025 strategy as well.



Sustainable supply chain management is among the primary focus areas of Doğuş Otomotiv due to its main field of activity related to direct imports, distributorship, authorized dealer and service, logistics services. The processes we manage with the risk management, audit and development approach not only in environmental issues but also in social and economic development

topics in the Supply Chain cause us to progress towards more systematic and concrete targets in 2019 and continue to be a part of change and solution by creating more awareness.

The purchasing unit supply chain structure in Doğuş Otomotiv is evaluated in 21 different categories. Accordingly, the number of active suppliers of Doğuş Otomotiv Purchasing Unit in 2019 is 601. The total payment made by Doğuş Otomotiv Purchasing Unit to our suppliers in 2019 has been TL 99,694,585.

All our purchases are made through local suppliers. Apart from the Central Purchasing Unit, each of our brands carries out its own purchasing operation.

The total local purchasing amount of Doğuş Otomotiv Group in 2019 was realized at TL 908,028,234.64.



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Doğuş Otomotiv develops and improves its sustainable supply chain structure every year and brings it to international standards.

The items which are added to Doğuş Otomotiv supplier selection criteria are as follows:

- Whether or not water consumption is measured and what kind of studies are done on water reduction,
- Collection and disposal of wastes in accordance with the laws and regular follow-up,
- Whether or not there have been any anti-discrimination policies within the company,
- Whether or not the laws regarding occupational health and safety are complied with, whether or not policies, risk assessment mechanisms and employee trainings are available in this regard,
- Existence of internal customer satisfaction practices.
- Compliance and commitment to Doğuş Otomotiv Code of Ethics and Ethical Principles. This article is also included in the contracts entered with our suppliers.

## Spare Parts and Logistics Unit

While the turnover of the After Sales Services units increased in 2019, significant cost advantages were obtained in both

vehicle and parts logistics processes as a result of the effective cost management of the Spare Parts and Logistics unit and the improvement and efficiency studies carried out with the participation of suppliers. In addition to this, thanks to strong stock management, inventory costs are significantly reduced, without compromising availability of spare parts.

Carrying out the import, storage of vehicles and spare parts of some of the most prestigious brands of the world such as Volkswagen, Audi, SEAT, ŠKODA, Porsche, Bentley, Lamborghini and Scania, as well as Scania Industrial and Marine Engines, Thermo King Mobile Heat Control Systems and their shipment to the Authorized Services, Spare Parts and Logistics completed the year with a turnover of 1,337.8 million TL by realizing the importation of 58,174 vehicles and shipment of 75,539 vehicles to the Authorized Dealers. Thanks to the advanced stock management systems used, while the availability of spare parts was maintained at 99 % in 2019, the B2B website Dpar, which facilitates the process by bringing together the commercial customers and Authorized Dealers in the spare parts market, was put into operation as of the beginning of the year. With this new digital sales channel created, sales totaling 3 million TL were actualized to 218 commercial customers in 2019.

Spare Parts and Logistics uses advanced technologies and stock management systems that adapt quickly to changing customer demands in order to carry out the operation without any problems. In this way, the availability of spare parts was maintained at 99% in 2019, resulting in significant reductions in the amount of stock kept. In addition to the effective pricing and price positioning policies followed, the common component utilization rate approaching to 50 % creates an important synergy within the body of Spare Parts and Logistics. It has made a move to set up new facilities in 2013 by doubling its existing established capacity in order to increase its service quality and to ensure continuity due to the increasing business volume expected for the next 10 years. With the automation systems investments, which started in 2014, Spare Parts minimized its error rate by gaining speed in storage and distribution. Spare Parts and Logistics has continued its “shipment from the port” project with its pioneering vision in vehicle logistics, by stocking and importing vehicles at the port, and provided significant improvements in customer delivery time by distributing vehicles to Authorized Dealers directly from the port with more than one transportation company.



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It also took steps to digitize in the process of shipping vehicles to Stock Field Management and Authorized Dealers using RFID technology. Spare Parts and Logistics has saved CO<sub>2</sub> emissions from logistics due to the intermodal route system it implemented. Spare Parts and Logistics has gone to a central structuring in waste management since 2014 which included Authorized Services as well and made successful moves regarding waste management and collection. In this context, disposed of batteries were collected in 2019, above the numbers stipulated by the legal obligation.

Developing a quality-oriented business approach, taking a role as a strategy identifier in spare parts activities, creating a vision and sharing it with brand representatives, and in this way, generating added value in increasing the market share of group brands, being a pioneer in digitization investments in order to create operational e-supply chain management (industry 4.0), providing operational excellence in speed/quality/cost axes with employee engagement, producing projects for the continuous improvement of spare parts operating systems, reducing distribution times and costs by allowing the organization to work with lower inventory costs and supporting the sale of new vehicles, creating new sales channels, and increasing

sales volume are among the primary objectives of the unit.

- Approximately 11 million spare parts were shipped in 2019, with a total of 2.8 million lines of orders.
- Approximately 3,000 parcels have been shipped per day with 45 transportation services departing from Şekerpınarı location were shipped to 145 Authorized Services found in 50 different provinces of Turkey.
- Monthly average 1,000 big rig truck delivery operations were carried out.

### Logistics Unit and Industry 4.0

Doğuş Otomotiv Spare Parts and Logistics prioritizes digitalization investments to create effective and sustainable e-supply chain management (industry 4.0), and produces projects for the continuous improvement of spare parts operating systems. Doğuş Otomotiv Spare Parts and Logistics Unit has recently put digital supply chain management and Industry 4.0 into its focus. These concepts generally appear in the logistics industry under fully integrated systems, not only lean employees but also agile supply chain, advanced forecasting systems and augmented reality in the supply chain.

In recent years, there has been an increase

in customer expectations and differentiation of product and service designs in each industry to change these expectations. Besides, the most important change is the need to meet these expectations as quickly as possible in order to maintain competitive advantage. Therefore, the expectation of providing products and services that meet customers' expectations and delivering them rapidly affects all industries. Doğuş Otomotiv supplies spare parts of 12 brands it represents from 9 countries and 25 different supply spots. Furthermore, 250 thousand different parts are handled by the Logistics Unit. In addition to systems fully integrated with Authorized Dealers and After-sales Service Centers, a system fully integrated with manufacturers was also launched in 2015. With this system, the right data can be accessed quickly at any point, and an infrastructure that is easy to be learned and which has an advanced control environment is offered for employees.

Another one of the areas of importance in the distribution center in recent years is automation investments. While making these investments, besides the field acquisition, productivity increase is also considered important. Doğuş Otomotiv has made investments in this area exceeding 2 million Euros in the last few years.



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By installing smart vertical storage systems, projects that are easy to manage and prevent mistakes are implemented. The main principle that we have focused on Lean Management since 2007 by the Spare Parts and Logistics Unit is to provide agility with leanness. While the gains to be achieved with lean management principles in quality, speed and cost axes have become an important expectation in supply chain management, at the same time processes are also required to be agile, open, flexible and interactive. And hence, Doğuř Otomotiv continues to work in this direction, especially in transforming processes to be proactive. Accordingly, suggestions received from employees are also evaluated and effective process development studies are carried out.

Doğuř Otomotiv Logistics Unit, which raises the level of spare parts service it provides with advanced forecasting mechanisms, is at the top of the list with the spare parts availability of more than 99% for the brands it serves compared to the distribution centres in Europe. The unit creates cost advantage by effectively managing the stock depth as well as the level of service it provides. Augmented reality applications, on the other hand, make it possible to monitor a new facility in 3D during the planning phase, while bringing many innovations that will guide the employees in internal processes

such as vehicle loading optimization/getting the right product out of the warehouse.

With the developments in technology encountered today, digital supply chain management has become very important. Spare Parts and Logistics Unit responded to these developments very quickly in 2005 with a serious technological infrastructure transformation. All processes, starting from the customer to the manufacturer, have been designed on this software, thus becoming a very important statistical data centre.

Doğuř Otomotiv Spare Parts Distribution Centre was included in the Volkswagen AG Quality Network in 2019, and within this scope, it successfully completed the first LoPA audit, which lasted 1 week in September 2019.

LoPA (Logistics Process Audit) audit, which is based on the standards of VDA QMC (German Automobile Industry Association – Quality Management Centre) 6.3 and has been carried out by Volkswagen AG since 2013, in all warehouses included in the Quality Network, aims to control compliance with standards in parts logistics processes and to identify good practice examples and to share these samples with all Volkswagen AG warehouses in the world present on the

network. In this context, 7 benchmarking applications detected during our audit were also submitted to be shared on behalf of Doğuř Otomotiv on Volkswagen AG's GAS. Net (Group After Sales Net) platform.

## **Spare Parts and Logistics Unit Covid-19 Risk Management**

Covid-19 epidemic, which has deeply affected all industries with an impact that has stopped life in nearly 200 countries since March 2020, deeply affected many institutions and organizations in Turkey as well, the same way it did in the world, among which were from production to import and export, from logistics to service industry. As Doğuř Otomotiv, in addition to quickly adapting to measures taken by the government of the Republic of Turkey, as well as laws, regulations and legislative precautions imposed, we continued our efforts to administer the process without allowing disruption in our services we rendered and by managing occupational health and safety risks.

In line with the plans made in the context of Risk Management and Business Continuity, we have managed our activities by taking the necessary measures under the following heading:



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## • Occupational Health and Safety

From the moment the course of events started, all the circulars issued by the Turkish Ministry of Health and Internal Affairs have been carefully followed; in this sense, all necessary actions were taken for hygiene by making required arrangements for adaptation to social distancing, and compliance with circulars was ensured. Necessary measures were taken at the entrance of our campus, during the transfer of imported vehicles to our bonded warehouse, and in all storage processes, and trainings were provided to the relevant employees. All arrangements were regularly inspected under the coordination of Spare Parts and Logistics Management, Workplace Physician and OHS Specialist.

## • Business Continuity

In order to ensure business continuity, especially in vehicle and parts logistics, a rotating work schedule has been put into practice for our employees. Technological infrastructure of remote teleworking was rapidly established, and other than white-collar employees who need to be physically present in the field, teleworking model was switched for the remaining staff.

## • Import Process

For those who work in our bonded warehouses where the physical activities

continued and for our drivers, antibacterial liquids, gloves and masks were purchased. UV lamps were provided for the sterilization of documents coming from overseas, and drivers who arrived from abroad were not allowed to stay at our site. Official Institutions have been applied with e-signatures and export documents (bill of lading, export invoice etc.) have been arranged with e-signatures.

## • Delivery and Distribution

All subcontractor teams working in our sites (logistics field employees and vehicle transport company staff) were ensured to carry out their duties in full compliance with the published instructions and general measures (physical distance, hygiene and PPE usage etc.). General hygiene and distancing rules and PPE usage were ensured when in contact with the drivers and loads of the carriers entering our fields (both overseas and domestic routes), and these individuals were prevented from coming into contact with our internal offices.

In vessel unloading operations, in line with the Port Authority and Provincial Health Directorate guidelines, all employees who come into contact with the ship are provided with googles and overalls in addition to masks and gloves.

## • Stock Management

At the beginning of the course of events, safety inventory levels were increased on time and in the required amount by evaluating the low capacity of suppliers and other risks that may occur during the supply of spare parts process. Proceeded in coordination with suppliers, ensuring customer orders were met as quickly as possible, with close tracking.

## • Stakeholder Engagement

All hygiene and social distance rules that we applied to Doğu Otomotiv employees are also applied to the employees of all our business partners serving in our sites. Meetings where mutual views were exchanged was held with our OEMs, customs brokers and shippers via weekly teleconferences. Announcements regarding the actions that our dealers should take during this process have been published.

## • Communication and Motivation

During this period, ample information was provided to minimize the concerns of our employees. Employees were motivated by the messages given on behalf of management and with site visits. Employees are encouraged to participate in webinars planned by Doğu Holding and conducted via the online training portal GO.



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## Operational Sustainability

Many years of sustainability studies have shown that companies need a very comprehensive perspective. In all of these efforts, sustainability is situated on three main areas: Economic, social and environmental. A company is sustainable only if it can perform well in terms of economic stability, social welfare and environmental equality, and can achieve progress in line with its goals.

Handling the sales and servicing of world's largest automotive brands in Turkey at 550 sales and service points, Doğuş Otomotiv has been administering the most important operational leg of these brands' supply chain in Turkey. No matter from which dimension we look at, operational sustainability of Doğuş Otomotiv is very important in terms of ensuring the sales and service sustainability of these brands in the geography of a country. Sustainability of Doğuş Otomotiv in operational scope is regulated according to its priorities in these three main areas.

Doğuş Otomotiv operates with a decisive operational perfection by integrating sustainability to each stage of its activities. As in any other industry, also in the one which Doğuş Otomotiv operates, the limits of continuous growth, viewed as the driving force behind change and process optimization, are increasingly put under scrutiny. While lean processes, 5S methodology, and similar applications result in a large number of benefits for companies, the continuity of institutions require quite comprehensive and company-specific strategies. The first condition for converting sustainability to earnings is to integrate it to daily operations and for it to be fully understood and supported by all employees. In the modern world, it is now unavoidable for companies to become a part of this change. Customer experience has become a material issue of our business, and meeting the customer expectation and increasing the employee experience have become a critical factor.



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Doğuş Otomotiv assumes the responsibility of both the distributorship and sales and after-sales services of giant global brands, and meeting the OEM expectation. Given this responsibility and as a role model for sustainability in the industry, the Company reviews and regulates all of its processes in this respect.

All of the processes and relevant data we manage with the aim of minimizing our environmental negative impact in all of our operational processes, are contained in our report under the heading of Our Planet and Environmental Responsibility.

## Doğuş Otomotiv Service Points

	Sales and After- Sales Service Points	Sales Points	After- Sales Service Points	Total Sales Points	Total After- Sales Service Points	Points Offering Services
<b>Volkswagen</b>	68	0	10	68	78	146
<b>Audi</b>	25	0	17	25	42	67
<b>Porsche <sup>11</sup></b>	7	0	17	7	24	31
<b>Scania</b>	17	0	3	17	20	37
<b>SEAT</b>	29	0	16	29	45	74
<b>Scania Engines</b>	5	3	16	8	21	29
<b>Thermo King</b>	15	0	1	15	16	31
<b>DOD</b>	0	58	0	58	0	58
<b>Total Inc. DOD</b>	166	61	80	227	246	473
<b>Škoda</b>	41	1	4	43	46	89
<b>Total</b>	208	62	84	270	292	562

<sup>11</sup> 17 of the service points are C Type Porsche Services.

## Activities to Improve Authorized Dealers and After-Sales Services

In 2019, 4 Authorized Dealers and 10 Authorized After-Sales Services started to operate, and the operations of 5 Authorized Dealers and 3 Authorized After-Sales Services were terminated.

During the reporting period, a total of 157 Authorized After-Sales Services applications were received through the website, including those for 59 Volkswagen Authorized After-Sales Services, 32 Audi Authorized

After-Sales Services, 38 SEAT Authorized After-Sales Services, 15 Porsche Authorized After-Sales Services, 12 Scania Authorized After-Sales Services.

The investment for Western Denizli Audi Showroom was completed, and our Authorized Dealer started to operate in the new showroom. The renovation of Western Denizli SEAT showroom was also completed.

In 2019, a total of 482 inspections were carried out, including 463 Quality and Brand Standards Inspections (ISO and Scania DOS) for sales and after-sales services, and only 19 Brand Standards Inspections.



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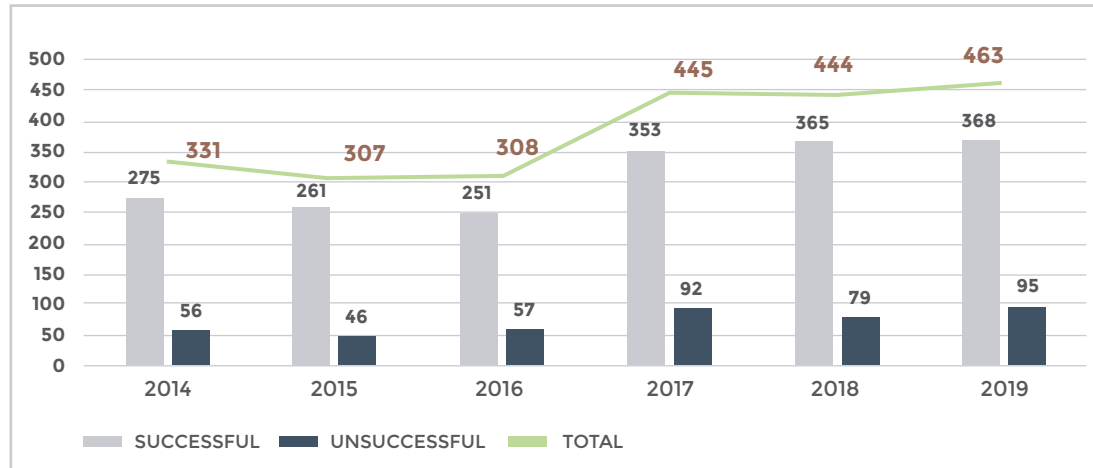
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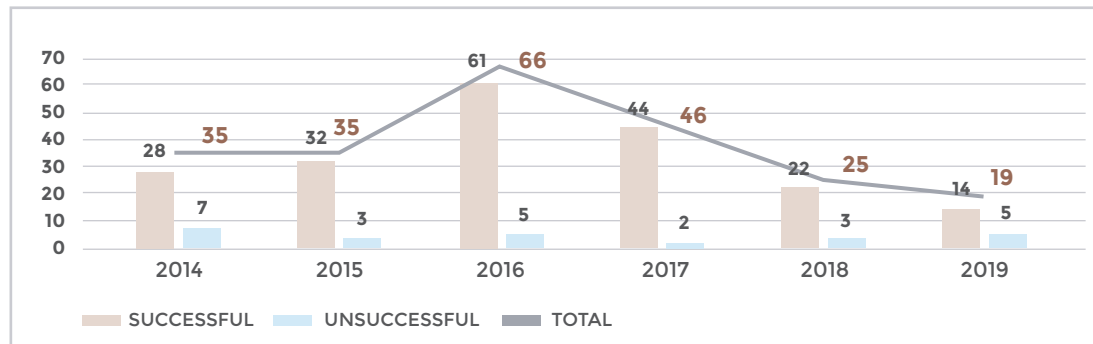
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## Authorized Dealer and After-Sales Service Certification Inspections (Sales and After-Sales - ISO and DOS) <sup>12</sup>



## Brand Standards Inspections <sup>13</sup>



<sup>12</sup> Since 2013, a total of 2,637 inspections of dealers have been conducted.

<sup>13</sup> Includes Volkswagen, Audi, SEAT, Škoda and Porsche Brand Standards Inspections.

## Lean Practices and Productivity

The dissemination of the perspective of continuous improvements throughout the Company and the participation of employees in process improvements through productivity projects have continued. In these projects, conducted with the lean methodology, reducing costs, increasing revenues and customer satisfaction, and producing benefits in the quality dimension have been identified as important criteria.

Doğuş Otomotiv has saved approximately TL 4 million thanks to the 69 projects put into effect in 2019, and when including the implementations at the Authorized Dealers and After-Sales Services, this savings amount rises up to approximately TL 9 million. Doğuş Oto has saved approximately TL 5 million through 41 projects in 2019. Throughout the year, a total of 1,593 proposals have been collected for Doğuş Otomotiv and Doğuş Oto, out of which 540 were approved and 493 realized.

**Within the context of the process management and productivity programs reported since 2012, a total of approximately TL 21 million have been saved when including the ones at the Authorized Dealers and After-Sales Services.**

In the context of the Lean Leadership Training Program, realized each year, the 16<sup>th</sup> Wave Lean Leadership Program was conducted in 2019, in which 11 of our employees received 2 modules and completed the 4-days of training. The leadership trainings conducted for the last 16 years have reached a total of 512 hours. With the aim of training employees who simultaneously see and solve the problems and wish to improve themselves, their workplaces and the society every single day, the Company implements the Basic Lean Training, which features the lean culture, as part of its in-house trainings. In 2019, 66 persons have received the 1-day Basic Lean Training.

Each year, projects nominated among the projects conducted in the previous year by departments/regions are evaluated by the "Project Evaluation Committee" in terms of criteria such as project impact, and innovative aspects, etc. In 2019, 20 projects were nominated for this purpose at Doğuş Otomotiv and 8 were awarded with a project prize. At Doğuş Oto, on the other hand, 4 of the projects nominated were selected for receiving the prize. By way of these projects, all team members actively involved in the projects received Blue Steer Wheel - Pathfinder Prize (Mavi Direksiyon - Yolu Açanlar Ödülü).



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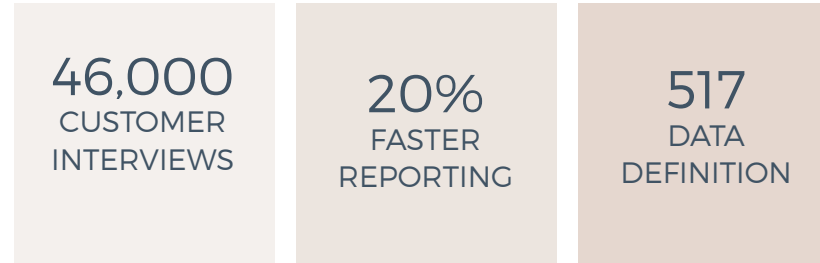


## Our Expectations from our Suppliers

With the sustainable supply chain management model commenced in 2015, Doğuş Otomotiv has also assumed the leadership in all developments in its segment. It also contributes to the development of its suppliers through its Code of Ethics and its compliance model featuring ethical principles setting an example for all of its suppliers.

We conduct assessment of our suppliers for selection, operations and inspection processes by such criteria as employees, health and safety, environment, business ethics, and management system specific to product and service. In this respect, we expect from our suppliers that the entirety of their business conduct complies with the principles and values of Doğuş Otomotiv in the context of our Code of Ethics, the principles of the United Nations Global Principles Agreement and UN Universal Declaration on Human Rights. Doğuş Otomotiv's Ethical Principles and Human Rights Policy is available on our website.

## CUSTOMER RELATIONS MANAGEMENT (CRM)



CEM Customer Satisfaction Survey

Data Warehouse Renovation

Data Dictionary

For our customers who always enjoy the privilege of being a key stakeholder of Doğuş Otomotiv, and in order to ensure their unconditional satisfaction, also in 2019 we focused on continually developing ourselves. As the sales and service points scattered throughout the regions of Turkey, Doğuş Oto's, Scania Gebze, and DOD, we continued to work to provide the best and the most trustworthy service to our customers in all of the country.

We know that the customers of Doğuş Otomotiv are not only directly interested in the excellence of our products and services, but also how fairly our company conducts its business, and they continually develop their expectations in this regard.

At each stage of the processes in which we establish dialogue with our customers, we inquire about their expectations from our Company, systematically analyse the data we obtain, and constantly develop ourselves in order to be responsive to these expectations.

Our approach to customer relations management, based on reciprocal growth and change and focused on permanent trust, constitutes the most basic focus of our impact with regard to our business and economic development.



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In order to plan the actions which would help us to manage customer experiences according to novel developments and changing dynamics throughout the life-cycles of our customers, to make lean the customer communications processes with the proactive approach, to provide person-specific proposals and services through centralized data management and analysis, and to increase the loyalty of our customers by strengthening their trust for our Company and brands, and in order to keep the customers satisfaction at the highest level, the CRM (Customer Relations Management) Unit was structured under the Digital Transformation and Corporate Communications Department.

Among the main responsibilities of the CRM Unit are the following:

- Undertaking work and improvements required for keeping customer data correctly and up-to-date;
- Ensuring that the customer-focused working approach is adopted as corporate culture within the corporation;
- Carrying out, gauging the results of, evaluating, and reporting on internal and external customer satisfaction research (CEM, CSI, DSS);
- Gauging and reporting on direct marketing activities (e-mail, SMS, MMS, direct mail and web) in accordance with requests from

Authorized Dealers and brands;

- Developing and carrying out analytical projects together with third-party companies for the brands and Authorized Dealers and After-Sales Services;
- Ensuring continuity by enriching our current customer data with social and digital media customer data, and converting customer complaints coming through the social media into sales opportunities;
- Making improvements in order to manage the data on the Turkuaz system used by all brands and Authorized Dealers, and to render its customer recognition, follow-up, and information functions more efficient, leaner, and more comprehensive in accordance with needs;
- Designing, managing, and coordinating loyalty projects; campaign management and communications activities over the Loyalty Platform;
- Protecting the rights and freedoms of persons, in particular the secrecy of private life, when processing the personal data of our customers in accordance with the Law Regarding Protection of Personal Data, and managing the processes of processing the personal data our customers shared with us in line with our liabilities;
- Realizing marketing activities in accordance with the Law Regarding Marketing Subject to Permit by using the communications channels permitted by our customers to be used in accordance with

their fields of interests and needs;

- Coordinating cooperation project which would produce benefits for our customers;
- Managing each communications step and advancement to be realized with our customers through contact maps which encompass each business and process step through which Doğu Otomotiv's brands come into contact with the customers;
- Providing CEM training for our Authorized Dealers;
- Constructing and managing sales and services campaigns and projects based on data analytics; carrying out analyses based on customer segmentation and loyalty; supporting the online integration of offline services.

### **Customer Experience 2019**

The Customer Experience management is the totality of perceptions and feelings stemming from the relations we engage in with our customers at all contact points where we come into contact with them. In order to continuously manage our customer communications proactively and with a leans approach and a customer-centred approach, Doğu Otomotiv monitors the busines and process steps in sales and after-sales stages of our brands Volkswagen, Audi, Porsche, SEAT, Scania and DOD through the customer contact maps prepared for this purpose.



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While the customer satisfaction research conducted by a research company under the title of Customer Experience Management in order to monitor the satisfaction of our customers is still ongoing, the CEM portal where we monitor the satisfaction research results of Authorized Dealers and After-Sales Services was changed. The new user-friendly portal has been opened for users with a structure where more comprehensive analyses may be monitored.

In 2019, a total of 46 thousand customers have been interviewed, their satisfaction with regard to sales and after-sales services have been inquired about, and relevant management units have planned improvement actions. Given the requisites of digitalization, the preparations for the building of the infrastructure for the times when phone-based surveys will diminish and online surveys will increase, and online surveys have been worked on. With regard to research, the system integration for the automatic transfer of customer data to the independent company has been accomplished, and in this way, important steps have been taken for controlling data quality.

Parallel to the increasingly widespread use of mobile applications, the communications and campaign work

carried out by our brands on the ZUBIZU loyalty platform have also continued in 2019. Over the ZUBIZU platform, Doğuş Otomotiv customers enjoy a large number of privileges in companies in different industries. The platform also continues to be used as a channel through which communication of special privileges are made for micro segments created among Doğuş Otomotiv's customers according to certain criteria. Throughout 2019, our partnership around ZUBIZU-Shell petrol benefit program has continued. Additionally, in the October-December 2019 period, a campaign was run in which Doğuş Otomotiv customers have received an extra benefit from Shell.

### **Sales Prediction and Warm Customer Program**

In order to increase our sales and customer loyalty, the "Sales Prediction" program has been put into use, which utilizes the big data on the Turkuaz system and predicts through statistical modelling which customers are likely to open a sales dossier in the next period. In 2019 the pilot study of the project was completed for our Audi brand, and it will be put into use for all of our brands in 2020.

Conducting behaviour analysis of Doğuş Otomotiv customers by monitoring their

sales and service movements with the aim of better knowing our customers and taking customer-based action, it was made sure that our "Warm Customer" project covered all brands. In this project, with regard to our customers who have visited or called more than one of our different Authorized Dealers, where no transaction has been commenced within 48 hours, they are called back by Doğuş Otomotiv directly in order to increase their customer experience. The infrastructure work of the project which will allow to search the personal and social media account information of our existing and potential customers who are active in the social media, through the Turkuaz system, has been completed. Creation of repeated customer records has been prevented to a large extent, by means of an advance algorithm which assesses customer similarity ratio for the purpose of singling each customer.

Within the context of the Law Regarding Protection of Personal Data and the Law Regarding Electronic Trade, the authorizations for sharing personal data of our customers, authorizations for direct marketing, and communication authorization forms have started to be collected, including also with the short message method.



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## Data Warehouse Renovation Program

Data Warehouse Renovation will cover multidimensional analysis opportunities, such as users making their own reports, speeding-up of the reporting process, and increasing its performance, and foremost, the Data Dictionary, which aims at creating common definitions and terminology among all of Doğuş Otomotiv's brands.

## Data Dictionary

The work on the Data Dictionary has been completed, its system infrastructure has been harmonized with the new reporting tools, and the tests have been carried out.

## DORA Reporting System

With the putting into use of the new reporting system we call DORA in 2020, all Doğuş Otomotiv employees will be able to create their own reports according to their business targets.

## Data Governance

In addition to the headings of Data Security, Data Identity, Data Warehouse, Data Quality of the data on our existing ERP system

Turkuaz, a project has been initiated in which also Data Use and analytical CRM work are multidimensionally monitored. Multidimensional studies have been carried out on such subjects as the integration, processes, authorizations, KVKK, and data security of Doğuş Otomotiv's data, and these studies shall continue also in 2020.

## Data Management Platform

Thanks to the DMP (Data Management Platform) investment, the online and offline data of Doğuş Otomotiv's brands have been combined to a large extent, and customers have been singularized under correct segments and single digital identities. Communications have been carried out on digital platforms with existing and potential customers, whose authorizations were received at digital marketing points, in accordance with their interests and needs.



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## Customer Satisfaction Survey (CEM) Results <sup>14</sup>

	Brand	2017	2018	2019
SALES	Volkswagen Passenger Car	4.96	4.96	4.97
	Volkswagen Commercial	4.96	4.94	4.96
	Audi	4.93	4.94	4.94
	SEAT	4.88	4.90	4.92
	Porsche	4.89	4.91	4.89
	DOD	103.1	104.66	101.59 - 4.80
	SERVICES	Volkswagen Passenger Car	4.75	4.80
Volkswagen Commercial		3.91	4.81	4.86
Audi		4.80	4.82	4.88
SEAT		4.73	4.79	4.84
Porsche		4.81	4.96	4.96
DOD Procurement		106.4	107.4	N/A

### CRM 2019 at Scania

Customer Journey project which allows for individualized communication, was initiated in 2019 at Scania. After the initial phase, with this application, through which 8,000 opportunities and announcements were communicated to 5,000 persons, more than 100,000 customer data were added to our system through

the resources made available by the Ministry of Transportation together with RPA processes. All Scania brand vehicle owners on the roads were accessed and invited to our service stations. With this implementation, an increase of 110 % were achieved in the service entry of targeted customers compared to previous years, and more than TL 5 million additional revenue was raised.

With the use of the numbers and some macroeconomic data provided by the Turkish Statistical Institution and the Ministry of Trade, artificial algorithms were run, prediction models for number of markets was created. More than 13,000 customer field visits were recorded with digital applications and regularly monitored.

### Value and Interest Centre (DIM)

With the aim of increasing customer satisfaction in sales and after-sales services with the vision of “Creating Fan Customers”, our Company has combined dialogue (interest management), road assistance, and call centre (survey and appointment) operations services procured from third parties in its own body with a new approach to quality. In order to emphasize the importance of customers and service quality, the unit called “Value and Interest Centre” (DIM) was established in Kavacık in a separate location, under the Digital Transformation and Corporate Communications Department in November 2014, with the aim of providing innovative services exceeding expectations, making customers live through positive experiences, and to increase the numbers of loyal customers by valuing them and establishing trust.

<sup>14</sup> CEM Numbers are measured over 5 as of 2017. DOD switched to the CEM system in April 2020. January-March period was measured over 120, April-December period was measured over 5.



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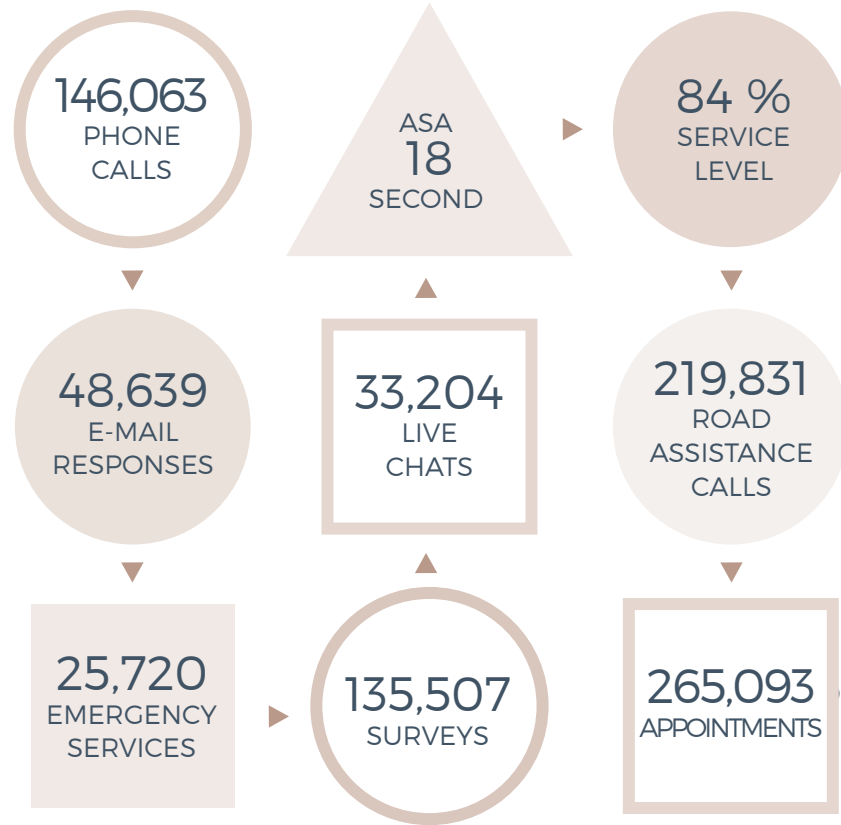
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DIM gives support to our brands at each point of the life cycle of customers, and it increases both service quality and the variety of services with the projects it engages in. The DIM operations aim at bringing services and quality standards to the customer contact points, and ensures the instant and transparent monitoring of consumer expectations and opinions through the reporting features of brands and Authorized Dealers. DIM is structured on the necessity of ensuring that not only the customers, but also the employees feel as valued. In this way an environment was made available for employees in which they feel as valued and important, take initiatives, and participate in decisions.

**DIM is one of the most important stakeholder engagement tools of Doğu Otomotiv.**



The scope of the services provided by DIM are as follows:

**1. Interest Management (Dialogue):** Means the management of the requests (wishes, complaints, recommendations, thanks, etc.) related to the brand vehicles imported by Doğu Otomotiv and the Authorized Dealers and After-

Sales Services, meeting the needs and expectations of customers, and in this way, to display the value and interest deserved by our customers. These requests are forwarded through a variety of communications channels such as phone, e-mail, live chat, social media and letters.



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In 2019, DIM has successfully answered dialogue 146,063 phone calls. This number fell down by 17 % compared to 2018. The average reply time (ASA) of these dialogue phone calls was 18 seconds<sup>15</sup> in 2019, and our service level was realized as 80 %. In 2019, 48,639 e-mail messages coming from customers were replied. The average e-mail reply time was 72 seconds. The number of replied e-mail messages have increased by 33 % compared to 2018. In 2019, 33,201 live chats were carried out, with an average reply time of 14 seconds. 56,444 entries made to the social media account (twitter, facebook) were replied to within 55 seconds on average by DIM.

**2. Road Assistance:** Encompasses the road assistance services provided to the brand vehicles imported by Doğuş Otomotiv, owners of vdf insurance policies, and vdf Fleet Leasing vehicle users. The main purpose of road assistance services is to ensure that customers can continue to go on the road. The road assistance service aims at ensuring that customers feels safe against all possible negative occurrences they may encounter on the road and providing all types of support by reaching them in the shortest time possible.

In 2019, 219,831 road assistance calls have been answered. The average reply time (ASA) for road assistance calls has been 18 seconds and our service level 82 %. In 2019, the number of “Emergency Services” offered by DIM to customers was 25,720. The Emergency Service is a positive service for our brands as it provides solutions to the customers on the site and ensures their uninterrupted mobility. Again in 2019, the “Towing Service” provided by DIM to its customers was realized 18,704 times, dropping about 19 % compared to the previous year. Even though field operations services have diminished in total, the fact that the Emergency Service has remained at the same level has increased the number of services we have provided to our customers on the site.

As another service of field operations, 2,575 temporal vehicle allocations have been realized by DIM for its customers. In 2019, the registered number of road assistance calls fell down by 11 % compared to the previous year to 111,799. The customer satisfaction level regarding the road assistance service received was 87 %.

**3. Survey:** Involves calling customers for data and service quality controls and

receiving targeted responses on the basis of a certain text. It is a fundamental goal of our brands to keep their current customers and to reach out to potential buyers in a proactive manner. Aiming at raising sales opportunities to the highest level with new and loyal customers, and correctly utilizing potential and existing customer data, it is essential to call customers and keep data records in order to correctly and efficiently manage CRM activities.

In 2019, 135,507 questionnaire surveys were conducted for 20 different projects. The joint efforts of our brands and CRM department are supported by this unit and field surveys are conducted by our field surveyors.

**4. Appointments:** Means making and planning appointments by Authorized After-Sales Services for our customers in matters concerning repairs and maintenance, which are the subjects of first after-sales communication. It is fundamental that the needs and expectations of customers are attended to in this process. In addition, it also involves coordination with relevant Authorized After-Sales Services in terms of workshop planning.

<sup>15</sup> The ratio of calls received within the targeted answering period to the total number of received calls.



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In 2019, in our appointment service, provided for Doğuş Oto and covering all regions, 265,093 calls have been met and a total of 75,318 appointments have been made for all of our brands. In addition, new project activities are also carried out throughout Doğuş Oto cyclically and regionally.

**5. Used Vehicle Sales:** Involves researching information requests coming from the customers of the DOD brand over the website, social media, and phone regarding buying and selling used vehicles, bartering services, and insurance of used cars, providing the research result to the customers, and connecting the customers with the Authorized Dealers.

In 2019, the DOD calls fell down to 9,363 by 53 % compared to the previous year. In consideration of this data, whereas the world average for the Service Level, which is viewed as one of the most important criterium in the call centre industry in general total, is 75 %, in 2019 this criterium for DIM has been realized as 81 % as the common value of all of the units.

The NSP, whereby the customer representatives are evaluated, and the quality of service provided and the feeling

this leaves on the customer are measured, has resulted as 85 % in 2019. The quality measurement of DIM customer representatives in 2019 has shown that the interaction quality score of customer representatives has been 91,77.

DIM always considers as a priority the privileged service when serving its customers. In this sense, DIM makes special contracts with towers in important and dense regions and then measures the quality of these towing companies. In this way, it aims at high service standards both in terms of quality and productivity.

In 2019, DIM employees have made 98 proposals and as in the previous year it has appeared as the unit with the highest number of proposals.

**6. Other Applications: DIM Rent A Car (RAC):** In order to provide a better service to the customers stranded on the roads, DIM, Volkswagen and Audi brands have offered temporal rent a car service in 2015. In this way, our customers have enjoyed the opportunity to experience the use of our upper segment vehicles such as Volkswagen Passat and Audi A4 in place of their own cars.

**D-Pedia Dictionary:** A web-based Frequently Asked Questions section was created which would allow customer representatives to quickly answer customer questions, and to record the questions and problems of customers in the corporate memory.

**Online Performance System:** Through a special effort, a new software specially designed for DIM was integrated to the performance system. Thanks to this system, the measured results (of interview quality, tests, etc.) are simultaneously forwarded to the customer representatives.

**Dialogue Mobile Application:** In order to meet the customer expectations and provide unmatched customer experience, the 1st phase of the DIYALOG mobile application has been put into use. When customers get stranded on the road, their location can be identified, and emergency service / towing teams called to task with this application. In the same time, customers can also follow on their phones the locations of the responsible emergency service and towing teams. In this way, when stranded on the road, customers can use just one button to make use of road assistance services.



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**The Automation of NPS Calls:** While previously the NSP calls, which measure the satisfaction of customers from the services they receive from DIM, have been conducted by customer representatives, since 2017, they have been done with the automatic IVR system. In this way, both workforce hours have been saved and more information have been collected from customers to be used for the development and amelioration of the processes.

Additionally, DIM has made an important technology investment in 2017 and started to use the Verint Speech Analytics system. In 2019, it has continued to use this system. In this way, all of the recorded calls have been transferred to text through speech-to-text technology, which has allowed to conduct a variety of analyses of these texts by means of the method of data mining. The Speech Analytics system has contributed to DIM in a variety of ways, including performance management, productivity, and marketing.

**Customer Management System:** DIM has also received the ISO EN 15838 Customer Management System Certificate, which is an international standard for industrial needs in terms of call centres, and which is granted to customer-focused service providing companies.

ISO 10002 certificates compatible with ISO 9001 have also been received which is a management approach ensuring establishment of more beneficial and long-lasting relations with customers and development of these relations.

In 2019, DIM has started to implement the Porsche Premium Customer Representative project developed by the Porsche brand. In the context of this project, the dialogue and road assistance calls coming to designated lines are answered by special personnel of the Porsche brand.

With the Positive Discrimination Project initiated in 2016, DIM has started a new implementation in order to provide faster service and to minimize the waiting times for disabled, female and 60+ years old customers. With specifications made to the system DIM is connected to and the central system, these customers are prioritized by the system and information about their special condition (disabled, woman, 60+) appear on the screens of customer representatives. In this way, these customers receive a more distinct service in terms of both behaviour and time.

**7. Project based activities:** a. To analyse, report on and realize amelioration projects

for wishes, complaints and requests coming from the field,  
b. To give regularly feedbacks to SSH teams about emergency services, and to contribute to revoking shortcomings and maintaining the standard,  
c. To realize the customer relations projects of the brands (for example, the management of the Lead system, provision of special call centre service for the Volkswagen Commercial Vehicle Premium project, and similar projects such as Digiturk Portal and DMF lead linking, VW Shop, D-Gym, meeting cyclical campaign requests (friendly drive, etc.), continuing the Scania Corporate operations),  
d. To realize data updating on project basis by calling the customers of either a brand or an Authorized Dealer,  
e. To develop projects by participating in the annual planning activities of the brands,  
f. To conduct activities in order to develop customer relations by observing the customer experience of Authorized Dealers who are open to growth, and to disseminate the findings throughout the organization,  
g. To increase the satisfaction of the process and customers by organizing training and motivation programs of emergency service and towing teams.



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**8. CRM Report Card:** The management of the “CRM Report Card”, designed for measuring the impact of CRM activities on brand performance, is assumed by DIM.

**9. Telemarketing:** Undertaking telemarketing activities (such as accessories, assurance sale, etc.).

**10. HMK Project:** The project regarding forwarding the potential customers who have come into contact with DIM to the Authorized Dealers and Services with the Speedy Customer Registration (HMK) method and conducting follow-ups, has allowed the brands to make new vehicle sales and to create a potential customer pool.

## DIGITAL TRANSFORMATION

2019 has been a year in which the need for the digitalization process was felt the most in both short and long terms in all of the industries. With the Covid-19 epidemic which started to emerge at the end of the year and was declared as a global pandemic in early 2020, it has become evident how important it is for companies distance-managing all of their processes, home-officing models, digitized customer services, and other similar issues in terms of their sustainability.

In 2019, The German Global Change Advisory Council (WBGU) made an announcement in order give support to the UNSDG’s 2030 targets: “Only when digital transformation and sustainability are structurally connected to each other, we can make progress in environmental protection, slow down global warming, and ensure social development.”

It looks like the materiality issue of “digital sustainability”, long under discussion, will inevitably become the number one item of the agendas of many companies.

Such an approach affects not only the IT assets of a company, but also each of its departments and processes.

All industries must contribute to the projection of the world we live in and the upkeeping of the ecological environment in a healthy manner. We need to use our assets and capacities in an efficient manner in order to find just global solutions and putting them into effect. All industries are undergoing a big change thank to numerous technological developments and scientific novelties.

The concept of digital sustainability signifies a comprehensive approach for rendering sustainability much more efficient in the main risk areas such as furthering a company to the future with investments in smart technologies, achieving productivity in operations and business continuity.



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The latest developments in the digital technology transform all segments of society. Digital communications affect our decisions, interactions and life and work habits. We know that digitalization incorporates possibilities that both endanger our lives and facilitate solutions for survival. For this reason, the intersecting area of digitalization and sustainability harbour both difficulties and big opportunities.

Also in 2019, in line with the Company's long-term strategy, Doğu Otomotiv has focused on domestic operations and opportunities with high value generating potential, above all digitalization. Doğu Otomotiv treats the "Agile Methodology", that features the concept of "Value" at its core, as the in-house digital project development approach. In this respect, in 2019, the Company has set up the foundations for the transformation to an agile and analytical organizational structure. Accordingly, roles appropriate for the agile management structure have been identified and the working methods have been defined which would facilitate the communication and coordinated work between the Information Technologies and business units.

As part of the ongoing digital transformation, the Human Resources processes have also been transferred to a maximum degree to digital platforms. In line with the long-term strategy and vision about the future of Doğu Otomotiv, the Business Development unit, established in order to be prepared for digitalization, as well as the business models of the future, has started to work in cooperation with enterprising companies in 2019. Also in 2019, the Start-up Catalogue website was setup with the purpose of developing the enterprising characteristics of the Company's employees. Internal workshops and cooperation with enterprising companies in this area will further be intensified in 2020.

Within the context of employer brand activities at Doğu Otomotiv, social media channels were given weight in external communication. The Company actively uses LinkedIn, Facebook and Instagram, and has achieved 101 thousand followers in LinkedIn, 40 thousand followers in Facebook which was started as of March 2018, and more than 20 thousand followers in Instagram. The social media channels of the Company, with their original and story-telling contents, are displaying increasing interaction trends in all media.

The community engagement platform of Doğu Otomotiv, Traffic Is Life!, on the

other hand, by the end of 2019, has had the highest number of followers among the social responsibility platforms of the industry on social media. The number of followers on the Facebook account of Traffic Is Life! platform has increased by 21 % and reached 154,770 followers, on its Instagram account this number has increased by 220 % and reached 16,676 followers. The Doğu Otomotiv's brands which pay attention to digitalization in brand communication, have achieved significant success in 2019 by effectively using digital communication channels. The website of the largest showroom of Volkswagen Passenger Vehicle has received 17 million visitors in 2019. 24,200 digital request forms have been received from digital channels, out of which 2.1 % has turned out to sales. In this regard, Volkswagen Passenger Vehicle has greatly outperformed the industrial average of 1.1 % in the Google Auto Report. The Volkswagen Passenger Vehicle social media channels, with their strong strategy and original content, have become the most followed accounts in the automotive industry in 2019. The brand has continued its leadership in Facebook with its local followers exceeding more than 4 million persons, and has become the most followed automobile brand in Instagram with 440 thousand persons. The number of users of "My Volkswagen" application, which offers many user-friendly functions, has reached 450 thousand persons at the end of 2019.



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Audi Turkey, which has put digitalization at the centre of its business processes, due to its digital showrooms and benchmark projects, is being pointed out as an example by Audi AG for other countries. Audi Turkey has continued to effectively appear on social media in 2019. As in the previous years, also in 2019, it has maintained its position in Twitter's Turkish automotive pages as the brand with the highest number of followers. Audi's website, as in the previous years, has been one of the most visited Audi websites in the world. The "Audi Intelligence: CRM" project, developed by artificial intelligence and machine learning techniques, has positively contributed to vehicle sales again in 2019.

SEAT has emphasized the communications of its Leon and Ateca models in 2019 and has realized 100 % of its campaign communications on digital media throughout the year. SEAT has used social media channels effectively throughout the year, and its brand recognition was realized as 27.2 %.

In 2019, Porsche Turkey's Instagram account's follower number has

increased by 20 %, and its YouTube channel's subscriber number has increased by 102 %. In addition, in 2019, Porsche has initiated something new by setting up online Porsche TV application at authorized sales and services points.

With the instant broadcast of Porsche TV on 41 screens at 7 Authorized Dealers and 8 service points, our customers have received information about our models, current news about the brand, and the implementations.

The "Smart Turquoise Screen" application, used since when it was set up in 2016 at Volkswagen Authorized Dealers and After-Sales Services and aiming at offering better targeted services to the users of Volkswagen Commercial Vehicles, has continued to be further developed in 2019. Also in 2019, work on Smart Turquoise Screen After-Sales Services version has started. Work on screen designs have been initiated to organize the daily operations of employees working in the service section, to show on the screen the information requiring attendance during the day, and to increase the legibility of the

tasks assigned by Doğu Otomotiv. The news smart screens, called as Digital Service Assistant, are planned to be put in use in 2020. Further improvements have been carried out on the Volkswagen Commercial Vehicle Mobile Application, which was introduced in 2015 and through which customers of Volkswagen Commercial Vehicles can solve their problems with their phones. With a new interface integrated to the service section of the application, customers can see the applicable discounts for their vehicles and to make online appointments for servicing. Because of the provisions of the Law Regarding Protection of Personal Data, the personal data in the application was rearranged and made compatible with the regulation. Improvements on some applications that serve within the app and are pioneers in the industry have continued. The improvements carried out on the advanced road assistance service in particular, which is accessed with a single button and in which the tower and the customer can see each other on the map, and the easy identification of the warning lights on the vehicle gauge on the application have been ongoing.



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The traffic on Volkswagen Commercial Vehicle's largest digital showroom, its website, has shrank less than the market average in 2019, and out of the filled-in forms on the website and forwarded to the dealerships, 4,452 have been realized as sales. Social media communications have also been actively continued in 2019. Volkswagen Commercial Vehicle Turkey has been awarded with the title of the largest light commercial vehicle page of Europe in Facebook. The Facebook page of Volkswagen Commercial Vehicle Turkey has the most members among all the countries of Volkswagen Commercial Vehicle countries. On the Instagram medium, the AmarakTurkey page has the highest number of followers.

"My Scania on my Phone", as developed by Scania and one of the pioneering applications in the industry, has become one of the most effective digital applications in 2019 given that it has been downloaded 8,400 times.

The DOD Mobile application has been downloaded to approximately 790,000 smart phones or tablets up until now, and it has become one of the most favoured mobile applications in this area. The DOD Portal was developed as an internal

reporting platform for Authorized Dealers to engage in business and performance follow-up regarding DOD.com.tr and DOD Mobile. DOD Portal will be opened for use by Authorized Dealers in 2020.

## NEW PRODUCTS AND SERVICES

Given the new economic balances in the 21st century, the mobility needs, and expectations of customers change and are reshaped as influenced by experiences they have with other industries. Agile competition, customer-centredness, and development of new business models are among the priorities of Doğu Otomotiv striving to become a sustainable company.



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## New Products and Services in 2019

BRAND	PRODUCT	SERVICE	AUTHORIZED DEALER AND AFTER-SALES SERVICES
<b>Volkswagen Passenger Car Turkey</b>	T-Roc, New Passat / Passat Variant	Special Consumption Tax Exempt Sales info page, Dynamic individualization of user journey on the main page and the model page on the website according to user behaviour, Volkswagen Code - stock searching integration on Turkuaz, Speech-to-Text system at Authorized Dealers, Network Application at After-Sales Services	Döşman Authorized Service - Gaziantep Egecan Authorized Service - Iğdır
<b>Audi Turkey</b>	A8, A7, A6 and Q8	Smart Pen - transferring all information to digital sphere Self Reception - The digital sphere in which customers can open up their own business orders	Beşer Authorized Service - Mardin
<b>SEAT Turkey</b>		Churn Project Inclusion of Anadolu Sigorta to SEAT Insurance Special new Discount products for fleet companies	Beşer Authorized Service - Mardin Voskar Authorized Service - Rize Lena Authorized Service - Bodrum Muğla Yağcı Authorized Service - Edremit Balıkesir
<b>ŠKODA Turkey</b>	Superb in D segment, Octavia in C segment, Karoq in C-SUV model		
<b>Bentley and Lamborghini Turkey</b>	Bentley Continental GT, Urus in Lamborghini SUV segment		
<b>Porsche Turkey</b>	Cayenne Coupe New 911	With the addition of New Taycan model to Porsche product portfolio, investment in electrical vehicles is initiated. In 2019, Porsche After-Sales Services has rapidly started infrastructure work for charging service and the first of the Porsche Destination charging stations which will serve all electrical vehicles, in particular Taycan, has started to provide services at the headquarters of Doğu Otomotiv.	



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BRAND	PRODUCT	SERVICE	AUTHORIZED DEALER AND AFTER-SALES SERVICES
<b>Volkswagen Commercial Vehicle Turkey</b>	Caravelle Highline DSG 4Motion, New Crafter 5.0T Service and School, New Crafter Single Wheel Service and School, New Transporter, New Caravelle	Smart Turquoise Screen improvements, Adding after-sale functions to the mobile application Warning Identification application Winning Service Campaign Crafter Service Campaign	Döşman Authorized Service - Gaziantep Egecan Authorized Service - Iğdır
<b>Scania Turkey</b>	LNG and CNG Wreckers	Smart Turquoise Screen RPA - Robotic Process Automation	Doğuş Otomotiv Authorized Dealer and After-Sales Services - Tuzla Istanbul Tirsan Authorized Dealer - Sancaktepe Istanbul
<b>Scania Engines Turkey</b>	First air engine sales First 6x6 ARFF airport firefighter vehicle project New V8 sea engine 16.4 litres V8 truck engine		
<b>Thermo King Turkey</b>	New generation E series electrical units Standardization of the BlueBox hardware in Spectrum models	Certification and training in medications transportation	Doğuş Otomotiv Authorized Dealer and After-Sales Service Provider - Tuzla Istanbul
<b>Doğuş Oto</b>	The new projects of all Doğuş Otomotiv's brands are put on sale at Doğuş Oto locations	The newly developed services of all Doğuş Otomotiv's brands are used at Doğuş Oto locations	
<b>DOD</b>	3 months DOD Guaranty Product DOD Portal	Sales Training and Vocational Proficiency Test Organization for Authorized Dealer employees	

# USED VEHICLE MARKET AND DOD

According to the data published by the Turkish Statistical Institution, the number of vehicles changing hands in the used vehicle market has increased by 14.4 % in 2019 compared to 2018, and reached 6,227,461 vehicles.

DOD celebrated its 20<sup>th</sup> anniversary in 2019 and has continued with its operations as the largest corporate used vehicle brand of Turkey. A total of 18,067 sales have been realized at 58 different sales points.

In addition to the 6 and 12 months of DOD Guarantee products which give confidence to customers when they buy used cars, the 3 months DOD Guarantee product has also been put into effect as designed in compliance with the new by-law. With the introduction of the new product, DOD guaranteed vehicle sales have increased by 126 % in comparison with 2018. Work on product development will continue in 2020 in order to increase the concentration and sales of Guarantee products.

Showroom renovations have also continued in 2019, and 2 more Authorized Dealers have made their showrooms compatible with the new corporate identity. In 2019, the new employees of 4 Authorized Dealers have been trained

to use the Turkuaz system and 101 Point Control trainings have been carried out on location.

Regarding the business authority granted to the industry with the By-Law Regarding Used Motorized Land Vehicles Trade and such standards as the vocational proficiency documents, activities conducted within the Authorized Dealer network have continued in 2019. DOD has conducted additional trainings in accordance with the vocational proficiency standard introduced in 2018 for the employees in the industry. All employees taking the tests have passed and earned the right of receiving the Vocational Proficiency Document.

Along with the Covid-19 Pandemic, in addition to the DOD 360 service which is unique in the industry and provides vision of the interior of the vehicle from 360-degree angle, the brand has initiated the Video-Based Vehicle Demonstration service over DOD.com.tr and DOD Mobile which constitutes a novelty in the used vehicle market. The Service aims at digitally supporting sales discussions and managing a significant portion of the physical showroom visits of customers and their decision-making processes over digital platforms.



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# OUR PEOPLE AND COMMUNITY DEVELOPMENT

Taking the value given to human into the focal point of community development.

Business Ethics and Doğuş Otomotiv Code of Ethics

Traffic is Life!

Volunteering at Doğuş Otomotiv

Human Rights and Gender Equality

Human Rights and Diversity

Employees and Workplace



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# BUSINESS ETHICS AND DOĞUŞ OTOMOTİV CODE OF ETHICS

Doğuş Otomotiv Code of Ethics, the published principles and policies within the scope of the code undertake to develop and maintain honest and ethical forms of conducts in our relationship with our business partners and rivals. Doğuş Otomotiv agrees that ethical business behavior in the highest standards is the mainstay of its strategical projections focused on growth. With Doğuş Otomotiv Code of Ethics, our company firmly denies non-ethical business conducts. The aim of the Code of Ethics prepared by Doğuş Otomotiv is to provide beneficial and illustrative information to all our employees as regards ethics-related matters. Doğuş Otomotiv Code of Ethics assumes the role of guidance for our employees and business partners in fully understanding and comprehending our code of conduct.

Business ethics notion of Doğuş Otomotiv covers highest-level ethical standards in our corporation policies and business conducts and behaviors. In other words, it is the existence of ethical standards in each section of our business life. It is

the full reflection of ethical business conduct, beyond moral traditions and values, to our corporation's units, technological assets, financial and operational activities, or briefly to all our business processes.

Doğuş Otomotiv's most distinguished asset is the trust of its customers, suppliers, employees, and shareholders to our company as well as the corporation's reputation gained since its foundation. The trust of our shareholders and protection of our reputation are our raisons d'être which we would never relinquish.

Doğuş Otomotiv Code of Ethics includes our corporate responsibility perspective within the entire Doğuş Otomotiv value chain and our commitments under the principles of the United Nations Global Compact. Our Code of Ethics has been approved by Doğuş Otomotiv Senior Management. Doğuş Otomotiv Code of Ethics is designed to regulate the behavior of our employees as well as the relationships between our employees and our customers, competitors, and suppliers.

Doğuş Otomotiv expects that its suppliers, customers, shareholders, subsidiaries, and all other stakeholders understand the way our company's code of conduct and behave accordingly.

**Doğuş Otomotiv Code of Ethics** is published in our company's internet and intranet systems and it is a publicly available information.



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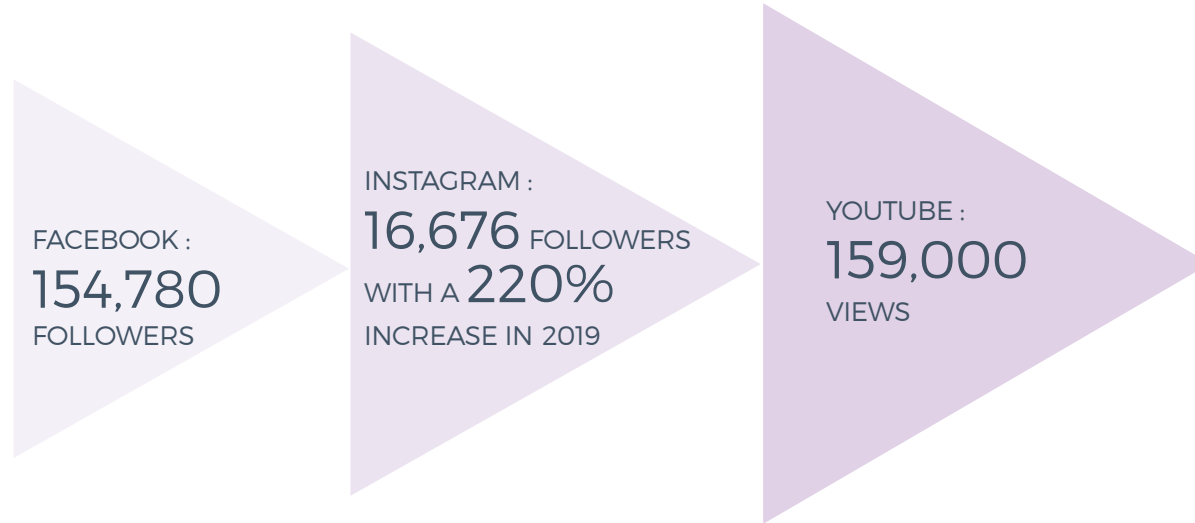
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# TRAFFIC IS LIFE! PLATFORM

Doğuş Otomotiv aims to create a long-lasting positive cultural transformation on traffic safety in society and, in 2004, developed a social responsibility platform to add value to social development and leave a lasting mark with the motto "Traffic is Life!". Being the industry's longest running corporate responsibility program, the "Traffic is Life!" platform has been carrying out awareness projects for 15 years towards different target audiences so as to change the behaviours and habits of individuals at all ages and raise the awareness of society as regard the traffic safety. The platform believes that positive cultural transformation in traffic will contribute positively to every aspect of life and leave liveable cities and future.

In 2019, the "Traffic is Life" platform has turned its focus on urban life and increasing mobility after urbanization as well as to the reflection of technology into our daily lives. Accurately analysing changing technology and media consumption trends, the platform has followed a strategy of being active in social media and digital platforms to reach its target audience efficiently.



We organized a contest titled "Give me sign" as regards what the new traffic signs could be, and we reached 35,103 people over Instagram as well as 415,000 people over Facebook. The winners are the signs of "Do not use mobile phone at the traffic", "Give signal" and "Respect". Throughout the year we made sharing not only for car drivers, but also for motorcycle users, cyclists, pedestrians, parents and animals. New vehicles such as e-scooter and changing laws with changing technology were also our topics of share.

Considering that the audience values the views of "influencers", the platform arranged

the meeting of Üstün Dökmen, who is the brand ambassador of Traffic is Life! platform, Doğan Kabak, who is an automobile editor and also a YouTuber, to make a session within the context of relationships between kids - automobile, parents - driver, automobile - driver. In order to raise awareness about child safety in traffic and in the vehicle, Üstün Dökmen makes suggestions about how children should/ should not travel in the vehicle in his interview with Doğan Kabak, and he also shared what needs to be done about stress management in traffic.



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The video, which received 159,000 views on YouTube, has also reached a wide audience on social media.

To address the shortcomings of drivers in terms of safe driving in Turkey and guide them in this matter, the platform has prepared a series of short training videos. The platform also cooperated with the Driving Safety Specialist, Ahmet Özgün, and prepared videos on speed, mobile phone, blind spot, driving position, traffic signs and speed limit based on the statistics published by General Directorate of Police. To attract the attention of motorists, these videos highlighted the risks of mobile phone use and excessive speed in traffic and shows correct driving position as well as the importance of traffic signs and blind spots. The videos are posted in Traffic is Life!'s social media channels as well as the General Directorate of Police and received a total of 2,893,186 views and 12,402,741 access.

In order to attract the attention of the younger audience and raise their awareness towards traffic safety, Traffic is Life! also included the items that highly attract the attention of young people in their communication

activities. In this sense, 2019 was a year that Traffic is Life! highly addressed the interests of young people. For this purpose, it has made popular social media posts in Instagram and developed 5 traffic-themed GIFs. Instagram users can access the GIF stickers of Traffic is Life! by searching with words such as hız, bebekkoltugu, ceptelefonu, trafikhayattir, emniyetkemer, yolcu, yaya, seyahat, guvenlik, hayat, dogusotomotiv, fren, gaz, bisiklet, motosiklet.

In 2019, as in previous years, with the Facebook Chat Bot application implemented for the first time in a social responsibility program, we offered the opportunity to test with the driving license exam questions, approved by the Ministry of National Education, for those who will take the driving license exam. Since its introduction in December 2017, 161,779 participants have benefited from the application aimed at measuring the pre-exam knowledge of the participants. Traffic is Life! platform has sent messages to 87,775,401 people via Facebook and 943,145 people via Instagram with its social media communications throughout 2019.

Traffic is Life! platform aims to raise awareness not only of vehicle drivers, but also everyone in traffic, and it aims to increase traffic safety in general. In this context, the platform also carries out projects for cyclists who needs to exhibit the greatest care as they are injured frequently. The mobile application "HOP!" alerts pedestrians and drivers if there is a bicycle within 30-40 meters. Aiming to prevent accidents, HOP! was further developed with the integration of Blesh in 2018 and offered the opportunity to receive and transmit signals to both bicycle and car drivers without downloading the application. In 2019, 133 people downloaded the application and benefitted from it.

**Distant  
Traffic Safety  
Education to more than  
25,000 student in  
14 universities.**



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In 2019, the Traffic is Life! platform has continued its “Traffic Safety Distance Training” launched in 2013 to create a positive cultural transformation on “traffic in society”, which is its main task. Distance education in the category of “Social Elective Course” recommended by the Council of Higher Education (YÖK) is the first corporate responsibility program to enter the university SCORM system with its traffic safety content. With the program, we have reached more than 25,000 students in 14 universities so far. By taking advantage of Dogus Group synergy, the platform continued its efficient collaborations in 2019. The Pictoos character, created by Varol Yaşaroğlu in 2017 to remind and teach traffic rules through an entertaining way, is presented with the children's menu and colouring page in Mezzaluna and Kitchenette restaurants belonging to Doğuş Group. Thus, children both gain traffic awareness and enjoy a pleasant time by painting traffic-related images of the Pictoos character.

Traffic is Life! platform will develop an interactive project and field activities that will reach and influence on a wide target audience in 2020, and will continue to create positive culture and raise awareness in traffic in every segment of the society.

## VOLUNTEERING AT DOĞUŞ OTOMOTİV

It is clear that companies should be part of social development in the field of Corporate Sustainability. The main tasks of companies that fulfil this responsibility are to raise the social sensitivity of their employees and to encourage individuals who want to be a part of the solution to people's problems and who have developed a civil society mentality. In this sense, Doğuş Otomotiv Volunteering Platform, established in 2017, promotes corporate volunteering within different programs.

In 2019, Doğuş Otomotiv Volunteers took part in various programs for a total of 509 hours. Within the scope of career promotion and career days, universities that were collaborated with have been Sakarya University, Kocaeli University, Sabancı University, ITU, Bahçeşehir University, Marmara University, Koç University, 9 Eylül University, and Istanbul University. In addition, one of our employees voluntarily participated in the career days organized by the Istanbul Metropolitan Municipality as well. Apart from the mentoring program carried out in cooperation

with TEV (Turkish Education Foundation), in 2019, Doğuş Otomotiv Volunteers collaborated with the Urgent Requirement Project Foundation to volunteer to send care packages which included items such as toys, educational materials, etc. to children in need. Doğuş Otomotiv volunteers provided a total of 9 hours of support for the earthquake survivors affected by the Elazığ Earthquake in 2019, as a part of the Food Aid campaign. In support programs implemented in the Volunteering Programs, cooperation with Gültepe Vocational and Technical Anatolian High School, Urgent Requirement Project Foundation and Foundation for the Support of Women's Work were realized.



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## Audi Beautiful Acts

Within the scope of the “Warm-hearted Brand Strategy”, we conducted various social participation programs throughout the year. In this context, we aimed to increase the social inclusiveness of the hearing-impaired people and to make their accessibility to the services sustainable with the “Beautiful Acts” project announced through social media communication. 13 authorized dealers attended the sign language training initiated by Audi Turkey for sales employee at authorized dealers across the country. The next step within the scope of the project titled “Beautiful acts” was to prepare “Sign Language Videos of the Automobile” regarding the basic warnings that hearing-impaired drivers should know while driving.

The “Beautiful Acts” program of Audi emerged out of the demand of a sales representative who tried to communicate with a hearing-impaired guest through letters but could not achieved to do so. In the first phase of the project, the Hearing-Impaired Education Activities Association provided 3-day training to 13 volunteers from 17 authorized dealers and two volunteers from the Value and Interest

Centre, which provides road assistance services to and Audi drivers. A month after the training, a volunteer Audi sales representative also sold his first car to a hearing-impaired Audi enthusiast.

In the second phase of the project, ten short videos were prepared under the name of “car's sign language” regarding the basic warnings that should be known for the hearing-impaired. These videos Audi has been published in Turkey's official YouTube account. The aim of Audi in the third phase of the project is to prepare an infrastructure in which hearing-impaired individuals can receive roadside assistance by using video calls and use the customer support line. In addition, the “Breathable Roads” project, which was launched with the Izmir Authorized Dealer, launched the Eröz Audi Forest project with 5 thousand trees.

## HUMAN RIGHTS

Doğuş Otomotiv became a first in its sector in Turkey with its Human Rights policy published in 2010. Over the past 10 years, it has continued to emphasize the importance of this issue in its dialogue platforms with its employees and all stakeholders in the value chain.



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Doğuş Otomotiv Human Rights Policy impact is managed as follows:



Opportunities arise out of the initiatives to get responsibility. Awareness can be built and maintained through policy and implementation. As Doğuş Otomotiv, it is our responsibility to tidy up the ways of our job that crosses human rights.

## GENDER EQUALITY

Increased women participation in the workforce is one of Doğuş Otomotiv's main goals. With its "Equality at Work" program, it tries to increase the number of woman employees and their effectiveness in decision making mechanisms.

We continued activities for woman employees within the scope of the Equality at Work Program in 2019.



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One of them is the “Program on Coaching and Mentoring to Women” to which 15 new female executives participated in 2014. Graduation certificates were presented to 125 women executives in a ceremony who have participated in the program and completed all their education since 2014.

In line with the efforts of “Equality at Work” platform, our company provides special coaching and mentoring trainings for women and offers opportunities for them to prepare for a higher managerial level. This program supports woman employees to manage their own spheres well, thereby contribute to their personal/professional development. In addition, we have implemented many programs that will facilitate the balance of work/private life of our women.

Besides, in 2019, the training program which was co-organized with TEV and designed to support girls for their business life produced its first graduates. In this program, volunteers from woman managers who received coaching and mentoring education provided mentoring support to schoolgirls with TV scholarship.

Doğuş Otomotiv was awarded the “Board of Directors with Women” award by Sabancı University Corporate Governance Forum. It is also an example for Turkey with a high female representative rate on the board of directors.

Doğuş Otomotiv provides free kindergarten education to the children of working mothers having children in pre-school age, gives nursery allowance for those who prefer a different kindergarten, allows leaves at school start days every year, and offers part-time employment to having children in pre-school age.

### I Got Power From You

As a corporation supporting “Equality at Work”, we presented the “I got power from you” campaign to our followers over internet within the context of 8 March World Women Day. It attracted high attention with the emphasize on the facts that women can do any job and become successful. Our main purpose was to bring our employees together with their executives in business areas where women rarely involved in the automotive sector and to emphasize how they are inspired by our executives working in these fields.



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## Female-Male Employees By Regions

Regions	Female		Male		Female		Male	
	Doğuş Otomotiv 2018	Doğuş Otomotiv 2019	Doğuş Otomotiv 2018	Doğuş Otomotiv 2019	Doğuş Oto 2018	Doğuş Oto 2019	Doğuş Oto 2018	Doğuş Oto 2019
Marmara	208	191	421	418	181	185	923	891
Aegean	0	0	0	0	0	0	0	0
Mediterranean	0	0	0	0	0	0	0	0
Eastern Anatolia	0	0	0	0	0	0	0	0
Southeast Anatolia	0	0	0	0	0	0	0	0
Central Anatolia	0	0	0	0	53	54	313	296

## Age Breakdown By Position <sup>16</sup>

2019	Female		Male		Ages Under 30		Ages between 30-50		Ages Over 50	
	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto
Board of Directors <sup>17</sup>	3	0	3	1	0	0	1	0	5	1
Senior Level Executives <sup>18</sup>	1	0	8	1	0	0	5	1	4	0
Mid-Level Executives <sup>19</sup>	9	6	33	18	0	0	37	22	5	2
Executives <sup>20</sup>	55	0	126	0	5	0	166	0	10	0
Officers-Asst. Officers/ Specialists -Asst. Specialists <sup>21</sup>	82	123	99	348	77	126	102	341	2	4
Call Center <sup>22</sup>	24	0	22	0	38	0	8	0	0	0
Employees <sup>23</sup>	3	106	16	157	2	103	13	156	4	4
Blue Collar <sup>24</sup>	3	3	110	662	11	243	92	412	10	10
Other <sup>25</sup>	11	1	1	0	1	0	9	1	2	0

<sup>16</sup> The figures in the table is based on the 31 December 2019 data. Temporal employees and interns are not included in the numbers. <sup>17</sup> The Managerial Board consists the Members of the Managerial Board and Head of the Executive Board. (Head of the Managerial Board for Doğuş Oto.) As Head of Doğuş Oto Managerial Board, Ali Bilaloğlu, is also the Heads of Doğuş Otomotiv Managerial Board and Executive Board, he was included in the numbers twice. <sup>18</sup> The High-Level Managers consist General Brand Managers and Directors (General Manager and Directors for Doğuş Oto) <sup>19</sup> The Mid-Level Managers consist Managers. <sup>20</sup> The Managers consist Unit Managers and Managers. <sup>21</sup> Representative, Assistant Representative, Expert and Assistant Expert are added to this table because they constitute the majority of the company. There is no Assistant Representative title in Doğuş Otomotiv, it is added for Doğuş Oto. <sup>22</sup> There are Customer Representatives and Team Leaders in the Call Center group. <sup>23</sup> The Employee Group consists intelligence staff, archive and invoice staff, telephone, and administrative affairs staff. <sup>24</sup> The Blue Collar consists employee working in the spare part store and technical staff working in the Gebze service (For Doğuş Oto, these are Technical Staff, Foremens and Store Staff.) <sup>25</sup> The Other group consists executive assistants, consultants, company doctor and nurse.



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## Education Levels by Gender <sup>26</sup>

Education Level	Female			Male			Female			Male		
	Doğuş Otomotiv 2017	Doğuş Otomotiv 2018	Doğuş Otomotiv 2019	Doğuş Otomotiv 2017	Doğuş Otomotiv 2018	Doğuş Otomotiv 2019	Doğuş Oto 2017	Doğuş Oto 2018	Doğuş Oto 2019	Doğuş Oto 2017	Doğuş Oto 2018	Doğuş Oto 2019
PhD	0	0	0	0	0	0	0	0	0	0	0	0
Master	39	49	48	96	86	80	16	21	18	25	29	29
Bachelor	174	133	122	226	172	177	190	147	154	405	326	335
Associate Degree	20	10	8	25	28	24	52	37	35	207	182	176
High School	26	15	12	124	113	118	38	28	31	532	464	429
Elementary/Middle School	2	1	1	27	22	19	1	1	1	267	235	218

## Female Employees by Position and Ratios <sup>27</sup>

Number of Female Employees <sup>28</sup>						
Position	Total number of female employees	Percentage of the total employees (%) <sup>29</sup>	Doğuş Otomotiv Total number of female employees	Doğuş Otomotiv Percentage of the total employees (%)	Doğuş Oto Total number of female employees	Doğuş Oto Total Percentage of the total employees (%)
Board of Directors	3	42.86	3	50.00	0	0.00
Senior Level Executives	1	10.00	1	11.11	0	0.00
Mid-Level Executives	15	22.73	9	21.43	6	25.00
Executives <sup>30</sup>	55	30.39	55	30.39	0	0.00
Officers-Asst. Officers/ Specialists -Asst. Specialists	205	31.44	82	45.30	123	26.11
Call Center <sup>31</sup>	24	52.17	24	52.17	0	0.00
Employees	109	39.21	3	15.79	106	40.93
Blue Collar	6	0.77	3	2.65	3	0.45
Other	12	70.59	11	91.67	1	20.00

<sup>26</sup> Numbers on that table is prepared as to data of December 31<sup>st</sup> 2019. <sup>27</sup> Numbers on that table is prepared as to data of December 31<sup>st</sup> 2019. <sup>28</sup> The table shows the rates of female employees at Otomotiv and Oto to the total number of employees at that group. For example, there are 184 female managers at Doğuş Otomotiv and 51 of them are females. The rate is calculated as 51/184= %27.72. <sup>29</sup> The total number of female employees of the two companies is again proportioned to the total employees in that position. The 42.86 percent ratio gives the ratio of the number of female employees working in that title to the total number of employees working in that title on a company basis. <sup>30</sup> There is no Manager title in Doğuş Oto. <sup>31</sup> Only within Doğuş Otomotiv.



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## Salary ratio of Female and Male Employees <sup>32</sup>

Ratio of Female Employee salaries to the Male Employee Salaries (%)	2017		2018 (*)		2019 (*)	
	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto
	99	99	99.6	94.8	96	97.6

## Human Rights and Diversity

The diversity principle at Doğuş Otomotiv is constantly supported by the Human Resources programs. Our company sees diversity as working for the same purpose with many different employees in terms of age, gender, religion, language, ethnicity, education and talent, and accepts the multi-color structure as an opportunity. We maintained this vision in 2019.

In 2019, as Doğuş Otomotiv, we participated as a guest in the “Community Service Practices” training program, which was carried out jointly with the Marmara University Disabled Student Unit and the initiative of engelsizkariyer.com. The aim of the program is to increase the participation of people with disabilities in business life and to support diversity in every subject in institutions. As part of the program, we gave information about Doğuş Otomotiv's diversity management practices.

We carried out activities that support diversity with practices targeting women and mothers, Reverse Mentoring Programs carried out in cooperation with the company senior management and the Generation Y, interviews with university and high school interns at certain intervals, sharing events with disabled employees.

## EMPLOYEES AND WORKPLACE

Doğuş Otomotiv aims to provide the most efficient and best service to our increasing number of customers. This is our everyday goal at Doğuş Otomotiv. We aim to build a culture that trains future leaders and can reflect their innovative thoughts on their jobs, and we design all our programs accordingly.

Doğuş Otomotiv has developed its human resources vision by understanding the importance and meaning of change by adapting to the requirements of the new era, since it was founded 25 years ago with the aim to accommodate the most talented employees, capability to turn risks into opportunities, and the target to grow with employees who consider efficiency as the top priority.

<sup>32</sup> Since the data collection system about salary ratios did not include employee categories during the reporting period, we cannot give the distribution by employee categories. The table covers the period between 1<sup>st</sup> of January-31<sup>th</sup> of December 2019.



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Today, we are on the verge of a new era and period with our employees who aim to improve themselves while creating value for our customers, and who learn from each other and can speak the same language despite their differences. It is a fact that an innovation and digitalization-oriented era will need employees who can contribute to their work with the same innovative ideas and adapt to the vision of a permanent development. Doğuş Otomotiv proved to have a rapidly adapting employee profile that can change according to the expectations of our customers which have changed over the past years.

We are aware that not only our company but also our employees create a social, environmental and economic impact area. Being

able to manage this area in the most accurate way, to get the maximum benefit from it, and to create a work environment based on a win-win formula for both our employees and our company are among our most important targets for a sustainable workplace in terms of "Employee Engagement".

Doğuş Otomotiv believes that its employees are the greatest power that will ensure the continuity of its business and continue to provide strong, ethical and quality service in the future as it is today. It is aware that reinforcing the efficient business processes of its employees, who are key stakeholders, with its understanding of responsibility is an indispensable contribution both for the social and corporate value.

## Employees And Workplace Figures

Employees <sup>33 34</sup>	2017		2018		2019	
	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto
<b>Full-Time Employees</b>	759	1,731	629	1,468	608	1,424
<b>Part-time Employees</b>	-	-	-	2	1	2
<b>Permanent Employees for Indefinite Period</b>	759	1,733	629	1,470	609	1,426
<b>Seasonal and Temporary Employees</b>	11	35	14	5	24	5
<b>Total Executives (Director and up) <sup>35</sup></b>	64	25	59	25	58	26
<b>Total Number of Promotions</b>	83	12	92	30	100	26
<b>Promoted Female Employees</b>	24	1	27	11	35	7
<b>Total Employees Recruited <sup>36</sup></b>	72	297	70	187	74	85

<sup>33</sup> The number of employees in this table is based on 1 January-31 December 2018 data. <sup>34</sup> The number of employees include permanent staff and those contracted for an indefinite term, while employees that are contracted for a definite term is not included. As of 31 December 2019, there are 6 employees in Doğuş Otomotiv and 15 in Doğuş Oto contracted for a definite term. <sup>35</sup> The number of Director and above consists Members of Board of Directors and the Head of the Executive Board. <sup>36</sup> The number of recruited people include temporal and call center employees but not interns.



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Employees	2017		2018		2019	
	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto
<b>Total Women Recruited</b>	23	66	32	34	21	17
<b>Ratio of Recruited Women to Total Number of Recruitments (%)</b>	32	22	46	18	28	20
<b>Resignations*</b>	99	324	200	462	95	131
<b>Ratio of Resignations to Total Workforce (%)</b>	13	18	32	31	14	8
<b>Male Employees Resigned</b>	62	255	117	346	59	117
<b>Ratio of Male Employee Resignations to Total Workforce (%)</b>	8	14	19	24	9	7
<b>Female Employees Resigned</b>	37	69	83	116	36	14
<b>Ratio of Female Employee Resignations to Total Workforce (%)</b>	5	4	13	8	5	1
<b>Employee Resignations Under the Age of 30</b>	42	127	96	224	36	60
<b>Ratio of Employee Resignations under 30 to Total Workforce (%)</b>	5	7	15	15	5	4
<b>Employee Resignations Between the Ages of 30 and 50</b>	49	182	87	225	32	65
<b>Ratio of Employee Resignations between 30 and 50 to Total Workforce (%)</b>	6	10	14	15	8	4
<b>Employee Resignations Over the Age of 50</b>	8	17	17	13	7	6
<b>Ratio of Employee Resignations over 50 to Total Workforce (%)</b>	1	1	3	1	1	1



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Doğuş Otomotiv has also announced as early as its Corporate Sustainability Report published in 2010 and on its website that the basis of its Corporate Sustainability approach had been its employees and the better working environment to be provided for them. Our Company, which places employee satisfaction and loyalty at the top of its business goals, attributes the main reason for its Corporate Sustainability performance that got better day by day to the efforts and awareness reached by its employees.

**The changing business world structure, differing expectations and conditions require that companies not only manage their employees, but also to establish dialogue and inquire about their expectations by collaborating with them, and to allow their participation in all processes by ensuring that their suggestions and feedback about business processes reach directly to the senior management.**

In this way, creating a much more productive business environment, establishing an innovative and competitive company structure, and instituting much healthier relationships through employees with other stakeholders are also ensured. In this context, Doğuş Otomotiv D-Human Performance System has been redesigned considering current local and global human resources trends. A new Performance Management System based on development culture has been implemented by going beyond scoring, focusing on feedback, simpler and leaner.

Within the scope of the Digital Transformation perspective, which is one of the important focus areas of Doğuş Otomotiv, digitalization has been pursued in every field of Human Resources. Digital projects continue to be developed in many areas such as recruitment and placement, training and development, employee rights and information, process management, administrative and technical jobs.

In the BI Reporting tools, where Human Resources reports are

created and open to the perusal of the company management, improvements and new reports are designed and dashboards continue to be created. With the development in the D-İnsan 4.0 performance management system, performance appraisals of blue-collar employees working in spare parts logistics warehouse were transferred to the system in a way to create their annual performances with the criteria measured monthly.

### **“Bir’iz” Employer Brand**

Our company gives the message “We act together, we leave a mark” with the “Bir’iz” employer brand, and the brand ambassadors within the company are expanding this message to the whole company. In the workshops, in which one employee from each department is invited as representatives within the framework of the Bir’iz Employee Committee, held 3 times in 2019, we receive the opinions and suggestions of the employees regarding the activities and events carried out within the scope of the Bir’iz Employer brand and Human Resources practices.



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Applicable suggestions are included in the business plan. In addition, information and legal regulations related to the company are regularly shared with the employees via intranet and e-mail.

In line with the suggestions from the workshops, the ideas of having more meetings with the General Manager and coming together with the Generation Y have been realized to increase the communication with the new generation. Likewise, a New Year's market was established, and our employees were able to purchase special discount products offered by various brands.

At one of the meetings held in 2019, a workshop was held where all the participants were from the Y generation. 26 employees attended this meeting where we gained the chance to evaluate and interpret the business processes and internal communication by listening to the expectations of Generation Y and discussed their ideas with 5 managers.



## Doğuş Otomotiv Future Vision Talks

While celebrating its 25th anniversary in 2019, Doğuş Otomotiv held its Future Vision Talks, aiming to convey not only its business success in 25 years, but also its vision of the future as a quarter-century company to its stakeholders. During the event, realized as part of the shareholder participation strategy, which is at the heart of the sustainability, and vision that carry the company to the future, Ali Bilaloğlu, Doğuş Otomotiv CEO and Chief Executive, shared his vision in more macro level with the opinion leaders.

As the program reached all our stakeholders through social media and provided a very successful platform of dialogue, marketing managers explained the shares and opinions of Doğuş Otomotiv brands regarding the future vision of our company. The videos, where the spare parts and logistics warehouse manager told their views about the future, reached many viewers and created an efficient dialogue platform.



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**Doğuş Otomotiv sees not only its employees and customers, but also its business partners as part of its success in the last 25 years and part of the future vision.**

Including business partners in the Future Vision Talks, which was conducted with this perspective was, underlined that they were among the important architects of this success.

During the event, we also tried to explain to our stakeholders what it means to be a part of Doğuş through interviews with our old and new colleagues and how they experience the company's culture and code of conduct. Our

former employees learned what they learned from our new generation employees, and our new employees learned the history of our former and experienced employees. At this point, while the old and business partners shed light on the deep-rooted common past, their new colleagues explained how they experienced what it meant to be part of Doğuş. The old employees explained what they learned from the new ones, and the new employees explained how they benefit from the experiences of the old ones.

The video screenings which has been accessed over 22 million in total, will continue in 2020 as well.

### **GO - Development School**

“GO-Development School” was established with a gamification-motivational approach in the field of education. Thus, employee experience is prioritized, and a digital platform is provided where employees can have fun as they develop, win prizes, write blogs, and make instructor-employee evaluations in both directions. In this way, employees can follow their own professional and personal development as well as training processes, and they strengthen their internal social communication.

The activities in the GO Development School are opened to all employees in order to meet the training / development needs that arise within the framework of our company's vision, strategy and competence assessment system outputs. These trainings can be classified in 6 main categories. With this model, the newly recruited employees of the Doğuş Otomotiv or existing ones can clearly see which development programs they would participate in, and which programs they could choose, and in which field they could improve themselves. In this model, all employees, regardless of title, level and function, are provided with equal opportunities in education. In addition to these trainings, all employees, except the Manager, Director and General Manager, are included in the competence development programs every year. Leadership Development programs are carried out for the manager and above. The main purpose in leadership development programs is to develop a “common management culture”. Some of the trainings are offered to the employees as compulsory and some are offered as electives. Apart from compulsory trainings, workshop programs, guest speaker programs and internal trainings are also offered to support employees' personal development.

## Employee Training Programs <sup>37</sup>

2019	Doğuş Otomotiv (*)		Doğuş Oto	
	Total	Per Employee	Total	Per Employee
<b>Total Man/Hours – Man/Hours per Person</b>				
<b>Board of Directors</b>	0	0.00	0	0
<b>Senior Level Executives</b>	5	0.50	130.0	16.25
<b>Mid-level Executives</b>	542	12.89	290.5	17.09
<b>Executives</b>	4,537	25.07	3,395.5	27.16
<b>Officers – Asst. Officers Specialists – Asst. Specialists</b>	3,768	20.15	8,259.5	23.80
<b>Call Center</b>	640	11.23	0.0	0.00
<b>Employees</b>	226	11.89	2,381.5	8.36
<b>Blue Collar</b>	1,879	15.66	10,481.5	16.20
<b>Other</b>	136	12.36	18.5	18.50
<b>Total/Overall Average</b>	11,732	18.53	24,957	17.44

### GONK Seminars

Within the Training and Development activities, the mini seminars on various subjects given to employees at lunch breaks provided development opportunity to them.

### Talent Management

Within the scope of talent management, we implemented a potential system in our company and make backup plans. The potentials selected according to certain criteria are subjected to a series of training and development programs. As another branch of Talent Management, we implement coaching and mentoring programs in our company.

<sup>37</sup> Since the data collection system for trainings does not include a gender option and the trainings are given to all employees based on the principle of equality, the trainings given during the reporting period are not disclosed by gender.



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## Employee Loyalty

With the Employee Loyalty and Satisfaction Survey conducted every two years throughout the company, we create employee loyalty points with a confidentiality principle and identify areas for improvement. According to these results, we create action plans for employee loyalty and add the activities to be carried out throughout the year to management level objectives.

## DRIVE Program

The objective is to support the growth of Doğu Otomotiv Authorized Dealers through Doğu Otomotiv's corporate structure and values by "Doğu Otomotiv's Route is Human and Education" (DRIVE) team, to integrate Human Resources processes and to ensure sustainable success in customer satisfaction with business results.

In this context, it provides consultancy support for the development and institutionalization of human resources processes in approximately 550 Authorized Sales and Service points where 7,500 employees are employed.

Doğu Otomotiv - Drive team made one-on-one visits with teachers and students

at Vocational High Schools, both inside and outside Istanbul with the perspective of placing quality workforce in the sector. Within the scope of the visits, they gave lectures in the Volkswagen Laboratory classes to direct the 9<sup>th</sup> grade students to the automotive sector at the stage of career selection.

In order to follow the institutionalization process in our authorized dealers and services, evaluations are made with the company management. Human Resources Compliance Award and Making a Difference at Employee Brand Award are given to our authorized dealers whose competencies we have determined in these fields. The Human Resources Compliance Award is evaluated on the basis of the human resources processes applied at authorized dealers, employee turnover rate, Drive Academy participation rate and employee loyalty results, and the top 3 authorized dealers are awarded. For the Making a Difference at Employee Brand Award, 25 authorized dealers applied for the best corporate activity, human resource creation and social media use with 52 projects. Joint applications with brands' management team were evaluated and 3 authorized dealers were awarded.

## Employee Experience Programs

We run employee experience programs, where every employee is expected to feel valuable and special. These programs are designed for enhancing employee experience and include such as specialist guest speakers and seminars, specially designed educational contents, online trainings, development festivals, university collaborations such as training and development activities, working hour arrangements, applications for women and gender equality, activities that support the work-personal life balance such as programs for employees' children, personalized birthday gifts, festivals, happy hours, wellness practices (dietitian, pilates, yoga), and art-oriented activities.

25 employees attended the "Four Wheels, One Hand" internal training program organized in order to improve the experience of our employees in 2019, and 192 employee/hour training was provided. Besides, 13 employees attended "Professionalism in 21<sup>st</sup> Century" training, a capability development program, and 104 employee/hour training was provided.



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## Young Women Development Program

Doğuş Otomotiv sees increasing women's participation in the workforce as one of its main goals and aims to increase the number of female employees and make them more effective in decision-making mechanisms with the "Equality at Work" program. We continued activities for women employees within the scope of Equality at Work in 2019. 15 new women managers joined the "Coaching and Mentoring for Women Program", the first of which started in 2014. Graduation certificates were presented to 125 female managers who attended the process since 2014 and completed all their trainings with a ceremony. Besides, in 2019, the training program which was co-organized with TEV and designed to support girls for their business life produced its first graduates. In this program, volunteers from woman managers who received coaching and mentoring education provided mentoring support to schoolgirls with TV scholarship.

## D-Internship

Within the scope of the Human Resources and employer brand activities carried out to reach the best talents, we visited many universities and came together with university students and informed them about the automotive sector with the Career Garage Stand. Besides, the voting over toptalent.co which is the online career platform where university students, new graduates and companies meet, choose the best 100 programs of Turkey in 2019. In addition, according to the Universum-Turkey's Ideal Employees Research made based on the evaluation of students and working professionals in every year, Doğuş Otomotiv preserved its place as it was the 29<sup>th</sup> most preferred company among the students of Administrative and Economic Sciences in 2019, and the 37<sup>th</sup> most preferred company among the students of Engineering / Information Technologies.

## Employee Engagement

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

processes of its employees, which it sees as its key stakeholder, with a sense of responsibility. It is aware of the fact that its employees make an indispensable contribution both for social and corporate value. The changing business world structure as well as differentiated expectations and conditions make companies not only to manage their employees, but also to establish dialogue with them and to pay attention to their expectations by collaboration. Companies should ensure the participation of all employees in all processes by ensuring that their suggestions and feedback about business processes can directly reach the management.

Thus, it is ensured that a much more efficient work environment is created, an innovative and competitive company structure is established, and healthier relationships are established through employees with other stakeholders. As such, Doğuş Otomotiv Performance Management System is designed again, having regard to current, local and global human resources trends. A new performance management system which is based on feedback, simplicity, and development culture and is beyond scoring has been implemented.



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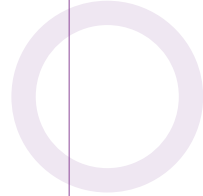
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## Doğuş Otomotiv Suggestion System

The Suggestion System enables employees to share their suggestions and opinions about the company and all processes with the management, and it is one of the effective platforms for increasing company performance and improving processes. In this way, Doğuş Otomotiv and Doğuş Oto employees made these processes leaner by offering 1,593 suggestions in 2019. 540 of these proposals have been approved while 493 of them have been implemented and Company processes have been improved. The number of suggestions recorded in the suggestion system at Doğuş Otomotiv has been 14,127 so far.

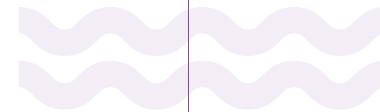


### Hail-Repellent

One of the suggestions of our employee was about a system established by Doğuş Oto which inform about the hail falls in advance in the outdoor warehouse at the Logistics Center. Currently, the system powered by solar powered battery is connected to the UPS in order to prevent the risk of running out of battery, so that possible accidents are prevented.

### Use of Idle Tires

Another suggestion that came to the suggestion system was to use the idle tires in the region's stocks arising when the company vehicles were sold. These tires, which are no longer needed, were shared with all regional offices in a list, and tires that were not used in one region were used in other regions in need. With this suggestion, an average of TL 44,000 was saved.



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## Birthday of the Ideas Graduation Ceremony

The Birthday of Ideas Graduation Ceremony, in which the best of our employees is awarded, was held on 27 September 2019 in the Doğu Otomotiv conference hall with the participation of senior management. During the ceremony, our employees had the chance to present their projects to the senior management and our colleagues who completed the 15<sup>th</sup> and 16<sup>th</sup> Wave Lean Leader training program received their certificates.

After completing their theoretical trainings, 13 Lean Leaders from Doğu Otomotiv, Doğu Oto and Škoda received their certificates by presenting their projects. In addition, the awards of 47 Doğu Otomotiv employees were presented by the top management through 16 projects that our employees realized in 2017 and 2018. Besides, the senior management awarded 14 employees with 4 projects from Doğu Oto and 9 employees with 3 projects from Škoda. The award ceremony of the best of the suggestions based on the own observations of employees from



Doğu Otomotiv, Doğu Oto and Škoda, was held and 19 employees received awards for their suggestion.

66 participants filled a questionnaire to evaluate the organization and the satisfaction was 9.44 over 10.

### Equal Rights

There is the principle of "We treat all of our stakeholders and each other fairly and stay away from discrimination" under the title of "Justice and Equality", which is the 3<sup>rd</sup> article of Doğu Otomotiv Ethical Principles.

Doğu Otomotiv implements an "Employees and Good Workplace Policy" independent of religion, language, race, color, gender, age, ethnicity, disability, citizenship or other social status protected by legal regulations. The diversity principle at Doğu Otomotiv is constantly supported by the Human Resources programs. We carry out activities that support diversity with practices targeting women and mothers, Reverse Mentoring Programs carried out in cooperation with the company senior management and the Generation Y, interviews with university and high school interns at certain intervals, sharing events with disabled employees.



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## Benefits And Side Payments To The Employees <sup>38</sup>

2019	Doğuş Otomotiv			Doğuş Oto		
	2017	2018	2019	2017	2018	2019
<b>Scope (Million TL)</b>						
<b>Gross Salary Payments <sup>39</sup></b>	107.12	99.29	105.99	104.80	96.79	103.30
<b>Meals</b>	2.1	2.3	15.70	6.4	7.1	11.80
<b>Transportation</b>	4.4	5.3	30.81	7.1	8.0	21.09
<b>Bonuses</b>	70.14	20.29	24.83	42.80	45.47	30.59
<b>Health and Life Insurance</b>	2.50	2.72	2.81	3.75	4.27	4.09

### Employee Benefits

It is clearly stated in the Doğuş Otomotiv Fundamental Rights and Responsibilities Procedure that all of the full-time employees of Doğuş Otomotiv have equal rights and that each employee is one of the key stakeholders of our Company. Health insurance, life insurance, meals and transportation to work are social benefits enjoyed by all our employees. In addition, there is a nursery and service opportunity for mothers working in Doğuş Otomotiv. Employees who are not able to bring their children to the company nursery are provided with additional kindergarten benefits.

### Side Benefits To Employees <sup>40</sup>

2019	Full-Time
Cell Phone (limited to certain brands)	To Those Requiring for Their Tasks
Private Health Insurance (company and coverage limits apply)	All Employees
Private Health Insurance for Employees' Children Under 18	Exclusive for Doğuş Otomotiv Employees
Life Insurance	All Employees
Company Car (with model and fuel consumption limits)	Director and above Positions
Shuttle Service	All Employees
Kindergarten Right	Exclusive for Doğuş Otomotiv Woman Employees
Private Health Insurance - Birth Coverage (additional premium)	All Employees
Extra 1 week leave for employees who complete 15 years in the company	Exclusive for Doğuş Otomotiv Employees
Gift Check for 15 Years Employment	Exclusive for Doğuş Oto Employees

<sup>38</sup> Gross Salary, bonuses, Health and Life Insurance are prepared based on 1 January-31 December 2019 data <sup>39</sup> The Gross Salary payments include Social Security bonuses at 2017. <sup>40</sup> The side benefits to the Doğuş Otomotiv employees are only valid for full-time employees. <sup>41</sup> Not provided to all employees. Woman employees who give birth are paid 2,000 TL in addition to the health insurance. <sup>42</sup> An employee completing his/her 15 years of employment get an additional leave for 1 week. Doğuş Oto gives 1,000 TL gift check to the employee who completes 15<sup>th</sup> year of employment.



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## Communication with Our Employees

Every employee of Doğuş Otomotiv can communicate directly with the relevant manager at any time. In addition, at three-monthly Management Information Meetings, executives and senior management share information about the Company's activities and operations. Open Door Meetings were held in our company in 2019 by the General Directorate of Human Resources and Process Management. With these meetings, employees from each brand / department can come together with HR teams and transmit their questions, opinions, or suggestions to Human Resources in any way they wish or wonder about. As part of the 25<sup>th</sup> Anniversary celebrations of Doğuş Otomotiv in 2019, we focused primarily on the dialogue platforms with our employees, where we evaluated the past 25 years and aimed to get their views on open platforms. 25<sup>th</sup> Year General Manager Talks, Management Trainee (MT) meetings held 3 times are also among these meetings.



## Go-Fest

With Go-Fest organized at certain periods, a day is organized in which every employee can participate in the training and seminars in line with their interests and development areas. There are surprise rewards and activities during the event and employees can improve themselves while having fun together. With the GO-Fest program, which was launched with the approval of the management, our employees meet at a training and development festival full of different educational titles, filled with guest speakers, interesting seminars, different development contents, and entertaining stands. Through brand trainers

and internal trainers, we carry out training and development programs and activities, in which Doğuş Group employees also participate collaboratively. These programs are relevant to all employees in addition to programs specific to Human Resources and they provide preliminary information about the training programs of the next year.

## Occupational Health and Safety

Doğuş Otomotiv considers a healthy working environment as well as the health and safety of its employees as a priority. Every year, our company carries out Occupational Health and Safety (OHS) studies in a comprehensive manner.



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To reduce the risk of developing important diseases, the OHS Unit has organized trainings such as working with screened vehicles, certified first aid training, biological and psycho-social risk factors, occupational diseases and causes, principles and techniques of disease prevention, ergonomics, personal hygiene.

In 2019, 634 people were given 8 employee/hour OHS training. OHS trainings are continuing regularly. Doğuş Otomotiv Occupational Health and Safety Management framework was established in accordance with Occupational Health and Safety standards within the scope of corporate sustainability strategy and policies. These standards include all management systems ranging from identifying risks related to occupational health and safety in accordance with laws and regulations, implementing permanent and systematic solutions within a specific action plan, to the monitoring, evaluation and audit activities of the parts of the internal processes related to occupational health and safety.

The programs and performances related to Occupational Health and Safety must be provided at every stage of daily operations to ensure continuous improvement. All processes related to Occupational Health and Safety are carried out by a consulting company and managed by Doğuş Otomotiv

Administrative and Technical Affairs Department. The Department provides direct reporting to the General Directorate of Human Resources and Administrative Affairs. Doğuş Otomotiv added the criteria to its supplier audits in 2016 as to whether it was complying with the laws regarding occupational health and safety within the scope of its sustainable supply chain management strategy, and whether policies, risk assessment mechanisms and employee training are available.

### **Health and Safety Effects of Our Business**

Cleaning materials used in our buildings are certified products that do not harm human health and are soluble in nature. Employees who use these products are regularly trained. Packaging of cleaning materials is recycled. The drivers of our working service vehicles are regularly checked against alcohol use, and they are controlled with road cameras in the vehicle while their speeds are monitored via GPS tracking system. Drivers working in the Administrative Affairs Unit are investigated twice a year for driver's license security. Detailed internal ozone cleaning within the scope of hygiene control of pool vehicles is carried out in cases where detailed ozone cleaning is required. Approval is given for the employees of all our business partners

who will work in our buildings to perform their work only after checking their documents on occupational health and safety. This process includes all our suppliers.

### **Ergonomic Power Support System in Audi**

Ergonomic power support system, which was introduced to make working conditions more comfortable at Audi AG's factory in Ingolstadt, is also introduced as a pilot project by Doğuş Otomotiv -Audi in Turkey. If the tests are successful, the system to be used Audi Authorized Services across the country has been tested for the first time at the Audi Authorized Service Doğuş Oto Maslak. The ergonomic power support system protects the external support structures and joints of the employees' bodies, supports them to work more comfortably while performing overhead work, provides the ergonomics that the technicians need at the maximum level during work, and also brings freedom of movement and ease. This outer garment supports the arms and arm joints of the wearer's overhead distances and transmits the majority of the weight loaded on the arm to the hips through the support structures. Thus, the weight falling on the arms and joints of technicians is reduced.



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## Mass Diseases

Our company has started to work with a dietician since May 2016. Our goal in this respect is enhance our standards under the control of a dietician and create a stronger awareness at our employees in terms of nutrition. More than 390 employees participated in this program, and it continues actively with 68 employees today. In addition, during lunch, our employees are provided with mobility and sports facilities accompanied by a yoga instructor. There is also morning exercise activities for our logistics and spare parts warehouse workers. Another event organized within the scope of health and sports are cycling tours conducted by Activity-D, to which our employees participated. In 2019, 37 employees of our company were given flu vaccination. A total of 16 employee/hour first aid training was given to 14 employees. Our employees who are entitled to make health check-in are reminded of their rights not used by the end of the year and are encouraged to use this right. We do not have employees having a high risk of getting serious diseases.

## Covid-19 and a Global Pandemic Experience

After the declaration of global pandemic by the World Health Organization (WHO) on March 11, 2020, continuing our business by caring the health of our employees got priority over the other matters in the combat against the pandemic in our country as well as all over the world. Doğu Otomotiv continues to pass an extremely critical exam in terms of occupational health and safety and operational sustainability with policies and practices based on a solid foundation. Besides, the possible effects of the outbreak during the reporting period, operational and occupational health and safety risks are constantly evaluated and monitored. As of March 2020, due to the Covid-19 epidemic which has started to take effect in our country, many measures have been taken to ensure business continuity in the field of Aftersales Services. In this period, the health of our employees and customers in all our Authorized Services has

been kept above everything and contact-free service processes have been applied in order to maintain increasing customer loyalty and satisfaction, which are the most important measurement criteria of our Aftersales Services processes. At the same time, vehicles were disinfected during vehicle acceptance and delivery stages. Social areas have been closed to reduce contact. With digitalization, we implemented online appointment and online additional work approval projects. In this process, in order to ensure business continuity and to prevent the decrease in efficiency, we attached importance to occupational health and safety, digital projects and standardization of the measures taken in all our Authorized Services.

Among action plans implemented in line with decisions taken with the announcement of the pandemic, there are also e-learning about the risks of working from home, camera recording of work spaces, preparation of informative visuals for our employees, and e-learning about return to work.



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## Representation Ratio in Occupational Health and Safety Committees

OHS Committee	Total Employees	Committee Members	OHS Committee Member (%)
Head Office	351	13	3.70
Logistics	132	14	10.61
<b>Total</b>	<b>483</b>	<b>27</b>	<b>5.59</b>

## Doğuş Oto Employee Ratio in OHS Committees

OHS Committee	Total Employees	Number of OHS Committee Members	OHS Committee Member (%)
Esenyurt	253	10	4.00
Maslak	304	20	6.60
Kartal	259	13	5.00
Gebze	53	10	18.90
Bursa	196	17	8.70
Etimesgut	162	13	8.00
Çankaya	184	13	7.10
Maslak Audi City	5	0	0.00
Kartal Store Field	6	0	0.00
<b>Total</b>	<b>1,422</b>	<b>98</b>	<b>6.90</b>



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## Doğuş Oto / Otomotiv Workplace Accident Ratio

	2018 (*)	2019 (*)
<b>Workplace Accident Ratio (%)</b>	0.01	0.01

## Lost Days Ratio <sup>43</sup>

%	Data Measurement Method	Doğuş Otomotiv			Doğuş Oto		
		2017	2018 (*)	2019 (*)	2017	2018	2019
<b>Illness-related Lost Day Rate Full-time Employees <sup>44</sup></b>	(AR)	1.11	1.93	1.52	2.37	1.98	1.45
<b>Recorded Incident Rate <sup>45</sup></b>	(IR)	0.1	0.01	0.01	0.3	0.03	0.02
<b>Injury-related Lost Day Rate</b>	(LDR)	0.1	0.04	0.02	0.8	0.04	0.02
<b>Work-related Fatalities Full-time Employees</b>	-	0.4	0	0	0	0	0
<b>Occupational Disease related Lost Day Rate</b>	(ODR)	0	0	0	0	0	0

<sup>43</sup> The table is based on 1 January-31 December 2019 data. <sup>44</sup> Disease-related days are 3,470 days in Otomotiv and 8,075 days in Oto. In the calculation method, the formula that lost days arising out of the disease (total days worked X days worked in the relevant year) formulation is used. <sup>45</sup> The number of accidents in Doğuş Otomotiv is 19 and it is 114 in Doğuş Oto.



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# OUR PLANET AND ENVIRONMENTAL SUSTAINABILITY

Living the days when today's positive actions will save the future.

**Environmental Sustainability**

- Climate Change
- Environmental Risk Management**
- Waste Management
- Water Management
- Energy Efficiency
- Eco-friendly Vehicles



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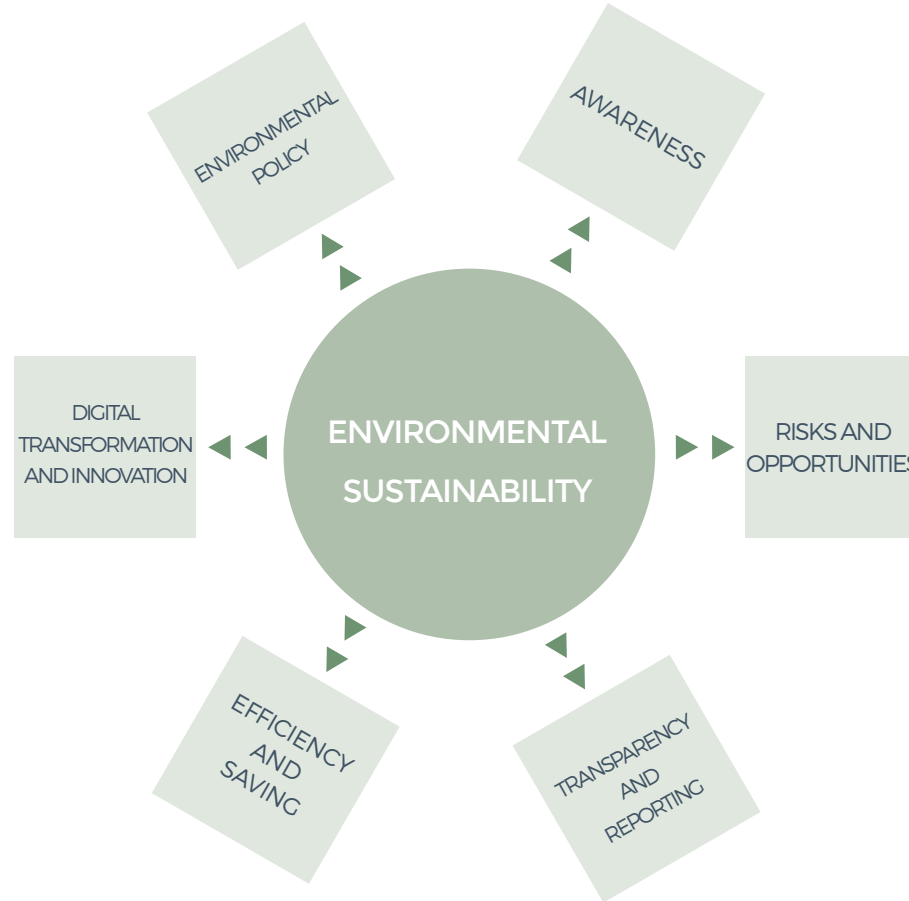
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# ENVIRONMENTAL SUSTAINABILITY

Climate change faced by our planet and both the economic as well as environmental and social impacts resulting from these changes are important for all humanity and are a risk factor to be anticipated. In this regard, Doğu Otomotiv, in line with the principles and objectives of the United Nations Global Compact, which it signed in 2010, has taken its place among the companies in Turkey that accepted the climate change as a financial risk and declared this with their policies.

Doğu Otomotiv's environmental sustainability policy and vision, was built upon minimizing our environmental impact and investing in the world of the future throughout the life cycle of our business.

## Doğu Otomotiv Environmental Sustainability Vision



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Doğuş Otomotiv monitors its impact at every stage of its environmental life cycle, provides regular information to raise awareness among its stakeholders, and has shared its environmental data with the public since 2009 within the scope of Sustainability Reports it publishes.

## Doğuş Otomotiv Environmental Life Cycle



## Emissions from Logistics Operations

### A. Logistics Cage Exports <sup>46</sup>

Year	Volkswagen Annual Number of Trailer Trucks Exported	CO <sub>2</sub> Emissions (tons)
2016	648	1,273
2017	642	1,262
2018	594	1,167
2019	441	866

### B. Domestic Vehicle Distribution Operations <sup>47</sup>

Year	Fuel Consumption (Lt)	CO <sub>2</sub> Emissions (tons)	Number of Vehicles Sold	CO <sub>2</sub> Emissions per vehicle sold (kg)
2016	9,800,000	24,072	211,172	114
2017	8,250,000	20,265	182,996	110
2018	5,000,000	12,282	104,154	118
2019	2,500,000	6,141	80,647	76

### C. Overseas Spare Parts Transportation Operations <sup>48</sup>

CO <sub>2</sub> Emissions (tons)				
Year	2016	2017	2018	2019
HÜNER	1,086	474	896	619
MARS	1,763	2,033	1,327	1,374
<b>Total</b>	<b>3,400</b>	<b>2,550</b>	<b>2,282</b>	<b>1,993</b>

<sup>46</sup> With the 28 trailer trucks improvement provided on a truck basis 52 tons of CO<sub>2</sub> was saved.

<sup>47</sup> CO<sub>2</sub> emissions from all our logistics operations excluding domestic spare parts transportation is 9,000 tons.

<sup>48</sup> As a part of the Intermodal System used in transportation operations, 2,037 tons of CO<sub>2</sub> was saved.



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# CLIMATE CHANGE

Climate change faced by our planet and both the economic as well as environmental and social impacts resulting from these changes are important for all humanity and are a risk factor to be anticipated. In this regard, Doğu Otomotiv, in line with the principles and objectives of the United Nations Global Compact, which it signed in 2010, has taken its place among the companies in Turkey that accepted the climate change as a financial risk and declared this with their policies. One of the most important responses to climate change is to see corporate sustainability among the material issues of the company, manage our impact, and take the necessary actions to ensure environmental sustainability in line with our stakeholders' expectations and share them transparently.

## Business Continuity

Our risk composition, which is considered as process and scenario-based within the scope of probability and possible impact, has been extended to include our health, safety, environment, business continuity and sustainability sensitivities in

recent years. Risk measurement and evaluation parameters, use of common terminology, business continuity approach, related reporting and stakeholder notification studies are also strengthened in this direction.

## Environmental Awareness

Suggestions that provide significant improvement in Doğu Otomotiv in terms of cost, customer satisfaction, speed, quality, occupational health and safety, environment, social etc. are evaluated and rewarded by the Suggestions Committee. One of the suggestions for improvement regarding the environment in 2018 was a project that provided less water use. The inside of the parking lot and the fire extinguishing facility found in the Logistics Unit are filled with air with the compressor. After a problem in the compressor, when the air pressure decreases, water is filled into the facility. This causes both water and labour cost. The project proposal was based on the prevention of excess water use by installing a compressor air pressure warning system. The project was launched in 2019 and no water flooding problem was occurred.

## Live Your Life Without Plastics

Economic developments coupled with changing consumption patterns and production behaviours of people have led to a serious increase in plastic waste all over the world. While the procedures for the disposal of plastic wastes cause serious damage to the ecological environment, they pose a threat to human health as well. Therefore, taking actions to reduce plastic wastes have become a materiality for all institutions in terms of waste management. Education and awareness, especially for the reduction of plastic wastes, is very important as it can change people's knowledge, attitudes and behaviours related to plastic waste management.

In this context, Doğu Otomotiv started an important awareness program in 2019 as a company with the primary focus on waste management. It both tried to convey information and awareness-raising messages to its external stakeholders over the internet, and at the same time launched the "Live Your Life Without Plastics" Program in order to raise awareness of company employees about plastic waste. First of all, a campaign was launched which completely ended the use of plastic cutlery and straws in the cafeteria.



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In the first stage, usage 35,000 plastic plates and 40,000 plastic cutleries were discontinued. In order to prevent the use of plastic bags, cloth bags were given to all employees. As part of the program, a workshop was held with Zeliha Sunal, the Waste Free Life Platform Manager. Activities to increase the awareness of both our internal and external stakeholders within the scope of the Live Your Life Without Plastics Program will continue in 2020. In particular, new studies are targeted to be carried out with the Doğuş Otomotiv Volunteering Platform.

## ENVIRONMENTAL RISK MANAGEMENT<sup>49</sup>

With the cooperation of the Board of Directors and the Early Detection of Risk Committee, economic, environmental and social issues are also addressed within our Company. The Early Detection of Risk Committee carries out studies on early diagnosis of the causes that may endanger the existence, development and business continuity of the Company, taking necessary measures in a timely manner and thus managing the risk effectively. The Committee, which supports the monitoring duty by providing assurance

to the Board with its qualified staff structure and accurate information flow, also reviews risk management systems at least once a year. In 2019, it submitted evaluation reports, prepared numbers (four times) and date intervals which were determined according to the working principles, to the Board during the year and shared them with the auditor. The Audit Committee reports the evaluations and determinations made on behalf of the Board within the framework of the annual audit plan, which are prepared with a focus on risk for the effectiveness and adequacy of the internal audit, internal control and risk management, and the integrity of the information produced.

Against the hailstorm encountered in 2019 at Doğuş Otomotiv and possible other climate/environmental risks, additional insurance services (including consultancy), insurance status and measures to be taken regarding the premiums to be updated and systematic infrastructure activities were reviewed. During the year when extreme weather conditions and natural disasters were evaluated, studies were carried out both at the Early Risk Detection Committee level and at the level of operational processes, and emphasis was placed on risk prioritization, development of preventive measures, and corporate awareness and solidarity.

## WASTE MANAGEMENT

For Doğuş Otomotiv, waste management process is at the top of the processes that must be managed effectively to minimize our negative impact on the environment. In this process, we constantly review and improve our systems to go beyond what is expected from us by laws and regulations, and to efficiently dispose and recycle our waste. All hazardous waste collected from our Şekerpınar facilities and Authorized Dealers and After-sales Services are sent to contracted waste management companies for recycling/disposal. Disposal methods differ according to the type of waste. Institutions we collaborate on waste management are as follows;

- ÇEVKO (Environmental Protection and Packaging Waste Recovery and Recycling Foundation)
- PETDER (Economic Enterprise of Petroleum Industrialists Association)
- AKÜDER (Battery Recovery Industrialists' Association)

In addition, tires our Company vehicles which reached to their end-of-life is recovered by recycling. Furthermore, paper, plastic, glass and metal wastes are recycled by the municipality.

<sup>49</sup> Since the due diligence requires field studies in the Environmental Management System studies started in late 2019, it was put on hold in the beginning of 2020 within the framework of Covid-19 Risk Management. Following the risk reduction, it is aimed to continue the due diligence studies and to complete the ISO14001 certification by the end of 2020.



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## Hazardous Wastes

Location	2016 (kg)	2017 (kg)	2018 (kg) (*)	2019 (kg) (*)
Doğuş Otomotiv Servis ve Tic. A.Ş. / Şekerpinar and Scania Gebze/Scania Tuzla	23,482	26,402	20,955	26,751
Doğuş Oto Pazarlama ve Tic. A.Ş.	98,765	119,496	107,609	115,532
Other Authorized Service Stations	254,835 (55 service points)	455,513 (65 service points)	407,187 (63 service points)	336,401 (62 service points)
<b>General Total</b>	<b>377,082</b>	<b>601,411</b>	<b>535,751</b>	<b>478,684</b>

## Battery Wastes <sup>50</sup>

	2016	2017	2018 (*)	2019 (*)
<b>Battery Amount (kg)</b>	269,008	330,082	334,578	508,508

## Environmental Benefits Provided During the Year

With battery recovery, while 60 % lead and 10 % plastic are recovered, 20 % acidic water is also neutralized. Thanks to the 508,508 kg waste battery sent for recycling in 2019, 305,105 kg of lead, 50,851 kg of plastic were recovered and 101,702 kg of acidic water was neutralized and prevented from harming the environment. In addition, the following indirect environmental benefits are also provided:

- The difference between the energy spent for the process of obtaining 1 ton of lead from ore and the energy consumed for the process of obtaining 1 ton of lead from the recycled waste battery is 230 kWh. 70,150 kWh of energy was saved with approximately 305 tons of lead, which we have recovered.
- With the assumption that 10 grams of lead contaminates 0.2 tons of soil, 6,100,000 tons of soil is prevented to be contaminated thanks to 305 tons of lead, which is avoided from mixing into the soil as a result of being recycled.

- 14,000 kWh of energy is saved by recycling 1 ton of plastics <sup>51</sup>  
Energy savings of 713,400 kWh were achieved with approximately 51 tons of plastics we recycled from batteries.

Within the scope of Doğuş Otomotiv waste management, a total of 783,550 kWh of energy was saved by battery recycling in 2019. This amount corresponds to a monthly electricity consumption of 3,407 families.<sup>52</sup>

## Lubricant Waste (Doğuş Otomotiv-PETDER Collaboration)

In 2019, 2,165,189 kg lubricant waste was collected from our Authorized Services. Some of this collected amount was sent to regeneration plants for the recovery of base oil and some of them to be used as alternative fuel to cement/lime factories.

<sup>50</sup> As Doğuş Otomotiv, we have an obligation to recycle 90% of the batteries we put on the market in accordance with the legislation (APAK (Regulation for Control of Battery and Accumulator Wastes) Regulation). We cooperate with AKÜDER to fulfil this obligation. Our battery wastes are collected in line with AKÜDER's "Waste Management Plan". <sup>51</sup> This value is given as 5,774 kWh in the zero-waste guide published according to the Zero Waste Regulation by the Ministry of Environment and Urbanization of the Republic of Turkey. Doğuş Otomotiv has been using the generally accepted 14,000 kWh value since 2014. However, when the data is required to be evaluated according to this calculation method, the following calculation will be valid:  $51 \times 5,774 = 294,474 \sim 295,000$  kWh <sup>52</sup> Calculations are made over 230 kWh, the monthly electricity consumption of a family of 4, announced by EMRA for 2018.



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## Lubricant Waste <sup>54</sup>

Lubricant Waste Quantity (kg)	2016	2017	2018 (*)	2019 (*)
	2,297,559	2,410,587	2,509,221	2,165,189

## Environmental Benefits of Lubricant Waste Recycling

	2016	Contribution	2017	Contribution	2018	Contribution	2019	Contribution
<b>Sent to Regeneration Plants</b>	103.9 ton	76,197 lt base oil recovery	261.5 ton	191,776 lt base oil recovery	286.6 ton	210,184 lt base oil recovery	531.3 ton	389,640 lt base oil recovery
<b>Those Sent to Cement and Lime Plants</b>	411.8 ton	490 tons of CO <sub>2</sub> emissions prevented	312.4 ton	372 tons of CO <sub>2</sub> emissions prevented	233.7 ton	278 tons of CO <sub>2</sub> emissions prevented	1,308 ton	1,556 tons of CO <sub>2</sub> emissions prevented

## Packaging Wastes

### Packaging Waste Recycled as per Releaser Responsibility Requirements

(Amount of Packaging Waste Recycled with the Cooperation of ÇEVKO and Environmental Gains) <sup>54</sup>

Packaging Type	Released in 2016 (Kg)	Recovered in 2016 (Kg)	Recovery Ratio (%)	Released in 2017 (Kg)	Recovered in 2017 (Kg)	Recovery Ratio (%)	Released in 2018 (Kg) (*)	Recovered in 2018 (Kg) (*)	Recovery Ratio (%) (*)	Released in 2019 (Kg) (*)	Recovered in 2019 (Kg) (*)	Recovery Ratio (%) <sup>55</sup> (*)
<b>Paper/cardboard</b>	862,087	465,527	54	658,591	355,639	54	654,092	353,210	54	853,118	511,991	54
<b>Plastics</b>	8,058	4,351	54	7,458	4,027	54	8,490	4,585	54	5,174	2,846	54
<b>Wood</b>	37,188	3,347	9	137,575	15,133	11	48,886	6,355	13	130,572	19,586	13

<sup>55</sup> As Doğuş Otomotiv, required by the legislation (Regulation on Control of Waste Oils) we have an obligation to deliver lubricant waste from our authorized services to PETDER (Economic Enterprise of Petroleum Industrialists Association), the only authorized entity by the Ministry. In this context, there is a "Participation in Waste Oil Management Protocol" signed with PETDER. This protocol is renewed every year. PETDER is responsible for collecting waste engine oils from all our authorized services across Turkey. It is prohibited by the legislation to hand over waste engine oils to any other legal or natural persons. <sup>54</sup> As per releaser responsibility requirements, packaging wastes are recovered with the cooperation of ÇEVKO. <sup>55</sup> These are the recovery rates specified in the packaging waste control regulation for 2019.



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## Environmental Benefits

Packaging Type	Amount Recycled in 2018 (kg)	Amount Recycled in 2019 (kg)	Amount Saved							
			Electricity (kWh) 2018	Electricity (kWh) 2019	Water (m <sup>3</sup> ) 2018	Water (m <sup>3</sup> ) 2019	Trees (Piece) 2018	Trees (Piece) 2019	Fossil Fuel (lt) 2018	Fossil Fuel (lt) 2019
Paper/Cardboard	703,050	511,991	2,882,505	2,099,163	18,267	13,565	11,953	8,704	-	-
Wood	6,355	19,586	-	-	-	-	823	59	-	-
Plastics	4,585	2,846	26,474	16,433	-	-	-	-	3,448	2,140
<b>Total</b>			2,908,979	2,115,596	18,267	13,565	12,776	8,763	3,448	2,140

### Packaging Waste Originated from Doğu Otomotiv Locations and Environmental Benefits

In 2019, 5,360 trees were prevented from being cut down by recycling 315,280 kg of paper/cardboard waste, which was collected at Doğu Otomotiv locations at its source, and sent to the licensed recycling company, and 666 trees by recycling 222,620 kg of wooden packaging waste.

### Green Technology

At Doğu Otomotiv and Doğu Oto locations, copies were printed from printers in accordance with the policies determined by the Central Printer Project in 2018; with preformatted, non-colour and double-sided printing preferences, both paper and toner were saved. By the card reading system

introduced, misprinted outputs are prevented. As a result of efficiency studies inspecting idle resources at Doğu Otomotiv, 11 virtual servers were turned off in a year. 76 virtual servers in the existing infrastructure are hosted only on the physical machine running with 9 VMware ESXi operating systems.

19 servers were turned off in one year at Doğu Oto locations. 218 virtual servers in the existing infrastructure are hosted on the physical machine running 18 VMware ESXi operating systems, and as in Doğu Otomotiv, cost savings are achieved in terms of energy, hosting and licensing.

In our Doğu Otomotiv and Doğu Oto locations, turning off physical servers (fileserver etc.) that consume energy and require costly maintenance and switching those to run under cloud environment are included in our

business plans. In the future, we will continue to augment the infrastructure of our company with the newest technologies which are less costly and consume less energy.

### Environmental Improvement Processes at Authorized Dealers

The development of environmental improvement processes of our Authorized Dealers and After-sales Services continued in 2019. The use of a large surface absorbent pad in the workplaces of our Authorized Services started in 2016 as a pilot in an Authorized Service. The application was commissioned and expanded in all our Authorized Services in 2017.



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Thus, the process of contaminating the waste chemicals to the ground and then cleaning with another chemical is eliminated. The said pads can be supplied quickly and as many times as required by the parts request process. The oil absorbent sponge was used in 74 Authorized Services in 2017, these Authorized Services purchased a total of 157 rolls. Each roll is 50 m x 50 cm in size and has the capacity to absorb 126 litres of oil.

## WATER MANAGEMENT

Water need of our company is provided by ISU. Water consumption for 2019 in Doğuř Otomotiv and Doğuř Oto was 166,711 m<sup>3</sup> (\*). Glass water dispensers are used for drinking water. Our water consumption per vehicle sold in 2019 was realized at 1.26 m<sup>3</sup>.<sup>56</sup>

### Water Consumption (Doğuř Otomotiv and Doğuř Oto)

Per vehicles sold (m <sup>3</sup> )	2016	2017	2018	2019
	0.48	0.51	1.24	1.26

## ENERGY EFFICIENCY

In line with its environmental responsibility policy, Doğuř Otomotiv continued its efforts to reduce energy consumption in 2019. As of September 2017, for energy efficiency studies, the Company started to work on energy efficiency in partnership with a third-party company Energy Manager.

Creating energy saving areas by taking actions according to the findings specified in the monthly reports on energy efficiency is targeted. One of the energy-efficiency projects, whose planning and project studies were completed with the support of Doğuř Teknoloji in 2018, was developed upon the automatic shutdown of PC and Notebook computers used in all our

operations from a central system after a certain period of time. With the project launched in 2019, an average of TL 169,000 and 298,000 kWh of electricity was saved annually, and emission of 286 tons of CO<sub>2</sub> emissions per year due to consumption was also prevented.

In addition, with the automation system developed in 141 fan coil devices located in the ventilation systems of Doğuř Otomotiv's spare parts and logistics, training and administrative buildings, it is targeted to save approximately TL 81,000 per year.



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<sup>56</sup> Doğuř Otomotiv has been giving water consumption numbers per vehicle sold since 2009. However, the number of vehicles sold decreased due to the market conditions announced in the report in 2019. The reason for the increase in water consumption is explained in this way.

## Energy Consumption <sup>57</sup>

	2016		2017		2018		2019	
	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv	Doğuş Oto	Doğuş Otomotiv (*)	Doğuş Oto	Doğuş Otomotiv (*)	Doğuş Oto
<b>Natural gas (m<sup>3</sup>)</b>	445,079	1,779,901	497,283	1,139,726	402,526	1,699,885	334,897	1,182,331
<b>Fuel (lt)</b>	486,160	610,759	523,734	777,365	387,040	546,778	349,468	368,447
<b>Electricity (kWh)</b>	5,427,821	12,448,342	5,610,089	15,345,205	5,683,988	15,246,528	5,462,964	14,100,202

## Emissions

After the maintenance of the heating boilers in 2019, the exhaust gas emission measurements were taken and it was checked whether or not the equipment were consuming excessively, and it was found that there were no problems in the emission measurements of the boilers. Route optimizations in domestic spare parts transportation operations, using an intermodal system in foreign part transportation operations, recycling / recovery-based waste management (especially battery and lubricant waste) are our other efforts to reduce our emissions.

## ECO-FRIENDLY VEHICLES <sup>58</sup>

	Sales Figures (Retail)				Average Per Vehicle CO <sub>2</sub> Combined (g/km) <sup>59</sup>			
	2016	2017	2018	2019	2016	2017	2018	2019
<b>Volkswagen Passenger</b>	101,749	89,688	49,749	38,820	110	112	115	115
<b>Volkswagen Commercial</b>	32,766	27,793	17,085	9,676	168	169	173	176
<b>Audi</b>	22,005	21,578	13,286	10,024	115	117	115	111
<b>Porsche</b>	827	670	565	361	173	172	180	187
<b>Bentley</b>	14	16	10	9	276	249	251	241 <sup>60</sup>
<b>Lamborghini</b>	21	7	3	9	291	331	298	302 <sup>61</sup>
<b>SEAT</b>	19,983	16,064	10,383	5,914	109	111	119	128
<b>Total Sales/All Brands Average</b>	177,365	155,823	91,090	64,813	121	22	126	122

<sup>57</sup> Calculation Method: Natural Gas GJ: 1m<sup>3</sup>\*kcal (9,155) \*joule (4,186.8) / 109 Gas GJ: 1lt\*kg (0.83) \*ton (1,000) \*kcal (10,200,000) \*joule (4,186.3) / 109 Electricity GJ: (1kwh\*0,0036) <sup>58</sup> There are no CO<sub>2</sub> values found for Scania. <sup>59</sup> Doğuş Otomotiv has been providing CO<sub>2</sub> combined emission data from vehicles based on the factor per vehicle sold since 2009. <sup>60</sup> Since wholesale figure = retail, it does not change. <sup>61</sup> Since wholesale figure is retail, it does not change.



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## CO<sub>2</sub> Emisyonları <sup>62</sup>

CO <sub>2</sub> (Ton)	2016	2017	2018	2019
<b>Natural Gas Consumption</b>	4,784	3,520	4,531	3,263
<b>Company Vehicles</b>	2,764	3,282	2,340	1,905
<b>Personnel Transportation</b>	532	542	413	436

Type <sup>63</sup>	Consumption 2016	Per person CO <sub>2</sub> (Tons) 2016	Consumption 2017	Per person CO <sub>2</sub> (Tons) 2017	Consumption 2018	Per person CO <sub>2</sub> (Tons) 2018	Consumption 2019	Per person CO <sub>2</sub> (Tons) 2019
<b>Natural gas - m<sup>3</sup></b>	445,079	957/777=1.23	497,283	1,069/758=1.41	407,157	876/629=1.39	334,897	720/609=1.18
<b>Electricity - kWh <sup>64</sup></b>	5,427,821	5,211/777=6.70	5,610,089	5,386/758=7.10	5,963,988	5,725/629=9.10 <sup>65</sup>	5,462,964	5,210/609=8.56 <sup>65</sup>
<b>Liquid Fuel - Lt</b>	486,160	1,233/777=1.59	523,734	1,330/758=1.75	387,040	973/629=1.54	349,468	859/609=1.41
<b>Total</b>	-	7,401/777=9.52	-	7,785/758=10.27	-	7,574/629=12.04	-	6,789/609=11.15

## Electric Vehicles

Electric vehicles constitute the most critical element of the zero-emission transportation target set by developed countries. By 2030, 55 percent of new automobile sales within the borders of European Union countries are expected to consist of fully electric vehicles and 40 percent of hybrid vehicles. Features such as autonomous driving and the ability to connect with its environment will be other developments that define the vehicles of the future. In addition, consumer demands such as vehicle sharing and more frequent replacement of vehicles will confront the automotive industry with new trends and expectations.

As the distributor of all brands of Volkswagen AG, one of the largest automobile manufacturers in the world, Doğu Otomotiv closely monitors the changes in the world, and follows the laws and regulations regarding the production, sales, marketing, after-sales services and supply processes of electric vehicles.

<sup>62</sup> Consolidated figures of Doğu Otomotiv and Doğu Oto. <sup>63</sup> Only Doğu Otomotiv figures. <sup>64</sup> In 2018, the CO<sub>2</sub> emission amount was calculated from the CO<sub>2</sub> cycle constant given by the supplier company.

<sup>65</sup> CO<sub>2</sub> emission amount resulting from electricity consumption in Doğu Otomotiv is 5,210 tons in 2019. In Doğu Oto, it is 13,536 tons.



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Automotive industry in the world is undergoing a great change. Volkswagen AG foresees that one out of every four vehicles it will produce by 2025 will consist entirely of electric cars. Power transmission mechanisms and fuel strategies of electric vehicles produced by Volkswagen AG are planned by foreseeing carbon neutral and sustainable mobility in accordance with the United Nations Sustainable Development Goals.

Volkswagen Passenger Vehicles Turkey is conducting studies on ID models which are to be built on the MEB platform developed solely for electric vehicles by Volkswagen AG.

Regular meetings are held with the electric vehicle committee which was established within Doğu Otomotiv. Every detail required to present electric vehicles to customers under optimum conditions is being currently analysed.

Immediately after the world premiere of Porsche Taycan, the first fully electric sports car model, which was held on September 4th, Porsche Turkey has begun infrastructure work quickly in order to provide charging service. The first of Porsche charging stations that will serve all electric vehicles, especially Porsche Taycan, was established in Doğu Otomotiv Head Office building. Under the

Porsche Destination Charging project until the end of 2020, investments will continue to establish 96 charging stations in 48 locations, especially in big cities such as Istanbul, Ankara and Izmir. Also, in the year 2020, fastest charging station of Turkey which would charge Porsche Taycan model in 22.5 minutes (5 % to 80 %) with a capacity of 320KW- 800V is planned to be established at Doguş Oto Kartal and the Porsche Driving Centre locations. In addition, to establish a Battery Repair Centre which would serve certain countries located in the Central and Eastern European region again at Doğu Oto Kartal is among the goals of Porsche Turkey.



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# SUSTAINABILITY AT OUR KEY STAKEHOLDERS



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# CORPORATE SUSTAINABILITY AT SUBSIDIARIES

## DOĞUŞ OTO

Doğuş Oto offers new and used vehicle, spare part and accessory sales and aftersales services for its customers in Istanbul, Ankara and Bursa as well as insurance and financing services for the six brands represented. Doğuş Oto provides sales and aftersales services for Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Audi, Porsche, SEAT and ŠKODA brands. Doğuş Oto also sells used vehicles as a DOD Authorized Reseller.

Doğuş Oto operates with a total of 38 Authorized Dealers and 40 Aftersales Service points in seven regions with more than 1,400 employees, maintaining a leading position in the sector with its strength and stability. Doğuş Oto's mission is to offer highest quality sales and aftersales services for the passenger car and commercial vehicle brands represented in its defined territories.

### Energy Efficiency

At Doğuş Oto, an energy efficiency survey was conducted by an authorized company to determine the basic areas

that will ensure energy efficiency. Accordingly, work is under way to remedy the identified deficiencies. Monthly electricity and natural gas consumptions in the seven regions where Doğuş Oto facilities operate are monitored and if seasonal changes are observed in year-over-year comparisons, their reasons are investigated, and necessary measures are taken.

Ensuring efficiency in the use of energy and energy resources has become an imperative for the sustainability of the socio-economic structure based on industrial production.

This imperative is manifested by the concerns that arise with the rapid consumption of resources and the increasing importance of costs, especially the global climate change problems caused by environmental impacts and carbon emissions. Efficient use of energy, which is one of the most important inputs in today's industrial production, which can create particularly difficult and limited added value, will reduce costs of doing businesses and will contribute to the formation of surplus value that, in return, contributes to its development

and increase in competitiveness. Legal regulations have been put in force in our country, as well as the world, regarding the efficient use of energy. For this purpose, within the framework of the Energy Efficiency Law No. 5627, which came into force in our country, and the related legal regulations, energy manager assignments have been made and studies in energy, heating, cooling, ventilation, lighting, mechanical and electrical installations are carried out in all locations affiliated with Doğuş Oto. Action plans are created within the framework of conducting efforts to save money by taking the reports prepared as a reference. Improvements have been made and continue to be made in the process, starting with those who consume significantly more energy. In order to calculate the effectiveness of the studies carried out, measurements are made in 7 regions served by Doğuş Oto according to fuel types, consumption is monitored, recorded and analysed periodically.

As part of efforts to remedy energy losses and leakage, all electrically operated devices and systems are regularly maintained and unnecessary power loss is avoided.



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The periodic maintenance and checks of the electricity distribution panels are outsourced to and carried out by a professional company. Several lighting fixtures with high-energy consumption in our regions are being replaced with low consumption LED fixtures. Furthermore, motion sensors (with photocell) have been installed in areas that need to be illuminated only during use, resulting in energy savings.

Mechanical ballasts of the lighting fixtures in the regions are converted to electronic ballasts to contribute to energy efficiency. Natural gas boilers are checked by the assigned energy efficiency firm, that also measures the condition of boiler chimneys to prevent unnecessary natural gas consumption. Using electric heaters instead of keeping the boilers up and running in the summer months only for hot water helps to save on natural gas in the May-June period. Compensation panels are checked weekly, preventing us from active and reactive fines.

Automation software system and technical equipment used at the DoğuŖ Oto facilities have been revised

to ensure comfort, resulting in less natural gas consumption in winter and less electricity consumption in summer. Additional turbo/sectional doors have been installed in some service centre entrances to cover the openings in the service areas exposed to elements in order to save on heating and cooling costs. Unnecessary energy losses are prevented by periodic maintenance of air-conditioning plants and split air conditioners used in heating (air conditioning and ventilation system) with boilers and burners used in heating and cooling. Products with low energy consumption and air conditioners using R-410A gas, which is defined as an environmental gas, are definitely preferred in split air conditioner purchases. All roof membranes are maintained and their insulation is increased in the summer months.

Thermal air equalizers were installed in the Volkswagen showroom located in DoğuŖ Oto Esenyurt facilities to reuse the warm air rising to the ceiling/roof of the building. All heating and cooling circuits are checked at least once a year for the condition of

insulation to prevent heat loss, and they are fixed where necessary.

In addition to the practices carried out in order to increase efficiency cited above, application of ISO EN 50001- Energy Management System, to increase the efficiency of automation systems with the industry 4.0 approach and establishment of solar electricity and solar thermal systems based on renewable resources, in order to ensure more effective and institutional execution of the mentioned works, are among the topics to be addressed under the heading of energy at DoğuŖ Oto operations.



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## Green IT

Devices used for data processing in Doğuş Oto facilities are recorded and their economic service life is monitored. End-of-life computers are replaced with new, less energy-consuming models. Servers, switches, drivers and similar systems are checked, updated and replaced by Doğuş Teknoloji. Decommissioned IT products are sent to recycling.

## Emissions

Periodic route optimizations are applied at Doğuş Oto by grouping personnel shuttles in order to reduce the emissions from fuel consumption by decreasing the number of vehicles in traffic. Older vehicles are taken out of service and transportation is supported with low emission vehicles. Roof insulation of the buildings is continually tried to be enhanced. Energy-efficient heating, cooling and kitchen appliances are purchased. Trees are planted in the unused land of the facilities. For recoverable waste, we work

with authorized companies and municipalities and deliver such materials for recycling and recovery.

## Waste Management

Company has an Industrial Waste Management Plan in place. Doğuş Oto employed an officer in charge of waste management in 2017. Plans were created for waste fluorescent bulbs, lubricants, filters, antifreeze fluids, contaminated waste, contaminated packaging, spray cans, brake fluid, waste thinner solution, batteries, rubber, catalysts, diesel, gasoline, plastics, metals and glass. Company also has a treatment system and an oil retainer system. Reducing waste is generally not possible since the waste (other than contaminated waste) mostly results from the replacement of parts in the maintenance of passenger cars and light commercial vehicles. The importance of reducing contaminated waste has been communicated across maintenance staff. The amount of waste has been minimized as much as possible.

## Employee Health and Safety

The values followed by Doğuş Oto to create a safe, healthy and happy working environment for its employees are as follows:

- Creating a safer and healthier work environment and adopting the minimization of work accidents and occupational diseases as a priority business goal,
- Complying with and applying legislation on occupational health and safety,
- Ensuring the health and safety of all employees of the Company and subcontractors and all visitors,
- Educating all employees and subcontractors and raising awareness about creating and developing health and safety practices,
- Choosing and implementing practices in all fields of operation in accordance with occupational health and safety standards,
- Bringing risks down to acceptable levels by evaluating the results of workplace risk analyses,
- Investigating work accidents and developing permanent solutions by identifying root causes,
- Keeping emergency teams up-to-date and monitoring their training,
- Carrying out periodic health screenings,
- Providing protective and preventive physician services.



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In 2019, 114 work incidents occurred and preventive trainings related to incidents were held. During the year, new personal protective equipment was provided, business processes were revised and new safety systems were introduced. Furthermore, environmental measurements were conducted and continuous monitoring and control systems were implemented. Additionally, all legal data related to occupational health and safety began to be managed with an online program, facilitating follow-up of issues concerning occupational safety and health of all employees.

## Employee Training Programs

Aiming to meet the training/development needs that arise within the framework of the Company's vision and strategy, new and existing employees on all levels receive trainings according to their needs. Some of these trainings are compulsory for all employees while some are offered as optional. The main topics of trainings offered

throughout the year are: Orientation training, Occupational Health and Safety Trainings, supplementary development programs, skill development trainings, professional development trainings, leadership development programs, expertise development programs and personal development trainings. In 2019, 1,431 employees participated in total 24,957 hours (17,44 man/hours) of training.

## DOĞUŞ TEKNOLOJİ

Doğuş Teknoloji was established in 2012 to enlighten its customers' path with the excitement of creating value in the technology world. While continuing on its way as an R&D centre since 2017, it continues to be one of the companies that value the people, pursue new technologies with passion, and an entity that puts its stamp to the firsts in the IT sector with its agile and reliable working culture. Applying the latest IT technologies to develop and support technological projects, Doğuş Teknoloji is a 46 % Doğuş Otomotiv affiliate.

## Quality Standards

Doğuş Teknoloji aims to establish and operate an "integrated management system" in international standards to assure the quality, security and continuity of its services and products. For this purpose, the Company carries out its operation by taking the following standards as its reference:

- ISO27001: 2017 Information Security Management System
- ISO20000: 2011 IT Service Management System
- ISO22301: 2012 Business Continuity Management System
- ISO 22301: 2012 Societal Security – Business Continuity Management Systems

## Ethics and Fight Against Corruption

The Company's policies and regulations that define corruption and other unethical practices as well as penalties and sanctions are announced to employees. The Company contracts also contain provisions regarding corruption. Budgets and invoices are checked regularly as part of financial control. In addition, controls and rules are in place to detect, follow up and take precautions against security breach incidents. Actualized implementations are continuously monitored.

Doğuş Teknoloji acts in accordance with the Doğuş Otomotiv Code of Ethics. All employees are granted equal rights. In 2019, 131 employees participated in the Information Security Training.



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## Environmental Practices in IT

Doğuş Teknoloji builds a pool of virtual servers and provides shared infrastructure services, creating cost advantages for affiliated companies. As of April 2020, the number of virtual servers at Doğuş Teknoloji is 1794, with 6299 CPUs and approximately 24,87 TB memory. All this infrastructure and the virtual servers of some affiliates run on 55 physical servers. If a similar infrastructure had been met by physical servers, the costs of purchasing, hosting, cabling, energy and cooling would have been incomparably higher.

## Confidentiality of Customer Data

In Doğuş Teknoloji, personal data of customers are processed by taking into account technical and administrative measures under the Law on Protection of Personal Data No. 6698.

Personal data are processed for a limited time, suitable for their purposes, and are anonymized after the purpose and duration of the processing have expired.

Doğuş Teknoloji applies rules and regulations regarding the privacy, integrity and accessibility of customer data through policies and procedures within the scope of ISO 27001 Information Security Management System, systematically managing the risks for information assets and minimizing them down to acceptable levels with controls. The current situation is assessed through internal security audits conducted at certain intervals, and corrective and remedial actions are taken and followed through. Furthermore, physical measures and controls are applied on application and system layers against retrieval of data outside the Company, theft or loss of customer data categorized as confidential.

## Customer Satisfaction

Carried out by an independent company, customer Satisfaction Survey is given to all customers whom are serviced within Doğuş Group as well as outside Doğuş Group, and the result statistics are reported graphically. All teams take action within the company towards increasing customer satisfaction rate received from the survey results. Actions taken are monitored by the board of directors as well. Furthermore, customer feedback obtained by the parties responsible for customer relations within the Company, and the satisfaction comments communicated by the customers via the request management system are evaluated at management overview meetings as well as meetings with clients.

## Employee Health and Safety (OHS)

The company employs dedicated staff (physician, nurse, OGH specialist) for occupational health and safety. The physician and OHS specialists are provided by the Joint Health and Safety firm we work with. The OHS Committee consists of seven members including a physician, an OHS Specialist, one employer representative, one employee representative, one human resources officer, one administrative affairs representative and one building maintenance specialist. The ratio of the employees in this committee to the total number of employees is 2 %. Subcontractors' representatives also serve on this committee. These individuals are responsible for monitoring and taking corrective-preventive actions.



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The Occupational Health and Safety Committee convenes quarterly. The ideas proposed during these meetings for safer working conditions for employees are evaluated and viable suggestions are implemented. Occupational health and safety risks are identified by obtaining the opinions of employees. OHS trainings (emergency, first aid, fire, civil defence, evacuation, etc.) are provided for all employees and related teams. In 2019, 100 employees participated in a total of 708 hours of training. Additionally, supplier contracts include OHS provisions as well. In 2020, OHS activities will be managed by Administrative Affairs Department.

## Employee Training Programs

In 2019, various trainings were delivered in different fields to improve the employees in terms of both professional experience and personal

development. During the year 2,375 employees took 154 different trainings, corresponding to 29 man/hours.

We partner with Bahçeşehir University, Koç University and Sabancı University to enable our employees to benefit from graduate programs (Master's and PhD) at discounted prices. Employees are also provided with English language support. They can benefit from the program by enrolling in courses of partnering institutions or other training centres of their choice. Financial support for PhD studies is provided in the rate determined by the senior management. Employees attending PhD programs are allowed one day, and those attending Graduate programs are allowed half a day per week. Employees are also welcomed to organize presentations, conferences and trainings related to their fields of expertise at universities.

## Performance Appraisal

Once a year, performance appraisals are conducted for employees who have completed their three months tenure at the Company. In the performance appraisal system, there are three periods titled Target Determination, Target Revision and Performance Evaluation, which are carried out at four-month intervals throughout the year. Appraisals are based on personal target cards, which include 80% business targets and 20% 360-degree skill assessments. There are 3 separate sections within business objectives: Company Common Goals, Team Goals and Individual Goals. Units determine Team Goals and Individual Goals themselves, and the senior management holds meetings to identify the common goals that should be adopted by all units before the period begins. The decisions taken in those meetings are notified to department heads by the Human Resources Department. Performance appraisal results are used in career management, personal development and determining wage increases. Human Resources Committee, which includes all group managers, deputy general managers and general manager, makes the promotion decisions. Technical and competency-based trainings for employees to develop their careers are determined together with the managers.



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## Volunteering by Employees

Employees are welcomed to voluntarily lead social clubs and organize activities. In this context, the Social Responsibility Club organizes animal shelter visits and garbage collection activities.

## Mother-Infant Policy and Equality at Work

In addition to maternity/paternity leaves and nursing leave in compliance with labour laws, the Company also has a nursing room. Pregnant employees are not allowed to work for more than 7.5 hours per day.

## Community Engagement Activities

Doğuş Teknoloji is running a project to promote the employment of individuals with autism in the IT industry. This program is carried out in coordination with Autism Associations Federation (ODFED) while consultancy is rendered from companies that

conduct such studies overseas. Competencies such as having an excellent command of details and executing routine tasks faultlessly, which are some of the key characteristics of individuals in autism syndrome, are an advantage in IT projects. An individual with autism was included in the permanent staff within the scope of a pilot project in 2018. The next plan is to spread this practice further in order to employ more persons with autism.

## ŠKODA

Founded in 1989 to operate as the Turkish distributor of Škoda, and as a subsidiary of Doğuş Otomotiv, YÜCE AUTO offers sales, aftersales and spare parts services for FABIA, OCTAVIA, KAROQ, KODIAQ and SUPERB models with 44 Authorized Dealers and 6 Authorized Service Centres across Turkey. The main building of Yüce Auto, which has sold over 175,000 vehicles since its very first day, is built on total 2,200 m<sup>2</sup> of land in Maltepe, Istanbul.

Škoda joined the Volkswagen Group in 1991 and increased the number of countries of operation to 100 by 2007. Škoda's manufacturing sites are located in the Czech Republic, India, China, Slovakia and Russia while all cars sold in Turkey are imported from the Czech Republic. Yüce Auto Motorlu Araçlar Ticaret A.Ş. is a 50 % Doğuş Otomotiv affiliate.

## Business Ethics

The Company has in place an ethical principles procedure and additionally all activities are carried out in accordance with the Doğuş Otomotiv Code of Ethics. The entire audit mechanism is regularly reviewed in compliance with laws and regulations related to corruption and conflict of interest. Processes of the Company are audited by Doğuş Otomotiv every year for compliance.

## Environmental Efficiency

The Company uses LED luminaires, washbasin lighting with motion sensors and outdoor lighting with timers to reduce environment related consumption. The employees are informed about economic use of electricity and water as well as how to reduce consumption when they are not needed and we strive to raise awareness among our employees in these issues. We have placed recycling boxes for paper, plastics and battery waste in the company. Waste papers that accumulate in the collection area are regularly sent to Ayhan Şahenk Foundation. We work with DEHA, a biodiesel company for the disposal of lubricant waste.



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## Customer Satisfaction

In accordance with the Company's quality policy, applicable laws and regulations are observed diligently, and customer complaints and problems are addressed to ensure that customer rights are respected pursuant to Law No. 6502 on Consumer Protection. Whereas Law No. 6502 stipulates that temporary vehicles should be provided in place of vehicles that need repairs within the warranty period and that require more than 10 days for repairs, we offer these temporary vehicles free of charge for the owners of vehicles that will take longer than 24 hours to repair. Furthermore, customers who do not prefer temporary vehicles are offered free travel and accommodation opportunities. Customer satisfaction surveys are regularly conducted to keep our customers' satisfaction at the highest level. Furthermore, IACS customer satisfaction calls and IPSOS customer satisfaction surveys are conducted on behalf of the Company at certain intervals. The road assistance requests, complaints, demands and wishes of the customers are met by the Value and Care Centre (DIM), which also resolves the complaints and meets the requests received.

## Employees

Every year, various trainings on specific areas are provided to ensure the development of our employees. In 2019, our employees were given 152 man/day trainings in 11 different topics. For the health and safety of employees, the Company has an Occupational Health and Safety Committee in place. All legally required practices are performed under the responsibility of the Committee, which consists of eight members. Seven of these members are Company employees and one is independent. The ratio of our employees who serve on the committee to the total population is 11%. The employees are offered health and life insurance.

## vdf

Volkswagen Doğu Finansman A.Ş. (vdf) was founded in 1999 as a joint venture of Volkswagen Financial Services A.G. (51%) and Doğu Group (49%). Operating with the mission of "Developing and offering solutions to meet the financial needs of all the players within the automotive value chain," vdf is Turkey's leading automotive financing company.

## Governance and Ethics

The Company takes all necessary measures against corruption and conflicts of interest. It operates in accordance with the provisions of related legislation, particularly Law No. 6361 on Financial Leasing, Factoring and Financing Companies, Regulation on the Establishment and Operation Principles of Financial Leasing, Factoring and Financing Companies and Law No. 6502 on Consumer Protection. Besides complying with relevant laws and regulations, the Company also adheres to the ethical codes of Volkswagen AG and Doğu Otomotiv fully. The anti-corruption procedures and process controls constitute the first step of the measures taken. In the next stage, audits are conducted by the internal audit team. The outputs of audit reports and other inspections always include corrective/remedial measures.



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Employees are reminded of the ethical principles through periodic classroom and online (e-learning) trainings. All the employees participate in the online compliance training, which includes our ethical principles and anti-corruption issues, and their attendance is monitored. In addition to the trainings, periodic updates and information on these topics are offered to strengthen the employees' knowledge of these issues.

## Environmental Efficiency

Aiming to raise awareness about saving energy and water among the employees, updates are regularly announced with the slogan "the people of vdf use their resources efficiently". In the selection of diesel vehicles for the Company, vehicles with the "AdBlue" feature are preferred while regular maintenance and inspections are carried out for all. In addition, personnel shuttle routes are regularly updated every year to minimize emissions as much as possible. There are collection boxes for waste paper, battery waste and packaging waste in certain locations in each department. Waste paper, battery waste and other wastes

are regularly collected and recycled. Our waste papers are collected once a week and delivered to recycling facilities.

## Customer Satisfaction

Various customer-related activities in different channels within the Company are carried out to ensure that they are accurately informed, their information is protected and data privacy is guaranteed and to make sure that they benefit from our services in the best possible way. Brochures placed in the showroom and social media posts, as well as product descriptions on the website and in our mobile applications are presented in a clear and easy-to-understand format. Information forms about products and services, and policies are prepared in a detailed and descriptive manner. Any issues that make it difficult for the customer to understand are immediately revised. Customer data is not shared with third parties other than the customer and the authorized institutions and the security of such information is ensured within the scope of security software and procedures by IT. Documents such as loan utilization agreement, payment plans and notice form prior to loan

utilization are signed by the customers and originals are delivered to us. Such documents are kept in locked cabinets, reviewed in a short time while copies are stored in the system and the originals are sent to the archiving company. There are people in charge of processes and all transactions are carried out under constant supervision.

## Employee Health and Safety

For the health and safety of employees working at vdf, there is an OHS Specialist whose services are procured within the scope of Occupational Health and Safety (OHS), and a Workplace Physician. The Occupational Health and Safety Committee is composed of 37 people including the Emergency Teams that completed the necessary trainings of the authorized institutions, and constitutes approximately 10 % of the total number of employees. All employees are trained in employee health and safety. OSH Specialist and Workplace Physician gave 8 man/hours of training. In addition, the private health insurance plan offered to employees is quite comprehensive and designed to cover a wide range of health problems and demands of employees during the year.



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## Employee Satisfaction

Employee satisfaction is a top priority for the Company. The benefits that we offer to our employees include private health insurance, private life insurance, bonuses, graduate scholarships, foreign language support, earning leave as of entry, birthday leave, birthday gift, education catalogue and task-based technical trainings. The vdfLife – human resources sharing platform – is at the forefront of our practices aimed at ensuring employee satisfaction and increasing loyalty. Through this platform, our employees can access all kinds of information they need. On the other hand, within the scope of vdf Employee Support Programs, in addition to the graduate, foreign language learning support that employees need, SMMM, project management, business analyst, etc. technical training support is also provided. Furthermore, we offer a long-term internship program called the 'vdf Champs'. vdf takes part in the "Stimmungs barometer" (Idea

Barometer) survey conducted by Volkswagen FS AG among all Volkswagen companies to measure employee satisfaction and the Great Place to Work rankings in turns. Meetings are held with various departments to evaluate the results of the Idea Barometer, and satisfaction areas/expectations/ proposals are discussed. An internal customer satisfaction survey is conducted to increase the operational efficiency of the company and the outputs are shared with relevant departments and all Company employees. The vdf Employee Assembly (vdf Echo), established in 2016, continued to function in 2019 and organized a number of events. However, the "vdf ce" suggestion system, which previously produced many results and led to radical changes, was unable to function efficiently for various reasons in 2018 and has been added to the 2019 Human Resources projects to regain its former function. Within the scope of the HR projects carried out in 2019, the Söz Uçar YazıKalır platform (spoken words

fly away, written words remain) was created and employees were provided to convey their requests, suggestions and complaints to HR in this way.

In addition, Value Ambassadors team, created to internalize company values, organizes events taking into account the demands and expectations of the employees.

## Equality at Work

The topic of supporting women in professional life and creating equal opportunities within the scope of Equality at Work Platform, a project of the Turkish Ministry of Family and Social Policies and supported by Doğuş Group, is followed by vdf Human Resources and Senior Management. Along with all the other Doğuş Group companies, vdf also responds to the "Equality at Work Follow-up Survey". At present, there is a balance between the number of male and female employees at every level within the Company.



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## Sustainability At Subsidiaries

	ECONOMIC PERFORMANCES			
	Doğuş Oto	Doğuş Teknoloji	Škoda	vdf
<b>Sales (TL)</b>	4,500,701,599	113,422,116.71	1,649,797	3,058,276,426
<b>Market Share (%)</b>	5.8	N/A	4	13.1
<b>Net Revenues (TL)</b>	29,100,475	112,068,788,33	132,068	1,149,572,660
<b>Operational Costs (TL)</b>	217,075,238	57,498,727.00	75,709	1,108,181,083
<b>(EBIT) Operational Profit (TL)</b>	44,538,433	42,587,217.00	56,359	9,170,547
<b>(EBIT) Margin (%)</b>	1.0	38	3.40	0.12
<b>Gross Profit (TL)</b>	261,613,671	51,987,506.00	132,068	41,391,577
<b>Gross Profit Margin (%)</b>	5.8	46	8	0,55
<b>Total Number of Suppliers</b>	466	660	282	27
<b>Number of Local Suppliers</b>	466	629	271	25
<b>Total Amount Paid to Suppliers (TL)</b>	29,615,346	47,389,335	1,489,770,162	35,992,439.53
<b>Amount Paid to Local Suppliers (TL)</b>	29,615,346	45,638,380	96,091,910	33,820,007.77

	ENVIRONMENTAL PERFORMANCE			
	Doğuş Oto	Doğuş Teknoloji	Škoda	vdf
<b>Electricity Consumption (kWh)</b>	14,100,202	126,258.26	361,470	309,960
<b>Natural Gas Consumption (m<sup>3</sup>)</b>	1,182,330.55	266,905.09	276,350	0
<b>Fuel Consumption (Lt)</b>	243,193	182,869.76	55,150	41,336
<b>Water Consumption (m<sup>3</sup>)</b>	63,228	5,466.00	2,987	2,379
<b>Paper Consumption (kg)</b>	51,182	1,700.00	170	26,028
<b>Waste paper sent to recycling (kg)</b>	89,330	110.00	142	3,000



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	EMPLOYEES			
	Doğuş Oto	Doğuş Teknoloji	Škoda	vdf
<b>Number of Fulltime Employees</b>	1,424	355	73	304
<b>Number of Part-time Employees</b>	2	40	1	0
<b>Total Labour Force</b>	1,426	395	74	304
<b>Number of Female Employees</b>	239	126	19	180
<b>Number of Male Employees</b>	1,187	269	55	124
<b>Female Employee Rate (%)</b>	16.76	32	26	59.2
<b>Number of New Recruits</b>	83	170	6	24
<b>Number of New Female Recruits</b>	16	55	2	15
<b>Number of Promoted Employees</b>	26	84	4	19
<b>Number of Promoted Female Employees</b>	7	27	3	12
<b>Employee Turnover (%)</b>	4.28	23.26	5.60	5.31



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# SUSTAINABILITY AT AUTHORIZED DEALERS

## ACARLAR OTOMOTİV

**Number of Employees: 130**

**Total Area of Operations: 22,000 m<sup>2</sup>**

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

Acarlar Otomotiv has been operating as a Volkswagen Authorized Dealer since 1998. Acarlar Otomotiv, which applies internationally recognized ISO Quality Management System, also meets TSI 12047 standards. Doğuş Otomotiv procedures are fully followed in supplier selection. Other criteria such as accreditation, competence and quality issues in particular, as well as recognition, cost, accessibility/ location and corporate compliance are also considered. Companies with employee rights sensibilities that work in accordance with Occupational Health and Safety legislation are preferred.

Acarlar Otomotiv company building is used to get the most out of daylight. In addition, energy savings are achieved by using motion sensitive lighting systems in warehouses and parking areas. Aiming to reduce electricity consumption, IT officers have installed a system that automatically shuts

down any computers left idle after office hours. The company uses new generation washing equipment in the Service and Carwash department to reduce water consumption while all faucets were replaced. Installation of physical infrastructure required for the water treatment project which was started in 2018 was continued. Waste material generated within the company is collected in accordance with legislation and delivered to authorized recycling companies. Waste papers are recycled regularly at the KOMPOST (Zero Waste) System, established in partnership with Beykoz Municipality. Replaced parts left over following technical maintenance are delivered to authorized companies for disposal after obtaining customer approval. Apart from these, trainings and warnings are given to employees in order to create environmental awareness.

Aiming to maintain customer satisfaction at the highest level, the Company takes care to meet all the criteria stated in the KSPK booklet as requested by Volkswagen AG and Doğuş Otomotiv. Customers can submit their complaints and feedback

to the company via the web page or by phone to the Customer Relations Officers. All complaints and feedback received from customers are recorded in the Turkuaz system.

Acarlar Otomotiv carries out all employee related processes in compliance with regulations. The Company has a Workplace Physician and an Occupational Health and Safety Specialist responsible for employee health. Risk analyses are conducted in the employees' work areas and appropriate measures are taken. All employees take mandatory basic training. In 2019, various trainings were provided to employees, including internal and external technical training, Occupational Health and Safety, First Aid and Fire Training. With the completion of the HR structuring that began in 2017, the Employee Satisfaction Survey will be conducted annually. The company respects the privacy of employees while collecting their data for the survey. There are also suggestion boxes in common areas of the company so that employees can communicate their suggestions and opinions.



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These boxes are emptied at regular intervals and their contents are evaluated. Managers come together at weekly general evaluation and effective process management meetings every Friday from 3.00 pm to 5.00 pm. Regular social events and visits with employees increase employee motivation and strengthen internal communication. In addition, in an effort to supporting their personal development, employees are assisted in obtaining a high school diploma and are encouraged entering technical and vocational trainings.

Ethical principles of Acarlar Otomotiv are shaped around the basic ethical principles, which are clearly stated in the Employee Guidelines and include fairness, integrity, objectivity, accountability and watching out for the interests of the company and the people. The company strives to build an equal opportunity work environment without discriminating among employees. Supplementary training programs are offered to all employees in accordance with their job descriptions.

Acarlar Otomotiv regularly maintains the overpass that it has built to contribute to the community of which it is a part.

The company also strives to support the employment of people with disabilities and to create a comfortable work environment for them. Acarlar Otomotiv placed donation boxes close to cashier desks to encourage employees and customers to support Tohum Autism Foundation. In 2019, the company provided financial support to a number of foundations, associations and clubs in the region against receipt. Again in 2019, Acarlar Otomotiv also launched a Sister School project last year and covered the school's library materials and stationery and winter clothing for its pupils. Company also bought products from Nahil Foundation, which was established to sell products produced by women's cooperatives, and presented them to company employees on Mother's Day.

## **ACARSAN AUDI**

**Number of Employees: 52**

**Total Area of Operations: 4,000 m<sup>2</sup>**

**[www.acarsan.com.tr](http://www.acarsan.com.tr)**

Acarsan Audi, a company of Acarsan Group founded in 1977, strengthened its ongoing cooperation with Doğu Otomotiv by adding Audi to its brand

portfolio in 2009 with the aim of meeting regional demand in the upper segment car market.

Acarsan Audi selects its suppliers among companies that meet the TSI standards, holding necessary certification. Company also considers the prospective suppliers' quality-price performance in the services or products they offer. Energy saving and LED fixtures are used to reduce electricity consumption in the company. Additionally, photocell faucet heads are used to reduce water consumption. Waste material generated within the company is collected and delivered to partnering licensed institutions for recycling at regular intervals. Replaced parts left over following technical maintenance are delivered to authorized companies for disposal after obtaining customer approval.

Acarsan Audi follows Audi and Doğu Otomotiv's procedures for customer health, safety and satisfaction. Informative brochures are available in Authorized Service areas. In addition to Doğu Otomotiv Customer Relations, customers can also submit their suggestions and complaints on Acarsan Audi website.



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Furthermore, Acarsan Audi's advertising and marketing activities are first approved by Doğu Otomotiv and ethical guidelines are observed.

Acarsan Audi carries out all employee-related processes in line with legislation. Workplace Physician and Occupational Health and Safety Specialist visit the employees, who are also given Occupational Health and Safety Training based on their job descriptions. In 2019, 2.5 man/hour training was provided including Ethical Principles Training, Occupational Health and Safety, technical and vocational trainings. There are suggestion and complaint boxes for the employees within the company. The complaints and suggestions collected from these boxes are evaluated by the relevant managers and necessary changes are made. The company also conducts an Employee Satisfaction Survey. In addition to these practices, each department manager meets with their subordinates monthly to listen to their problems. This helps to strengthen the communication between the employee and the manager and enables the problems to be resolved faster. Furthermore, quarterly social events began to be organized in 2018 to increase employee motivation and strengthen internal communication.

## **ALDO GRUP (ALDO & OPAT)**

**Number of Employees: 150**

**Total Area of Operations: 12,000 m<sup>2</sup>**

**[www.aldogrup.com](http://www.aldogrup.com)**

Aldo Grup has been using developing and up-to-date technologies that are compatible with brand standards with an institutional business understanding as Opat Automotive Volkswagen Passenger and Commercial Vehicle Authorized Dealer and Service since 1996 and as Aldo Otomotiv Audi Authorized Dealer and Service since 2010. The group of companies provide customer satisfaction by offering a reliable and efficient service specializing in zero and second hand sales, after-sales services, credit financing and insurance in three different locations in the province of Mersin.

While choosing its suppliers, considering the Doğu Otomotiv standards, it prefers companies with sufficient proficiency and experience, whom offer sustainable and high-quality products and services. In addition, it pays attention to being sensitive to the environment, people, employee health and safety as well as workers' rights.

Aldo Grup donates to TEMA (The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats), The Red Crescent, and LÖSEV (Foundation for Children with Leukaemia), and provides equipment and financial support to the Alzheimer's Association in Mersin. By giving donations to the Turkish Education Volunteers Foundation on March 8, International Women's Day, Aldo Grup gave scholarships to 20 university students in 2019. A team of 10 volunteers was formed within the group, where two truckloads of beds, blankets, stoves, and clothing aid were sent to the Elazig earthquake region, and during the 23<sup>rd</sup> of April National Sovereignty and Children's Day, participated in a charity at a regional school in need, and the revenues collected from the food and beverage stand it opened was donated to the school. Team of volunteers collects clothes, toys and books during the year and sends them to the children in need in various villages. Food leftovers are routinely distributed to street animal care givers in the vicinity. Organizations such as citrus and strawberry festivals, which are important for the promotion and development of the region, are participated.



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Together with Aldo Enerji contained within the group, Aldo Grup has implemented the Roof GES Project where some of its energy consumption is covered by solar panels. In 2019, 240,770 kWh of electricity was produced with the project in mention, preventing carbon emissions of 150,004 kg of CO<sub>2</sub>, thereby saving 365 trees. Motion sensitive lighting system and economical LED lamps are used in all locations. Awareness is created among employees with warning signs and regular information notices about energy and water saving. Basic areas have been determined to detect and eliminate energy losses. All devices and systems are checked regularly and necessary precautions are taken. In this context, all air conditioners used were maintained and those deemed necessary to be replaced were renewed. For the employee health and to prevent waste, water treatments were renewed and their number was increased. WI-FI access points which consume unnecessary power and which are too many in number are removed from the system and fewer, stronger and less energy consuming devices are installed in their places. By reducing physical servers and switching to the virtual server structure, less energy

was consumed and at the same time, costs were reduced. The cost of this systematic investment made in 2019 is around 450,000 TL. In 2020, replacing computing devices used with models that use less energy and recycling unused equipment was planned. Budget planning studies are on the way to disable PCs and replace them with thin client system structure that consumes less power. Vehicles are dynamically tracked to reduce fuel consumption as well as exhaust gas emissions, where deemed necessary, corrective measures are taken and optimization of service routes are ensured. There are collection boxes for paper, battery and packaging waste at certain points in each location. These wastes are collected every week by the contracted recycling company. There is also a pre-set function in place for double-sided printing from all computers used in the group to reduce the amount of waste paper. In the archive, papers in folders, which are due for destruction, are recycled; thereby folders are emptied out and reused. Waste parts released after the technical service provided at service stations, together with the waste liquids are collected and disposed of by licensed companies

upon receiving customer approval. The company from where cleaning materials are purchased is a company that is sensitive to the environment and human health, produces minimum packaging waste and supplies products that are biodegradable. In addition, products which carry European Union Environmentally Friendly label are used as all sanitary paper, which are completely recycled or made from pure cellulose produced from their own industrial forests. In our Opat Otomotiv Mersin branch, we have a garden with lemon, olive and pomegranate trees that our staff use as a rest area during their lunch breaks.

Aldo Grup uses Doğu Otomotiv systems to receive reliable feedback from customers, and conducts customer satisfaction surveys in parallel with this system, evaluates the results in-house, re-communicates with the customer when necessary, and then works to take relevant measures. In addition, a dedicated phone line is created for customers to report their wishes and complaints directly and this information is shared with appropriate posters which are posted close to the waiting area.



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To our customers whom vehicles are sold, operating details and driving recommendations are explained by the sales consultants during delivery. Our customers, who receive service, are given technical information about the operations performed after maintenance and repair and general usage. Brief information is provided on the digital screens in the vehicle reception and waiting area. In addition, during consultant and customers meetings, reading operating instructions contained in the vehicle is recommended. Aldo Grup companies registered in the Data Controllers Registry (VERBIS) system under the scope of Law on the Protection of Personal Data in 2019 and initiated a compliance/transformation movement in all processes based on the privacy and security of customer information. Log records of all our internet users are kept in accordance with Law No. 5651. In accordance with Law No. 6698, data security ensures that all information in the form of personal data is recorded in the e-mail system. All physical files with the characteristics of personal data are stored and protected with special software in digital environment. Internet access security is also protected with a firewall device and antivirus software.

Opat Otomotiv was deemed worthy of Doğu Otomotiv award in the category of 'Making a Difference in Employer Brand' in 2019 with its playroom and childcare service for its employees. Other rights that Aldo Group grants to its employees include birth and wedding gifts, birthday and report card day administrative day offs, moving aid, advance loan procedures, discounts for group employees in private hospitals and VIP service privileges. Organizations such as meals, gifts, picnics and events with the participation of children and families are organized for employees on special occasions such as Accountants' Day, Valentine's Day, Mother's Day and Father's Day. Motivational meetings and dinners such as New Year's party, barbecue party, hello to summer event have also become the corporate culture for years. Theatre and opera tickets are distributed to employees who prefer to receive them within the organization at certain periods. Trainings for the professional development of personnel are provided by the company, and those who want to complete their high school or university education are supported. As of August 2019, an agreement has been reached with a new OSGB (Joint Health and Safety Unit) company, providing

Occupational Safety Specialist and Occupational Physician service within the scope of Occupational Health and Safety. Applications are carried out by the Occupational Safety Specialist and Workplace Doctor and the Occupational Health and Safety Law Directives 6331. These applications are; Risk Analysis consists of Emergency Action Plans, Fire Drill and Emergency Drill and Field Audits. Health checks and periodic examinations of the employees are checked and performed by the Workplace Doctor. In addition, warning signs were updated on the site and hung in convenient places where employees can see easily. In order to make the working environment healthier, noise measurement, lighting measurement, personal vibration exposure measurements, personal noise measurements, dust measurements have been taken on the site and necessary corrections have been completed in this direction. There were no occupational accidents during working hours in 2019. In order to prevent occupational accidents and occupational diseases, a risk analysis is prepared by the Occupational Health and Safety Board established within the company and technical and administrative measures are taken for the necessary high-risk situations.



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Audits are carried out by the Occupational Safety Specialist and the board is regularly notified. As Performance Management System, target cards determined at the beginning of the year and actual performance tables are evaluated in monthly, semi-annual and annual periods. Annual evaluation results made with management, the relevant manager and the Human Resources Department are based on career management, salary increases and bonus determinations. 12 employees participated in the Assessment process carried out by an independent professional company in 2019 and career options were provided with different department and position changes according to the evaluation results. Employee Loyalty and Satisfaction Survey is given at regular intervals, and a corporate communication platform is utilized where employees can submit their suggestions. Employees can reach the Human Resources Department or department managers at any time and can declare requests, suggestions, etc. In cases such as changing the workplace of the employees and in cases where the employment contract is terminated,

notification is sent in accordance with the notice period after the final decision is made. Employees are provided with the full and correct use of their personal rights. In the recruitment process, care is taken to ensure equal opportunity between candidates and not merit.

Aldo Grup adopts the principles of honesty, transparency, equality, respect for people and ethical values. It acts in line with these principles in all group companies and tries to maintain the corporate culture. In 2019, an ethical line was established at the basis of these values, and its purpose and benefits were published in verbal, written visual and digital media, and the person who detected an act contrary to the corporate principles was asked to notify the situation this line anonymously. Also, the company has an internal audit unit for seven years; this unit directly reports the audit results it routinely conducts in all locations and departments to management. Necessary sanctions are applied to the personnel exhibiting attitudes, attitudes and behaviours exhibited against both ethically, legally and outside the corporate culture in line with the institutional rules and legal regulations.

## ALTUR OTOMOTİV

**Number of Employees: 189**

**Total Area of Operations: 35,000 m<sup>2</sup>**

**[www.alturoto.com](http://www.alturoto.com)**

Altur Otomotiv started to serve as the Authorized Dealer and Service of Volkswagen and SEAT brands in 2005. In 2006, it also added second-hand safe vehicle trading services with its Fleet Car Rental and DOD dealership.

The company carries out its works in accordance with TS 12047 and ISO 9001 standards in order to raise the quality standards. Altur Otomotiv holds a Quality Management Meeting once a year for this purpose. In supply chain management, the selection of suppliers consists of a three-step process. Apart from this, suppliers who meet needs on time, are reliable, financially strong, have experience and technical competence, and who can offer affordable prices are selected. Altur Otomotiv focuses particularly on quality in the selection process. Suppliers that meet the needs in a timely manner, are reliable and financially strong, have experience and technical competence, and can offer reasonable prices are selected. The company pays attention to ensuring that the suppliers' way of doing business, culture and partnership approach align with theirs as well as to open communication.



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Company ensures customer confidentiality by following the necessary procedures in accordance with the Law on Protection of Personal Data. To ensure customer satisfaction, the process is monitored by sales and aftersales visits by the authorities and through CSS and CEM reviews performed by Doğuş Otomotiv. During the invoicing process based on individual brands, the opinions of the customers are constantly obtained through an online survey and their problems are resolved. All kinds of complaints and suggestions from customers are reported and monitored in the company's Turkuaz program.

Altur Otomotiv acts in accordance with the laws, ethical and honest working principles in all kinds of marketing activities carried out jointly with Doğuş Otomotiv. Every employee of Altur Otomotiv is aware of the fact that he/she is part of the big team and works with responsibility awareness. In

order to make all employees feel that they are a part of the team and to create a more sincere work environment, the company offers activities such as gifts on special days, employee discounts and provision of supplies. In a total of 38 employees were given trainings in line with the standards set forth by Volkswagen AG for a duration of 115 working days. Altur Otomotiv conducts an annual Employee Satisfaction Survey and receives feedback from its employees. The company applies the performance system D-İnsan and shares the results with the employees. Company utilizes smart building systems to achieve energy efficiency. The building where the company operates features lighting fixtures that change intensity depending on changing daylight, and motion sensors to conserve electricity. Devices and licenses were renewed, upgrades and enhancements were performed in the IT Department. One of the unused FCT devices was connected to

the switchboard and set as a second phone line for customer service.

Altur separates the waste it generates as hazardous and non-hazardous waste. Hazardous waste is regularly delivered to the licensed organizations for proper disposal in accordance with applicable laws and regulations. Non-hazardous wastes are delivered to the relevant units of the municipality. In 2019, Altur delivered approximately 3 tons of paper waste to the municipality for recycling. The lubricant waste generated in the Aftersales Services is sent to PETDER, the only authority in this field in Turkey. The replaced parts left after technical service can be returned to the customers if they wish or retained and sent for recycling. Altur Otomotiv strives to create an environmentally friendly customer profile by informing its customers about emissions and vehicles that use recycled materials.



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## ARK OTO

**Number of Employees: 74**

**Total Area of Operations: 3,400 m<sup>2</sup>**

**<https://arkoto.vw.com.tr/>**

From vehicle sales to credit and car insurance services, Doğu Otomotiv's authorized dealer Ark Oto Motorlu Araclar A.Ş. meets all automotive needs of its customers by placing its superior service understanding as its target. Ark Oto has been operating since 1997.

Attaching great importance to quality standards, Ark Oto renewed ISO Certificates for all its brands in 2019. Aiming to maintain quality standards in this way, company also pays the most attention to the quality criteria when selecting suppliers. Professional supplier companies with strong corporate identity are preferred during supplier selection process.

Energy is saved by using sensor-operated lamps and LED lighting within the company. Sensor-operated faucets are preferred for efficient use of water resources. In addition, the water used in the vehicle washing

section is purified and used back. Under the responsibility of the IT Department, obsolete technological devices are sent for recycling. Company separates its wastes and sends them to authorized recycling facilities. In 2019, a total of 3,600 kg of paper and cardboard packaging and 3 kg of batteries were sent for recycling. After maintenance and repair services, wastes consisting of old parts are disposed with the approval of the customer. Apart from these, inert materials created after renovation works such as washbasins, faucets and technological devices are donated to schools in need.

While Ark Oto has informative brochures to protect the safety and health of the customer, it also informs the customers verbally and makes necessary warnings during the test drives. Satisfaction Measurement Survey is performed after vehicle sales and service. Feedback from customers is quickly evaluated and action is taken.

The company carries out all processes regarding its employees in accordance with legal regulations.

All measures are taken in terms of Occupational Health and Safety in the work areas. Employees were provided with Occupational Health and Safety Training, First Aid Training and Emergency Training in 2019.

Ark Oto supported 3 schools in construction needs such as ceiling lights, faucets and sinks in 2019. The company provides scholarships to university students in need as well.

## ATTARLAR OTOMOTİV

**Number of Employees: 53**

**Total Area of Operations: 8,523 m<sup>2</sup>**

**[www.attarlar.com.tr/TR/default.aspx](http://www.attarlar.com.tr/TR/default.aspx)**

Attarlar Otomotiv was founded in 1998 as a SEAT Authorized Dealer and Aftersales Service Center, and added Audi Added Authorized Dealership and Aftersales Service Centre in 2005, serving an important customer profile in Konya.

Attarlar Otomotiv selects its suppliers by looking primarily at their quality standards. It also evaluates its suppliers in terms of their environmental, human rights and employee rights practices.



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Attarlar Otomotiv uses energy saving light bulbs and lighting systems with motion sensors to reduce energy consumption and also informs its employees about the issue. On the other hand, wastes generated within the company are collected regularly and sent to the relevant units of the municipality for recycling.

The Company conducts a Customer Satisfaction Survey after the transaction in the service is completed to measure customer satisfaction. This is how the company strives to solve the existing problems by getting quick feedback from the customer. Furthermore, Doğu Otomotiv's Turkuaz program is used to receive customer suggestions and complaints.

Attarlar Otomotiv employees attend professional development trainings in certain periods. In 2019, each employee took 12 hours of Occupational Health and Safety Training and 4 hours of Fire Training while workshop employees were given 2 hours of training on using personal protective equipment. The Company organizes an annual quality goal setting meeting attended by all employees. Assessment meetings are held every six months to assess the set targets and current situation.

## **AVEK OTOMOTİV**

**Number of Employees: 495**

**Total Area of Operations: 95,000 m<sup>2</sup>**

**[www.avek.com.tr](http://www.avek.com.tr)**

Avek Otomotiv has been operating as a Doğu Otomotiv Authorized Dealer and Aftersales Service Center serving customers for Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Audi, SEAT, Skoda and DOD brands in three locations in two cities since 2005.

Avek Otomotiv applies ISO 9001-2015 Quality Management System. Aiming to maintain the quality standards at highest levels, the company is audited and certified annually year. Furthermore, TSI conducts a qualification audit every year. The Company considers Doğu Otomotiv standards in its supply chain structure. Companies that hold necessary documentation in quality standards, consumer and environmental health and that have employee health and safety sensibilities are selected.

35% of electricity was saved by replacing all bulbs with LED luminaires to reduce electricity consumption. To reduce water consumption, faucets have been replaced with sensor faucets. Avek Otomotiv cooperates with the "Çöpüne Sahip Çık"

Foundation (Take Ownership of Your Waste) and carries out awareness activities within the company. The wastes generated in the company are collected regularly and delivered to licensed recycling companies. Furthermore, replaced parts left over after technical service are sent to authorized disposal companies by obtaining customer's approval. The company conducts evaluations by contacting customers through Doğu Otomotiv or the Customer Relations Department to measure customer satisfaction. Avek Otomotiv acts in compliance with regulations in employee-related matters. Company employees take necessary trainings according to Doğu Otomotiv training plans. The company also ensures that all kinds of measures required by job descriptions are taken and the necessary equipment is provided. Avek Otomotiv employees undergo health screening at regular intervals. Employee suggestions and complaints are evaluated within the Company.

Avek Otomotiv continued to support the Volkswagen Avek Training Laboratory which was opened in 2017 at the Borsa Istanbul Başakşehir Vocational and Technical Anatolian High School. This is how Avek Otomotiv supports technological training and helps to train experienced technicians who know the brand that the automotive industry needs for service.



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## AYKAN

**Number of Employees: 99**

**Total Area of Operations: 76,250 m<sup>2</sup>**

**[www.aykanmotor.com.tr](http://www.aykanmotor.com.tr)**

Aykan Otomotiv has been serving as an Authorized Dealer and Aftersales Service since 1996. Today, it operates in five different regions with Volkswagen, Skoda, Audi and DOD brands.

Aykan Otomotiv is subjected to ISO Quality System inspections by Doğu Otomotiv to raise quality standards. The company also holds TSE Service Qualification Certificate. In its supply chain structure, Aykan prioritized meeting quality standards. In the supplier selection process, the qualities that the company pays attention to include business structure, experience, reliability and product supply means. Apart from these, Aykan also makes sure that its suppliers are not among the companies that have negative impact on the environment and human health or violate employee rights.

Aykan Otomotiv engages in activities to reduce its negative environmental impact. With the help of photocell systems, water and electricity consumption is reduced.

In the IT Center, old parts with negative environmental impact are recycled. In addition, the company cooperates with the local municipality and sends an average of 2,000 kg of paper and 10,000 kg of waste batteries for recycling each year. In 2018, 750 kg of waste batteries and 25,000 kg of lubricant waste were delivered to licensed companies for recycling. End-of-life tires are sent to LASDER by the company. Waste generated after maintenance and technical service of the vehicles is delivered to licensed companies for disposal if the customer approves.

Company conducts a Customer Satisfaction Survey after each sales and service transaction to measure customer satisfaction. In addition, follow-up calls are placed to check if the customers have any problems. These surveys and calls are evaluated monthly and necessary arrangements are made. There are also online support lines where customers can express their complaints and suggestions.

All employee-related practices at Aykan Otomotiv are carried out in accordance with regulations. Necessary measures are taken for possible accidents and injuries by providing the necessary trainings to the employees together with the Occupational Health and Safety specialist at the workplace. Aiming to ensure that employees work in a happier and more productive environment, Aykan conducts an Employee Satisfaction Survey every other year. Necessary improvements are made after the survey results are evaluated. There is also an online system for employees to communicate their suggestions. In 2018, Aykan employees took vocational training under the control of Doğu Otomotiv. The Company also supports the professional training of its employees.



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## BAŞARAN OTOMOTİV

**Number of Employees: 316**

**Territory: Isparta, Fethiye, Alanya,**

**Antalya Merkez**

**www.basaranoto.com.tr**

Başaran Otomotiv has been operating since 1996 with branches located in Antalya and nearby cities. The company provides services such as financing, buying and selling used vehicles, insurance and road assistance for its customers.

In the supplier selection process, Başaran Otomotiv pays attention to criteria including quality-price performance and reliability in companies with environmental awareness that use products that do not harm human health and the environment. The Company meets with its stakeholders in periodically organized event to strengthen communication. Başaran Otomotiv also participates in various events such as meetings and launches at least once a year at the times determined by Doğu Otomotiv brands.

Energy-saving lighting fixtures are used in Başaran Otomotiv's administrative buildings. In the IT System, old and idle

products are recycled. Thanks to the wastewater treatment system, installed as is a joint work with the Ministry of Environment, environmental impact is reduced by treating waste water and eliminating foreign substances. Waste material generated within the company is collected and sent for recycling at regular intervals. In addition, the industrial wastes that collect after the maintenance and repair of the vehicles are sent to authorized institutions in order to be disposed or used for recycling with the approval of the customers.

Company attaches importance to one-on-one meetings to keep the motivation of its employees high. Employees are provided with professional training within the company. In addition, development of professional perspectives is encouraged by organizing career days for trainees. Employee suggestions are collected and evaluated through an e-mail account defined within the organization. In line with the ethical principles that Başaran Otomotiv attaches importance, an equality-based working environment is created, by choosing employees who are honest, who have company loyalty and responsibility awareness. None of the employees are discriminated for any reason.

Başaran Otomotiv provides financial support to the deficiencies of public areas in the region where it operates. Scholarship grants to students continued in 2019.

## DEMOTO

**Number of Employees: 130**

**Total Area of Operations: 8,000 m<sup>2</sup>**

**demotomanisa.vw.com.tr**

Demoto opened Volkswagen Authorized Dealers and Aftersales Service Centers first in Afyon in 2007, then in Manisa in 2011 and Kütahya in 2015 followed by Skoda Dealerships and Aftersales Service Centers in 2017. Company operates in three provinces under different titles.

Demoto, which considers business ethics as a top priority, manages all its operational processes in accordance with Doğu Otomotiv Code of Ethics.

Company carries out its activities in accordance with the laws and regulations on energy efficiency and waste management and regularly informs its employees to raise their environmental awareness.



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Wastes generated within the company are collected and sent for recycling at regular intervals. Demoto employs the services of a specialist company on occupational health and safety. The company conducts regular checks and inspections regarding occupational health and safety. Necessary trainings are provided by occupational health and safety experts throughout the year. In addition, employees take Human Rights and Ethics Principles Training at least twice a year. Demoto conducts an annual employee satisfaction survey to find out the expectations of employees. Based on the results, employees are interviewed one-to-one and necessary corrections and improvements are made. The suggestions received from the employees are also evaluated and the ones deemed viable are implemented.

Demoto creates employment in the region where it operates. The Company also provides aid to the people and families and students in need in the region it is located at. The Company provides monthly financial support to the Afyon Education Foundation.

## EREL OTOMOTİV

**Number of Employees: 254**

**Total Area of Operations: 19,000 m<sup>2</sup>**

**[www.erelotomotiv.com.tr](http://www.erelotomotiv.com.tr)**

Erel Otomotiv entered the industry as a Doğu Otomotiv Authorized Dealer and Aftersales Service Centre with Volkswagen brand in 1997. By adding Audi brand in 2005 and Skoda as a Yüce Auto in 2016, the company strengthened its position in the industry. Erel Otomotiv offers new vehicle sales, aftersales services, spare parts, accessories sales, financing and insurance services to its customers.

Job descriptions of all departments have been determined in line with ISO standards. The industrial wastes generated after the maintenance and repair services are completed are sent to the licensed firms for disposal or recycling with the approval of the customers.

The company values the importance of conducting one-to-one interviews to keep the motivation of its employees high. Employees are provided in-house professional trainings. Career days are organized for trainees and the development of professional perspectives is encouraged. Suggestions of the employees are collected and evaluated through an email

account defined within the organization. In line with the ethical principles of Erel Otomotiv, honest employees with a sense of belonging in business and responsibility awareness are selected and an equality-based working environment is created without any discrimination.

Erel Otomotiv provides financial support to solve some deficiencies in public spaces in the region where it operates. In the last 5 years, financial support has been provided for the needs of a school in the same province. At the same time, scholarship grant aid to students which were offered during the year continued. Apart from these, Erel Otomotiv launched a blood donation campaign in cooperation with the Turkish Red Crescent in 2019.

In the company, job descriptions of all departments are determined in line with ISO standards. Top management meeting takes place every week. CEM, POTA, Mystery Shopper, Customer complaints, Q-Check etc. searches, consultant checks and ratings are held, and approval of all employees is taken; accordingly, necessary work is initiated. The minutes of the Quality Management Meeting, where quality-improvement topics, targets and applicable or soon to be introduced laws are discussed, are prepared and signed by the senior management and all employees.



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Meetings are held every six months on the budget target of sales and service departments. Furthermore, Occupational Safety and Health meetings are held every two months and necessary measures are taken. The Company regularly renews its Service Competency Certificate (12046) and Exhaust Emission Certificate.

In the supplier selection process, Erel Otomotiv acts by getting quotes from at least three local and international companies. TSI, CE and MSDS certifications are requested from suppliers. The companies' current size, international structure, service quality, delivery speed and references as well as their reputation in the sector are considered. Having human rights and employee rights sensibilities is an important criterion for Erel Otomotiv.

Aiming to save energy within the company, less energy consuming and daylight sensitive fixtures are preferred. The wastes generated in the company are collected and regularly sent for recycling. A total of 4,500 kg of waste paper was recycled in 2019. The waste material after technical service is sent to licensed institutions for disposal with the approval of customers.

At Erel Otomotiv, detailed explanations are provided during sales and service to raise awareness in customers. In addition to technical specifications, detailed information is provided about vehicle and customer safety and safe driving. The Company uses the Turkuaz Program with its Doğu Otomotiv infrastructure to measure customer satisfaction. In line with these results, an independent research company evaluates the complaints by providing feedback to the customers.

Complementary Health Insurance is provided for company employees to benefit from private hospitals. Apart from the trainings by Doğu Otomotiv, employees are also given Occupational Health and Safety training, Vocational Training and Orientation Training. An annual Employee Satisfaction Survey is conducted and necessary improvements are introduced in light of feedback. Erel Otomotiv embraces the philosophy of creating a completely fair work environment free of discrimination within the company and gives equal rights to every employee. In addition, the Performance Management System assesses employee performances at 6-month intervals and measures their success.

## ERKUR OTOMOTİV

**Number of Employees: 48**

**Total Area of Operations: 2,800 m<sup>2</sup>**

<https://erkur.vw.com.tr/>

Volkswagen authorized dealer Erkur Otomotiv has been continuing its activities since 2011 at its facility in Düzce, where it serves its customers in the areas of sales, service and original spare parts, targeting its customer-oriented service approach. Erkur Otomotiv has obtained ISO 9001 Quality Management System Certificate in the Sales and After Sales Services audits conducted by Doğu Otomotiv every year. The company, which gives importance to quality standards, also pays attention to quality and reasonable price criteria during the supplier selection process. In addition, the company examines all the documents of its suppliers, including quality, hygiene and legal authorization, and includes them in the contracts.

Company renders its services with a customer satisfaction-oriented approach. For this reason, Customer Satisfaction Survey is applied by sales consultants immediately after each vehicle delivery. In 2019, a total of 5,926 customers were surveyed. In addition, the company, which is sensitive about customer safety and health, ensures that customers are informed with information pamphlets and warning signs when they are inside the building.



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All processes related to employees at Erkur Otomotiv are managed in accordance with legal regulations. Employees receive various technical and non-technical trainings. In 2019, a total of 11 employees received 378 hours of training. By creating an environment where employees can communicate one-on-one, employees are ensured to convey all their requests and suggestions.

In order to minimize energy consumption within the company, LED lighting and photocell lighting system were preferred. Employees are informed so that they do not consume excessive energy by leaving electronic devices on after work. Artesian water is used to reduce water consumption. Erkur provides the treatment of the accumulated waste water in cooperation with Düzce Municipality. In addition, the company implemented 153 exhaust gas service actions in 2019 to reduce carbon emissions. Wastes generated within the company are separated and sent to authorized institutions for recycling.

## ERÖZ

**Number of Employees: 55**

**Territory: İzmir**

<https://eroz.audi.com.tr/>

Eröz Elektromekanik Yedek Parça Otomotiv was established in 2009 in İzmir Alsancak. It serves only Audi brand in one region with its management team of four people.

Eröz Otomotiv offers service in ISO standards. The company complies with the Audi Quality Standards Procedure Book. Eröz Otomotiv tries to maintain its quality standards by regularly conducting quality measurement and evaluation audits for its suppliers as well. In the supplier selection process, the company with the highest quality-price performance is preferred by obtaining price quotes from more than one company. Apart from that, technology compatible, environmentally sensitive companies that respect human and employee rights are preferred.

The company started using LED lighting and virtual power plants in

2019 to reduce energy consumption. To reduce water consumption, sensor-operated faucets are preferred. In addition, water used in the car washing section is first treated and then transferred to the sewer. Eröz Otomotiv separates and collects all kinds of waste generated within the company and sends them to authorized recycling facilities. In 2019, 520 kg of 900 kg waste paper generated was sent for recycling.

Eröz Otomotiv uses CE certified products manufactured in accordance with European Standards. In the procurement processes, customer and employee health are tried to be secured by choosing CE certified products in the purchasing processes, by carrying out hygiene studies with CE approved products, and by carrying out road safety checks by trained employees. In order to measure customer satisfaction, aftersales and after sales services, a phone call is made and a Customer Satisfaction Survey is conducted. Apart from this, customers can submit their suggestions and complaints via the website and e-mail channels.



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The company carries out all processes related to employees in accordance with legal regulations. Necessary measures are taken to ensure employee health and safety. Furthermore, regular trainings are provided by the Occupational Health and Safety Expert. Employees are regularly subjected to health checks. In 2019, employees were given 4 hours of training for occupational diseases. Employees can communicate their suggestions and complaints through online communication channels or by directly contacting relevant personnel. In addition, personal development of employees is supported.

Eröz Otomotiv attaches importance to contributing to the society it is located at. In 2019, a dormitory has been started to be built for university students to stay in Manisa. In addition, 5,000 trees were donated to İzmir forests through the Aegean Forest Foundation through the Nefes Alan Yollar (Breathing Roadways) Project. The company supported the opening event of the Village Urla of Koruncuk Foundation as the transportation sponsor. Contribution was made to Behçet Uz Foundation Yaren Bebek Project on March 8, International Women's Day. The company encourages employees to contribute to the society by participating in social responsibility projects.

## LENA OTOMOTİV

**Number of Employees: 162**

**Total Area of Operations: 900 m<sup>2</sup>**

**<https://lena.vw.com.tr/>**

Lena Otomotiv began operating as a Volkswagen Authorized Dealer and Aftersales Service Centre in 2001 in Aydın province. Expanding its scope, it opened a Volkswagen authorized dealer and service centre first in Kuşadisi in 2007 and later in Bodrum.

Having the ISO 9001 and ISO 2008, TS 12047 and TS 13070 certificates, Lena Otomotiv pays attention to maintain its standards by making annual and monthly evaluations while following these quality standards. In 2019, employees were given 5-hour ISO trainings and trainings on quality standards. The company is looking for superior quality and reasonable price criteria during the supplier selection process. Suppliers are required to have the necessary certificates and documents, and to be environmentally sensitive companies that respect employee rights. Energy saving bulbs are used to

reduce electricity consumption in the company. Wastes generated in the company are collected in a manner not to harm the environment and delivered to licensed recycling companies at regular intervals. In 2019, new facilities were built in accordance with the regulations for storage of toxic wastes.

Lena Automotive informs customers before test drives in order to protect customer safety and health. Apart from that, informative brochures are given to the customers after the sales transactions. Suggestions and complaints boxes in the customer lounges are checked regularly. In addition, a Customer Satisfaction Survey is conducted by calling customers within 3 business days following sales and service. Negative feedback is evaluated quickly and one-to-one communication is established with the customer.

Lena Otomotiv acts in compliance with regulations in all transactions related to employees. The Company aims to create a healthy and safe work environment for its employees.



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Every week, the necessary checks are carried out by the Workplace Physician and the Occupational Safety and Health Specialist. Regular health screening of employees is carried out by the workplace doctor. In 2019, employees received 10 hours of Occupational Health and Safety, 15 hours of First Aid and 5 hours of Fire Response Training. Lena Automotive organizes an Employee Satisfaction Survey annually. The areas of development are determined by sharing the results with the employees. Collective events and special day celebrations are organized at regular intervals in order to provide a better working environment for employees.

Lena Otomotiv is working on raising awareness of the society about its impact which is traffic. Company makes donations to the Social Services and Child Protection Agency, Aydın Youth and Sports Club, and elementary schools in the provincial borders to contribute to the society. With the approval of Doğu Otomotiv, parts and digital resources to support technical education were sent to the industrial vocational high school in the region. At the same time, the company donates blood to Red Crescent in every 3 months.

## MBU YAPI OTOMOTİV

**Number of Employees: 46**

**Total Area of Operations: 3,750 m<sup>2</sup>**

**[www.seat.com.tr/yetkili-satici-veservis-agi/mbu/ana-sayfa.aspx](http://www.seat.com.tr/yetkili-satici-veservis-agi/mbu/ana-sayfa.aspx)**

MBU Yapı Otomotiv San. ve Tic. Ltd. Şti. was founded in 1991 in Izmir. In 1993, MBU started working with Doğu Otomotiv as an authorized dealer of SAAB, General Motors and Opel brands. The Company has been providing sales, aftersales and original spare parts services of SEAT since 1997, DOD (Doğu Oto) and vdf (Volkswagen Doğu Finans) services since 2000 and MBU Insurance Brokerage Services since 1991 in ISO 9001 standards with a large team of customer-focused and experienced employees. Since 2007, MBU is also a tire wholesaler of Sabancı Holding BRISA (Bridgestone, Lassa, Dayton Tires) in the Aegean Region, serving with 40 'My Tire' dealers.

In selecting suppliers, MBU first looks for trusted companies with good references while quality and

professionalism are also among selection criteria. 120 Sustainability Performance of Authorized Dealers and Aftersales Service Center Companies that work in compliance with the laws on Occupational Health and Safety and have quality certificates such as ISO and TSE are preferred. Suppliers are also expected to work in accordance with waste management regulations when disposing of their waste materials. Finally, it is important for MBU that supplier companies ensure employee satisfaction, are environmentally conscious and follow policies that respect human and employee rights.

Energy consumption is reduced through the use of energy saving lamps in the company. The wastes generated during the year are sent to companies and local administrations approved by the Ministry of Environment and Urbanization, and recycled. Apart from that, waste parts of all vehicles that receive maintenance and repair services are recycled after obtaining customer approval.

MBU conducts a Customer Satisfaction Survey in Doğu Otomotiv standards.



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Within three working days after sales transactions, the customers are interviewed by telephone and the results are entered into the Turkuaz database. Complaints and suggestions are forwarded to the related departments via Turkuaz and necessary improvements are made. Customers can communicate their complaints and suggestions to the Customer Relations Representative during office hours by email or phone. In 2019, 75 hours of training was provided for company employees. MBU has an open suggestion system for employees. All employees receive two hours of safe driving training twice a year. Thanks to this accessible system, viable suggestions are implemented.

The company attaches importance to contributing to its society it is located at. In line with this understanding, a contribution was made to cover equipment expenses with the donation made to the Bone Marrow Transplantation and Oncology Centre Establishment and Development Foundation in 2019.

## MERCAN OTOMOTİV

**Number of Employees: 71**

**Total Area of Operations: 900 m<sup>2</sup>**

**[mercan.vw.com.tr](http://mercan.vw.com.tr)**

Mercan Sales and Aftersales Services has been operating as an authorized dealer of Volkswagen since 2006 with the mission of delivering superior service.

In supplier selection, Mercan Otomotiv prefers companies that offer products that are not harmful to human health and hold the necessary certifications. One of the most important factors that the company considers when selecting suppliers is the assurance of timely delivery. Provisions regarding delivery times are included in the agreements signed with suppliers as a precaution.

Aiming to reduce energy and water consumption, Mercan

Otomotiv carries out various briefing activities for employees throughout the year. Energy savings were achieved in the company by switching to a smart meter system in natural gas and using energy efficient servers. The wastewater generated in the company is used in the garden after necessary treatment and water is saved. All hazardous wastes are sorted in accordance with the disposal regulations of the Ministry of Environment and Urbanization and collected at regular intervals by the authorized disposal company. In 2019, a total of 14,850 kg of waste was sent for recycling. The replaced parts left after technical service are sent to the authorized disposal company if the customer approves.

At Mercan Otomotiv, vehicle owners are called within three days after each service to measure customer satisfaction.



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Requests, complaints and suggestions are evaluated and feedback is passed on to the managers. The Company complies with the regulations on dismissal of employees and position changes. Mechanical workshop employees are provided with the necessary equipment for occupational health and safety. The workplace physician holds monthly internal meetings. In addition, Occupational Health and Safety Training is provided to employees every six months.

Mercan Otomotiv conducts an Employee Satisfaction Survey every six months to measure employee satisfaction. Employee suggestions and requests are evaluated and communicated to the managers. Online chat applications are used to enable employees to communicate with their managers instantly.

In line with the message of Doğu Otomotiv's community engagement program, Traffic is Life!, Mercan Otomotiv informs customers about driving safety during each vehicle sale.

Mercan Otomotiv, in cooperation with the Ministry of National Education, offers the students of Vocational High Schools internship opportunities three days a week with paid insurance. Mercan Otomotiv also invested in the landscape design of the 112 emergency medical service buildings in Keşan and Enez in Çanakkale province. During the year, donations were made to associations and institutions such as Edirne Technical Industrial Vocational High School Aid Association, Edirne Turkish Music Association and Turkish Kosovo Student Solidarity.

## OTOKUR

**Number of Employees: 70**

**Territory: Sakarya**

**<https://otokur.vw.com.tr/yetkili-satici.aspx#biz>**

Volkswagen authorized dealer Otokur Otomotiv has been operating since 1999 in the showroom of 1,100 square meters in Sakarya, where it serves its customers in the field of sales by having its superior service approach as its objective. Doğu Otomotiv Authorized Dealer Otokur Otomotiv, offering a quick solution to automotive needs from sales to credit and insurance services, brings Volkswagen customers together with its superior service understanding and trained expert staff of 70 people strong.

Quality studies are carried out at Otokur Automotive for all 12 months. Company follows ISO Quality Standards. It makes private investments to increase its quality standards. We are working with companies that can meet the quality standards during the supplier selection process.



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In addition, care is taken to ensure that suppliers are environmentally sensitive companies that have a corporate structure, respect human and employee rights.

LED lights are used in the company to reduce energy consumption. Warning signs are used in required areas to reduce water consumption. Employees are informed about responsible consumption of natural resources. Otokur Otomotiv collects and separates wastes generated within the company and delivers them to authorized recycling facilities. In 2019, a total of 1,585 kg of waste was recycled.

Company attaches importance to customer health and safety. While the customers are informed in detail before the test drives, the vehicles are disinfected after the drive. By placing flyers in the customer waiting halls, information intended for the easy reach of the customers. After sales and service, customers are contacted over the phone and a Customer Satisfaction Survey is given to them.

Otokur Otomotiv carries out all processes related to employees in accordance with legal regulations. In order to protect employee health, the Occupational Physician visits the company once a week and employees are subject to regular health screenings in every three months. Company further conducts an Employee Satisfaction Survey quarterly. Necessary actions are taken according to the results. Apart from Occupational Health and Safety, professional and technical trainings are also given to the employees. In 2019, employees received 1030 hours of training. In addition, 34 employees received 6 hours of Safe Driving Training.

## ÖZÖN OTOMOTİV

**Çalışan Sayısı: 82**

**Hizmet Verilen Alan: 18,000 m<sup>2</sup>**

**<http://ozonistanbul.vw.com.tr/>**

Özön Otomotiv, operating with its head office in Istanbul and a branch in Samsun is an Özön Group company.

Özön Otomotiv considers criteria such as price, efficiency, timely delivery, aftersales delivery and services when selecting its suppliers. These are the criteria that it cares about in its own business processes. Özön Otomotiv also makes sure that the supplier companies do not have negative impact on human and employee rights and environmental health, and includes necessary provisions about compliance with regulations in its agreements.

At Özön Otomotiv, the use of non-renewable energy sources is carefully avoided and renewable energy sources are started to be used. building heating and cooling processes are provided by a geothermal system from renewable energy sources. With this investment to reduce electricity consumption, ground water is supplied to the air conditioning systems of buildings by heating with the help of heat exchangers or by cooling in summer months. In the same way, water consumption is reduced by using underground water in carwash and treatment systems.



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The Company delivers all its wastes to licensed institutions and organizations and records them. The waste electronic equipment generated within the company is disposed of by sending to the companies designated by the Ministry of Environment and Urbanization. For waste paper and packaging waste, etc., Özön Otomotiv works with recycling companies authorized by the municipality. Waste batteries and lubricant waste are delivered to PETDER and TAP, approved by the Ministry of Environment and Urbanization, respectively for disposal. While managing its processes, the company also informs the employees to improve their environmental awareness. Working with an environment friendly vision, Özön Otomotiv sends the waste parts after maintenance and repair transaction to the licensed disposal company if the customer approves.

In order to increase quality of sales activities at Özön Otomotiv,

sales consultants are trained by Doğu Otomotiv. Vehicle delivery is carried out in special delivery areas in accordance with the criteria set by Doğu Otomotiv. A survey is conducted by calling customers periodically after sales transactions to measure customer satisfaction. In addition to these practices, customers can communicate their satisfaction, suggestions or complaints to the company via e-mail.

Company complies with regulations regarding employee rights and occupational safety. The Workplace Physician and Occupational Health and Safety specialist deliver training to all employees. Özön Otomotiv has a system where employees can submit their suggestions and complaints to the management. These suggestions are evaluated periodically and viable ideas are implemented. In 2019, Sales Consultants and the Aftersales Service Department employees took 8 hours of daily professional training by Doğu Otomotiv. In addition, employees who do not

have a Vocational Qualification Certificate were provided with training opportunities and supported to earn their certificates.

Özön Otomotiv informs its customers about traffic safety and safe driving techniques. Company aims to spread the values that we care about, and to provide the necessary training and information in this regard, not only within the company but to every person it can reach. In line with the Traffic is Life! project, the Company strives to instil a sense of responsibility in all customers during the purchase process. The company, which acts with social responsibility, made a donation to the Foundation for Living Without Disabilities in 2019.



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## TAMAŞ

**Number of Employees: 163**

**Total Area of Operations: 10,000 m<sup>2</sup>**

**<https://tamas.vw.com.tr/>**

Tamaş Motorlu Araçlar San. ve Tic. Ltd. Şti. was founded in 1994 and became one of the first authorized dealers in Doğu Otomotiv's Volkswagen distribution network. Starting its operations with a showroom in Aksaray and a temporary service in Bayrampaşa, Tamaş completed its Topkapı construction in 1996 and moved to the building, where it provided Sales, Service and Spare Parts, and closed the temporary Bayrampaşa service location. The showroom in Aksaray continued its activities until 2001. The construction of Tamaş's plaza in Bakırköy district, which is in line with Volkswagen concept, started in 1999. Service department started operating in 2001, and the showroom in 2003.

Company complies with ISO 9001 standards and regular quality meetings are held in the company. In 2015, in order to increase the quality of work in paint and body shops, Glasurit Bodyshop Audit Pro quality workshop,

given by Glasurit, the automobile paint brand of BASF, the business partner of the company, has been completed, and the company has been certified. Tamaş, is the sole authorized dealer of all brands to have this quality certification in Turkey. In order to maintain quality standards of the company, company prefers companies that offer high quality products and services, adapt to technology and have a corporate structure. Care is taken to ensure that suppliers have all necessary documents and certificates, are sensitive to the environment and living creatures, and respect employees' rights.

During the year, an efficiency group was created for energy consumption and keeping the doors and windows closed while the heaters were active was decided by this group. In addition, light fixtures are switched to LED lighting to save energy. With the renovation works, Tamaş implemented the DALI automation system, which provides both savings and effective lighting control. Daylight sensitive luminaires adjust the light intensity according to ambient lighting. Furthermore, within the scope of automation efforts, the CRESTRON

automation system was introduced in the music system. This system allows for independent control of almost every speaker, saving energy and preventing sound pollution with music optimization.

Tamaş Otomotiv delivers old computers to a licensed recycling company. The company has received Hazardous Materials Activity Certificate in 2019. All hazardous and non-hazardous wastes are delivered to authorized recycling facilities following the necessary procedures. In 2019, 9,500 kg of waste paper was sent for recycling. Apart from these, waste parts after service are disposed by obtaining customer approval.

As a company that attaches great importance to customer health and safety, Tamaş provides customers to wear protective clothing and accessories during their workshop visits. During these visits, customers are given detailed information. Possible dissatisfaction and complaints are accepted through e-mail. Suggestions and complaints boxes are checked regularly and necessary actions are taken accordingly.



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Company carries out all processes related to employees in accordance with legal regulations. Employee representatives and managers come together every two months and organize Occupational Health and Safety meetings. Employees who are regularly screened for health are regularly informed about epidemics and hygiene. Various organizations are created to increase employee satisfaction. Employees can share their thoughts via e-mail, using complaints and suggestion boxes or communicating directly with relevant personnel. Professional and technical trainings are organized to contribute to the personal development of employees. In order to support ongoing formal education, paid leave is given during exam periods. A working environment that is respectful to all kinds of differences such as religion, language, race, physical appearance, and is free from discrimination, is created for employees.

## UZAY OTO

**Number of Employees: 92**

**Total Area of Operations: 20,000 m<sup>2</sup>**

**[www.uzayoto.com.tr](http://www.uzayoto.com.tr)**

Uzay Oto, a Volkswagen authorized dealer since 2006, is a company that prioritizes customer satisfaction and sells passenger cars, commercial vehicles, accessories and spare parts as well as used vehicles to Volkswagen fans with high level of service and quality approach.

Uzay Oto applies ISO 9001 Quality Management System. QSP (Quality Service Portal) and RASE (Retail After Sales Excellence) projects are implemented in sales and aftersales service departments. Initial control, BAK, final control, test drive, BAT, Q Check and customer follow-up are carried out efficiently. The quality results are evaluated at the meetings with employees and the employees are rewarded bonuses depending on customer satisfaction.

In supplier selection, Uzay Oto considers criteria such as service continuity and quality, business ethics,

communication skills and competitive pricing and also expects the suppliers to fulfil their tax, social security, etc. obligations, which are checked by Uzay Oto.

Uzay Oto uses timer switches and LED lighting fixtures to save energy in lighting systems. The company also uses pulverization-based systems that slow water flow to reduce water consumption in car washes. Waste generated within the company is collected and sent for recycling. In 2019, a total of 10 kg of waste batteries and approximately 2,5 tons of waste paper were recycled.

Company values the importance of customer health and safety. Therefore, customers are informed during sales transactions. Access to customer information is only possible on computers with specific IP addresses. In this way, the privacy of customer information is protected. The customer is called within three days following the sales and service procedures at Uzay Oto to ask about service quality.



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In addition, CEM and Turkuaz systems are used for customer complaints and suggestions.

Company employees take Occupational Health and Safety Training at regular intervals. All employees receive 8 hours of training from the time they start. Training topics include: labour legislation, employee rights and obligations, workplace cleanliness and order, legal consequences of work incidents and occupational diseases, firefighting and prevention, reasons of work accidents, prevention principles and implementation techniques. The Company conducts an Employee Satisfaction Survey every two years. According to the survey conducted in 2018, necessary changes were made in the company. Uzay Oto acts with the principle of being respectful and tolerant of differences and strives to create an equal and respectful work environment without discrimination. Various events are organized during the year to strengthen communication among the employees.

The Company provided food supplies to those in need in the region during Ramadan. Employees with school age children are supported with contributions suited to the children's educational level.

The company provided food aid to those in need during the month of Ramadan.

In addition, employees who have children at the age of education are given contributions appropriate to the education level of their children. In 2019, the company provided 23,500 TL support for the establishment of a laboratory in Samsun through the Turkish Women's Union. Furthermore, engine, transmission, front gear and motion systems were donated for the students of İkitelli OSB Vocational and Technical Anatolian High School for practice.

## VIMSA

**Number of Employees: 161**

**Total Area of Operations: 25,053 m<sup>2</sup>**  
**[otomotiv.vimsa.com.tr/index.html](http://otomotiv.vimsa.com.tr/index.html)**

Vimsa Otomotiv is an authorized Volkswagen, AUDI and SEAT Dealer and Aftersales Service Centre with branches in in Adıyaman and Şanlıurfa.

Company conducts regular Quality Management meetings to provide better service for its customers. Quality and reasonable price are the primary criteria in the supplier selection process. Vimsa Otomotiv also takes utmost care to ensure that there are no suppliers in its supply chain structure with negative impact on the environment, community and employees.

Vimsa uses LED fixtures in its newly built facility to save energy. An autonomous system was installed in HVAC to keep consumption under control. Instead of face-to-face interviews, where appropriate online programs are used to reduce emissions.

At Vimsa Otomotiv, hazardous waste sent to licensed companies for disposal. Waste parts that remain after maintenance services are sent to licensed companies for disposal by obtaining customer approval. Aiming to meet customer needs in the best possible manner, the company helps the customer to fill out the "Vehicle Offer Form" obtained from Turkuaz application and responds to their questions. For vehicles that are not in the stock area, vehicles are visually created with the help of the digital room and customers are informed. In order to measure customer satisfaction, Vimsa Otomotiv conducts an Online Satisfaction Survey during the delivery of the vehicle and a satisfaction survey via a phone call at the end of three days following delivery. The suggestions and complaints received from customers are evaluated on a weekly basis and arrangements for satisfaction are implemented quickly.



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All employee-related procedures at Vimsa Otomotiv are carried out in accordance with regulations. An Employee Satisfaction Survey is conducted annually. The company evaluates the suggestions and complaints received from the employees and replies them. Health checks of the employees are performed by the Workplace Physician who is in the company once a week. Access to medicines is facilitated through a partnering pharmacy. The employees are provided mandatory basic trainings by the Occupational Health and Safety specialist. In addition to these, the employees took two other trainings on sales and service in 2018 under the control of Doğu Otomotiv, which also provides 40 hours of Safe Driving Training twice a year. Aiming to support the personal and professional development of its employees, Vimsa supports those studying toward a high school diploma and professional qualification certificate. In addition, collective events are organized twice a year to create a more sincere and happy environment for its employees. A blood drive is organized annually in cooperation with Red Crescent and with the participation of employees.

In 2019, Vimsa participated in the activity to climb Mount Nemrut organized by Rotary club in Adiyaman for children with disabilities. In addition, in order to contribute to the society in which it is located, it has carried out activities such as sponsorship to the Provincial Directorate of Health, support for the construction of mosques and condolence houses in the provincial borders, air conditioning donation to Adiyaman Alevi Cultural Association. Apart from that, the computer needs of primary schools in the region were met by Vimsa as well.

## VOSMER

**Number of Employees: 465**

**Total Area of Operations: 56,720 m<sup>2</sup>**

**[www.vosmer.com.tr/index.html](http://www.vosmer.com.tr/index.html)**

Vosmer Otomotiv is a Doğu Otomotiv and Yüce Auto Authorized Dealer and Aftersales Service Centre serving customers in and around Izmir with a wide product portfolio consisting of Volkswagen Passenger Cars, Audi, SEAT, SKODA, Porsche, Volkswagen Commercial Vehicles and DOD brands and nearly eighty models of these brands.

Vosmer Otomotiv provides services in ISO standards. Aiming to raise quality standards, the company is currently preparing a handbook describing the procedures related to the works performed. Furthermore, in order to improve service quality, a budget was allocated for employee training programs. In the supplier selection process, the company acts with the principle of "Value for money". In order to facilitate this, development of a Purchasing Software which began in 2018 was completed.

Vosmer Otomotiv aims to save electricity by using LED lamps and a lighting

system with sensors in all buildings. All waste generated within the company is collected and sent to licensed recycling companies. In 2019, 13,570 kg of waste paper was sent for recycling.

Vosmer contributes to the environment by planting trees during the year and making donations to the Aegean Forest Foundation. In addition, donations were made for forests damaged by fires around Izmir in 2019.

The company conducts a Satisfaction Survey with its customers after sales and service transactions to measure customer satisfaction and necessary changes are introduced in line with the answers.

Vosmer Otomotiv conducts an Employee Satisfaction Survey with its employees at regular intervals. Complaints and suggestions are evaluated and necessary changes are implemented. The company succeeded in the pilot program on performance management launched in 2018 and the scope of this program is planned to be expanded in the coming years. Vosmer Otomotiv strives to recruit local people to contribute to the welfare of the local community with a sense of social responsibility.



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## Sustainability At Authorized Dealers

	ECONOMY				
	Total Number of Suppliers	Number of Local Suppliers	Total Amount Paid to Suppliers (TL)	Amount Paid to Local Suppliers (TL)	Societal Investments
<b>Acarlar</b>	265	265	201,119,926	201,119,926	5,350
<b>Acarsan</b>	316	316	84,569,687.21	84,569,687.21	N/A
<b>Aldo</b>	368	366	110,677,098	101,497,292	N/A
<b>Altur</b>	187	187	346,974,644.06	346,974,644.06	N/A
<b>Ark Oto</b>	200	45	109,268,773.68	2,114,126.89	0
<b>Attarlar</b>	15	15	1,636,617	1,636,617	N/A
<b>Avek</b>	1,200	1,195	2,493,431,130.37	2,493,266,586.11	0
<b>Aykan</b>	16	16	184,252,754	184,252,754	0
<b>Başaran</b>	112	17	681,000,000	2,325,453	91,541
<b>Demoto</b>	35	31	5,907,074.54	5,554,740.54	N/A
<b>Erel</b>	368	357	481,026,294	402,800,816	12,300
<b>Erkur</b>	90	100	25,980,819	3,003,277	N/A
<b>Eröz</b>	64	45	N/A	N/A	N/A
<b>Erya</b>	N/A	N/A	N/A	N/A	N/A
<b>Lena</b>	1,149	1,148	224,599,668.11	28,472,439.23	119,790.00
<b>MBU</b>	343	343	182,153,452	182,153,452	0
<b>Mercan</b>	65	50	110,750	187,250	17,500
<b>Opat</b>	1,087	1,086	391,457,093	354,702,192	N/A
<b>Otokur</b>	210	210	125,384,661.38	125,384,661.38	N/A
<b>Özön</b>	4	4	240,000	240,000	0
<b>Tamaş</b>	3,550	350	165,263,147.95	165,263,147.95	N/A
<b>Uzay Oto</b>	288	288	211,129,322.28	211,129,322.28	N/A
<b>Vimsa</b>	578	578	363,445,788.22	363,445,788.22	20,000
<b>Vosmer</b>	89	340	820,195,883.63	11,388,514.07	50,000



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	ENVIRONMENT						
	Electricity Consumption (kWh)	Natural Gas Consumption(m <sup>3</sup> )	Fuel Consumption (Lt)	Water Consumption (m <sup>3</sup> )	Waste Amount (kg)	Waste Paper Amount (kg)	Waste paper sent to recycling
<b>Acarlar</b>	792,369,980	27,996	49,268.58	1,401	N/A	N/A	N/A
<b>Acarsan</b>	2,047.97	0	22,214.67	4,822.67	11,174	615	530
<b>Aldo</b>	178,840	N/A	6,272	990	7,800lt+1,006kg*	600	500
<b>Altur</b>	760,000	26,100	4,425.34	6,100	81,450 kg	3,600	3,600
<b>Ark Oto</b>	212,453.08	38,150.3	11,792.46	3,008	37,949	3,600	3,600
<b>Attarlar</b>	133,674	23,623	8,166	2,657	N/A	N/A	N/A
<b>Avek</b>	2,900,273.85	411,824	22,046.78	14,065	296,014	160,000	156,000
<b>Aykan</b>	375,070.32	71,010	23,043.28	116,268	30,060	4,300	1,500
<b>Başaran</b>	2,050,128	0	21,285	1,480	20,000	1,423	1,423
<b>Demoto</b>	588,442.20	6,646.00	35,379.76	2,887.00	43,414.00	3,248.00	3,248.00
<b>Erel</b>	1,251,404	92,168	42,866	7,800	10,236	N/A	N/A
<b>Erkur</b>	124,728	24,241	8,657	1,802	13,248	445	150
<b>Eröz</b>	241,867	0	24,761.91	1,394	13,954	520	N/A
<b>Erya</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Lena</b>	1,076,305.89	0	101,031.7	13,051.5	N/A	1,694	1,645
<b>MBU</b>	184,250	0	3,553	1,780	11,154	305	305
<b>Mercan</b>	167,622	24,251	12,658	2,865	11,600	1,170	790
<b>Opat</b>	410,058	N/A	39,823	1,370	32,630lt+19,565kg*	2,400	2,100
<b>Otokur</b>	5,947.04	15,441	22,662	3,047	N/A	1,545	N/A
<b>Özön</b>	350,758.15	0	40,000	5,562	28,200	N/A	N/A
<b>Tamaş</b>	872,210	61,527	20,121.08	5,426	N/A	N/A	N/A
<b>Uzay Oto</b>	651,143	79,900	20,800	2,920	12,000	400	400
<b>Vimsa</b>	672,037	99,069	26,488	1,756	38,282	7,968	3,490
<b>Vosmer</b>	2,659,277.39	46,419.56	61,153.12	24,953.00	N/A	14,050.00	13,570.00

\* Liquid wastes specified in litres are engine, transmission and lubricating oils; solid wastes specified in kg are waste printing toners containing hazardous substances, packaging, cleaning cloths as well as protective clothes, tires with expired economic lives, oil filters, leaded batteries and accumulators.





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	EMPLOYEES									
	Number of Fulltime Employees	Number of Part-time Employees	Total Labour Force	Number of Female Employees	Number of Male Employees	Rate of Female Employees	Employee Turnover (%)	Average Training Hours per Employee (Man/Hour)	Ethical Principles Training Time	Human Rights Training Time
<b>Acarlar</b>	127	3	130	23	107	17.69	11.54	15.17	8	8
<b>Acarsan</b>	50	2	52	10	42	20	20	2.5	1	1
<b>Aldo</b>	31	0	31	9	22	29	33	N/A	N/A	N/A
<b>Altur</b>	189	0	189	32	157	18	28	4.8	0	0
<b>Ark Oto</b>	73	0	73	19	54	26	21	25.68	0	0
<b>Attarlar</b>	53	0	53	9	44	17	22.64	N/A	N/A	N/A
<b>Avek</b>	495	0	495	60	435	12	37	N/A	N/A	N/A
<b>Aykan</b>	99	0	99	23	76	30	11	15.22	N/A	N/A
<b>Başaran</b>	315	1	316	60	256	23.4	25	3	20	20
<b>Demoto</b>	130	0	130	31	99	31	32.35	44.33	N/A	N/A
<b>Erel</b>	251	3	254	49	205	20.5	16.53	8.31	1	0
<b>Erkur</b>	48	0	48	12	36	25	14.58	30	0	0
<b>Eröz</b>	55	0	55	13	42	24	14.55	10.62	0	0
<b>Erya</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Lena</b>	162	0	162	36	126	22	18.5	36	0	0
<b>MBU</b>	46	0	46	12	34	26	2.2	24	12	0
<b>Mercan</b>	65	6	71	20	51	29	17	12.5	4	4
<b>Opat</b>	119	0	119	38	81	32	38	N/A	N/A	N/A
<b>Otokur</b>	70	0	70	15	55	21	38.57	N/A	N/A	N/A
<b>Özön</b>	82	0	82	13	69	10.6	23.1	4,6	0	0
<b>Tamaş</b>	161	2	163	28	135	17.18	23.31	12.07	N/A	N/A
<b>Uzay Oto</b>	92	0	92	18	74	20	36.95	11.32	10	8
<b>Vimsa</b>	161	0	161	25	136	25	N/A	N/A	12	12
<b>Vosmer</b>	465	0	465	84	381	18	16.34	1	0	0

# SUSTAINABILITY AT SUPPLIERS

## ACAR BASIM

**Number of Employees: 116**

**Total Area of Operations: 11,600 m<sup>2</sup>**

**<http://www.acarbasim.com/>**

Acar Basım ve Cilt San. Tic. A.Ş. was founded in 1980 to operate in the printing sector and later spread its operations to include corporate gifts, stationery, real estate and publishing. The company's production, administration and sales activities are carried out in a total of indoor space of 10,000 m<sup>2</sup> including the central plant in Istanbul and the Anatolian Regional Directorate in Ankara.

ISO 9001: 2015 Quality Management System is applied in the company. The printing house has the Service Competence Certificate, Sedex and FSC Certificate accepted worldwide. Thanks to this document, forests are protected by using only trees specially produced for paper making.

Aiming to reduce its environmental impact and to increase its contribution to nature, the company prefers solar panels for water heating in the work area, using LED lighting fixtures and working on preventing excessive energy consumption. The company also recycles paper, packaging and oil waste. In 2019, 232,000 kg of paper/packaging waste and 8 kg of waste battery were sent for recycling. The company is running a server

virtualization project with the aim of using electricity more efficiently and reducing new device purchasing.

Acar Basım strives to contribute to the society it is located at with various in-kind aids and projects. Company, which cooperates in several studies with the regional schools where its factory is situated, also opens the factory building to visits for the transfer of experience and knowledge.

Company takes care to engage in innovative works to increase its quality standards. In 2019, necessary studies planned the previous year were completed to develop a more efficient production process. Acar Basım conducts a customer satisfaction survey three times a year. The result of the survey determined customer satisfaction rate as 90% in 2018.

Employees are provided with basic occupational health and safety trainings, and necessary measures are taken for work accidents with periodic on-site inspections. Apart from these trainings, various trainings such as Human Resources Management, Current Social Security and Current Labour Law, Logistics and Supply Chain Management were provided in 2019, for a total of 140 hours. Furthermore, foreign language training is offered to employees for their personal developments. Rules that are in compliance with the legislation are followed for affairs such as employee turnover, working hours, etc.

## ATILGAN PAZARLAMA

**Number of Employees: 21**

**<https://www.atilganpazarlama.com/>**

Atilgan Pazarlama is an Istanbul based company that has been rendering services in supplying food, cleaning and stationery group of products for 28 years.

Atilgan Pazarlama works with brands well-known in the industry, which can be sustained in the supply chain. Company has 109 domestic suppliers.

Company saved energy by switching to LED lighting fixtures in its warehouses during the year. For efficient use of water resources, water-savings taps are preferred within the company. The waste generated within the company is separated and sent to authorized recycling facilities. A total of 600 kg of waste paper was recycled in 2019.

Atilgan Pazarlama takes care to protect its customers' health and safety. Customers can submit their suggestions and complaints to the company through the website. While the company takes the necessary precautions regarding the hygiene and occupational safety conditions of its employees, necessary trainings are given to them as well. By coming together with employees every month, they are provided the opportunity to voice their opinions.



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## BAKIRCI OTOMOTİV

**Number of Employees: 95**

**Total Area of Service: 3,500 m<sup>2</sup>**

<http://www.bakirci.com.tr/tr/default.aspx>

aspx

Bakırcı Otomotiv is an umbrella structure of six businesses that focus on the automotive sector and meet various needs of the industry. As the architecture of the car plazas in Turkey, the company provides services in building design, supply of maintenance and repair equipment of the service department, after-sales services of these equipment, training of technical personnel, professional qualification certifications, business development projects for the efficiency of the service and spare parts consultancy of the service.

Having 95 employees and more than 30 distributors as of 2019, the company builds automotive facilities primarily in Turkey as well as other countries like Azerbaijan, Cyprus, Iraq, Iran, Georgia, Turkmenistan, Uzbekistan, Qatar and the United States.

Bakırcı Otomotiv organizes its processes annually using ISO quality standards and is audited by TÜV SÜD.

Company holds Quality Management System, OHS Management System, Personnel Certification Accreditation Standard and Authorized Certification Organization certificates.

The most important quality that Bakırcı Otomotiv values in the supply chain is to ensure that the product it procures meets the standards of the world's leading automotive manufacturers. Utmost care is taken to ensure that product quality is the highest and that its activities and operations comply with the laws and environmental regulations. Suppliers are also considered in terms of working in accordance with the Doğuş Otomotiv business ethics principles. In the evaluation process, quality price performance, payment conditions, capacity, duration, test certificate and certificate criteria are evaluated after requesting prices from all alternatives.

The company's efforts to reduce environmental impact include avoiding using lights at sunlit areas, installing light fixtures with energy-saving light bulbs, equipping the building with environmentally sensitive systems, taps with motion sensors, and shuttle route optimization. There are also informative announcements to raise environmental awareness among employees. Waste Management is carried out in

accordance with laws and regulations in cooperation with Beykoz Municipality.

Bakırcı Otomotiv conducts various social responsibility projects in order to contribute to the society it takes place in. Apart from donations made to foundations on special days, the tradition that started with the donation of the Body Repair Workshop to Ege University Vocational School in 1998 continues with the contributions to universities which have automotive engineering departments. At the same time, joint studies are carried out with 30 different Industrial Vocational High Schools. In 2019, internet cables on the street where the company building is located were replaced by Bakırcı Otomotiv with fibre optic cables against theft risks.

The company provides necessary training to its employees in line with laws and regulations regarding occupational health and safety, and regularly screens the health of employees. Apart from Occupational Health and Safety trainings, various technical trainings are also given to the employees. In addition, employees are encouraged by giving paid-leave during working hours to employees who need to take part in voluntary work in non-governmental organizations.



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## BARIŞ MAKİNA

**Number of Employees: 70**

**Total Area of Operations: 15,000 m<sup>2</sup>**

**<http://www.barismakina.com>**

Bariş Makina Otomotiv Ekipman San. ve Tic. A.Ş. has been operating in the field of repair shop equipment with imports, marketing, service projects and training services for nearly 50 years. In addition to the buildings in İzmir and Istanbul, the third project, Istanbul Şerifali building, with an indoor space of 5,000 m<sup>2</sup>, has started operating as the biggest training centre in Europe. Barış Makina Otomotiv Ekipman San. ve Tic. A.Ş. provides sales, after sales and technical services in all regions of Turkey.

Bariş Makina holds ISO 9001: 2008 Quality Management System and ISO 14001: 2004 Environmental Management System certifications. Various quality improvement studies related to quality management, operation process and support process were carried out in 2019.

In supply chain management, the main expectations of the Company

from its suppliers are an honest and reliable trade approach and maximum sensitivity for health and safety issues as well as the warranty conditions for the quality products and services they provide.

The firms that act as distributors and dealers of the Company are those that produce globally acknowledged products and services and also carry out exemplary activities in aspects including human rights, working conditions and employee rights. In the selection criteria for procurement, compliance of the suppliers' activities with local legislation, labour law no. 4857, social security law no. 5510 and occupational health and safety law no. 6331 play a determining role. The company works with 330 suppliers in total including 40 international and 280 domestic businesses.

All environment-related aspects are managed and audited in accordance with the ISO 14001 Environmental Management System. Company organizes special meetings and trainings to increase employee awareness on efficient use of resources and consumption reduction. Waste paper and batteries generated during the year are sent to Konak Municipality and recycled. In 2019, a total of 2,850 kg of waste paper was recycled and recovered. During the year, 100,000 TL was invested

in improving service routes to reduce carbon emissions and fuel consumption. In addition, the Company makes regular annual donations to the Aegean Forest Foundation for tree planting.

Products that are distributed and sold by the Company are CE certified equipment and devices that have cleared through European Union safety norms. Health and safety risks have been considered for each product and risk assessment studies have been conducted by the manufacturers to minimize or eliminate these risks.

Company conducts a customer satisfaction survey once a year and a regular Employee Satisfaction survey. In 2019, the result of the employee satisfaction survey was 80%. All obligations are fulfilled in accordance with Occupational Health and Safety laws and regulations. There were no occupational accidents in 2019 and employees were given 12 hours of detailed training on Occupational Health and Safety.

Bariş Makina has a Suggest/Solve suggestion system that aims to encourage employees to contribute to efficiency. This system is an alternative communication channel as employees can directly contact the management face-to-face or via email.



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In addition to the trainings provided to ensure professional development of all employees, certain employees are sent overseas to visit the companies, whose products are distributed for training purposes. Furthermore, all costs of employees who wish to attend foreign language courses are covered by the Company. Employees are not discriminated against on the basis of language, religion, race, gender, nationality, or ethnicity, etc.

The company has adopted the equality principle. Barış Makina also carries out activities in line with the needs of local communities for the development of the region where it operates. In 2019, 30,000 TL was spent on pavement and lighting works in the street where the material warehouse in Izmir was located, and the needs of the region were met. In addition, within the scope of the project carried out jointly with Brisa, vocational studies were carried out with convicted citizens in prison. Also under another project carried out by Brisa, tires training was organized for women for the first time in Turkey.

## **BASF**

**Number of Employees: 694**

<https://www.basf.com/tr/tr.html>

Sustainability is managed highly effectively within the strategies and operations of BASF,

the world's largest chemicals company. In line with its "We create chemistry for a sustainable future" mission statement, BASF works toward achieving sustainable development goals by disclosing its performance in many areas in the annual sustainability reports.

BASF, which uses its resources responsibly and also produces in the same responsible way, has been successfully included in the Dow Jones Sustainability World Index (DJSI World) for 19 consecutive years.

BASF is also regularly included in the FTSE4Good Index Series by the FTSE Group, which lists only the companies that are able to meet the strictest environmental, social and governance (ESG) criteria and consistently confirm/develop these aspects through regular assessments. BASF is the best of its class in terms of ESG among the chemical companies in the index.

BASF's unique "Verbund" (integrated production) approach is a good example of sustainable use of resources, saving resources and energy, minimizing emissions, reducing logistics costs and creating infrastructure synergies.

As another reflection of this approach, digitalization and intelligent production offer great opportunities for BASF. With the use of digital technologies and data, BASF

creates added value for its customers while increasing efficiency and effectiveness in its processes. One of the most important examples of this approach is the BASF supercomputer Quiriosity, which has played a key role in R&D for the digitalization processes at BASF.

BASF strives to ensure that technological paintwork repair methods are applied in body shops of all customers that place satisfaction and savings awareness at their core as a priority and to maximize efficiency of body shops. The body shops that complete and implement the steps determined within the scope of Glasurit Bodyshop Process Excellence activities are certified.

As part of the Glasurit Bodyshop Process Excellence activities carried out at all service points of Doğu Oto, which BASF has been serving since 2015, the body shops at Etimesgut, Çankaya, Bursa, Maslak, Kartal and Esenyurt service points have been certified.

Within the scope of the Glasurit Bodyshop Process Excellence, followed by the Doğu Oto Bodyshop managers and employees as well as the field officers of Glasurit Automotive Repair Paints, all service points have completed all stages with 100 % success.



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BASF is a founding member of the Together for Sustainability initiative, where leading chemical companies join forces to promote sustainability practices in the supply chain and standardize supplier auditing and assessment methods. The company is also the founder of a global Occupational Medicine and Health Protection Program that includes objectives, guidelines, performance standards and an audit procedure.

As a founding member of the Global Compact UN, BASF is committed to fulfilling its responsibilities under the US Fundamental Principles on Labour and Human Rights, and to act with a sense of social responsibility in line with national laws and key labour standards set by the International Labour Organization.

## **BEKER PCB ELEKTRONİK SAN. VE TİC. LTD. ŞİRKETİ**

**Number of Employees: 21**

**Total Area of Operations: 17,500 m<sup>2</sup>**

**<https://www.beker-recycle.com/>**

As an affiliate of Beker Pcb Elektronik Şirketi, Beker Recycle carries out "Waste

Management and Automotive Recycling" activities in its integrated facilities built on 17,500 m<sup>2</sup> located in Düzce.

Beker Recycle holds ISO 9001, ISO 14001, ISO 27001 and OHSAS 18001 certificates and follows these standards in production. In order to maintain quality standards, the criteria of quality, effective performance and compliance with market prices are taken into consideration during the supplier selection process.

Energy saving bulbs are used to save energy within the company. In order to save water, warning signs are hung where necessary, such as around faucets and water dispensers. In order to reduce the carbon footprint, service routes are arranged so as to cause minimum carbon emissions. All kinds of waste generated within the company are separated and recycled. After the waste oils are separated and collected, they are sent to PETDER for recycling. 19,140 kg from the 20,120 kg of waste paper generated in 2019 was sent for recycling. Within the scope of Beker Recycle, Completed Vehicle Temporary Storage, Non-Hazardous and Hazardous Waste Interim Storage, Waste Accumulator Temporary Storage, Non-Hazardous Waste Recycling, Scrap Metal/ELV Processing,

Packaging Waste Collection Separation TYPE-3, Waste Electrical and Electronic Equipment Processing-WEEE activities waste is included in the process and sent to licensed recycling and disposal facilities.

Ensuring customer health and safety is very important for the Company. In this context, consultancy service is received. In addition to conveying their complaints and suggestions through the website, customers also have the possibility to communicate their dissatisfaction directly with the relevant personnel.

Beker Recycle fulfils all social rights and working conditions of employees in accordance with legal regulations. While benefiting from consultancy service within the scope of Occupational Health and Safety, regular information and controls are carried out by experts and physicians. In 2019, a total of 21 employees received trainings in the fields of Occupational Health and Safety, Hazardous Substance Consultancy and Environmental Consultancy. In addition, employees are provided with first aid training, technical and vocational training. Employees are supported to receive the training they desire for their personal development.



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## BIG TANITIM

**Number of Employees: 4**

**Total Area of Operations: 87 m<sup>2</sup>**

**[www.bigtanitim.com](http://www.bigtanitim.com)**

Big Tanitim has over 10 years of experience in the promotional and advertising products industry and works to resolve the demands of customers rapidly by understanding their requests.

Big Tanitim refers to the results of detailed market research to select trusted and diligent brands that offer high quality products.

Most presentations, files and documents are shared digitally to avoid paper waste within the Company. Waste batteries are collected in boxes and sent for recycling after being checked at the end of each week.

Big Tanitim conducts biannual Employee Satisfaction Surveys to enable employees to share their complaints, suggestions and opinions. The company's employees are also supported for development in their respective fields with English language, graphic and web design trainings. In 2019, employees were given approximately 20 hours of business ethics and ethical code, human rights and basic business training. Apart from these trainings, foreign language, basic computer,

graphic and web design, digital marketing trainings were provided to contribute to the personal development of the employees.

Big Tanitim makes regular donations to TEMA Foundation and Darüşşafaka Foundation, and also partners with another company to support village schools with donations. The company supports a number of students with scholarships.

## DAIKIN TURKEY

**Number of Employees: 1,025**

**Total Area of Operations: 2,600 m<sup>2</sup>**

**[www.daikin.com.tr](http://www.daikin.com.tr)**

After operating in Turkey through distributors since 1978, Daikin acquired all stakes in Airfel, a major actor in the Turkish HVAC industry, in July 2011, and became a prominent player in the market. Today, Daikin Turkey boasts the widest product range in the field of heating, cooling and ventilation in Turkey. Daikin and Airfel brands under the Daikin Turkey umbrella offer a broad range of products for the HVAC industry, including boilers, air conditioner units, panel radiators, fan-coil units, and air conditioning plants, etc. produced with the latest technologies to meet different needs. Daikin Turkey has launched the production of Daikin

branded products in addition to Airfel brand at the Daikin Hendek plant, spread on 100,000 m<sup>2</sup> of land with 42,000 m<sup>2</sup> of indoor space. Daikin Turkey, headquartered in Istanbul, serves a broad geographical area of Turkey with its six regional offices (Adana, Ankara, Antalya, Gaziantep, İzmir, Trabzon), 170 dealers, 500 sales points and 501 authorized aftersales services.

Daikin Turkey operates in line with the company's global Quality Policy, and carries out all activities in accordance with ISO9001:2008 Quality Management System like everywhere else in the world. Kaizen and quality circle concepts are applied at Daikin Turkey to improve quality.

In addition to complying with Doğuş Otomotiv's Business Ethics, Corporate Sustainability and all other operating principles, Daikin Turkey also considers business integrity, environment, human rights and fundamental labour rights when selecting its suppliers, and performs checks based on these criteria.

Five times a year, in-depth meetings and interim evaluation meetings are held with dealers and services in the supply chain to review processes and make improvements.



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Relevant sanctions, in accordance with the discipline provision in our procedures, are applied to companies in the supply chain that have a negative impact on the environment or human rights.

Daikin's environmental policy is built on the mission of "Enriching today, protecting the future". Daikin Europe plays an active role in environmental responsibility by closely following the parent company in Japan and introducing policies beyond official rules and regulations. In 1998, Daikin Europe became the first HVAC manufacturer to earn ISO 14001 certification in Europe and expects all its subsidiaries to meet ISO 14001 requirements in all business processes. In 2002, Daikin Europe formulated its own response ahead of the EU directives on "Restriction of Hazardous Substances" (RoHS) and "Waste electrical and electronic equipment" (WEEE). Daikin takes these as reference in its operations in Turkey as well. At Daikin, where business operations are guided

by the slogan "Reduce, Recover, Reuse", utilization of all resources and energy consumption are constantly monitored and reviewed to sustain energy efficiency.

Within the scope of Daikin Turkey's energy efficiency practices, activities are carried out to reduce the consumption of resources in accordance with the studies and analyses conducted by energy methods engineers. The engineers at Daikin Turkey participate as trainers in the trainings on the topic of energy efficiency in HVAC systems organized by the Ministry of Energy, General Directorate of Renewable Energy.

Daikin Turkey's head office is located in Turkey's first LEED Platinum certified high-rise, the Allianz Tower. The state-of-the-art faucets in the buildings ensure water efficiency in international standards without sacrificing user comfort. With the efficient water faucets used

in the buildings, reduction in water consumption has exceeded 35 %. Daikin is deeply committed to the "eco-design" concept, constantly striving to improve the "green" content in its products. The use of lead, mercury and cadmium is reduced. The design department adopts the "green procurement" policy, which requires all material suppliers to declare that their products do not contain any material harmful to the environment.

Daikin constantly analyses the production and packaging materials' use and recovery potential. For instance, damaged wooden Euro pallets are repaired and reused. The water used at the plant is treated before being delivered to the wastewater system while large quantities of sediment is separated as useful sludge for the cement industry. Battery waste is collected in battery boxes located at Akademi Maltepe, and delivered for recycling.



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Employees are encouraged to sort hazardous materials such as trash, batteries and printer cartridges, and recyclable products such as paper and cardboard. Moreover, “ZERO Waste” and “ZERO emission” targets are adopted by the manufacturing department at all stages of production. Authorized service centres provide training on the proper use of HFC gases utilized in air conditioning systems in line with F gas regulation. In all visits across the country including authorized service inspections and dealer visits, Daikin Turkey provides information about recycling waste, energy use and how coolants are used and collected. All wastes that may result from company operations are processed in accordance with environmental policy.

In January 2018, Daikin was granted energy efficiency consulting authority by the Ministry of Energy, Directorate General of Renewable Energy to deliver services for commercial buildings. This authority aims to ensure energy optimization through

energy studies in customers’ service buildings. The company also carries out voluntary works to develop energy efficiency projects in the ISKAV Energy Efficiency Commission for Industrial Plants in order to reduce energy expenditures of industrial plants.

Acting in line with Daikin Europe’s environmental policies, Daikin Turkey has also developed its own local standards by taking European regulations and directives into account. Aiming to reduce its environmental impact across the value cycle, Daikin has instructed all its subsidiaries to secure the internationally recognized ISO14001 accreditation by the end of 2005.

Daikin highly values the importance of service continuity, data privacy and the integrity of customers’ or company’s information assets. Accordingly, the ISO 27001:2013 system is established in the company, with constants checks of system availability and improvements where necessary.

Daikin Turkey is aware of how

important the human factor is to reach future targets. In addition to the periodic personality inventory applied for Daikin employees and the skill development programs specifically designed to improve the competence and managerial skills of employees based on the 360-degree assessment results, Technical, Professional and Legally Compulsory Trainings were conducted in 2019. The goal is to increase the contribution of blue-collar employees to the processes through special development programs.

### **Daikin Academy**

All training activities under the umbrella of the Daikin Turkey Academy are held at the training building on the Maltepe, Istanbul campus, featuring one conference room, three practical, four theoretical classrooms and one workshop. Since its inception, Daikin Academy has reached approximately 24,000 people with innovative applications and training content created to meet the needs of employees and stakeholders.



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According to its 2020 strategy, the company aims to provide training opportunities for 45,000 people. Daikin Academy is managed in line with the 5-year rolling strategy plans by a professional team under the supervision of the Executive Board, which includes a number of department heads. Since the very beginning, Daikin Academy has always aimed to be the strategic partner of departments and stakeholders and to reflect the results of all the trainings on business life and activities. Original training content is prepared according to in-depth analysis of need. The benefits of trainings reach a wide audience including employees, dealers, services, distributors that provide services in CIS countries, as well as university students and customers. Daikin Academy delivers all of its trainings to relevant audiences through classroom applications as well as field work, workshops and digital platform applications. Daikin Radio hosts academic interviews, which are broadcast to all employees according to an annual plan. Guests such as educators, psychologists and life coaches are invited to radio programs with the aim of taking development out of the classroom and making it accessible for all employees. The employees who answer the questions in the program are rewarded by the Academy. In-house trainers give 85% of the professional and technical

development trainings. In annual motivation meetings, successful in-house trainers are rewarded.

### **Daikin Sakura Project**

Sakura Project, which was launched in 2014 in cooperation with KOSGEB, Kal-Der and Daikin, is planned to ensure entrepreneurial women with university degrees to become bosses of their own businesses. With the Sakura Project, entrepreneurial women are embarked on business life by receiving training and then workplace support. Within the scope of the project, it is planned to have 100 entrepreneur women to start their entrepreneurship career as a business owner at the end of the third year. The project is continuing within the targeted development plan.

### **Female Technician Project**

After the success of women entrepreneurs in the Daikin Sakura Program, which was launched in 2014, Daikin aimed to train female technicians for the male-dominated air conditioning industry with the female technician project launched in 2017. At the end of 2018, female technicians at the targeted level became able to serve on the field. The project continues to be developed with the aim of making female technicians as service owners and increasing their numbers.

### **Climatization Laboratories for Vocational High Schools**

Daikin Turkey establishes educational laboratories from which climatization departments of vocational high schools will benefit. Schools determined during the planning periods are supported every year accordingly. In addition to this, young people who graduate from the vocational high schools of the specified vocational high schools are provided with job opportunities at Daikin Authorized Services as part of the İş-Kur guidance and interviews held in the relevant high school.

### **Fuha Specialist Days**

Fuha, the largest experience centre in Europe, established by Daikin to serve the HVAC industry is located in Turkey. The centre contributes to the industry by organizing free events including trainings and seminars, etc. aimed at the employees in the HVAC and energy sectors, university and vocational high school students and NGOs. The seminars and meetings, which customers, employees and all stakeholders can benefit from, are carried out periodically under the 'sector specialist days' title. Since August 2018, Fuha is operating at its new address in Maltepe, Istanbul. Daikin Turkey employees also publish articles on HVAC issues in trade publications.



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## DESTEK BİLGİSAYAR VE İLETİŞİM HİZ. TİC. A.Ş.

Number of Employees: 451

<http://www.destekbilgisayar.com.tr/index.php>

Destek Bilgisayar has been serving its customers for more than 25 years, providing logo design, web design, technical support and consultancy services.

Destek Bilgisayar is certified in five different ISO standards and carries out studies geared for its employees and suppliers in order to increase its quality standards. In this context, while trainings were organized for employees, ethical rules were prepared for suppliers, and supplier selection forms were updated. In the supplier selection process, the company is looking for the requirements for quality, corporate culture, eligibility for shipment, ease of payment and compliance with the Service Level Agreement (SLA) criteria. In addition, Destek Bilgisayar pays attention for its suppliers to be companies that respect the environment, living beings,

human and employee rights, and thereby includes ethical rules in the selection process and contracts. Company separates all wastes such as paper, battery and household wastes generated, and sends them for recycling. Technological waste is recycled by a contracted company, while paper and battery waste are recycled by municipalities. In 2019, a total of 810 kg of waste was sent to recycling. Apart from these, informative brochures are distributed within the company to encourage efficient use of resources.

All precautions are taken and studies are carried out at Destek Bilgisayar which are foreseen in the law on occupational health and safety. Employees are provided with 16 hours of Occupational Health and Safety Training, including subjects covered by A class. In addition, technical and professional trainings are given to employees. Company uses an online application where employees can submit their suggestions and complaints anonymously and follow them. Apart from this,

Employee Satisfaction Surveys are conducted once a year and employee feedback is received. According to the survey results, focus groups are prepared and action is taken to eliminate dissatisfaction. Group celebrations are organized on special days to create a better working environment and strengthen relationships.

Company sends Satisfaction Survey to the relevant customer after each invoice issued and aims to solve the problem within 48 hours in cases of dissatisfaction. If the customers create a complaint record from the website of Destek Bilgisayar, they are forwarded to the relevant units via e-mail.

Destek Bilgisayar strives to contribute to the society through social responsibility projects. Company donates to TEV and LÖSEV and participates collectively in external social responsibility campaigns with the employees. In addition, the company provides scholarships to 14 students studying IT.



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## ERİNÇ REKLAM (REKLAMETRE)

**Number of Employees: 27**

**Total Area of Operations: 3,000 m<sup>2</sup>**

**<http://www.reklametre.com.tr/>**

Erinç Reklam, founded in 2009 and based in Istanbul, is a company operating in the advertising industry in the fields of signboards, digital printing and stand production.

Erinç Reklam selects its suppliers from among world-renowned, long-standing and recognized brands in the industry. The company makes sure that the service or product offered during the supplier selection process is delivered in the same quality in all orders. The company applies ISO 9001: 2008 Quality Management System.

Aiming to reduce energy consumption, all technological devices used in the company are regularly updated and replaced with state-of-the-art energy-saving products. The company procures the services of an information processing firm in these matters. Waste paper is used as supportive material in packages and boxes for shipment of produced materials and nearly 85% of waste paper is re-used in

the company's operations. The remaining 15% waste is sent to paper companies. Iron and plastic wastes are also sent for recycling. The company's 1,000 m<sup>2</sup> outdoor space has been reserved to feed and shelter animals. This area has also been cultivated by planting pine trees. Erinç Reklam has allocated a 15 m<sup>2</sup> area and sheds for the protection of street animals in its surroundings. The company also strives to raise environmental awareness by choosing to donate to TEMA and gifting seedlings on behalf of individuals or institutions instead of sending promotional products.

All works on occupational health and safety is carried out in compliance with the legislation. Every month, the workplace physician and the occupational health and safety specialist give basic training to employees. Furthermore, each employee also takes quarterly mandatory inhouse trainings on their respective fields.

In 2019, Erinç Reklam provided financial support to multiple schools. The company contributed to the costs of goods, food and education of families in need in its surroundings, and donated a wheelchair to a person in need. Erinç Reklam also hosted a dinner to raise awareness of leukaemia and motivate children and families in the treatment process.

## FABRIKA BASIM

**Number of Employees: 46**

**Total Area of Operations: 3,600 m<sup>2</sup>**

**[www.fabrikabasim.com](http://www.fabrikabasim.com)**

Fabrika Basım operates in the printing sector since 2003, producing high quality and creative products for every sector and industry.

The key objective of the company in the supplier selection process is to work with trusted suppliers with total quality approach, reliable products and timely delivery sensibilities. ISO 9001 Quality Management System, ISO 14001 Environmental Management System, Labor Law No. 4857, Social Security and Universal Health Insurance Law No. 5510, 6331 Occupational Health and Safety Law, and other laws and regulations are respected in labour and quality standards.

Fabrika Basım regularly checks utility bills and works to reduce energy consumption.



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In some lighting areas, LED luminaires are used while employees are informed about unnecessary electricity use to further reduce electricity consumption. Waste batteries, unused computers and technological products, and waste paper are collected in recycling areas and sent to the relevant municipal units to contribute to recycling. The waste paper recycled by the company in 2018 amounted to 268,233 kg. By procuring consultancy services environment and recycling-related issues, Fabrika Basım carries out necessary work to reduce its environmental impact.

When the disks used in the server system in the Information Processing Unit reach the end of their economic life, they are replaced with new disks in line with advanced technology to ensure information reliability and prevent data loss.

After rendering each service, the company conducts a customer satisfaction survey via follow-up calls. The feedback received is reviewed and the negative feedback of customers is resolved with rapid and permanent solutions. A confidentiality agreement is executed between the company and customers. In line with these agreements, information privacy

is ensured within the company. Employees are informed about the legal ramifications of disclosing confidential company information.

Fabrika Basım provides its employees with periodic examinations and screenings in line with the Occupational Health and Safety Law no. 6331, Social Security and Universal Health Insurance Law No. 5510 and other legislation. The employees are trained by an Occupational Health and Safety specialist. In addition, the employees also took human rights and first aid trainings in 2019.

An Employee Satisfaction Survey is conducted quarterly. The results are evaluated by the management and the opinions and suggestions of the employees are taken into consideration. Aiming to raise quality standards, the Company provides its employees with various trainings on the latest market conditions and technological developments. The results of the daily assessments of errors that occur or are missed during production, and faults in the machinery and equipment chain due to human error are recorded. In the daily, monthly and yearend evaluation meetings about the error reports, the causes are investigated and eliminated at source.

## FORMAT MATBAACILIK

**Number of Employees: 38**

**Total Area of Operations: 1,400 m<sup>2</sup>**

**[www.formatmatbaacilik.com.tr](http://www.formatmatbaacilik.com.tr)**

Since 1998, Format Matbaacılık serves its customers in various industries with pre-printing, printing and post-printing operations that it carries out in three stages.

Format Matbaacılık takes care to use products that do not harm human health and the environment. For this reason, in the supplier selection process, it pays attention that candidate suppliers have the necessary certificates.

Wastes generated within the company are sent to companies with authorized recycling certificates and recycled. Format Matbaacılık is the holder of the globally recognized FSC certification, which ensured forests are protected through use of only trees grown exclusively for papermaking.

All employees are regularly provided with Occupational Health and Safety Training, which amounts for 12 hours. There is no special system for employees to submit their complaints and suggestions. Instead, employees communicate their opinions to their managers through a spokesperson of their choice.

Format Matbaacılık conducts a Customer Satisfaction Survey once a year. There are also customer representatives, whom the customers can contact to communicate their complaints and opinions directly.



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## IRON MOUNTAIN

**Number of Employees: 267**

**<https://www.ironmountain.com.tr/>**

Iron Mountain is a global company that aims to store, protect and manage information and archives. The company aims to provide the highest quality and reliable service to its customers with its 267 employees.

Iron Mountain holds ISO 9001 and ISO 27001 certificates. Audits are carried out throughout the year within the Company to maintain and increase the quality standard that meets all these criteria. Iron Mountain also attaches importance to references in order to maintain quality in the supplier selection process. Apart from that, suppliers to be companies that act in accordance with the law and their corporate identities are among the criteria taken into consideration.

LED lighting fixtures are preferred to save energy within the company. In addition, thanks to the filters in the faucets and high-pressure machines used for vehicle cleaning, water is saved. Iron Mountain reduces its environmental impact by choosing hybrid vehicles when renting vehicles for business. A project called "Green Road" is implemented to ensure

efficient use of vehicles. Technological devices that have reached the end of their economic lives are sent for recycling in an effort to further reduce Company's environmental impact. In addition, paper and battery waste are also separated and sent for recycling. Company sends 12 tons of paper waste annually for recycling.

Company takes measures to ensure customer health and safety by writing necessary warnings on products and brochures. Customer Service Department established within the Company manages customer satisfaction and complaint issues.

Iron Mountain follows the rules stipulated by laws regarding employee rights. In 2019, employees were provided with Occupational Health and Safety Training, global compliance, vocational and technical trainings. Company has undergraduate and graduate degree arrangements with various institutions to contribute to employee development. Several events are organized for employees in order to create a better work environment and strengthen communication. In order to facilitate the employees to express their complaints and suggestions, the company has adopted an "open door" practice. Working with the values of trust, honesty, safety, teamwork, the company adopts the principles of preventing conflicts of interest, respect

at the workplace, diversity and inclusion. Within the scope of global compliance, employees are provided with ethical rules and anti-corruption training.

Iron Mountain carries out corporate social responsibility projects based on employee volunteering. Apart from these, various educational institutions and schools are supported to establish libraries in an effort to contribute to the society.

## İSDEM İNŞAAT

**Number of Employees: 23**

**Total Area of Operations: 800 m<sup>2</sup>**

**[www.isdeminsaat.com](http://www.isdeminsaat.com)**

İsdem İnşaat, founded in 2000 in Istanbul, is a company operating in the construction and contracting sector, primarily in the field of metal and decorative works.

In the supply chain structure, multiple suppliers are considered, and the ones with the strongest, adequate resources in terms of financial, technical and management aspects and that respect regulations are preferred. The Company requires its suppliers to submit certificates of materials used in production to ensure that they do not harm nature.



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The most important consideration in the selection of suppliers is the protection of employee rights. Occupational safety and health and hygiene are checked by visiting work environments.

İsdem İnşaat employs a workplace physician and an occupational health and safety specialist to ensure the health and safety of its employees. Every month, experts meet with employees to give basic trainings. In 2019, employees were provided Basic Occupational Health and Safety Trainings, First Aid Training, Vocational Qualification Trainings and Working at Elevation Training. Furthermore, employees undergo biannual health screenings. Suggestions and requests of the employees are evaluated according to the results of the annual Employee Satisfaction Survey. In line with company policy, İsdem İnşaat is obligated to create a neutral and reliable work environment without discrimination against religion, language, race, skin colour, gender, political thought, belief, sect, age and similar reasons among the employees. The company strives to create a respectful work environment free of harassment, threats, abuse and poor labour conditions.

Once a project is completed, the customer is interviewed and feedback is received to measure their satisfaction. To ensure security and privacy of customer information, a confidentiality agreement is executed

between İsdem İnşaat and its customers.

Company carries out a waste paper collection activity in partnership with Ayhan Şahenk Foundation for waste paper management. As part of this activity, papers that accumulate in the waste paper boxes in the company are collected monthly and recycled. Printouts are re-used in the office as notepaper and then sent to the waste paper box. This method ensures that 10 % less paper is used within the organization each month. In 2019, a total of 200 kg of paper was recycled.

Aiming to contribute to nature, İsdem İnşaat carries out activities such as contributing to the improvement of forests by donating tree saplings. The Company strives to raise environmental awareness by donating saplings on behalf of individuals or institutions instead of sending flowers to customers on special occasions.

In 2019, the company invested 10,000 TL to reduce its environmental impact. In addition, both in-kind and cash supports to the Six Dots Foundation for the Blind and the Children with Leukaemia Foundation continued in 2019. In charity sales organized by Ayhan Şahenk Foundation to provide a better future for the children, steel and metal works support is provided at the locations where the events are organized. Apart from these efforts, company supports the winter staples of families in need and village schools.

## KAZMAZ MATBAACILIK

**Number of Employees: 76**

**Total Area of Operations: 3,000 m<sup>2</sup>**

**<https://printcenter.com.tr/>**

Kazmaz Matbaacılık is a company that provides various printing services to corporate companies, situated on a 3,000 m<sup>2</sup> area in Istanbul.

Kazmaz Matbaacılık aims to offer high quality products fast and with affordable prices. In the supplier selection process, speedy and timely delivery and continuity of delivery with the same standards are taken as criteria. Suppliers are selected among smaller size companies.

Company strives to manufacture products that are suitable and safe for human health. Customer satisfaction survey is applied via e-mail after delivery in order to hear customers' complaints and suggestions.

All working conditions in the company are carried out in accordance with legal regulations. Necessary employee trainings and health checks again stipulated by law are realized.



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## MARTI OFSET

**Number of Employees: 47**

**Total Area of Operations: 5,000 m<sup>2</sup>**

<http://www.martiofset.com/>

Martı Ofset, which started its activities in 1983, offers offset printing, CTP moulding, binding and graphic design services today.

In the supplier selection process, Martı Ofset prefers to work with which are sensitive to the environment and living beings that meet the criteria of high quality, reasonable prices and advanced technology. These criteria, which are considered during the selection process, are also reflected in the contracts. Developing good business relations by communicating face to face or digitally is aimed with people and institutions that the Company works with.

Martı Ofset works within the company to increase awareness by being aware of individual actions to use our resources efficiently. Warning signs are placed where necessary to save water. Technological devices that complete their economic life are sent to recycling by the IT Unit.

In order to measure customer satisfaction, relevant department managers communicate with customers and listen to their complaints and suggestions.

Health and safety of the employees at Martı Ofset are ensured through measures that comply with necessary laws. Company provides training to employees at regular intervals by receiving professional support in relevant fields. There are bonus and gift practices to ensure healthy communication between employees and to create a better working environment. Attention is paid to ensure that employees are fair, reliable, competitive, innovative and analytically thinking individuals.

## SAM İNŞAAT

**Number of Employees: 25**

**Total Area of Operations: 150 m<sup>2</sup>**

<https://www.saminsaat.com/>

Sam İnşaat is a contracting company with over 30 years of experience and a wide range of operations in the international construction industry. By blending state-of-the-art and traditional methods with each other in its field of business, it serves to provide different disciplines such as rough and fine construction works, steel construction and reinforcement, landscaping, electricity and mechanics smoothly and in a short time.

Company, whose majority of business in recent years has been in the automotive sector, has completed a total construction of 44,600 m<sup>2</sup> in Istanbul, Bursa, Çorlu and Kocaeli in 2019.

Sam İnşaat, which actualizes turn-key projects with customer satisfaction and high-quality standards as its objectives, firstly looks at the quality criteria in supplier selection. Apart from this, it pays attention to choose its suppliers among companies that respect the environment, living beings and employee rights.

LED lighting fixtures are preferred in the company to save energy. There is a water purifier to ensure more efficient use of water resources, and there are warning signs on the taps to encourage savings. While Sam İnşaat renews old technological devices and brings them to reuse, it sends non-renewable ones for recycling. Apart from technological devices, all kinds of batteries, paper, packaging waste are also sent for recycling. 1,750 kg of waste is sent for recycling annually by the company.

Striving for a better customer satisfaction, Sam İnşaat can communicate with its customers and collect complaints and suggestions throughout the business processes it engages. It delivers possible dissatisfaction to resolution by taking quick actions. Company aims to provide the most appropriate service to customer expectations by acting with the principles of fairness and transparency.



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Sam İnşaat acts within the responsibilities stipulated by the relevant laws for its employees. Working conditions comply with the Occupational Health and Safety rules and Occupational Health and Safety trainings are provided to all employees once a year. In 2019, all employees were trained for a total of 16 hours. In addition, technical and vocational trainings are given to employees throughout the year. In 2019, 8 people received a total of 30 hours of technical training.

Company, which sets out to its journey with the values to provide a safe working environment free of any discrimination and based on equal opportunities for employees, to increase their competence by supporting their development and to encourage them to take initiative, pays attention to the requests and suggestions of its employees. Company gives an Employee Satisfaction Survey once a year and makes necessary arrangements according to the feedback it receives. In addition, the company makes donations to persons in need and to associations. Employees are supported to take part in social responsibility projects.

## **SODEXO ENTEGRE HİZMET YÖNETİMİ A.Ş**

**Number of Employees: 470,000**

**Total Area of Operations: 3,8 million m<sup>2</sup>**

**<https://tr.sodexo.com/home.html>**

Located in 67 countries, Sodexo is the 19<sup>th</sup> largest employer in the world, with 470,000 employees and a volume of € 22 billion. In Turkey, which it is in operation since 1992, Sodexo Integrated Service Management, provides various services in over 50 areas such as catering, cleaning, building management, technical support, laundry, reception, and documentation to Turkey's elite companies and valuable public institutions Turkey.

Offering its services in 25 different provinces with a total facility area of approximately 3,8 million m<sup>2</sup>, Sodexo, as of 2019, realizes the entire supply chain and employment in local operations by using local resources as part of its global vision.

Sodexo, operates according to ISO 9001, ISO 10002, ISO 14001, ISO 18001 and ISO 22000 standards. In accordance with the standards owned, annual meetings are held, unannounced inspections are made to businesses, and work on the application of the system to be adapted to Turkey are carried out by Sodexo Global.

In order to ensure high quality service by maintaining these standards, the criteria of quality management level, product certificates and documents, financial strength, reliability, corporate culture, timely delivery, process management, sustainability and good business relations are taken into consideration during the supplier selection process. In addition, a protocol called the Code of Conduct is signed with all suppliers to ensure that suppliers declare that they will provide products and services that respect the environment, living things and employee rights.

Company integrates efficiency and savings-enhancing practices implemented in one particular project to other projects with the help of the Best Practices catalogue, which includes energy consumption measurement and efficiency-enhancing projects. Energy efficiency is increased by adding on-off buttons and photocell operating systems to natural gas and electric heater units in the company. In order to obtain energy resources in more sustainable ways, solar panels provide electricity production and storage. In cooperation with a customer, Sodexo produced electricity through a Wind Tribune by combining ambient air to the exhaust air coming out of climatization devices in an open car park belonging to the customer. Special faucets and filters are used to save water. In order to use water resources more efficiently, a project is developed where rainwater can be collected and used in appropriate areas.



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While the company renews old technological devices and sends them to schools in need, whereas it sends devices that have completed their economic lives to recycling. All physical servers have been switched to the cloud to prevent generating technological waste. Wastes other than technological wastes are also separated and sent to municipalities and contracted institutions for recycling. Environmental impact was reduced by sending 3,035 kg of waste to recycling in 2019. Domestic wastes are recycled using compost machines in line with the “zero waste” target. In addition, the carbon footprint has been greatly reduced thanks to changes in purchasing and production processes. Required number of trees are planted by the company to compensate for the environmental impact created. Within the scope of projects implemented in various businesses, improvements have been made that ensure less tree felling.

Sodexo implements ISO 10002 Customer Complaints Management system to organize and administer customer satisfaction processes in a consistent, systematic, customer-oriented and sensitive manner. In this regard, there are various written and verbal communication channels such as Customer Support Line, e-mail, wish boxes, face-to-face meetings where customers can convey their complaints and suggestions. In addition,

an annual Customer Satisfaction Survey is given to get customers’ opinions and suggestions. Document management, customer complaints, corrective actions and occupational accidents are tracked from a single centre using QDMS common cloud tracking program.

In all facilities served by Sodexo, all precautions that are in compliance with the Occupational Health and Safety legal regulations and required by the hazard class are taken. All employees are given health training by the workplace doctor for four hours, and Occupational Health and Safety Training by the specialist. Hygienic checks are carried out regularly by the Quality Assurance Department. Physical precautions are taken while making the necessary notifications through placards, brochures and education channels against epidemic diseases.

Apart from these trainings, technical and vocational trainings are provided to support the personal development of the employees. In 2019, a total of 46,987 hours of employee training was provided within Sodexo.

Company organizes collective events on special days in order to provide a better working environment and improve employee relations. Employee Satisfaction Survey is given in every two years to

measure employee satisfaction. In the last three survey periods, Sodexo has been selected as the “Best Employer” by the employees.

Sodexo carries out a wide variety of social responsibility projects in order to contribute to the society it takes place in. Support was provided to girls’ vocational high schools and special education centres in disadvantaged areas under the “Future Workshops” project. In these schools where there is a food and beverage department, infrastructure problems of kitchens where the students are trained are resolved and material supply is provided for students to practice cooking. All students are provided with internships in Sodexo kitchens while their curriculum continues and job opportunities are offered after graduation. R&D studies have been carried out in professional kitchens on March 8, International Women’s Day for the last two years with the students who have been trained in the Future Workshops project. As part of the R&D study, students have the opportunity to cook in professional kitchens, while their own recipes are followed in kitchens served by Sodexo. Apart from this project, donations are made to various foundations such as HAYTAP, LÖSEV, Darüşşafaka, TÖÇEV and Tohum Autism Foundation. Voluntary participation of employees is supported in social responsibility projects.



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## **SOFRA- COMPASS GROUP (EUROSERVE HİZMET VE İŞLETMECİLİK A.Ş.)**

**Number of Employees: 600,000**

**Total Area of Operations: 30,000 m<sup>2</sup>**

**<http://www.sofragrup.com/Ana-Sayfa.aspx>**

Founded in 1987, Sofra Group is an affiliate company of Compass Group Plc., which provides mass catering and support services to Business Centres, factories, educational and health institutions, providing 1.3 million daily meal services for breakfast, lunch and dinner and guest hosting services to hundreds of thousands of people.

In Turkey, Sofra Group is the first catering service organization in the industry to obtain (TS EN ISO 9001) Quality Management Certificate, (TSE ISO EN 22000) Food Safety Certificate (TSE ISO 45001), Occupational Health and Safety Certificate (TSE ISO EN 14001) Environmental Certificate (TSE ISO 10002) Customer Satisfaction Certificate and the (TSE EN ISO 50001) Energy Management Certificate. Occupational safety provided through product control and employee training in storage, cooking and all other processes from purchase to service is aimed at increasing the quality assurance in the service provided by Sofra Group. In order to provide the highest quality service,

the company pays attention to purchase healthy, fresh and reliable products under advantageous conditions during the supplier selection process. In addition, as a company that is aware of its impact on the environment and society, Sofra Group has a responsible and sustainable purchasing policy. In this direction, it aims to work with only approved suppliers, support local producers and sustain producers by adopting a fair-trade approach for the purpose of choosing safe and ethical products.

Sofra Group tries to prevent unnecessary use by following the consumption while using efficient equipment in order to reduce its environmental impact and provide energy savings. Thanks to the faucet control systems used, 1,800 litres of water is saved per person per year. It aims to reduce its environmental impact by adjusting service routes to generate the least carbon emission, regular maintenance of vehicles and using quality fuel. Care is taken to raise awareness by informing employees and hanging warning signs in various areas.

Sofra Group implements the Trim Trax Program to reduce the effects of food waste, raise awareness and minimize the effects of food waste. Trim Trax is a waste reduction program for tracking, measuring and reducing food waste in Sofra Group kitchens. Designed to increase efficiency and raise awareness of reducing food waste

and its environmental impact, this program aims to help reduce waste and balance food costs. For this purpose, the tools needed in the field are provided to reduce food wastes, while the wastes are monitored. Apart from food waste, all kinds of paper, packaging, batteries, etc. waste produced within the company are separated and delivered to local municipalities for recycling.

In Sofra Group, an independent company conducts a Customer Satisfaction Survey and Analysis twice a year to measure customer satisfaction. In addition, customers can submit their complaints and suggestions through the Customer Feedback Hotline.

Sofra Group takes care that its employees are composed of people who share the corporate values of the company. Personal development and careers of employees are supported by the company. For this purpose, a separate team responsible for the training and development of employees has been established. Working conditions are organized in accordance with legal regulations. Also, in line with the legal regulations, Occupational Health and Safety and Epidemic Diseases trainings are provided for the employees throughout the year. In 2019, 19 hours of training were provided on an employee basis. In addition, collective events and various competitions are organized to increase the motivation of the employees and create a cosier working environment.



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## STEPHEN KALEMCİLİK

**Number of Employees: 35**

**Total Area of Operations: 3,076 m<sup>2</sup>**

**<http://steppen.com.tr/>**

Steppen Kalemcilik, established in 1992 to produce various products, focused its activities on pen production in 1995. The company exports to 31 different countries with the vision of creating a productive, profitable, open to development and sustainable business model with an environmentally friendly and socially responsible approach.

Steppen Kalemcilik follows ISO 9001 standards to increase its quality standards. In order to maintain quality standards, attention is paid to the criteria of trust based in many years, quality, process management and reasonable prices in the supplier selection process. In addition, Steppen Kalemcilik, which adopts a policy of producing with a social benefit-oriented approach without having a negative impact on the environment and people, takes care to ensure that its suppliers are companies that respect the environment, living beings and employee rights in line with the same policy it adheres to.

In the company, energy waste is prevented by using sensor-operated LED lighting fixtures in areas not in use. In order to save water, the flow of water is restricted at the

taps while warning signs are hung around the taps. By using parts of technological devices that have completed their economic lifetime as equipment for other processes, technological waste generation is prevented. In addition, waste generated in the company is separated and sent to authorized recycling facilities. The time that waste papers are recycled, if possible, is also extended. In 2019, a total of 3,185 kg of paper and 1,006 kg of plastic bag waste were sent for recycling. Within the scope of waste management, “Environmental Information System Report” and “Provincial Directorate of Environment and Urbanization EIA Report” are carried out within the company.

The company, which attaches great importance to customer health and safety, delivers eco-friendly and antibacterial pens it produces with informative brochures. In order to check customer satisfaction, brief calls are made to customers by phone after delivery.

Steppen Kalemcilik strives for better employee health and safety. Accordingly, it receives consultancy services for Occupational Health and Safety affairs. Necessary improvements are made by regularly checking the working environment and hygiene conditions. Employees are trained on “Occupational Health and Safety”, “Earthquake Protection” and “Protection from Epidemic Diseases”. Apart from these,

technical and vocational trainings are also provided.

Putting the social benefit at the centre of its activities, the company creates employment with the “Pen Assembly at Home” project that helps housewives earn money from home. In addition, it provides support as a sponsor in various activities of environmental associations and organizations.

## ŞAHİN ÖZALİT

**Number of Employees: 42**

**Total Area of Operations: 1,600 m<sup>2</sup>**

**<http://sahinozalit.com/>**

Providing service with quality and modern service understanding since 1985, Şahin Özalit Ofis Gereçleri continues its operations with its four branches in Istanbul.

Şahin Özalit attaches importance to maintaining quality standards and establishing continuous business relations during the supplier selection process.

The company repurposes devices that became obsolete in the IT Department. In order to ensure the efficient use of water resources, there are treatment devices and warning sign hung at relevant places. Waste generated within the company is separated and sent to authorized recycling facilities at regular intervals.



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Şahin Özalit takes the necessary measures in line with the recommendations of the auditing firm to ensure customer safety. Customers can submit their complaints and suggestions by communicating one-on-one or via e-mail.

Company acts in compliance with legal regulations in all processes related to employees. Employees are informed by the workplace doctors against diseases.

Şahin Özalit contributes to its environment by feeding stray animals in the area it is located at. In addition, employees are supported in volunteering to non-governmental organizations.

**T DİZAYN MİMARLIK**  
**Number of Employees: 9**  
**Total Area of Operations: 730 m<sup>2</sup>**  
**<http://www.tdizayn.com/>**

Founded in 2004 as an architecture, interior design and contracting company, T Dizayn Mimarlık operates with a 530 m<sup>2</sup> office and a 200 m<sup>2</sup> warehouse space in Istanbul.

At T Dizayn Mimarlık ISO 9001: 2015 Quality Management System, OHSAS

18001: 2007 Occupational Health and Safety System and ISO 14001: 2015 Environmental Management Systems are applied.

Company manages the supply chain process in accordance with supplier selection and evaluation criteria specified in the ISO 9001: 2015 quality standard. Criteria such as quality, scale, reliability, reasonable price and service continuity are considered while the presence of environmental, human rights and employee rights provisions in the contracts is ensured for suppliers selected from institutionalized firms.

In order to reduce its environmental impact and emissions, the company works on optimizing transportation through teleconferences and installs LED lamps, warning signs and flow reducing faucets for improved energy and water consumption. Furthermore, 80% of the company's waste is sent for recycling. Waste management procedure is observed for the remaining 20 %. Of the 89,81 kg of paper consumed in 2019, 81,64 kg was recycled.

With respect to customer health and safety, the company selects raw materials and products with TSI, CE and ISO certification and checks product contents for compliance with human health during the project planning process.

Twice a year, employee satisfaction surveys are conducted while occupational health and safety training, construction site organization training, warehouse inventory management training, emergency and rescue training are given at regular intervals. The company has an employee suggestion system via email. The company adopts the principles of creating an environment free from discrimination and harassment, respecting human rights and equality.

T Dizayn Mimarlık also engages in activities for the benefit of the people living in the region where it operates. In 2019, the company donated educational aid to Pertevniyal High School Directorate.



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## TES KONFEKSİYON

**Number of Employees: 59**

**Total Area of Operations: 4,000 m<sup>2</sup>**

**<http://www.tesltd.com.tr>**

Tes Konfeksiyon Ltd. Şti. was founded in 1993 in Istanbul, and is currently headquartered in Ataşehir. The company has branches in İstanbul, Ankara and Muğla as well as a dealership network across Turkey, and operates on a total area of 4,000 m<sup>2</sup> space.

Tes Konfeksiyon takes into consideration whether suppliers operate in compliance with Doğu Otomotiv Business Ethics principles and informs the supply chain accordingly. When a situation in violation of the quality standards or ethical business conduct is identified in the supply chain, a warning is issued to correct it and if the violation is not remedied, the business relationship with the said party is terminated.

The company acts in accordance with Doğu Otomotiv Code of Ethics in all aspects of business processes. Ethical rules are communicated to all employees. Furthermore, employees

authorized to handle corruption related issues are trained while all transactions are recorded and supervised.

Tes Konfeksiyon does not accept gifts sent by suppliers or third parties pursuant to ethical principles. These stakeholders are instead asked if they wish to donate to charitable organizations such as Association of Children with Autism, THK, and Darüşşafaka, etc. The company also offers a special 15% discount in sailing apparel to support team sports and to promote the positive impact of social activities.

At Tes Konfeksiyon, energy saving LED bulbs and motion-sensor controlled lighting fixtures in less used areas are installed to save energy. In order to save water, pressure-reducing faucet systems are used. The drinking water in the company is provided via a water saving purification system.

The company acts in accordance with the regulations required for the recycling and disposal of wastes and cooperates with Ataşehir Municipality for waste management.

In 2019, approximately 250 kg of waste paper and packaging were recycled.

All the brands that company distributes are investigated and checked for availability of audits for production processes. If no adverse situation for customer health and safety is identified in inspections, business is carried out with those companies.

Tes Konfeksiyon works with an occupational safety specialist for the health and safety of employees. In the Company, where 5 % of the employees in total received first aid training, the occupational safety specialist provides detailed training on other health and safety issues in quarterly periods.

During the year, employees receive trainings on a number of topics including product and sales strategy, ethical principles, and occupational safety. Each employee participates in training programs four times a year. The trainings that employees want to take for personal development are supported by the Company in terms of both material and time resources.



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## UÇAR OFSET MATBAACILIK

**Number of Employees: 5**

**Total Area of Operations: 250 m<sup>2</sup>**

**<http://www.ucarofset.com>**

Uçar Ofset Matbaacılık is a company that has been operating in the field of printing since 2006 in Istanbul.

When choosing its suppliers, Uçar Ofset takes care to ensure that the quality and delivery time of the products consistently meet the same standards. In the supplier selection process, apart from high quality, suppliers are expected to provide working conditions in compliance with legal regulations as well.

Various efforts are carried out by the company to reduce its environmental impact. Energy-saving lamps are preferred to reduce energy consumption. In addition, the company contributes to the environment by sending its waste paper to recycling. In 2019, 3,500 kg of waste paper, 1 kg of waste battery and 250 kg of waste mould were sent to be recycled.

Thanks to their low numbers, employees within the company are always in a dialogue. For this reason, there is no employee satisfaction survey or a

complaint/suggestion system in place. A dynamic environment where employees can always convey their requests and suggestions is created. Employee working conditions are regulated in accordance with legal regulations. Furthermore, physicians screen employees regularly in line with legal regulations. In addition to various technical and professional trainings to support employees' personal development, Human Rights Training and Ethical Principles Training were given in 2019. During the year, a total of 7 people was trained including interns.

Uçar Ofset contributes to the society by investing in communication lines and garage services found in the region it is located. In addition, the company provides aids to families in need and scholarships to students.

## UMUT DOĞA MATBAACILIK

**Number of Employees: 30**

**Total Area of Operations: 750 m<sup>2</sup>**

**<http://www.umutdoga.com.tr/>**

Umut Doğa Matbaacılık began its packaging operations in 2004 and later moved to paper as well. Today, the company is engaged in offset and other printing services on a 750 m<sup>2</sup> area in Istanbul.

Umut Doğa Matbaacılık applies ISO 9001 Quality Management System. The company holds FAMA and FSC certifications. In addition to these, the audit was completed for the BSCI certificate, which started in 2018, and the B grade was obtained.

In the supply chain structure, suppliers are scored in surveys. The most important factors for the company in the supplier selection process are high quality and fast delivery. Again in the selection of suppliers, importance is given to their compliance with the criteria in 13 fields of activity under BSCI.

Umut Doğa Matbaacılık conducts an annual Customer Satisfaction Survey to evaluate customer complaints and suggestions. There are also customer representatives that the customers can contact.



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Occupational Health and Safety Training, Environmental Training and First Aid Training, which are mandatory for employees, are provided by the company. In 2019, employees took 570 hours of training in total. In addition, health screening is offered to employees at regular intervals. Employee Satisfaction Survey is conducted once a year and necessary improvements are made according to the results.

The Company holds monthly Coordination Meetings on performance management. These meetings are attended by relevant employees and after the objectives are determined necessary tasks are distributed.

Umut Doğa Matbaacılık manufactures products that do not threaten human health and nature by using vegetable dyes. After the waste generated in the company is sorted as hazardous and non-hazardous, they are sent to a leading Turkish environmental management company to reduce environmental impact. Waste paper, packaging and batteries are also recycled. In 2019, 248,145 kg of paper was recycled. Furthermore, waste management trainings are provided to raise awareness among employees.

## VOG TEKSTİL

**Number of Employees: 40**

**Total Area of Operations: 2,000 m<sup>2</sup>**

**<https://www.vogtekstil.com.tr/tr/>**

Vog Tekstil, founded in 1996 in Istanbul, is a manufacturer specializing in the field of customized textile products including t-shirts, polo shirts, sweatshirts, fleece jackets and hats.

In selection criteria applied to supply chain management, Vog Tekstil prioritizes such factors as providing quality products and services, customer service and after sales follow-up and meeting support requests, offering affordable prices quickly and responding to possible problems swiftly and positively. Furthermore, suppliers that are certified for and comply with human and labour rights laws and regulations related to vital issues such as child labour, unregistered labour, illegal labour, unhealthy working environment are preferred particularly for clients like Doğu Otomotiv and foreign buyers. These terms are included in the agreements sent to the suppliers to accept and sign.

Vog Tekstil began to use LED lighting fixtures with motion sensors in its buildings along with low energy consuming light bulbs across the Company in order to save energy. Meanwhile, employees are encouraged to become more aware of energy saving. In order to reduce environmental impact of the IT Department, servers were switched to virtual environment and the replaced equipment were sent for recycling. Waste paper disposal and waste separation activities at Vog Tekstil are carried out in cooperation with the municipality. In 2019, a total of 50 kg of waste paper was recycled. In addition, although a very small amount, waste batteries are collected and sent to the district municipality for recycling. The company reduced its carbon footprint by planning supplier visits to reduce emissions.

Vog Tekstil follows global standards in product safety and customer health issues.



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Certificates are requested from suppliers of dyes, yarns and fabrics used in production after fabrics are selected and before production starts, recorded and shared with the customers. Domestic production is also checked for certification. The Company exercises due diligence and sensitivity to ensure that the dyeing plants and fabric production facilities that supply the materials comply with health regulations. The company has started Sedex Smeta social compliance studies in 2019. Within the scope of social responsibility of the company, preparations for auditing that will document its compliance with occupational safety standards and world labour organization standards have been completed.

Vog Tekstil participates in events organized across Turkey together with its employees to support education and people with disabilities. In 2019, after the country encountered earthquake disaster, persons in need were supported through the district municipality. Vog Tekstil regularly provides assistance to animal shelters in the area where it operates.

## YİĞİTOĞLU

**Number of Employees: 287**

**Total Area of Operations: 85,000 m<sup>2</sup>**

**<https://www.yigitoglu.com.tr/>**

Yiğitoğlu provides services in two basic categories: “Professional Cleaning Products and Systems” and “Chemical Product” groups. Since 1956, it continues its activities with the principle of being a company that is always mentioned with quality and confidence.

Yiğitoğlu provides services in accordance with ISO 9001: 2005 Quality Management Systems standards. In order to maintain quality standards, the most important criteria in the supplier selection process are business quality, as well as business discipline, brand size, ethical rules and corporate culture. Products purchased from the suppliers are required to be certified products that are harmless to human health, living beings and the environment.

Energy saving policies are implemented to reduce energy consumption within the company. In order to reduce water consumption, awareness raising activities are conducted for employees. Apart from

these, taps which are equipped with sufficient pressure and sensor-operated faucets were preferred to minimize water consumption. Electronic waste generated in the IT Department is sent to contracted recycling facilities. All wastes such as paper, packaging, plastic, battery waste generated within the company are separated and sent to authorized recycling facilities. In 2019, 540 kg of waste paper was recycled.

Yiğitoğlu conducts all kinds of processes related to the employees' working conditions and employees as prescribed by law. Employees regularly go through health screening and receive necessary training. Yiğitoğlu organizes satisfaction surveys using the Microsoft Office Form program to measure the satisfaction of its employees. According to the results, necessary improvements are made within the company. Apart from Occupational Health and Safety, vocational and technical trainings are provided to support the personal development of employees. Yiğitoğlu is a company that values human rights and gives importance to job creation. It employs more than the legal quota number of disabled employees. Also, in order to contribute to the community, it meets the stationary needs of schools in need located in various regions of Turkey.



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ECONOMIC PERFORMANCE	
	Societal Investments
Acar Basım	N/A
Atılğan Pazarlama	24,000
Bakırcı Otomotiv	N/A
Barış Makine	30,000
BASF	N/A
Beker Geri Dönüşüm	N/A
Big Tanıtım	N/A
DAIKIN Turkey	N/A
Destek Bilgisayar	N/A
Fabrika Basım	N/A
Format Matbaacılık	N/A
Iron Mountain	N/A
İsdem İnşaat	10,000
Kazmaz Matbaacılık	N/A
Martı Ofset	N/A
Reklametre	N/A
Sam İnşaat	200,000
Sodexo	N/A
Sofra Group	N/A
Steppen Kalemcilik	N/A
Şahin Özalit	N/A
T-Dizayn Mimarlık	N/A
TES Konfeksiyon	170,000
Uçar Ofset	30,000
Umut Doğa	N/A
Vog Tekstil	0
Yiğitoğlu	N/A



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	ENVIRONMENTAL PERFORMANCE						
	Electricity Consumption (kWh)	Natural Gas Consumption (m <sup>3</sup> )	Fuel Consumption (Lt)	Water Consumption (m <sup>3</sup> )	Waste Amount (kg)	Waste Paper Amount (kg)	Waste paper sent to recycling
<b>Acar Basım</b>	1,482,000	19,550	25,200	3,750	252,600	232,000	232,000
<b>Atılğan Pazarlama</b>	25,500	0	30,000	216	468	260	1,560
<b>Bakırcı Otomotiv</b>	117,834	18,292	96,631	3,367	N/A	N/A	N/A
<b>Barış Makine</b>	91,076,757	781	86,934.03	277	N/A	2,850	2,850
<b>BASF</b>	14,643,000	18,99,839	N/A	202,564	399,000	N/A	N/A
<b>Beker Geri Dönüşüm</b>	6,308.33	600	0	63	249,125	20,120	19,140
<b>Big Tanıtım</b>	325	87	1,500	10	4	4	4
<b>DAIKIN Turkey</b>	N/A	N/A	240,000	10,000	5,760	4,800	4,800
<b>Destek Bilgisayar</b>	137.14	N/A	467,726	990	N/A	N/A	N/A
<b>Fabrika Basım</b>	652,275.04	2,754	0	702	450	268,233.50	268,233.50
<b>Format Matbaacılık</b>	433,500	7,410	15,000	3,432	N/A	N/A	20,000
<b>Iron Mountain</b>	1,347,474	316,857	6,542	84,000	12,000	12,000	12,000
<b>İsdem İnşaat</b>	27,274	648	4,500	110	N/A	200	200
<b>Kazmaz Matbaacılık</b>	921,680	120,750	19,400	2,096	2,500	200	62,321
<b>Martı Ofset</b>	600,000	8,300	16,000	1,500	N/A	234,785	234,785
<b>Reklametre</b>	67,125	6,100	16,863	200	18,000	4,000	1,800
<b>Sam İnşaat</b>	35,000	2,000	15,000	2,500	1,750	1,750	1,750
<b>Sodexo</b>	45,475	0	251,127	647	3,381	2,731	2,731
<b>Sofra Group</b>	98,700	455.9	75.12	1,453	N/A	N/A	855.72
<b>Steppen Kalemçilik</b>	10,380	0	8,432	350	1,006	3,185	3,185
<b>Şahin Özalit</b>	127,924.91	N/A	13,555.92	372	N/A	N/A	1,000
<b>T-Dizayn Mimarlık</b>	7,233,203	0	11,676.82	35	N/A	89.81	89.64
<b>TES Konfeksiyon</b>	20,700	9,560	15,400	265	N/A	275	275
<b>Uçar Ofset</b>	12,500	0	2,200	60	1,250	3,500	3,500
<b>Umut Doğa</b>	356,683.53	0	13,702.10	611	N/A	248,145	248,145
<b>Vog Tekstil</b>	84,111	85,088	10,759	372	335	55	45
<b>Yiğitoğlu</b>	1,815,000	N/A	600,000	10,200	216	1,500	1,440



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	EMPLOYEES									
	Number of Fulltime Employees	Number of Part-time Employees	Total Labour Force	Number of Female Employees	Number of Male Employees	Rate of Female Employees	Employee Turnover (%)	Average Train-ing Hours per Employee (Man/Hour)	Ethical Principles Training Time	Human Rights Training Time
Acar Basım	106	10	116	19	97	16.3	37.06	15	1	1
Atılğan Pazarlama	21	0	21	3	18	15	8	1.14	24	24
Bakırcı Otomotiv	95	0	95	19	76	25	5.5	2.02	1	1
Barış Makine	70	0	70	13	57	18	1.42	85	2	2
BASF	694	0	694	185	509	26	3.6	16	2,600	N/A
Beker Çeri Donuşum	18	3	21	4	17	19	52	67	N/A	N/A
Big Tanıtım	3	0	3	1	2	33	0	20	5	5
DAIKIN Türkiye	1,180	1	1,181	347	834	29.38	3.97	15.91	N/A	0
Destek Bilgisayar	451	0	451	46	359	13	28	22	4	0
Fabrika Basım	48	0	48	10	38	21	4.8	6	2	2
Format Matbaacılık	38	0	38	5	33	0.13	13.16	3.07	12	2
Iron Mountain	267	0	267	74	193	27.71	4	16	7	7
İsdem İnşaat	20	3	23	3	20	13	52	1.5	2	2
Kazmaz Matbaacılık	74	0	74	9	65	12	12	N/A	N/A	N/A
Martı Ofset	30	17	47	8	39	0.17	0	0	0	0
Reklametre	26	1	27	10	17	0.37	N/A	N/A	N/A	N/A
Sam İnşaat	25	0	25	5	20	25	4	4.39	48	48
Sodexo	4,220	0	4,220	1,932	2,288	41.24	4.06	11	1	0.5
Sofra Group	1,653	478	2,131	975	1,156	58	4,3	23	187.5	223
Steppen Kalemcilik	35	0	35	8	27	22	1	10	0	0
Şahin Özalit	42	0	42	10	32	20	28.57	N/A	N/A	N/A
T-Dizayn Mimarlık	7	2	9	2	7	23	31	72	0	0
TES Konfeksiyon	60	0	60	28	32	47	22	10	1	1
Uçar Ofset	5	2	7	3	4	42	N/A	1	2	2
Umut Doğa	33	0	33	13	20	40	3.06	18	0.5	0.5
Vog Tekstil	45	0	45	12	33	27	24	10	2.5	2
Yiğitoğlu	287	0	287	78	209	27	N/A	8	0	0

## Indexes and the Other Reporting Information

GRI Index, UNGC Index and UNSDG Indexes can be downloaded separately from the web site.

**PwC Reporting Guidelines**

**Independent Assurance Statement**

**Corporate Sustainability Council 2019**

**Masthead**



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# Doğuş Otomotiv 2019 Corporate Sustainability Report

## – Reporting Guidance

This reporting guidance (“Guidance”) provides information on the data preparation and reporting methodologies of indicators within the scope of the independent audit in the 2019 Doğuş Otomotiv (“Company”) Corporate Sustainability Report. These indicators include energy consumption, water consumption, waste amount, total number of employees, female employee ratio (%), salary ratio of female and male employees, number of work accidents, injury rates and training hours (man/hour). It is the responsibility of the Company’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Guidance.

The data included in this guideline is for the FY 19 (fiscal year ended December 31, 2019) and comprises only the relevant operations of Doğuş Otomotiv Servis ve Ticaret A.Ş. (“Doğuş Otomotiv”), excluding Doğuş Otomotiv affiliates (Doğuş Oto Pazarlama ve Ticaret A.Ş, Doğuş Teknoloji vdf, Gebze Scania Servis and Skoda), Suppliers, Authorized Dealers and Aftersales Service Centers with the exception of following situations:

- For total number of employees, female employee ratio (%), salary ratio of female and male employees’ indicators, scope of the

independent audit and this guidance contain the relevant information of Doğuş Otomotiv and Doğuş Oto.

- For waste amount indicators, within hazardous waste, battery waste and lubricant waste amount, scope of the independent audit and this guidance contain the relevant operations of Scania Gebze, Doğuş Oto Pazarlama ve Ticaret A.Ş, and Authorized Aftersales Services, due to the fact that wastes are under the responsibility of Doğuş Otomotiv.

### 1. General Reporting Principles

In preparing this guidance document, consideration has been given to following principles:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

### 2. Key Definitions

For the purpose of this report, the Company defines:

‘Energy’ to mean electricity, natural gas and diesel / gasoline.

‘Energy consumption’ means the energy used during the reporting year (1 January to 31 December), being the energy purchased during the period. Energy consumption data includes energy used in the operation of Şekerpınar Campus (Head Office Building, Training Building and Logistics Building) of the Company, including electrical systems, heating, lighting, air circulation, company owned cars and employee commuting.

‘Water’ means the municipal water supplied from ISU, which is affiliated to Kocaeli Metropolitan Municipality..

‘Water consumption’ means the water used during the reporting year (the period between 1 January and 31 December).

‘Waste’ means the wastes arising generated by the Company’s activities and which are the responsibility of the Company. There are four different types of waste (hazardous waste, battery waste, lubricant waste and packaging waste) which are the responsibility of the Company, even if not produced directly by the Company. Packaging waste includes materials such as paper, cardboard, plastic and wood.



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'Waste Amount' means the amount of waste generated during the reporting period (1 January - 31 December). For the recovery /disposal of these wastes produced by or under the responsibility of the company, cooperation is made with certain institutions or working with contracted waste management companies. The institutions cooperating for Waste Management are ÇEVKO (Environmental Protection and Packaging Waste Recovery and Recycling Foundation), PETDER (Turkish Oil Industry Association) and AKÜDER (Association of Accumulator and Recycling Industrialists).

'Number of employees' means the number of permanent employees working in the Doğu Otomotiv and Doğu Oto's during the reporting period (1 January - 31 December). Fixed term employees are not included in this term and reported separately.

'Female employee ratio' means the number of woman employees (permanent and full time) divided by the total number of employees (permanent and full time) during the reporting year (1 January to 31 December).

'Salary ratio of female and male employees' means the ratio of the average salaries of the female employees to the average salaries of male employees during the reporting period (January 1 to December 31). In calculating this ratio, the internal positions of the

employees are taken into consideration and the Board of Directors is excluded.

'Recorded Incident Rate' means the ratio of recorded work accidents to total working hours during the reporting period (January 1 to December 31). Calculation of Total Accidents / (Total number of working days x number of working days in the related year) was used in the calculation.

'Injury-related Lost Day Rate' means the ratio of the number of lost days due to occupational recorded accidents during the reporting period (January 1 to December 31) to the total working time. Total number of lost days due to accidents / (Total number of working days x number of working days in the related year) was used in the calculation.

'Occupational Disease - related Lost Day Rate' means the ratio of the number of lost days to the total working time during the reporting period (January 1 - December 31) due to repeated or temporary illnesses due to the nature of the work or the conditions of execution of the work. While calculating, Number of Lost Days Due to Occupational Disease) / (Total number of working days x number of working days in related year) formula was used.

'Employee trainings (total man/hours)' means the total training hours provided by the Company to employees during the

reporting period (January 1 to December 31). The calculations were made taking into consideration the positions of the employees.

'Employee training - (total man / hours per person)' means the ratio of the total training hours provided by the Company to the number of employees during the reporting period (January 1 - December 31). The calculations were made taking into consideration the positions of the employees.

### 3. Scope of Reporting

For FY19 and comparative periods presented, energy consumption and water consumption data of the Company is related to:

- Doğu Otomotiv Servis ve Tic. A.Ş./ Şekerpınar Campus (Head Office Building, Training Building and Logistics Building);
- Company owned cars; and
- Employee commuting

The information regarding the energy and water consumption of the Company's affiliates, suppliers and authorized dealers and aftersales service centers other than those mentioned above are included in the sustainability report, although they are not included in the scope of independent audit and this reporting guidance.



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For FY19 and comparative periods presented, waste amount (disposed or recycled) relate to the waste generated in Turkey by the Company:

- Doğu Otomotiv Servis ve Tic. A.Ş./ Şekerpınar Campus
- Scania Gebze
- Doğu Oto Pazarlama ve Ticaret A.Ş.
- Authorized Dealers and Aftersales Service Centers

Information on waste management produced by the Company's affiliates, suppliers and authorized dealers and aftersales service centers outside the waste generation areas mentioned above, but which are not under the responsibility of the Company, is included in the sustainability report, although it is not within the scope of independent audit and this reporting guidance.

#### 4. Data preparation

##### Energy consumption

Energy consumption data are reported for electricity and primary fuel sources, which comprise natural gas, diesel and fuel oil. Electricity and natural gas consumption data are obtained from supplier meters and service provider invoices. Diesel and fuel consumption

(for the use of generators, company owned cars and employee commuting) data are obtained from service provider invoices

The Company has used the following published conversion factors:

For electricity, since the electricity supply unit is billed in kWh, the only conversion factor is 1 kWh = 0.0036 GJ conversion factor);

For natural gas, since the natural gas supply unit is billed in m<sup>3</sup>, 1 m<sup>3</sup> \* kcal (9155) \* joule (4,186,8) / 109 conversion factor formula is used in the conversion to GJ.

For diesel, since the diesel supply unit is billed in lt, 1 liter \* kg (0.83) \* ton (1000) \* kcal (10,200,000) \* joule (4.186.3)] / 109 formula is used in conversion to GJ.

For density and conversion coefficient values "Enerji Kaynaklarının ve Enerjinin Kullanımında Verimliliğin Arttırılmasına Dair Yönetmelik (Resmi Gazete: 27 Ekim 2011/28097: Değ.03/09/2014-29108), EK-2: Enerji Kaynaklarının Alt Isıl Değerleri ve Petrol Eşdeğerine Çevrim Katsayıları" table is used.

##### Water consumption

Municipal water consumption is reported within the scope of water consumption data. Water consumption data is obtained from service providers' meters and invoices.

#### 5. Restatements

The measuring and reporting of carbon emissions data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.



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# Independent Assurance Statement



## Limited Assurance Report to the Board of Directors of Doğuř Otomotiv Servis ve Ticaret A.ř.

We have been engaged by the Board of Directors of Doğuř Otomotiv Servis ve Ticaret A.ř. (the "Company") to perform an independent limited assurance engagement in respect of the Selected Sustainability Information ("Selected Information") stated in the Doğuř Otomotiv Servis ve Ticaret Sustainability Report ("the 2019 sustainability report") for the year ended 31 December 2019 and listed below.

### Selected Information

The scope of the Selected Information for the year ended 31 December 2019, which is subject to our independent limited assurance work, set out in the 24, 87-89, 95, 105, 111-115 pages of the 2019 sustainability report with the sign ("\*\*") is summarised below:

- Energy Consumption,
- Water Consumption,
- Waste Amounts (*Hazardous Waste, Battery Waste, Lubricant Waste, Packages Waste*),
- Total Number of Employees,
- Female Employee Ratio,
- Salary ratio of female and male employees,
- Number of Injury,
- Injury Rate (*Recorded Incident Rate, Injury-related Lost Day Rate, Occupational Disease – related Lost Day Rate*),
- Training hours (total and per person)

Our assurance was with respect to the year ended 31 December 2019 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2019 sustainability report and, therefore, do not express any conclusion thereon.

### Criteria

The criteria used by the Company to prepare the Selected Information is set out in section 'Doğuř Otomotiv Servis ve Ticaret's Reporting Guidance' (the 'Reporting Guidance') on pages 186-188 of the 2019 sustainability report.

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## The Company's Responsibility

The Company is responsible for the content of the Sustainability Report and the preparation of the Selected Information in accordance with the Reporting Guidance. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

### Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Guidance.

In particular, the conversion of different energy measures to megawatt-hour (MWh) and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Guidance. Our assurance work has not included examination of the derivation of those factors and other third-party information.

### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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# Independent Assurance Statement



## Our Responsibility

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Guidance. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Doğu Otomotiv Servis ve Ticaret A.Ş.; and
- undertook analytical procedures over the reported data.



## Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Doğu Otomotiv Servis ve Ticaret A.Ş.'s Selected Information for the year ended 31 December 2019, is not properly prepared, in all material respects, in accordance with the Reporting Guidance.

This report, including the conclusion, has been prepared for the Directors of the Company as a body, to assist the Directors in reporting Doğu Otomotiv Servis ve Ticaret A.Ş.'s performance and activities related to the Selected Information. We permit the disclosure of this report within the Group Sustainability Report for the year ended 31 December 2019, to enable the Directors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors as a body and the Company for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ediz Günel, SMMM  
Partner

Istanbul, 30 June 2020



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Member	Department/Unit
Ahsen Bayraktarođlu	Marketing and Business Development
Bahadır Akyol	Administrative and Technical Affairs
Bengü Himmetli	Audit
Beste Tan	Volkswagen Passenger Cars
Cem Kaya	Dealer Development
Damla Akınalp	Dođuş Oto Human Resources
Dilruba Ulaş	Vdf Marketing
Ebru Belen	AUDI Marketing
Ebru Kantođlu	Corporate Communications
Fırat Cebeci	SCANIA Marketing
Gökberk Ofkeli	Customer Value and Care Center
Gökçe Sönmez	PORSCHE Marketing
Koray Bebekođlu	Digital Transformation and Corporate Communications
Kübra Sarıgöl	Human Resources and Process Management
Murat Battalođlu	Skoda Marketing
Müge Yücel	Financial Affairs
Nermin Taşkın	Financial Affairs
Özgecan Üstün	Human Resources and Process Management
Pınar Tuncer Dođanç	Corporate Communications
Pınar Uysal	Dođuş Teknoloji Corporate Communications
Sabih Yalıntaş	Financial Affairs
Selin Tükenmez	Volkswagen Commercial Vehicles



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Simge Ofloğlu	Human Resources and Process Management
Sinem Bedir	Legal
Şeref Kurtarıcı	Volkswagen Passenger Cars
Yağmur Gök	Doğuş Oto Marketing
Zeynep Korku	SEAT Marketing
Zeynep Mert	Purchasing Supervisor



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# MASTHEAD

## Doğuş Otomotiv Servis ve Ticaret A.Ş.

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### Strategic Sustainability Management and Reporting Consultancy

#### inValue

[www.invalue.co](http://www.invalue.co)

[hello@invalue.co](mailto:hello@invalue.co)

### For your feedback, opinions and suggestions

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