

ANADOLU ISUZU

Transforming **for tomorrow**, elevating
our **business** and **products** to maintain
global competitiveness

Sustainability
Report

2022



ANADOLU GRUBU

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About the Report

SCOPE OF THE REPORT

This is Anadolu Isuzu's fifth sustainability report, which highlights the Company's environmental, social, and governance (ESG) performance from January 1, 2022, to December 31, 2022.

This report encompasses the Company's activities within Türkiye.

The 2022 Sustainability Report provides comprehensive insights into how Anadolu Isuzu integrates and oversees sustainability. This report, serving as the primary disclosure of the Company's ESG performance, is suggested to be examined in conjunction with the Policies accessible on the Anadolu Isuzu website.

Anadolu Isuzu aims to foster an open, ethical, and respectful dialogue with its stakeholders. In this report, which the Company believes will enhance stakeholder engagement and the disclosure process, Anadolu Isuzu discusses its corporate strategy, objectives, and its multifaceted approach to long-term value creation. The report also presents the performance results for the reporting period.

The report provides a comprehensive discussion of the Company's engagement with stakeholders, material topics, and the value created during the reporting period. The report is structured around 6 material topics that both the company and its stakeholders deem of utmost significance. Alongside matters pertaining to financial, environmental, and social performance, the report also features the Anadolu Isuzu Value Creation Model.

STANDARDS AND FRAMEWORKS

The 2022 Sustainability Report incorporates the criteria and principles outlined in the standards, frameworks, and schemes that Anadolu Isuzu has signed, engaged in, or sought for rating services.

- CDP
- GRI
- SBTi
- Drive to Zero
- UNGC

The report has also been prepared in alignment with the "GRI Standards" as set forth by the Global Reporting Initiative (GRI). Report content has been compiled according to the methods of deciding on the content and, primarily the principle of materiality as explained in the standards. Performance disclosures are primarily presented within the framework of the "GRI Standards" requirements.

ANADOLU ISUZU 2022 SUSTAINABILITY REPORT

Published on September 27, 2023.



To pave the way for a future where we address global challenges and strive for a society characterized by sustainability, renewable energy, and minimal waste, our business model and products must undergo a transformation that aligns with this vision.

Anadolu Isuzu aspires to establish itself as a prominent global player in the commercial vehicle industry by fostering an extensive ecosystem that revolves around customer-centric transportation solutions grounded in cutting-edge technology. In line with this goal, it is **TRANSFORMING FOR TOMORROW, ELEVATING ITS BUSINESS AND PRODUCTS.**



Presentation

Letter from the Chairman of the Board

Esteemed Stakeholders,

I am delighted to introduce Anadolu Isuzu's 2022 sustainability report for your consideration.

In solemn remembrance, we honor the memory of our fellow citizens who lost their lives in the earthquakes of February 6.

The year 2023 commenced with the Kahramanmaraş earthquakes, an event that brought grief to our entire nation and significantly disrupted the daily lives of residents in 11 provinces. Considered as one of the most substantial natural disasters in our history, these earthquakes resulted in significant loss of life, injuries, and destruction. I would like to offer my condolences to the entire country, particularly to our citizens who have been affected by the earthquake.

As Anadolu Group, along with our subsidiaries and stakeholders, we reached out to offer support and assistance to our fellow citizens in the affected regions from the very beginning of the earthquake. We have diligently worked to deliver the collected aid to AFAD. I would like to express my heartfelt gratitude to the employees and volunteers of our Group who actively participated in the relief efforts during this exceptional period. Anadolu Group is committed to ongoing relief efforts and projects aimed at facilitating the return to normal economic and social life in the affected region.

The conditions in 2022 posed challenges to all business sectors, including retail, financial services, energy, and automotive. They served as a significant test of resilience, especially for the manufacturing sectors.

The recent years have witnessed global markets facing dynamic conditions and rapid changes. These circumstances have underscored the notion that turbulent times can stimulate innovation

and expedite the shift toward a new equilibrium. The pandemic and the global lockdown measures have significantly altered many aspects of our accustomed business, trade, production, and financial cycles.

As Industry 4.0 continues to reshape productive sectors at a rapid pace, artificial intelligence, machine learning, and robotic applications are becoming increasingly prevalent across various fields. Conversely, we also observe that the future of artificial intelligence, along with its advantages and potential risks, is a topic of global discussion. Financial products, payment systems, business models, and even the concept of money itself are undergoing transformation, along with changes in market participants and market dynamics. With major telecommunications and IT companies partnering with retail chains to enter the production and services sector, new business opportunities are emerging, leading to rapid growth in various industries.

As geographical barriers to production, services, and trade are dismantled, information becomes increasingly accessible to consumers, producers, and service providers. This leads to more efficient and inclusive global and local processes.

Regulatory authorities also play crucial roles in the process of change. The rapid implementation and the timely establishment of the legal infrastructure, regulations, and supervisory mechanisms required to support the sustainable growth of the new economy are increasingly critical.

The profound changes and transformations we have briefly outlined represent a significant challenge for all economic participants, irrespective of their size. Beyond our capacity to maintain our market presence, this challenge tests the adaptability of our business cycles, management structures,

and human resources to long-term change—in essence, it tests their resilience.

Anadolu Group has prepared for the transformation and market changes in advance.

Drawing on our extensive 70+ years of experience and expertise, we have formulated our strategy for the collective future of our Group in 2022. We shared our “From Anadolu to the Future” sustainability strategy with the public, encompassing our 3 core value areas: Nature, People, and Business, along with our 12 key focus areas and forward-looking objectives. Our strategy will serve as a compass, directing our endeavors to foster shared value across environmental, social, and governance domains within the regions and sectors where we have established a long-standing presence. This strategic vision, grounded in our anticipation of global shifts, will further empower us to create value that can be shared by all.

Anadolu Isuzu, as a prominent player in the automotive industry, is taking a proactive approach to navigate the ongoing transformation and is steadfastly advancing its strategies.

Anadolu Isuzu, a well-established and pioneering industrial organization in our country, is committed to creating added value for its stakeholders, our nation, and the global community through its long-term vision and sustainable initiatives as it paves the way for the future.

Our Company remains dedicated to reducing its environmental footprint and enhancing its performance through strategic investments and initiatives. At the highest levels of our organization, we have fully embraced and integrated sustainability into our operations. In 2022, Anadolu Isuzu achieved outstanding ESG performance through investments in renewable energy



transition and the transformation of our vehicle range for the future. This commitment has garnered appreciation from our stakeholders.

Our Company regards human resources, R&D capabilities, production capacity, domestic and international market presence, brands, suppliers, dealers, and customers as the foundational elements of our sustainability strategy. We are committed to further developing these aspects through ongoing investments.

Anadolu Isuzu places significant emphasis on collaborations within the rapidly evolving automotive industry. We collaborate closely with our shareholders, AG Anadolu Group Holding, Isuzu, and Itochu, as well as all stakeholders throughout the value chain. This collaborative approach is essential for navigating the profound industry transformation and creating sustainable value.

Anadolu Isuzu's strategic objective is to elevate its ESG performance to unprecedented and quantifiable levels through the transformation of its business and products. As a global brand and a commercial vehicle manufacturer with global aspirations, we are diligently striving to fulfill all our obligations to our stakeholders to the fullest extent.

We will persist in being responsible corporate citizens and meeting our expanding obligations to ensure that future generations inherit the legacy we have built.

Our Company will align its operations with the new strategy outlined in this report and enhance its contribution to the development of Türkiye. We are determined to work and produce, holding onto hope, recognizing that challenges create opportunities, and turbulence fosters innovation.

On behalf of the Board of Directors, I would like to express my gratitude and respect to all our stakeholders who played a role in our performance in 2022.

Tuncay Özilhan
Chairman of the Board

Letter from the President of the Automotive Group

Esteemed stakeholders,

The global automotive industry, in which we participate, is experiencing rapid transformation due to factors such as the climate crisis, the rapid development of disruptive technologies, and shifting consumer expectations.

As we examine the trends that will define this remarkable journey, it is clear that these dynamics have the potential to fundamentally reshape our understanding and experience of the transportation ecosystem.

Electric mobility has become mainstream.

News about electric vehicles and disruptive technologies can be found in news sources almost daily. An increasing number of manufacturers worldwide are investing in electric vehicles, and the transition to electric mobility is gaining momentum. Moreover, governments and regulatory authorities are crafting policies, legislation, and occasionally offering incentives to bolster the expansion of the electric vehicle market. This development is being propelled by the objective of reducing the significant contribution of fossil fuel-based transportation to carbon emissions and the global effort to combat the climate crisis.

Autonomous driving systems reduce the number of accidents and casualties

Autonomous driving is one of the most significant trends shaping the future of the automotive industry.

Advanced driver assistance systems (ADAS) empower vehicles to navigate complex road scenarios with minimal human intervention, while continuous enhancements are further advancing autonomous driving capabilities.

While fully autonomous vehicles are still in the development phase, we anticipate a steady and swift rise in

the incorporation of ADAS technology into new vehicles in the near to mid-term. This will aid us, members of the automotive industry, in coming much closer to our core objective: providing a safer, more efficient, and environmentally-friendly driving experience.

A study by McKinsey suggests that the autonomous driving market, with a potential worth of USD 1.6 trillion per year, will revolutionize the global mobility experience.

Undoubtedly, the most significant benefit of this transition will be the prevention of millions of accidents, loss of life, and injuries caused by human error.

The Internet of Things (IoT) will empower us to establish connections and engage with our vehicles.

The Internet of Things facilitates seamless communication among vehicles, infrastructure, and other devices, fundamentally altering the way we interact with our vehicles.

Interconnected ecosystems provide improved security, efficiency, and convenience through real-time data exchange.

In the near future, a growing array of connected car features, including remote diagnostics and troubleshooting, software updates, and advanced infotainment systems, are poised to become standard in new vehicle models and the automotive industry as a whole.

Shared mobility will play a significant role in alleviating traffic congestion and mitigating environmental issues.

As our world becomes more urbanized, a growing number of individuals are residing in metropolitan regions, which has resulted in worsening traffic congestion and a rise in environmental pollution. Shared mobility will play a pivotal role in addressing the at times chaotic urban transportation and traffic challenges.

Ride-hailing services, ride-sharing platforms, and even car subscription business models are reshaping perceptions and behaviors related to vehicle ownership and driving.

As more service providers enter the market and develop new business models to cater to the diverse needs of urban dwellers, the shared transportation trend is anticipated to further evolve, resulting in continued market growth.

According to an analysis by McKinsey & Company, spending on shared mobility services has the potential to increase from USD 500 billion to USD 1 trillion by 2030. The growth will depend on factors such as customer acceptance of shared mobility, country-specific regulations, and advancements in technology.

There is a growing trend towards lightweight and sustainable materials.

The automotive industry is increasingly embracing lighter and more sustainable materials to reduce emissions, lower vehicle weight, and enhance fuel efficiency.

Automotive manufacturers are exploring a wide range of materials in their R&D efforts, including advanced high-strength steel, aluminum, carbon fiber, and composites in order to comply with regulations and respond to increasing consumer demand for eco-friendly vehicles.

In the near future, there is an anticipation that a growing number of manufacturers will prioritize the development and incorporation of lightweight and sustainable materials into their new vehicle designs. This is poised to become a central focus for R&D departments.

In summary, the automotive industry is undergoing significant transformations driven by factors such as the climate crisis, disruptive technologies, and evolving consumer preferences. The trends we have briefly discussed above



will not only enhance transportation in terms of safety, environmental friendliness, and efficiency but also better cater to the needs of people worldwide.

Being a manufacturer geared up in advance for the momentous transformation

As it continues its commitment to sustainability, Anadolu Isuzu strategically prioritizes ESG management, positioning itself as a key player in the automotive industry and a significant contributor to global transformation moving forward.

Our company is currently undergoing a transformation in both its business operations and product offerings. We are confident that this extensive transformation will not only sustain our competitive advantage in the short, medium, and long term but also propel us to explore new horizons and expand into new regions.

Our top priorities include the development of eco-friendly and alternative fuel vehicles, as well as the

transformation of our product lineup. We are heavily investing in enhancing our R&D and production capabilities in this field.

We place significant emphasis on partnerships and collaborations within our industry, which is impacted by disruptive technologies. We engage in dialogue and interact with various stakeholders along our stakeholder chain, particularly with our partners AG Anadolu Group Holding, Isuzu, and Itochu, in various domains.

Under the guidance of Anadolu Group

Anadolu Group's philosophy revolves around creating value for the regions and communities in which it operates.

In the future, Anadolu Isuzu will remain committed to upholding this philosophy, effectively addressing challenges, capitalizing on opportunities to create greater value, and further strengthening its contribution to the Turkish economy.

As stated in our sustainability policy, Anadolu Isuzu is dedicated to fully integrating, executing, and promoting sustainability across its entire value chain. In line with this pledge, we will persist in adopting and advancing the global sustainability agenda as an inherent component of our activities, corporate governance principles, and organizational framework.

Our objective is to optimize our ESG outputs and create value that can be shared among our stakeholders.

I would like to express my sincere gratitude to all our stakeholders, particularly our customers, suppliers, and employees, for their invaluable support and kindness.

Bora Koçak

President of the Automotive Group

Message from the General Manager

Esteemed stakeholders,

In today's automotive industry, sustainability has emerged as a paramount force driving transformation on a global scale.

Consumers are increasingly shaping their purchasing preferences in the automotive market based on brands' efforts to combat the climate crisis, their ecological footprint, and the availability of alternative energy options in the vehicles they manufacture.

Sustainability has also emerged as the top priority for regulatory authorities in many countries worldwide. One of the latest developments, the European Green Deal, is closely connected to and has the potential to impact the Turkish automotive sector, given its geographical proximity to the European Union, a significant trade region.

In the face of a rapidly evolving market landscape, automotive manufacturers are integrating the fight against the climate crisis into every aspect of their operations, from A to Z, to enhance their competitiveness. They are actively pursuing transformational investments to proactively adapt to the profound changes in the ecosystem.

In summary, the current efforts to address the climate crisis are shaping the resilience and assets of automotive manufacturers in the short, medium, and long term.

Anadolu Isuzu announced its new strategy in 2022.

At Anadolu Isuzu, we have solidified and elucidated our long-prepared efforts with our sustainability strategy, which we unveiled to the public in 2022.

To pave the way for a future where we address global challenges and strive for a society characterized by sustainability,

renewable energy, and minimal waste, business model and products must undergo a transformation that aligns with this vision.

Distinguished in its field by its robust R&D capabilities, effective integration of knowledge inherited from formidable partners, and a skilled workforce, our Company strives to establish itself as a global player in the commercial vehicle industry, offering customer-centric transportation solutions.

For Anadolu Isuzu, transformation is the pivotal strategy for adapting to the conditions of the future! This is why we are transforming for tomorrow: elevating our business and products to maintain global competitiveness. Our phased and well-planned transformation strategy, developed with meticulous consideration of various scenarios, will propel Anadolu Isuzu towards its global objectives and enhance our capacity to create value that can be shared.

Our Value Generation Model, disclosed annually in our sustainability reports as part of our commitment to transparent communication with stakeholders, illuminates the changes we initiated in 2022 and their first results.

When considering specific accomplishments, notable achievements include our investments in a smart factory and R&D, our transition to renewable energy through our solar power plant investment, significant strides in sustainability structuring, and the publication of our first CDP report.

Turning our attention to the product portfolio, the production of electric vehicles like BIG.e, NovoCITI Volt, and CitiVolt, along with the successful completion of test drives for our autonomous vehicle, exemplify our bold vision for the future.



Our tangible results from this transformation journey include our commitment to the Drive to Zero initiative, with our alignment towards its goals being a significant milestone. In line with this commitment, our aim is to achieve new truck and bus sales from zero carbon vehicles within the coming years.

Following stakeholder dialogue, we have identified our material topics within 6 main categories, aligned with our Company's mission, objectives, and sustainability strategy: Vehicle Quality and Road Safety, Climate Crisis and Environmental Impacts, R&D and Innovation, Digitalization and Cyber Security, Business Ethics and Human

Rights, and Stakeholder Engagement and Collaborations.

Our Company's priorities are firmly rooted in our commitment to the development of alternative fuel vehicles, emissions reduction in production processes, robust R&D and innovation activities driven by our exceptional engineering capabilities, investments in our workforce, and the significance we place on collaborative engagement with stakeholders. These pillars underpin our overarching transformation strategy.

The significant progress we achieved in 2022 is the outcome of our ongoing journey to integrate sustainability, a process we initiated in stages starting in 2020.

Message from the General Manager

New mobility options are currently trending! What about the challenges?

As the adverse effects of the climate crisis on the Earth's ecosystems intensify, consumers are increasingly shifting towards electric and alternative fuel vehicles, as well as exploring new mobility solutions. The swift development of technologies and manufacturing processes that prioritize environmental considerations and align with both local and global standards has become an imperative.

The increasing awareness of environmental issues and the implementation of new regulations related to emissions and fuel efficiency are presenting significant challenges for the automotive industry. Manufacturers in the Turkish automotive industry, including our Company, are increasingly obligated to develop environmentally friendly technologies, adhere to international standards, and make substantial investments in response to these challenges.

Anadolu Isuzu acknowledges the prestige and brand value of the Turkish automotive industry as a whole. We are prepared to actively participate in industry-wide initiatives and collaborate with other stakeholders to contribute to the industry's transition process.

SDG 17, to which we have pledged our commitment, underscores the significance of both intra-industry and cross-industry cooperation in working towards the UN Sustainable Development Goals and fostering sustainable development.

We believe that Türkiye's automotive industry will advance as a reputable and firmly established player on the global stage, and that all stakeholders in our value chain, including suppliers and vehicle manufacturers, will swiftly find their rightful positions in the new normal.

In a setting where cybersecurity threats become evident

Cybersecurity, one of our 6 material topics, is emerging as a significant threat in parallel with the digitization trend. The growing integration of digital systems into vehicle infrastructure and superstructure highlights the importance of cybersecurity, and the development of measures in this context becomes a necessity.

To safeguard product know-how and customer data, our industry must invest in cybersecurity infrastructure and regularly update these investments in alignment with product developments.

Connected vehicles are susceptible to hacking and data breaches, posing risks such as compromised security and privacy concerns. We view this area as a critical field that necessitates swift investment, and we are actively engaged in ongoing efforts.

Supply chain risks remain critical for the automotive industry.

In recent years, the automotive industry has encountered supply chain risks that have resulted in fluctuations in both financial and operational performance. Demand-side risks are amplified by abrupt shifts in critical macroeconomic indicators, suppliers' challenges in adapting to demand fluctuations, inaccurate demand forecasts, intense market competition, and shortages of semi-finished inputs stemming from changes in tax rates affecting sales.

Supplier failures, production defects, challenges in sourcing raw materials, as well as natural disasters, financial crises, and logistics disruptions can result in suppliers being unable to provide materials in a timely and desired quality, making supply risk a pressing issue that requires solutions.

Logistics risks represent another significant category of risks. In 2021, disruptions in the supply and delivery processes of microchips used in vehicles led to the suspension of production by global automotive companies, resulting in a global crisis.

Anadolu Isuzu manages supply chain risks through a diversified supplier portfolio and a prudent inventory policy. In the future, the potential for rapid changes in the product portfolios of automotive companies and the increasing technology content in vehicles may introduce new risks to parts suppliers.

We are confident about the future and remain committed to taking decisive steps.

As stated in our sustainability policy, Anadolu Isuzu is dedicated to fully integrating, executing, and promoting sustainability across its entire value chain.

In line with this pledge, we have adopted and embraced the global sustainability agenda as an inherent component of our activities, corporate governance principles, and organizational framework.

Our Company's unwavering objective is to optimize the economic, environmental, and social outputs of its endeavors, ultimately delivering enduring value to its stakeholders.

We actively promote the adoption of sustainable practices among all our stakeholders, with a particular emphasis on our customers, suppliers, and employees. We view our sustainability initiatives as a complementary aspect of our enduring commitment to our unwavering objective.

The solid and sustainable support of our shareholders and investors will remain a vital source of the energy and intrinsic motivation required to translate our potential into tangible performance.

We anticipate a continued rise in competitive pressure within our global and local sector in the foreseeable future. Anadolu Isuzu has already taken the requisite measures to withstand this pressure and advance toward the position it rightfully deserves. The level of corporate maturity we have attained today serves as an indicator of the resilience we will demonstrate tomorrow.

I express my gratitude to our management team and all our dedicated employees for their significant contributions to our performance in 2022.

Kind regards,

Tuğrul Arıkan
General Manager



300,000
m²

of production facilities

19,000
units

of annual production capacity
(single shift)

983
persons

number of employees
(direct employment)



Anadolu Isuzu at a Glance

Anadolu Isuzu operates within the commercial vehicle segment of the automotive industry. The Company boasts a robust product portfolio, offers high-value after-sales services, and maintains an extensive network of dealers and technical service providers.

Anadolu Isuzu is engaged in the production of vehicles spanning the truck, light truck, midibus, and bus segments, and it maintains a strong presence in export markets.

Corporate Profile

Sound and Profitable Performance

Anadolu Isuzu regards economic, environmental, and social sustainability as integral elements of its long-term, robust, and profitable performance, and formulates its corporate strategies, policies, and actions with these principles on this foundation.

Anadolu Isuzu has been a thriving presence in the automotive sector since 1965.

The foundations of Anadolu Isuzu were laid in 1965. During its initial phase of operations under the name Çelik Montaj, the Company's production encompassed light trucks and motorcycles. Furthermore, it persisted in the manufacturing of Skoda-branded light trucks until 1986.

Anadolu Isuzu adopted its present name in 1983, following a license agreement with Isuzu Motors Ltd. The Company commenced the production of Isuzu vehicles at the Kartal Plant in İstanbul in 1984.

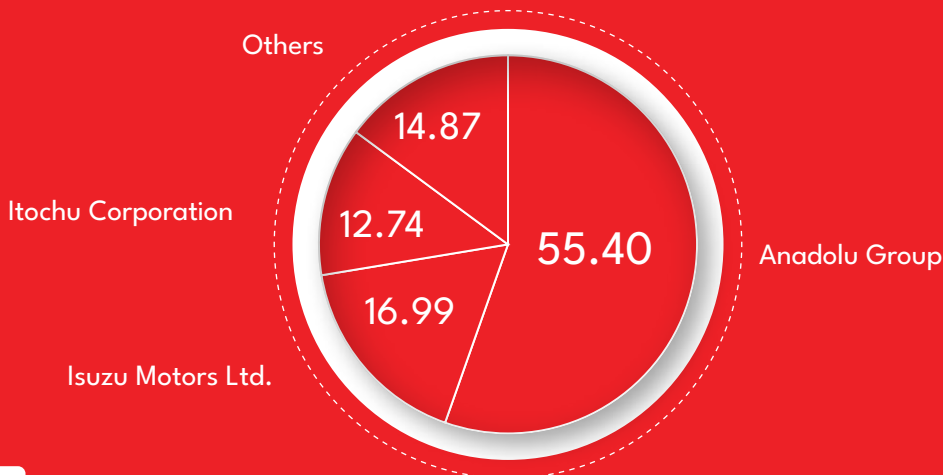
Today, Anadolu Isuzu continues its operations as a joint venture involving some of Türkiye's and the world's foremost business groups:

Anadolu Isuzu, operating in the commercial vehicle segment of the automotive industry, boasts a robust product lineup, offers high-value after-sales services, and maintains a widespread network of dealers and technical service providers. Anadolu Isuzu is engaged in the production of vehicles spanning the truck, light truck, midibus, and bus segments, and it maintains a strong presence in export markets.

Apart from the manufacturing and marketing of commercial vehicles, the Company's production facility is situated in Şekerpinar, Çayırova. Anadolu Isuzu's production facilities, covering 300,000 m² of land, have a total annual production capacity of 19,000 vehicles when operating on a single shift.

Anadolu Isuzu has a widespread presence in Türkiye, with 32 sales points in 26 provinces and 93 authorized service providers in 58 provinces. Additionally, the Company has established a global footprint with distributors in over 45 countries, supported by 128 authorized service providers across 40 countries worldwide.

Anadolu Isuzu Shareholding Structure - 31 December 2022 (%)



As of year-end 2022, the number of people directly employed at Anadolu Isuzu stood at 983.

Anadolu Isuzu shares have been traded on the Borsa İstanbul (BİST) under the ticker code “ASUZU” since 1997.

Anadolu Isuzu regards economic, environmental, and social sustainability as integral elements of its long-term, robust, and profitable performance.

Anadolu Isuzu consistently places a strong emphasis on the welfare of its stakeholders, sustainable performance, and the capacity to create lasting value. These enduring objectives remain at the forefront throughout the economic and commercial cycles.

Anadolu Isuzu regards economic, environmental, and social sustainability as integral elements of its long-term, robust, and profitable performance, and formulates its corporate strategies and policies with these principles on this foundation.

Anadolu Isuzu’s competitive advantage and strategic foundation are underpinned by its robust industry presence, extensive market experience, in-depth know-how, advanced technology-driven production capabilities, and a skilled workforce.



2022 - Key Indicators

Economic Indicators

8,335

TL million

Total Assets

1,423

TL million

Gross Profit

6,270

TL million

Net Sales

808

TL million

EBITDA

R&D Indicators

200

R&D employees

8

Patents

7

Utility models

4

Registered industrial designs

134%

Increase in performance indicators

Aligned with its sustainability-focused objectives, Anadolu Isuzu achieved notable success in 2022, with a 134% increase in its total net sales, reaching TL 6,270 million. The Company's export turnover has reached a record-breaking level of EUR 124 million.

Environmental Indicators

15.38
GJ

Energy consumption per vehicle manufactured

28,756
GJ

Savings achieved through energy efficiency projects

10.55
m³

Water consumption per vehicle manufactured

100%

Packaging waste recovery rate

38%

Reduction in contaminated waste per vehicle (compared to 2020 levels)

2,325
person x hours

Environmental training

895
person x hours

Energy training

3,427
tons CO₂e

Greenhouse gas emission reduction achieved through energy efficiency projects

Supply Chain Indicators

> 400

Number of domestic and international suppliers

> 50 thousand

Different inputs

20%

Percentage of suppliers with whom the Company has maintained trade relationships for over 30 years

Social Indicators

15,414
hours

Total hours of training¹

10,292
person x hours

Total OHS training²

983
persons

Total workforce³

166

Number of employees recruited in 2022

35%

Percentage of increase in the number of female employees relative to the total number of employees over the past 5 years

712

Number of unionized operation employees

7.2

Rate of lost-time accidents (Number of accidents with ≥ 1 lost day x 1,000,000/ work hours)

¹In 2022, a total of 15,414 hours of training were offered to 3,008 employees, encompassing Kaizen, 5S, fire safety, OHS, and environmental training programs.

²Subcontractors included

³Direct employment

Managerial Structure at Anadolu Isuzu

Corporate Culture Built on Accumulation Know-How and Experience

Anadolu Isuzu's corporate culture embraced by both managers and employees and encompasses a wealth of accumulated know-how and experience while remaining forward-looking with expectations and strategies aligned to the demands of our era.

Anadolu Isuzu acknowledges that effective corporate governance is a fundamental component in establishing sustainable added value.

Corporate governance serves as the cornerstone for enduring economic prosperity and provides the framework for ethical and fair competition, ensuring a balance that safeguards the interests of all stakeholders.

Having constructed its corporate governance model and practices upon this core principle, Anadolu Isuzu conducts all its operations with an unwavering commitment to ethical values, honesty, fairness, and the highest standards of professionalism. This commitment remains steadfast at all times.

The Company views these principles as essential components of its corporate governance framework. They are instrumental in fulfilling its obligations to stakeholders, safeguarding their rights, optimizing resource utilization, operating efficiently, and consistently delivering sustainable added value to its stakeholders.



Full compliance with the principles

Corporate Governance Principles

At Anadolu Isuzu, corporate governance is organized in strict adherence to the Corporate Governance Principles outlined by the Capital Markets Board (CMB). The Company has committed to an unwavering objective of adhering fully to these principles and consistently enhancing associated practices.

Anadolu Isuzu has nurtured and safeguarded a deliberate corporate culture since its inception, managing and preserving it with meticulous attention.

Anadolu Isuzu relies on the principles of its corporate culture, crafted in alignment with the shared values of the Anadolu Group, as a guiding compass for all its actions and choices. Embraced by both managers and employees, the corporate culture encompasses a wealth of accumulated know-how and experience while remaining forward-looking with expectations and strategies aligned to the demands of our era.

The Company integrates these adopted values into its corporate governance practices, recognizing them as pivotal elements contributing to corporate success.

At Anadolu Isuzu, corporate governance is organized in strict adherence to the Corporate Governance Principles outlined by the Capital Markets Board (CMB). The Company has committed to an unwavering objective of adhering fully to these principles and consistently enhancing associated practices.

Corporate governance initiatives at Anadolu Isuzu are overseen and managed under the guidance of the Board of Directors.

Anadolu Isuzu's Board of Directors diligently reviews and revises its governance practices to align with shifting legal regulations and the continuously changing dynamics of the global and domestic markets. Their primary focus remains on transparency, as they work to safeguard, supervise, and advocate for the best interests of both shareholders and stakeholders.

The Anadolu Isuzu Board of Directors, responsible for steering and overseeing the Company's corporate governance, comprises 15 members, of whom 5 fully satisfy the independence criteria as stipulated by the CMB. In accordance with the definitions provided by the CMB, all members of the Board of Directors hold non-executive positions.

GRI 2-9, 2-12, 2-24, 3-3

The roles of Chairman of the Board of Directors and General Manager are occupied by separate individuals. Throughout the reporting period, the Board of Directors included 1 female member.

Anadolu Isuzu has formulated and put into action corporate governance policies, principles, and practices as a testament to its dedication to generating lasting value for both shareholders and other stakeholders.

The Company's corporate governance initiatives are primarily designed to achieve the following objectives:

- foster cultures of risk management, compliance, and ethical conduct.
- formulate, endorse, and ensure the implementation of strategies and target sets,
- identify, mitigate, and systematically monitor potential business risks.

In compliance with both the Turkish Commercial Code and the CMB's Communiqué on the Determination and Implementation of Corporate Governance Principles, Anadolu Isuzu's Board of Directors has instituted an Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee to ensure the effective discharge of its duties and responsibilities.

All members of the Audit Committee are selected from the pool of independent members. The Corporate Governance and Early Detection of Risk Committees are also led by independent members. In accordance with CMB communiqués, the Corporate Governance Committee also assumes the responsibilities of both the Nomination Committee and the Remuneration Committee.

For detailed information on corporate governance at Anadolu Isuzu

www.anadoluisuzu.com.tr/kurumsal-yonetim

Board of Directors

The Anadolu Isuzu Board of Directors, responsible for steering and overseeing the Company's corporate governance, comprises 15 members, of whom 5 fully satisfy the independence criteria as stipulated by the CMB.

Managerial Structure at Anadolu Isuzu

Risk Management and Internal Control

The Risk Management and Internal Control System at Anadolu Isuzu falls under the purview and supervision of the Company's management.

In the field of risk management, the Enterprise Risk Management function offers guidance and counsel to the Anadolu Isuzu management. The Corporate Risk Management function reports its activities directly to the Early Detection of Risk Committee.

Within the scope of Enterprise Risk Management, the senior management at Anadolu Isuzu identifies noteworthy opportunities and potential threats that could impact the realization of the Company's objectives. These are then managed in alignment with the Company's risk appetite.

Enterprise Risk Management is a systematic and methodical process established to shape Anadolu Isuzu's business strategies. It is a collaborative

effort involving all Company employees and encompasses all Company practices. The Corporate Risk Management function coordinates the identification and assessment of risks that may impact the Company's objectives. Material risks are identified for close monitoring through management evaluation.

The Early Detection of Risk Committee is provided with information regarding material risks and corresponding action plans aimed at risk mitigation for subsequent submission to the Board of Directors. The management and ongoing oversight of this integrated process, aligned with strategic business plans, are facilitated through the technological infrastructures currently in place.

At Anadolu Isuzu, performance and risk indicators serve as an early warning system for monitoring risks and implementing timely measures when needed. The SAP system, seamlessly integrated into all Company processes, serves as an effective technological decision support system for this purpose.

The system facilitates real-time monitoring of activity results, eliminating human errors and enhancing the effectiveness of the early risk detection and internal control system. Moreover, the advanced internal communication system empowers us to swiftly address and resolve issues as they arise.

Business continuity and crisis management activities are implemented to prevent and mitigate potential losses resulting from various risks, including natural disasters and supply chain disruptions. This process is bolstered by efficient insurance management.

Highlights of Corporate Governance Performance in 2022

Number of Board members [*]	14
Number and share of independent Board members	5,35%
Chairman of the Board and General Manager	Separate individuals.
Number of Board meetings held	5
Share of fully attended Board meetings	94%
Number of committees reporting to the Board of Directors	3: Corporate Governance Committee, Audit Committee, Early Detection of Risk Committee (The activities of the Nomination Committee and Remuneration Committee are undertaken by the Corporate Governance Committee)
Total number of decisions taken by the Board	21
Shareholders' participation rate in the General Assembly ^{**}	85.77%

^{*} The Extraordinary General Assembly held on August 11, 2023, decided to expand the Board to include 15 members.

^{**} This information pertains to the Ordinary General Assembly meetings for the year 2022.

Legal Compliance and Code of Ethics

Anadolu Isuzu believes that cultivating brand strength hinges on unwavering adherence to ethical values, as well as strict compliance with laws and regulations.

Anadolu Isuzu regards adherence to the principles of legality and ethical values in both business and social contexts, operating on a foundation of trust, delivering quality, precise, and trustworthy outcomes, conducting business in accordance with established beliefs, principles, and ideals, and showing respect for nature and the environment as integral components of its corporate culture.

Having embraced the corporate culture of the Anadolu Group, of which it is a member, Anadolu Isuzu conducts its activities in accordance with the principles outlined in the Anadolu Group Business Principles.

Anadolu Isuzu adheres to the Regulation on Reporting Non-Compliance, which has been adopted to enhance transparency across Anadolu Group member companies. This regulation is designed to reinforce adherence to established operational principles and safeguard the Group's standing within the community.

The Regulation on Reporting Non-Compliance governs the reporting of violations of laws, general moral and ethical standards, as well as the regulations of Group companies. This regulation outlines the procedures and guidelines required for the examination of these reports by the relevant authorities within the Group.

In compliance with the Regulation, Anadolu Isuzu has established an Ethics Committee presided over by the General Manager. The Board conducts regular evaluation meetings.

Employees and other stakeholders have the option to submit applications to the Ethics Committee using the designated communication channels established in accordance with the principle of confidentiality.

Throughout the reporting period, no applications were received through the appropriate channels concerning breaches of the Company's code of ethics, human rights, or instances of corruption. During the same period, there were no lawsuits filed or pending against Anadolu Isuzu in relation to these matters.

Anadolu Isuzu is a member of the Ethics and Reputation Society (TEİD).

For detailed information about Anadolu Isuzu Business Principles

www.anadoluisuzu.com.tr/kurumsal-yonetim/calisma-ilkeleri



Commitment to ethical values

Ethics Committee

Anadolu Isuzu maintains an Ethics Committee chaired by the General Manager, which conducts regular evaluation meetings. Employees and other stakeholders have the option to submit applications to the Ethics Committee using the designated communication channels established in accordance with the principle of confidentiality.



130
USD million

Exports

3,427
tons CO₂e

Greenhouse gas emission reduction
achieved through energy efficiency
projects

193
USD million

R&D expenditure



Sustainability at Anadolu Isuzu

Recognizing sustainability as a pivotal catalyst for competitiveness in both domestic and international markets, Anadolu Isuzu has incorporated sustainability considerations into its entire business process and corporate decision-making.

Sustainability Management

Impact on Sustainability

Anadolu Isuzu evaluates the social, economic, and environmental factors that manifest as sustainability impacts stemming from its operations. The Company also identifies stakeholder expectations in these domains using a risk and opportunity-driven methodology.

Anadolu Isuzu's strategies and initiatives concerning sustainability and climate change are formulated and directed under the oversight and guidance of the Board of Directors. The senior management at Anadolu Isuzu bears the responsibility for the day-to-day implementation of sustainability and climate change initiatives.

Anadolu Isuzu Sustainability Committee

The Company has established a Sustainability Committee, which plays a supporting role for the Board of Directors and senior management by conducting research and preparing materials related to sustainability. The Sustainability Committee comprises 9 members, with the General Manager serving as its leader.

The Sustainability Committee engages in discussions concerning social, environmental, economic, and corporate governance matters, and the decisions reached are subsequently put into action by the General Manager and other Committee members.

The Sustainability Committee is entrusted with the task of defining, executing, and supervising the sustainability strategy



**Sustainability
Committee**

Expanding the sustainability network

The Sustainability Committee plays a pivotal role in providing guidance on emerging business opportunities and social responsibility initiatives that align with the sustainability strategy. Additionally, it offers recommendations for expanding the sustainability network.

at Anadolu Isuzu. The Committee bears the responsibility of systematically implementing pertinent strategies and policies, while orchestrating planned activities to enhance sustainability performance across the social, environmental, economic, and corporate governance domains.

The Sustainability Committee is composed of the Human Resources Director, Quality Director, Technical Director, R&D Director, Information Technologies Director, Supply Chain Director, and Finance Director. The Corporate Communications and Sustainability Unit serves as the coordinating body for the Committee. The Committee convenes at specific intervals throughout the year.

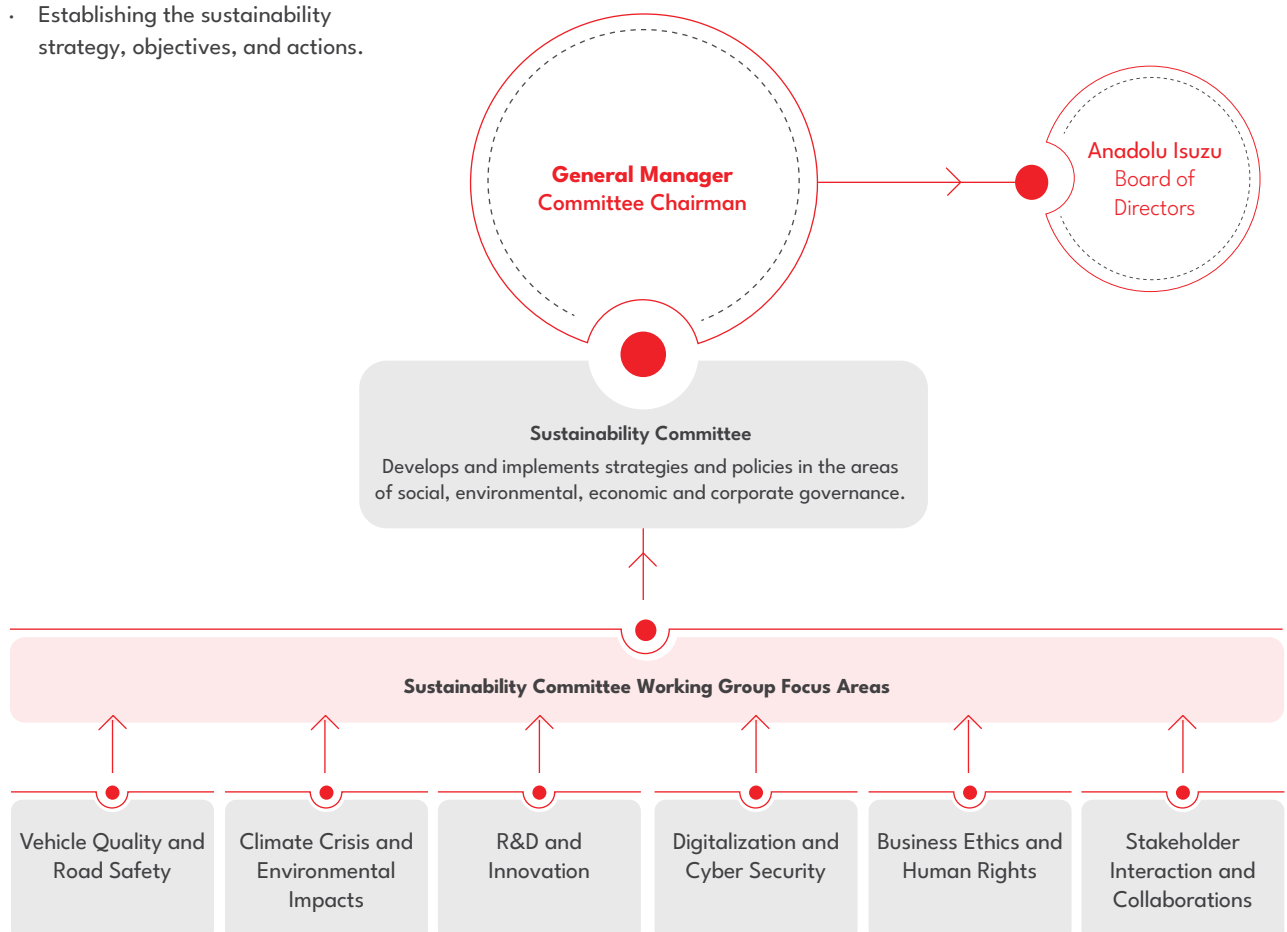
Responsibilities of the Sustainability Committee are as follows:

- Establishing the sustainability strategy, objectives, and actions.

- Ensuring the alignment of business plans with the sustainability strategy, vision, and objectives.
- Formulating the Sustainability Policy and accompanying policies, subsequently presenting them to the Board of Directors for approval. Integrating approved policies into all business processes.
- Prioritizing risks and opportunities within the primary focus areas.
- Overseeing the management of the Company's activities in the realms of environmental, social, and governance (ESG), monitoring efforts to proactively address potential risks.
- Establishing policies aimed at enhancing the Company's sustainability performance and overseeing their execution.

- Ensuring the dissemination of the sustainability vision within the Company and to all stakeholders, as well as the expansion of the sustainability network.
- Maintaining an up-to-date roadmap by monitoring global trends, sectoral advancements, and national and international legislation and regulations concerning environmental and social risks.

There are working groups aligned with the focus areas under the Sustainability Committee. These areas encompass Vehicle Quality and Road Safety, Climate Crisis and Environmental Impacts, R&D and Innovation, Digitalization and Cyber Security, Business Ethics and Human Rights, and Stakeholder Interaction and Collaborations.



Sustainability Approach

Anadolu Isuzu's Strengths

Anadolu Isuzu's growth roadmap is underpinned by several strengths, including robust production capabilities bolstered by R&D, technology, expertise, and experience. Furthermore, the Company possesses robust corporate competencies, a seasoned workforce, and shareholders, all of whom are prominent global players.

Anadolu Isuzu is a manufacturer that has fully embraced sustainability across the economic, environmental, and social dimensions of its business operations.

Anadolu Isuzu is dedicated to making a positive impact on society and fulfilling its obligations to the highest standards in all its endeavors. This commitment is driven by its aim to deliver top-quality products and services while passing on its know-how and experience to future generations.

Anadolu Isuzu believes that corporate success is the tangible outcome of trust-based collaboration with stakeholders. As a result, the Company actively engages in numerous projects and initiatives in close partnership with its stakeholders.

Sustainable development and continuous improvement stand as the cornerstones of Anadolu Isuzu's corporate strategy.

Anadolu Isuzu acknowledges sustainability as a primary driver for delivering value to its stakeholders and

enhancing financial performance in both the short, medium and long term.

A source of added value to the Turkish economy and its stakeholders since 1965, Anadolu Isuzu's growth roadmap is underpinned by several strengths, including robust production capabilities bolstered by R&D, technology, expertise, and experience. Furthermore, the Company possesses robust corporate competencies, a seasoned workforce, and shareholders, all of whom are prominent global players.



**Corporate
success**

Cooperation based on trust

Anadolu Isuzu brings to fruition numerous projects and initiatives through collaborative efforts with its stakeholders, fostering a foundation of trust and close cooperation.

Sustainability Journey

2018

- The reduction of single-use plastics is initiated.
- Efforts to prevent food waste are conducted in compliance with Zero Waste Regulation.
- The waste inventory system is implemented and integrated into the ESG system.

2019

- Greenhouse gas emissions are calculated in accordance with the ISO 14064:2006 Standard.
- “Blaze a Trail for Nature” and “Energize for Nature” initiatives are orchestrated.
- Automation systems are implemented to enhance water efficiency.
- “Green Purchasing” practices are adopted to promote energy efficiency across all processes.
- A significant milestone is reached: the publication of the 2018 Sustainability Report.
- Anadolu Isuzu’s Sustainability Policy is published in both Turkish and English.

2020

- The Anadolu Isuzu production plant is awarded the Zero Waste Certificate.
- The European Green Deal strategic roadmap is devised to address the challenges of climate change.
- An online MSDS portal is introduced to enhance the effectiveness of the chemical management system.

2021

- The corporate carbon footprint results are validated by an accredited organization, and an ISO 14064-1:2018 Corporate Carbon Footprint verification certificate is acquired.
- Through the adoption of the Zero Waste System, a remarkable 96% of the total waste generated is successfully recycled.
- Efforts begin towards the certification of the IMS in accordance with the ISO 50001:2018 Standard.
- Training and informational initiatives are conducted for stakeholders and suppliers as part of the ESG framework.

2022

- Autonomous vehicle test drive trials begin.
- The production of the NovoCiti VOLT electric vehicle is completed. Growth is achieved in the electric vehicle portfolio.
- Development work is initiated for BIG.e, introducing an innovation in the field of micromobility, and the vehicle is showcased for the first time at an international exhibition.
- In response to the automotive industry’s demand for a skilled workforce with technical expertise and considering the low female participation rate of 6.8% in automotive manufacturing, the Anadolu Isuzu Professional Development Program is inaugurated.
- Anadolu Isuzu conveys its dedication to the United Nations’ Global Compact initiative.
- Upon the completion of the solar power plant installation on the rooftops of its state-of-the-art production facilities in

Çayırova, Anadolu Isuzu acquires the capacity to meet 55% of its production energy requirements through solar power.

- Trials for the utilization of environmentally-friendly biocomposite materials in the vehicles manufactured at the Çayırova facilities are concluded successfully.
- Anadolu Isuzu becomes a member of the international Science Based Targets Initiative (SBTi), an organization dedicated to combating the adverse effects of climate change and global warming.
- Anadolu Isuzu joins the global Drive to Zero initiative, which aligns with the goal of achieving zero emissions in the commercial vehicles sector.
- The Company conducts its first-ever CDP climate change reporting.
- The Energy Management System, adhering to global standards, obtains ISO 50001 certification for the first time in 2022 following comprehensive audits.

Amidst an Ever-Changing External Environment

The 2020s began with the Covid-19 pandemic, a momentous event that will leave a lasting mark in human history. The return to normalcy following the pandemic was abruptly disrupted by the outbreak of war in Ukraine, which, in turn, triggered a series of new crises in the global economy, particularly in the areas of food and energy.

As we entered 2023, the world encountered a succession of crises. The year 2023 has been marked by a host of pressing issues, including

high inflation, a decline in global prosperity, trade disputes, capital flight from emerging economies, widespread social unrest, and geopolitical uncertainties. Moreover, the risk of nuclear war, an experience unfamiliar to most current business leaders and policymakers, has emerged as a significant cause for concern.

Elevated debt levels, sluggish economic growth, reduced global investment, and a departure from globalization all point towards a

decline in human development, marking a departure from the progress seen in previous decades. The rapid and uncontrolled advancement of both civilian and military technologies, coupled with mounting climate challenges, pose significant hurdles to achieving a world where global warming is limited to 1.5°C. In the upcoming decade, all these risks will converge, contributing to a distinct, uncertain, and tumultuous era.



Global challenges

A packed and unpredictable agenda

In 2022, the global economy encountered a series of events that foreshadowed potential crises in food and energy. These included high inflation, a decline in global prosperity, trade tensions, mounting climate-related pressures, and geopolitical risks.

According to the World Economic Forum (WEF) 2023 Global Risk Perceptions Report...

The World Economic Forum’s (WEF) 2023 Global Risk Report has examined the risks that are anticipated to develop over both the 2-year horizon and the 10-year horizon. In the next 2 years, 5 out of the top 10 risks with the highest impact are associated with addressing climate change and the environmental risks that stem from or are influenced by climate change, either directly or indirectly. In the 10-year horizon, this number increases to 6. Respondents did not mention an economic risk among the top 10 most likely risks for both periods.

	2 years	10 years
1	Cost of Living Crisis	Failure to Mitigate Climate Change
2	Natural Disasters and Extreme Weather Events	Failure of Climate Change Adaptation
3	Goeconomic Confrontation	Natural Disasters and Extreme Weather Events
4	Failure to Mitigate Climate Change	Biodiversity Loss and Ecosystem Collapse
5	Erosion of Social Cohesion and Societal Polarization	Large-Scale Involuntary Migration
6	Large-Scale Environmental Damage Incidents	Natural Resource Crises
7	Failure of Climate Change Adaptation	Erosion of Social Cohesion and Societal Polarization
8	Widespread Cybercrime and Cyber Insecurity	Widespread Cybercrime and Cyber Insecurity
9	Natural Resource Crises	Goeconomic Confrontation
10	Large-Scale Involuntary Migration	Large-Scale Environmental Damage Incidents

RISK CATEGORIES	SOCIAL	ENVIRONMENTAL	GEOPOLITICAL	TECHNOLOGICAL
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The 2023 Global Risk Perceptions Report highlights the following ranking of current global risks with the highest potential impact:

- Energy supply crisis
- Cost of living crisis
- Rising inflation
- Food supply crisis
- Cyber attacks on critical infrastructure

For more information see 2023 Global Risks Report

Outlook of the automotive industry in the world and in Türkiye

The global automotive industry, which had a volume of USD 1.7 trillion in 2021, is anticipated to surpass USD 3 trillion by 2030.

The expansion of the commercial vehicle industry is the result of various factors, including the surge in e-commerce activities, the rising significance of eco-friendly and cost-effective public transportation, advancements in the automotive industry due to industrialization and infrastructure development, and the initiatives related to Industry 4.0.

The battle against the climate crisis and the aspiration to restrict global warming to 1.5°C stand as pivotal factors influencing and molding the commercial vehicle industry.

According to the International Energy Agency, the road transportation industry alone accounts for 16% of global emissions, making it a critical target for decarbonization efforts. In this context, electric vehicles have experienced rapid development in recent years. The sales of electric vehicles are relatively on the rise, driven by improved ranges, a diverse model lineup, and enhanced performance.

We believe that alternative fuel vehicles will maintain their upward trajectory as one of the most preferred options worldwide and in our country, contributing positively to the fight against the climate crisis.

The automotive industry is undergoing a fundamental transformation driven by the factors mentioned above. The shift from internal combustion vehicles to alternative fuel vehicles is gaining momentum.

Another significant aspect is the ongoing developments in Europe, which serves as the largest market for Anadolu Isuzu and other local manufacturers.

Shortages in the supply of certain materials, especially semiconductors, resulted in a 4% decline in European automobile production in 2022 compared to 2021. Examining individual countries, we can see that Germany experienced a 1% growth in its automotive market, while France, Spain, and Italy saw contractions.

Europe is expected to experience a recovery in 2023. According to a review published by Fitch Solutions, the European car market is expected to receive support from strong fleet demand for vehicle renewals and improvements in the supply of new vehicles.

In 2023, the average electric vehicle (EV) penetration rate in the region is projected to reach 19%, indicating a growing adoption of electric vehicles in Europe. Efforts and pressures to decarbonize transportation will provide further support to Europe’s automobile industry and market.

In 2022, the Turkish automotive industry concluded the year with growth in production, exports, and the domestic market, contributing significant value to its stakeholders, particularly the national economy. According to Automotive Manufacturers Association (OSD) data, total production in Türkiye witnessed a 6% increase in 2022, with automobile

Amidst an Ever-Changing External Environment

production specifically growing by 4%. Total production reached a figure of 1,352,648 units, with commercial vehicle production accounting for 541,759 units. The total market expanded by 7% compared to the same period in the previous year, with the automobile market experiencing a 6% growth. When combined with tractor production, the total production reached 1,402,189 units.

Production saw a 10% increase in the commercial vehicle group, a 26% increase in the heavy commercial vehicle group, and an 8% increase in the light commercial vehicle group. In 2022, the commercial vehicle market expanded by 11%, the heavy commercial vehicle market grew by 24%, and the light commercial vehicle market increased by 9%. From January to December 2022, overall automotive exports rose by 4% compared to the previous year, while automobile exports increased by 1% year-on-year. During the same period, the overall capacity utilization rate in the sector was 70%.

According to data from the Uludağ Exporters' Association (UİB), automotive exports increased by 6% in 2022 compared to 2021, reaching USD 31.5 billion. In euro terms, automotive exports increased by 18% to EUR 29.9 billion in 2022. In dollar terms, exports of the main industry grew by 4%, and exports of the supply industry increased by 9% during this period. In 2022, the automotive industry's exports, as reported by the Turkish Exporters Assembly (TİM), claimed the second spot in the sectoral export rankings, closely trailing chemical products and materials, and accounted for 12.2% of the total exports.

The rise of electric vehicles (EVs) has gained significant momentum in response to the climate crisis.

Consumer preferences have been increasingly influenced by the growing negative impacts of the climate crisis on our planet's ecosystem. Due to this influence, alternative fuel vehicles and emerging mobility solutions have gained prominence.

Environmental regulations, including zero carbon emissions mandates, are emerging as critical challenges in the sector, demanding solutions and adherence. The advancement of environmentally-friendly technologies adhering to both local and international standards will underscore the need for companies to enhance their organizational structures and processes. The automotive industry will face challenges due to the rapidly growing environmental awareness, the imperative to reduce emissions, and the demand for improved fuel efficiency.

European automotive manufacturers have voiced concerns about the risks associated with the US Inflation Reduction Act and the potential for investment outflows from the European Union. Another significant development is the growing presence of EV manufacturers subsidized by the Chinese government on European roads. The tax incentives provided by the Inflation Reduction Act boost the economy, position the US as a competitive player in battery production against China, and encourage the growth of electric and hybrid vehicle sales in the country.

In this context, the EU Commission announced the "Green Deal Industrial Plan (GDIP)" in February 2023, aiming to assist the industry in its shift towards net-zero emissions and safeguard Europe's green technology investment ecosystem. The plan seeks to create a conducive environment for the expansion of production capacity for net-zero technologies and products, essential to achieving Europe's ambitious climate objectives. The plan's objectives include establishing a stable and simplified regulatory framework, facilitating access to financial resources, enhancing workforce skills, and promoting open trade for flexible supply chains, all of which will provide substantial assistance to the automotive industry.

From 2035 onwards...

In October 2022, the European Parliament made a decision mandating that all new cars and vans registered in Europe must be zero-emission vehicles by 2035. Furthermore, as an interim measure toward the zero-emission goal, it is anticipated that by 2030, the carbon emissions of new cars will be reduced by 55%, and those of new vans will be reduced by 50%.

The Turkish automotive industry is a significant stakeholder of the EU.

The Turkish automotive market is characterized by competitiveness and dynamism, where both domestic and international companies are actively striving to expand their market share. In the face of the rapidly evolving global and regional landscape, our industry requires innovation, product diversification, and enhanced production processes to sustain and enhance its competitive edge.

The automotive industry holds a significant position in Türkiye's exports. The EU and the UK are the largest export markets for the industry. Therefore, the industry is directly impacted by the developments briefly described above. However, automotive companies operating in Türkiye also confront challenges related to volatility and uncertainties, including inflation, currency devaluation, and increasing interest rates.

The Turkish Automotive Industry Sustainability Action Plan (OSEP)¹, introduced in the first half of 2023, serves as a roadmap to achieve significant objectives, including addressing climate change and aligning with the European Green Deal. OSEP, a 5-year plan designed to provide guidance for the approximately 8,000 exporters within the Turkish automotive sector, will play a pivotal role in steering the industry towards its future objectives.

With the effective execution of the 'Green Transformation,' Türkiye is expected to emerge as a significant production hub and a desirable market for carbon-neutral vehicles in the medium term.

¹ OSEP was collaboratively developed by the Uludağ Automotive Industry Exporters' Association (OİB) in partnership with the Ministry of Trade, the Turkish Exporters Assembly (TİM), and with contributions from the Automotive Industry Association (OSD) and the Association of Vehicle Supply Industrialists (TAYSAD).

Moving Forward with Our Well-Established Strategy and Value Generation Mechanism

Value Generation Model

The Anadolu Isuzu Value Creation Model is centered on fostering harmony and balance among individuals, society, and the environment. This emphasis aligns with Anadolu Isuzu’s objective of creating greater global benefits.

Anadolu Isuzu is dedicated to bolstering its economic growth by demonstrating strong corporate sustainability

performance. This commitment enables us to enhance our standing in various sectors while generating value for all our stakeholders, aligning with the sustainability principles we have embraced.

The Anadolu Isuzu Value Generation Model is designed to effectively manage the business cycle. It leverages our competencies and production capabilities at optimal scales in alignment with

the Company’s strategic objectives, emphasizing an efficiency-oriented approach.

Anadolu Isuzu views the value creation process as an ongoing and multifaceted cycle involving various stakeholders. In this process, the Company strives to maintain a competitive edge by embracing and adapting to the shifts and megatrends in the global and national business landscape.

Anadolu Isuzu announced its new strategy in 2022.

To pave the way for a future where we address global challenges and strive for a society characterized by sustainability, renewable energy, and minimal waste, business model and products must undergo a transformation that aligns with this vision.

Leveraging customer-centric transportation solutions driven by advanced technology, Anadolu Isuzu aspires to establish itself as a prominent global player in the commercial vehicle sector.

This is why we are transforming for tomorrow, elevating our business and products to maintain global competitiveness.

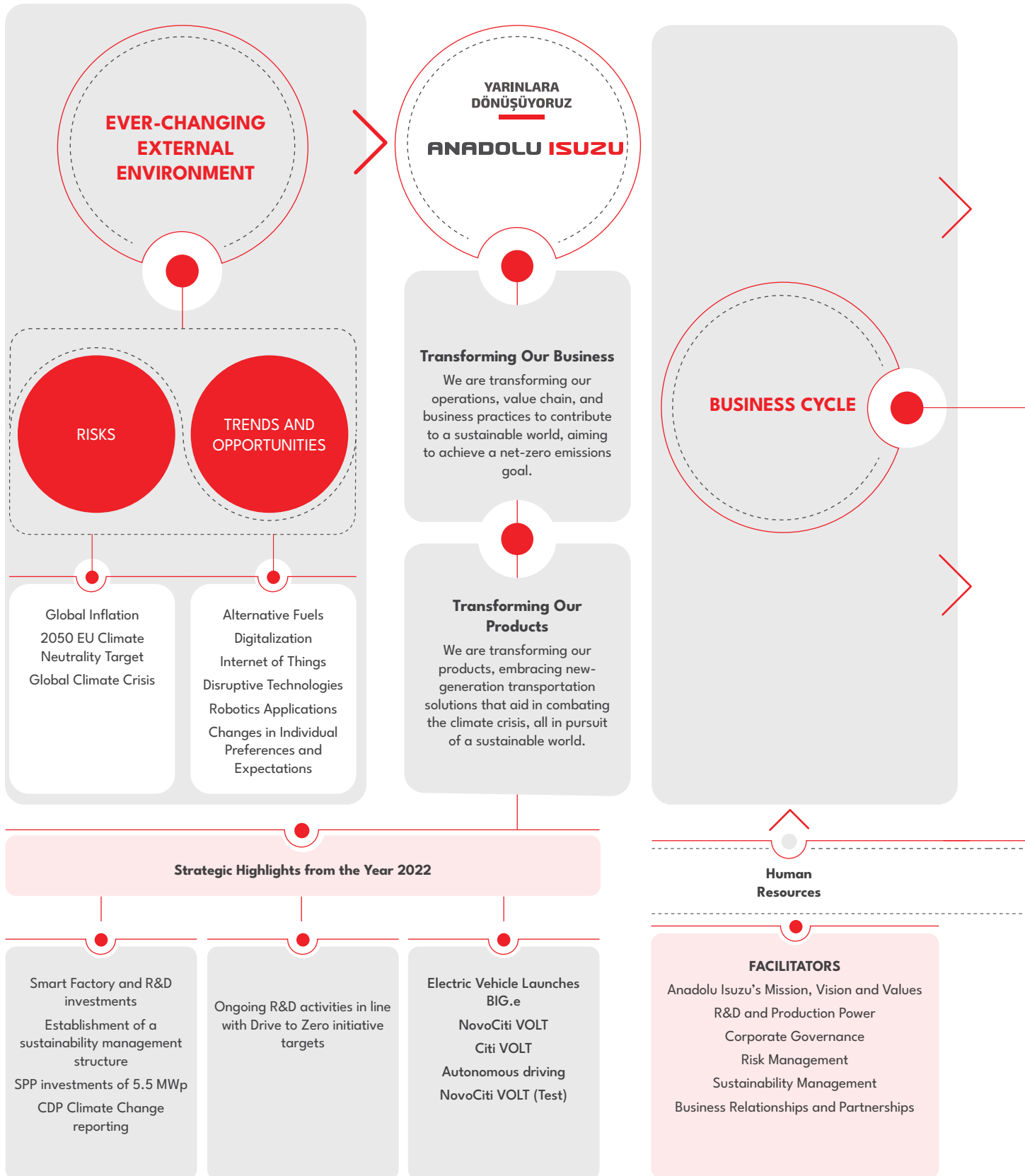
The final outputs of the Anadolu Isuzu Value Creation Model are disseminated

to all Company stakeholders, with an unwavering commitment to maximizing resource efficiency at every feasible juncture.

In 2022, Anadolu Isuzu introduced the **“transforming for tomorrow, elevating our business and products”** strategy, which has been incorporated into the Value Generation Model, outlining the Company’s constructive influence across the entire value chain.



Anadolu Isuzu's Strategy and Value Creation Process



GRI 2-22



Support Functions

Supply Chain

MATERIAL TOPICS

- Vehicle Quality and Road Safety
- Climate Crisis and Environmental Impacts
- R&D and Innovation
- Digitalization and Cyber Security
- Business Ethics and Human Rights
- Stakeholder Interaction and Collaborations

THE VALUE WE PROVIDE TO STAKEHOLDERS, SOCIETY AND THE ENVIRONMENT THROUGH ISUZU, AOS, ANADOLU SAVUNMA BRANDS

The Economic Value We Generate

Added value to shareholders, investors and stakeholders
 Contribution to the collaboration ecosystem
 Solid financial structure supporting the goal of creating value in the short, medium and long term

Safer and Innovative Vehicles

Alternative fuel vehicles, the product of R&D and innovation competence
 Greater mobility for all with the contribution of digitalization
 Contribution to the prevention of traffic accidents
 Solutions that respond to the needs of different segments of society

Environmental Contribution

Reducing the environmental footprint and contributing to the fight against the climate crisis
 Lower emission values in the production process
 Reduced waste from production to the environment

Contribution to People and Society

An employer and producer that upholds business ethics and human rights
 Close interaction and collaboration with stakeholders
 Social contribution projects

STAKEHOLDERS

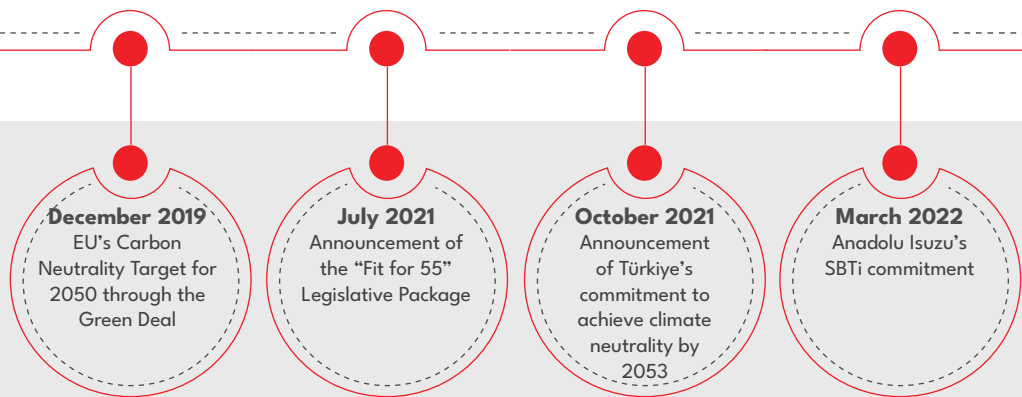
- Employees
- Customers
- Suppliers
- Dealers and business partners
- Shareholders and investors
- Public institutions and society
- Universities
- Industrial unions and organizations
- Non-governmental organizations (NGOs)
- Group companies
- Media

CONTRIBUTED SDG



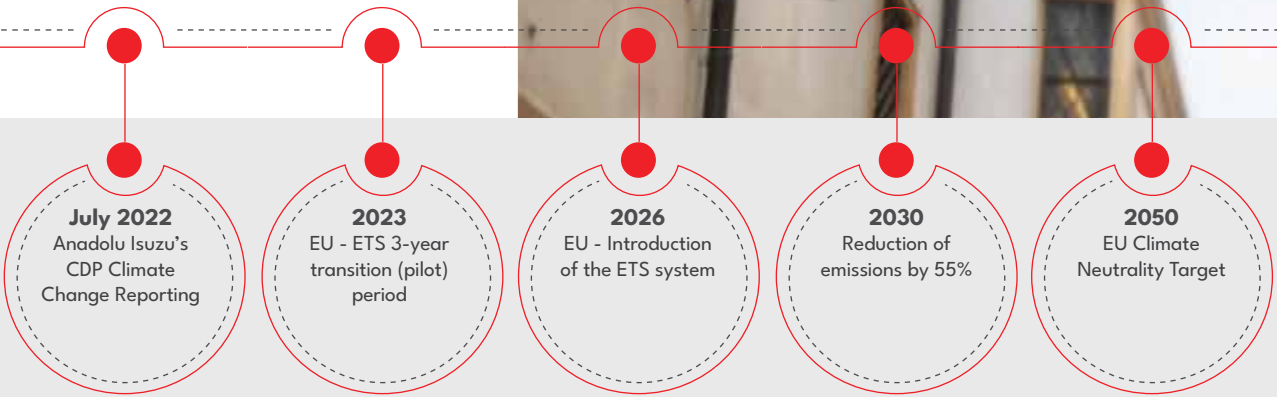
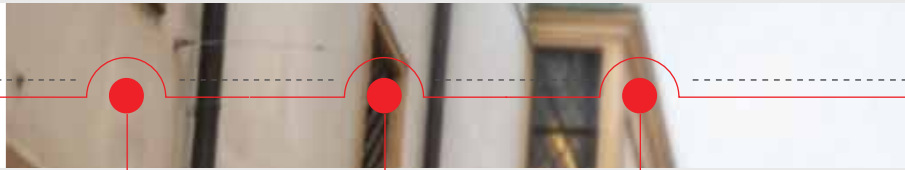
Anadolu Isuzu's Growth Roadmap

Impacts of Climate Change



German Design Awards 2023

Anadolu Isuzu, Türkiye's leading commercial vehicle brand, received two awards at the prestigious German Design Awards, recognizing its outstanding achievements in the field of electric vehicle design. Anadolu Isuzu was honored with the "German Design Awards Gold 2023" for its groundbreaking transportation solution, Big.e, and also received the "German Design Awards Winner 2023" award for its 100% electric midibus, NovoCiti VOLT.



Anadolu Isuzu's Climate Change and Energy Efficiency Action Plan



Anadolu Isuzu's 2030 Goals



Sustainable Transformation-2030 Goals

Operational Transformation

- Increase the use of renewable energy in operational processes
- Reduce energy and water consumption per product
- Lower the amount of waste generated per product
- Establish emission reduction targets in alignment with the SBTi methodology (a 4.2% reduction in Scope 1 and 2 emissions annually until 2030, compared to the 2022 baseline year, a 2.5% reduction in Scope 3 emissions from the product use phase each year)
- Procure 100% green electricity to meet operational needs (I-REC, YEK-G, Carbon Offset)
- Reduce energy and water consumption per product

Financial Transformation

- Establish an Endogenous Carbon Pricing business model
- TCFD Reporting

Product Transformation

- Increase the amount of recycled materials in products
- Raise the proportion of biomaterials in products
- Waste reduction targets

Anadolu Isuzu's Sustainability Policy

Vision

Anadolu Isuzu is committed to internalizing, executing, and promoting sustainability across its entire value chain.

In line with this commitment, we adopt the global sustainability agenda as an integral part of our operations,

corporate governance approach and structure, and take the necessary steps.

Our unwavering objective is to optimize the economic, environmental, and social outputs of our endeavors, ultimately delivering enduring value to its stakeholders. We promote

sustainability among our stakeholders, notably our customers, suppliers, and employees, encouraging them to integrate it into their practices. We view these efforts as a complementary element of our unwavering objective.



Fundamental Principles

Anadolu Isuzu's Sustainability Policy is based on the following fundamental principles:

- Fully adhere to all relevant laws, regulations, and rules in every market where we conduct business, and to exceed these requirements whenever feasible.
- Incorporate sustainability topics into every aspect of our business operations and corporate decisions, reflecting our core identity as staunch supporters of sustainability.
- Enhance our employees' awareness of sustainability, empowering them to make a more significant positive impact in both their professional and personal lives.
- Minimize the potential adverse effects of all our processes and activities, including R&D, production, logistics, and after-sales services, on the environment to a minimum.
- Respond to market and customer expectations by recognizing sustainability as a crucial driver of competitiveness in both national and global markets.
- Amplify the positive impact we create by collaborating throughout the value chain in the field of sustainability.
- Inform our customers and suppliers about our Sustainability Policy while also providing support to our suppliers in implementing sustainable management practices.
- Report our sustainability performance and ensure full compliance with globally recognized criteria and guidelines.

Anadolu Isuzu conducts its operations within the framework of the sustainability framework it has established to operationalize these fundamental principles and enhance the value it creates across three distinct dimensions of sustainability: economic, environmental, and social.



**Generating
lasting
value**

Sustainability agenda

Anadolu Isuzu embraces the sustainability agenda as an integral component of its operations, corporate governance approach, and organizational structure, taking the necessary actions accordingly.

SUSTAINABILITY FRAMEWORK

Economic performance

Our primary focus is to generate financial outcomes that align with our sustainable operational achievements and to enhance our contributions to both the Turkish economy and social welfare.

To manage risk effectively and prudently, we are expanding our domestic and international market initiatives. Additionally, we are actively contributing to our sustainable profitability target by implementing effective cost management and efficiency initiatives.

Our commitment extends to preserving and enhancing the health of our balance sheet to ensure solid economic performance, elevate shareholder value, and reinforce our position in the market.

Production and services

We closely collaborate with our suppliers and business partners to provide solutions with substantial R&D contributions and to effectively manage risks in our production activities and after-sales services.

In our production cycle and service processes, we meticulously assess our sustainability performance,

continually identifying opportunities for improvement as we move forward.

Our ultimate goal is to provide practical and cost-effective mobility solutions, adding value to people's lives with each vehicle we design, manufacture, and support through our after-sales services.

Human resources

We embrace diversity and celebrate differences.

Following the policies and practices we have implemented, we approach each of our employees as a "human being first". Aligned with our corporate values and culture, we provide fair working conditions to all our employees, irrespective of their language, religion, race, or gender.

Our performance, development, and feedback programs are designed to support the personal and professional growth of all our employees, helping them achieve their goals.

Occupational health and safety

Our occupational health and safety management system not only helps us meet our regulatory obligations but also plays a crucial role in creating a safe work environment and enhancing

the health and safety awareness of our employees. Our improvement projects aimed at preventing occupational accidents, injuries, and occupational diseases are aligned with our goal of reducing our accident frequency rate as close to zero as possible.

Environment

We are committed to acting as responsible environmental stewards. In this context, we undertake projects aimed at minimizing the negative impact of the vehicles we produce on the environment, while also striving to reduce emissions and waste generated within our production, trade, and service cycle. As part of our commitment to global water resource sustainability, we are actively working to reduce water consumption across all our production and operational processes.

Society

Volunteerism holds a central position in our systematic and well-planned approach to social responsibility activities. Our initiatives in this regard continue to expand, with a growing number of dedicated employees volunteering their time and effort each year. These activities primarily concentrate on education, environment, and disabilities.

Approaching each employee as a "human being first"

Anadolu Isuzu embraces diversity and promotes inclusivity by providing fair and equitable working conditions to all employees, irrespective of language, religion, race, or gender, in alignment with its corporate values and culture.

Governance and assurance

As a publicly traded company, we understand that robust corporate governance and adherence to compliance standards are essential for ensuring the long-term sustainability of our efficient and successful economic performance, going beyond mere legal obligations. Alongside our comprehensive Company-wide governance and reporting systems and tools, our commitment to human resources training and auditing activities, as well as our dedication to transparency practices, further enhance our efforts in these domains and expedite our development opportunities.

Responsibility and implementation

The General Manager is responsible for the implementation of the Anadolu Isuzu's Sustainability Policy. The principles and objectives outlined in this policy are implemented by the relevant working groups as part of our dynamic and project-based sustainability management approach.



Stakeholders

Anadolu Isuzu's ongoing efforts to strengthen relationships with its stakeholders are crucial contributors to its success.

Stakeholder relations play a pivotal role in shaping and executing an effective sustainability and corporate social responsibility strategy.

These relationships also play a crucial role in identifying organizational strategy priorities and shaping policies. As part of these relationships, Anadolu Isuzu identifies sustainable development opportunities within the economic environment and enhances its contribution to economic development through multifaceted collaborations.

Anadolu Isuzu classifies its sustainability-focused stakeholders into two main categories:

- stakeholders who have direct or indirect contributions or impacts on the business cycle
- stakeholders who have direct or indirect contributions or impacts on the business cycle and engage with Anadolu Isuzu periodically, on a project basis, or as needed

Under this approach, which aligns with the AA1000 Stakeholder Engagement Standard (AA1000SES) 2015, stakeholders in the first group are categorized as "primary" stakeholders, while those in the second group are categorized as "secondary" stakeholders.

Anadolu Isuzu places significant importance on fostering a sustainable dialogue with its stakeholders.

The Company utilizes the feedback it receives from the stakeholder communication process as input for various areas, including:

- identification of strategic priorities,
- formulation of policies,
- designing the business model,
- development of social responsibility projects.



**Collaboration
with
stakeholders**

Continuously improving stakeholder relations

Anadolu Isuzu engages in sustainability collaborations with its stakeholders, and the relationships it establishes with stakeholders also contribute to the identification of corporate strategy priorities and the development of policies.

Anadolu Isuzu's stakeholders and communication platforms

Employees

Daily business cycle, department meetings, manager meetings, intranet, employee exchange meetings

Customers

Domestic and international customer visits, marketing communication meetings and activities, industrial meetings, seminars and conferences, website and social media channels, Isuzu Call Center at 444 4 479, satisfaction surveys, periodic reports and evaluations

Suppliers

Bilateral meetings, satisfaction surveys, periodic reports and evaluations

Dealers, business partners

Bilateral and multiple/regional meetings, satisfaction surveys, domestic and international dealer meetings, interaction initiatives, periodic reports and evaluations

Shareholders and investors

Annual Ordinary General Assembly Meeting, Board of Directors meetings, Public Disclosure Platform (KAP), periodic reports, website and social media channels, teleconference meetings and roadshows organized for analysts and investors, domestic and international investor relations meetings

Public institutions and society

Reporting obligations stipulated in laws and regulations, other information flows, bilateral meetings, community contribution projects, interaction with the people of Kocaeli where the campus is located

Universities

Projects and vocational training activities

NGOs

Project-based work

Industrial unions and organizations

General Assemblies and periodic meetings, periodic briefings, contribution to strategy development and lobbying, other meetings

Group companies

Group senior management meetings, regular briefings, contribution to strategy development processes, bilateral meetings

Media

Press conferences and meetings, KAP and press release communications, corporate communication activities, interviews with columnists

STAKEHOLDER ANALYSIS

Methodological approach

Apart from regular interactions with stakeholder groups as part of its operational cycle, Anadolu Isuzu also conducts stakeholder analyses at various intervals. This report provides the results of the stakeholder analysis carried out in 2021.

In the stakeholder analysis study, both quantitative and qualitative perspectives were combined to identify the material topics of the Company and its stakeholders.

As part of the stakeholder analysis, a comprehensive and in-depth assessment was conducted with the participation of Anadolu Isuzu's General Manager and sustainability representatives.

ANADOLU ISUZU'S CORPORATE MEMBERSHIPS

- DEİK - Foreign Economic Relations Council
- Ethics and Reputation Society
- Gebze Chamber of Commerce
- İSO - İstanbul Chamber of Industry
- Kocaeli Chamber of Industry
- İstanbul Export Unions
- MESS - Metal Goods Industrialists' Union
- MKK - Central Securities Depository & Trade Repository
- Central Anatolia Exporters' Union
- OSD - Automotive Industry Association
- Association of Private Sector Volunteers

- Purchasing Professionals Association
- Smart Eureka - International R&D and Collaboration Platform
- Human Resources Managers Association of Türkiye
- Quality Association of Türkiye
- Corporate Governance Association of Türkiye
- Uludağ Exporters Association
- HTK - Communication Technologies Cluster

International Initiatives Endorsed (as of June 2022)

- Drive to Zero
- SBTi
- UN Global Compact

Material Topics

Materiality survey

The 6 material topics identified following the stakeholder analysis are as follows:

1. Vehicle Quality and Road Safety
2. Climate Crisis and Environmental Impacts
3. R&D and Innovation
4. Digitalization and Cyber Security
5. Business Ethics and Human Rights
6. Stakeholder Interaction and Collaborations

The stakeholder analysis addressed the 16 topics listed in the Materiality Matrix below. According to the results of the stakeholder analysis, the material topics of Anadolu Isuzu management are in line with the Company's mission, core objectives, and current strategies.

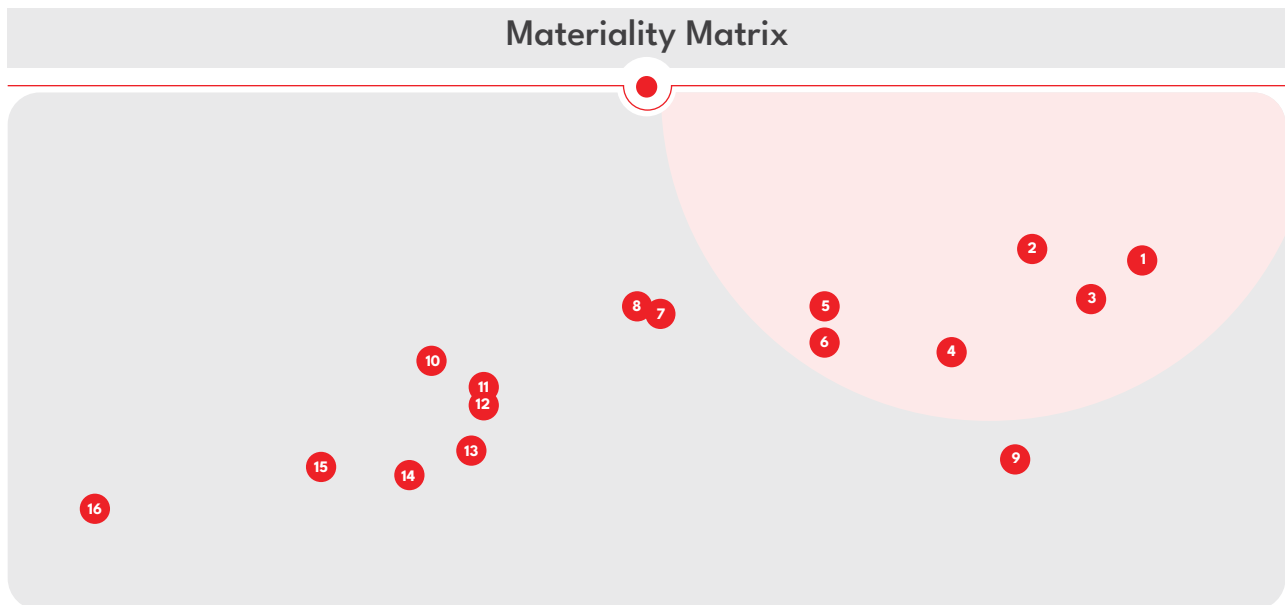
The development of alternative fuel vehicles, efforts to reduce emissions from production processes, R&D and innovation activities based on superior engineering competencies, investments in human capital, and the importance attributed to stakeholder cooperation are clearly reflected in the Company's material topics. To summarize, the results indicate that the main stakeholders not only support Anadolu Isuzu's growth strategy and goals but also view them as a shared objective.

As part of a larger ecosystem, Anadolu Isuzu's stakeholders value the Company's success and performance, recognizing that it contributes to their own success and long-term sustainability.

Material topics addressed in the sustainability report

The report extensively examines material topics within its main sections, providing a comprehensive analysis of achievements during the reporting period. Furthermore, alongside the materiality analysis, the report also incorporates elements that shape the sustainable business model, including external factors, risks, alignment with Sustainable Development Goals, and industry-specific developments.

The report briefly highlights social responsibility activities that were not part of the materiality analysis.



- | | | |
|--|---|-------------------------------|
| 1 Vehicle Quality and Road Safety | 7 Talent Management | 13 Integrated Risk Management |
| 2 Climate Crisis and Environmental Impacts | 8 Occupational Health and Safety | 14 Corporate Governance |
| 3 R&D and Innovation | 9 Customer Satisfaction and Communication | 15 Social Investment Programs |
| 4 Digitalization and Cyber Security | 10 Responsible Supply Chain | 16 Biodiversity |
| 5 Business Ethics and Human Rights | 11 Equal Opportunity and Diversity | |
| 6 Stakeholder Interaction and Collaborations | 12 Employee Engagement and Satisfaction | |

GRI 3-1, 3-2

Material topic	Importance for Anadolu Isuzu	Impact framework	Impacted stakeholders	Sections with additional information
Vehicle quality and road safety	Anadolu Isuzu is fundamentally committed to manufacturing and providing vehicles that prioritize vehicle quality and road safety. Anadolu Isuzu's capacity to design and produce tailor-made products is a key factor in its competitiveness across diverse regions and markets. This capability allows the Company to create and manufacture safe, high-quality commercial vehicles that align with the specific requirements of its customers.	External ecosystem	Customers, suppliers, dealers, business partners	The Economic Value We Generate Pioneer of R&D and Innovation Proactive Approach to Environmental Management Social Development Projects
Climate crisis and environmental impacts	Anadolu Isuzu places a strong emphasis on addressing the climate crisis across all facets of its operations, and it is actively committed to pursuing transformational investments, R&D initiatives, and collaborative endeavors with its stakeholders. Beyond just emissions reduction in its production cycle, Anadolu Isuzu aims to set an example by enhancing climate crisis awareness across its supply and value chains, thereby achieving additional gains in its sustainability efforts.	Internal and external ecosystem	Employees, customers, shareholders and investors, suppliers, dealers/business partners, universities, public institutions, society, NGOs, Group companies	The Economic Value We Generate Pioneer of R&D and Innovation Solutions to Enhance Customer Satisfaction Proactive Approach to Environmental Management Social Development Projects
R&D and innovation	R&D is vital for the proactive internalization and commercialization of global trends and competitive developments. Our R&D approach, which embraces digital transformation and Industry 4.0 efforts, directly supports our objectives of reducing emissions per vehicle and providing innovative mobility solutions.	Internal and external ecosystem	Employees, customers, suppliers, dealers/business partners, universities	Pioneer of R&D and Innovation Solutions to Enhance Customer Satisfaction Proactive Approach to Environmental Management

Material Topics

Material topic	Importance for Anadolu Isuzu	Impact framework	Impacted stakeholders	Sections with additional information
Digitalization and cyber security	The overarching aim of our digitalization initiatives at Anadolu Isuzu is to implement a more efficient, data-driven, and agile decision-making and execution process throughout the entire Company. In this regard, cyber security has become increasingly important and is being prioritized as a protective measure.	Internal and external ecosystem	Employees, customers, suppliers, dealers/ business partners, universities	The Economic Value We Generate Pioneer of R&D and Innovation Solutions to Enhance Customer Satisfaction Proactive Approach to Environmental Management
Business ethics and human rights	Anadolu Isuzu aims to become the preferred employer in its industry through its human resources practices. In this context, the Company emphasizes career and performance management that adds value to its employees, enabling them to advance in their individual careers, and maintains a work environment where business ethics and human rights are upheld.	Internal ecosystem	Employees	Competent Human Resources
Stakeholder interaction and collaborations	The scope, depth, and multifaceted nature of the climate crisis necessitate economic actors to adopt a culture of collaboration. Anadolu Isuzu has been actively engaged in significant initiatives over the past two years as part of its collaborative approach to addressing the 17 SDGs.	External ecosystem	All stakeholders	Solutions to Enhance Customer Satisfaction Proactive Approach to Environmental Management

Sustainable Development Goals (SDGs)

**17 SUSTAINABLE
DEVELOPMENT
GOALS
(SDGs)**



The agreement titled “Transforming Our World: 2030 Agenda for Sustainable Development” was adopted by all 193 member states of the United Nations on September 25, 2015. It comprises 17 Sustainable Development Goals (SDGs) and 169 specific targets or sub-headings.

Anadolu Isuzu’s Contribution to SDGs

The agreement titled “Transforming Our World: 2030 Agenda for Sustainable Development” was adopted by all 193 member states of the United Nations on September 25, 2015. It comprises 17 Sustainable Development Goals (SDGs) and 169 specific targets or sub-headings.

The 17 Sustainable Development Goals represent a comprehensive sustainability agenda that builds upon the earlier Millennium Development Goals. The Goals were designed to tackle the fundamental causes of poverty and promote development for everyone on a global scale. The global consensus on the SDGs represents a significant milestone in guiding the world towards a more equitable and environmentally sustainable path of growth.

Currently, tens of thousands of companies and civil society organizations worldwide are actively engaged in transformative processes aligned with the objectives outlined within the SDGs. Traditional approaches to conducting business are being reevaluated in light of universal sustainability criteria.

Anadolu Isuzu actively contributes to 13 of the SDGs by creating and sharing value through its sustainability-linked material topics and social awareness initiatives.



6,270
TL million

Total turnover

5,349
units

Domestic commercial vehicle sales

315.6
TL million

Total investment expenditure



2022 Performance

Anadolu Isuzu is committed to embedding sustainability into its core business practices, with a focus on generating value for its stakeholders while also contributing to social development.

The Economic Value We Generate

WHY FINANCIAL PERFORMANCE MATTERS

In today's business landscape, achieving financial success alone is insufficient. Companies are increasingly expected to demonstrate corporate citizenship by showing sensitivity to the environment, societal needs, and adhering to principles of good corporate governance. In the era of global transformation, businesses must integrate economic,

environmental, social, and managerial factors into their operations, effectively managing associated risks and opportunities.

The growing emphasis on sustainability practices means that businesses embracing a "sustainable finance" approach can not only reduce costs and enhance profitability and efficiency through savings measures but also boost their brand value and reputation among stakeholders.

Anadolu Isuzu integrates sustainability into its economic activities, with a primary focus on effectively managing risks associated with environmental and economic changes through its sustainability practices within this framework. By pursuing this approach, the Company seeks to enhance its ability to adapt swiftly to evolving and changing conditions, strengthen its financial resilience, and capture a larger market share.



**Sustainable
finance**

Improved fiscal resilience

Anadolu Isuzu integrates sustainability into its economic activities, with a primary focus on effectively managing risks associated with environmental and economic changes through its sustainability practices within this framework.

MANAGEMENT APPROACH

Anadolu Isuzu, as a fair, transparent, accountable, and reliable company, strives to contribute to our country's sustainable development by providing high-quality and diverse products and services that align with the expectations of its shareholders, customers, employees, business partners, suppliers, and society. This commitment aims to support economic growth and foster social development within our nation.

As a trailblazing and prominent player in the Turkish automotive industry, Anadolu Isuzu places paramount importance on sustainable operational excellence and robust financial performance as the cornerstones of its business model.

Through a strategic focus on elevating new product development and sales capabilities into value-added assets, the Company is committed to preserving and enhancing its balance sheet health, augmenting shareholder value, and fortifying its market position. Anadolu Isuzu's risk-aware and proactive financial management strategy ensures the establishment of a robust, adaptable, and flexible financial structure.

Related Material Topics

- Vehicle Quality and Road Safety
- Climate Crisis and Environmental Impacts
- Digitalization and Cyber Security

Despite global competition and challenging market conditions, Anadolu Isuzu continued to sustain its steady growth.

Anadolu Isuzu achieved satisfactory financial and operational results in 2022 by focusing its operations on a sustainable and strong financial structure. This success was attributed to the market diversity facilitated by its broad product portfolio, superior marketing capabilities, and unwavering support from its shareholders.

In 2022, Anadolu Isuzu continued to create value for its stakeholders by evaluating social, environmental, and economic elements in its operations

and adhering to sustainability-oriented strategies within a business model aimed at increasing its contribution to the 2030 global goals.

Despite challenging global and national economic conditions throughout the year, Anadolu Isuzu managed to maintain its financial stability and achieve strong operational performance. Adopting a risk-oriented approach, the Company implemented financial strategies aimed at maintaining balance sheet stability and enhancing shareholder value. In 2022, the Company's total turnover surged by 134% to reach TL 6,270 million. Gross profit and EBITDA increased by 152% and 168%,

respectively. Sales to foreign markets rebounded to pre-pandemic levels, with Anadolu Isuzu's total exports reaching USD 130 million in 2022. A total of 1,078 vehicles were sold to 30 different countries.

The most exported vehicles from Anadolu Isuzu were the award-winning Kendo, Novo, Turkuaz, and Grand Toro models. In the domestic markets, Anadolu Isuzu achieved strong sales performance in 2022 with the sale of 5,349 commercial vehicles. This success was particularly notable in the 6–16-ton truck segment, where the Company expanded its market presence and explored new horizons.

The Economic Value We Generate

The domestic geographical coverage of dealers and after-sales services was expanded, enhancing efficiency and fostering a win-win satisfaction approach.

Efforts to enhance the nationwide dealer and authorized service provider network are ongoing, aiming for higher standards, while the outcomes of digitalization initiatives are also leveraged extensively to enhance the service experience for stakeholders. As part of our digital transformation efforts, we have enhanced stock and warehouse management, and aside from adding value through spare parts availability, we have expanded our shipping capacity to cover more than 300 special points.

Anadolu Isuzu's total capital expenditures in 2022 amounted to TL 315.6 million, with an additional TL 193 million allocated to investments in R&D. These investments play a crucial role in achieving sustainable growth and enhancing our competitiveness.

Anadolu Isuzu's export performance continues to show an upward trend.

Anadolu Isuzu broke a new export record in 2022. The Company generated a total of EUR 124 million in export revenues, with EUR 117 million from vehicle sales and EUR 7 million from spare parts sales. Sales of low emission vehicles accounted for 7.57% of the Company's total revenue.

The global COVID-19 pandemic has resulted in the closure of schools and workplaces worldwide, disruptions in public transportation, and a significant decline in tourism revenues since the first quarter of 2020. During the pandemic and in the post-pandemic period, the EU market, which is one of Anadolu Isuzu's most important export markets, contracted by more than 30% between 2019 and 2022. The contraction in non-European markets varied from country to country.

In 2021 and 2022, the side effects of the post-Covid process, as well as rising tensions in Ukraine, were strongly felt in global markets, leading to disruptions in supply chains and cost increases. Despite



**EUR 124
million**

Record-breaking export turnover

In 2022, Anadolu Isuzu achieved export sales of 1,078 units, resulting in a record-breaking export turnover of EUR 124 million.

the challenges faced by the industry, Anadolu Isuzu achieved remarkable export sales in 2022, with 1,078 units sold and a record export turnover of EUR 124 million.

In 2022, the top 12 countries accounted for 90% of Anadolu Isuzu's total exports, with France, Israel, and Spain ranking as the top three in terms of turnover.

Anadolu Isuzu has prioritized ambitious expansion in the global commercial vehicle market.

Closely monitoring changes in global and national markets, Anadolu Isuzu adapts its short- and medium-term strategies to align with market realities. The Company has placed a strong emphasis on expanding its presence in the global commercial vehicle market, especially in the neighboring European geography.

Anadolu Isuzu continued to achieve consistent sales performance in the midibus and bus product categories throughout 2022. The Turkuaz and Kendo/Interliner models made a significant contribution to exports, with

a total of 337 units sold. According to OSD data, Anadolu Isuzu maintained its position as Türkiye's leading midibus exporter in 2022, with a 43% share of the midibus export market, surpassing its competitors.

The number of vehicles exported by Anadolu Isuzu to the world has reached 20,000.

Anadolu Isuzu has reached an impressive export milestone, with over 20,000 vehicles exported to international markets, driven by its innovative models and record-breaking export success. Anadolu Isuzu celebrated a significant milestone in its export endeavors by delivering the 20,000th vehicle to Germany in December 2022.

Record-breaking bus exports to Germany by Anadolu Isuzu

In its first year of exporting buses to Germany, Anadolu Isuzu, Türkiye's leading commercial vehicle brand, set a remarkable record by exporting a total of 151 buses to Germany, not only the third-largest bus market

globally but also the largest in Europe. Exporting buses to Germany, a country renowned for its stringent standards in public transportation, further underscores Anadolu Isuzu's commitment to high production quality and its competitiveness in international markets.

Anadolu Isuzu has fostered a synergistic partnership with its global distributors.

The robust sales and authorized service provider network that Anadolu Isuzu has diligently established over the years serves as a crucial component in the Company's value chain.

Anadolu Isuzu collaborates closely with its international distributors, who drive its export initiatives through a synergistic partnership. The Company promotes the recognition and global presence of its products by leveraging its distributor network, facilitating sales through these channels.



Highlights from 2022...

In the first year of NovoCiti Volt sales, a total of 24 units were sold in the electric vehicles market. Of the 24 NovoCiti Volt vehicles sold in the first year, 8 were exported to France, and another 8 were exported to Lithuania. These two countries had the highest number of NovoCiti Volt electric vehicles sold.

In 2022, Anadolu Isuzu solidified its presence in Georgia, where it has been active since 2019, by securing a contract to provide and maintain 65 diesel-fueled buses for Batumi Municipality in Georgia.

In 2022, Anadolu Isuzu solidified its position in the Bulgarian market, where it has been operating since 2007, by signing an EUR 8.3 million contract for the sale of midibuses with ISUBUS LTD.

Anadolu Isuzu's environmentally friendly Citiport CNG vehicles, equipped with compressed natural gas engines, were delivered to one of the largest private operators in Baku. In addition to this being the first CNG vehicle sale to Azerbaijan, an additional 25 Novo Ultra vehicles were delivered during the year.

The NovoCiti Volt embarked on a promotional tour across Europe. The test and promotional tours held in Romania, Serbia, Macedonia, Croatia, Spain, Germany, Lithuania, the Czechia, Italy, Bosnia, Greece, Bulgaria, and Poland garnered significant interest. Representatives of major bus operators, municipal officials, and members of the local press had the opportunity to inspect and become acquainted with the NovoCiti Volt.

Anadolu Isuzu made a significant impact at the IAA Transportation, one of the world's most prestigious automotive industry fairs, with its innovative and environmentally friendly models. The Company also unveiled its groundbreaking 100% electric vehicle, BIG.e, for the first time in Hannover, which promises to revolutionize last mile transportation. In addition to BIG.e, the Company also introduced its new 12-meter CitiVolt bus model at the fair. Anadolu Isuzu drew significant attention at IAA Hannover with its all-electric NovoCiti Volt, the 100% biogas-compatible Kendo/Interliner 13 CNG, and the impressive Isuzu Grand Toro.

Anadolu Isuzu showcased its latest mid-size bus and bus models at the Bus2Bus Fair held in Berlin, Germany on April 27-28, 2022. The Company participated in the fair with the all-electric NovoCiti Volt and the Kendo/Interliner CNG models.

Anadolu Isuzu participated in the TRANSEXPO International Public Transport Exhibition held in Poland on October 12-14, 2022. The NovoCiti Life model introduced by Anadolu Isuzu attracted significant attention and received the Distinction Award for Innovation in the Bus category.

Anadolu Isuzu showcased its eco-friendly and innovative bus and mid-size bus models at the FIAA Bus and Coach Exhibition held in Madrid from October 18 to 21, 2022. The all-electric NovoCiti Volt, 100 percent biogas compatible Kendo CNG, Turkuaz, and Grand Toro models introduced at the fair received significant attention from visitors.

Anadolu Isuzu showcased its environmentally friendly and innovative bus and mid-size bus models at the Euro Bus Expo Fair held at the Birmingham NEC on November 1-3, 2022. The Anadolu Isuzu stand was highly appreciated by the visitors at the fair.

ACCOLADES REINFORCING OUR SUCCESS

“OUTSTANDING ACHIEVEMENT OF GREAT GOALS”
AWARD BY ULUDAĞ AUTOMOTIVE INDUSTRY
EXPORTERS’ ASSOCIATION

AUTOMOTIVE INDUSTRY ASSOCIATION (OSD) “OSD
MEMBER WITH THE HIGHEST INCREASE IN EXPORTS BY
VALUE” AWARD

Anadolu Isuzu was honored with an award by the Uludağ Automotive Industry Exporters’ Association (OİB) in recognition of its exceptional production and export achievements in 2021. The Company was presented with the “Outstanding Achievement of Great Goals” award by OİB.



In 2021, Anadolu Isuzu set record-breaking export figures and received recognition at the OSD Achievement Awards, where it was awarded the title of the “OSD member with the highest increase in exports by value in 2021.” Anadolu Isuzu earned this award by achieving a 148% increase in exports in 2021.





108+
TL million

R&D spending for electric vehicles

600%

Increase in sales of electric vehicles

200
Persons

Number of R&D Center employees



Safer and Innovative Vehicles

As a prominent player in the automotive industry, Anadolu Isuzu places significant emphasis on R&D and innovation, consistently elevating its investments in this domain year after year.

Pioneer of R&D and Innovation

IMPORTANCE OF R&D AND INNOVATION FOR ANADOLU ISUZU

In today's world, consumers expect their growing needs and rising expectations to be addressed through innovative solutions.

To meet this expectation, companies must continually invest in new technologies to achieve high-value-added, competitive advantages, cost-efficiency, and efficient production.

These investments encompass various areas, including digital infrastructure, innovative product development, reimagining business processes, and fostering cultural transformation involving all employees.

As a prominent player in the automotive industry, Anadolu Isuzu places significant emphasis on R&D and innovation, consistently elevating its investments in this domain year after year.

The Company's innovative approach to product development allows it to consistently contribute to sustainability and the battle against the climate crisis, while also delivering higher-quality vehicles to its end users.



Digital technologies

An integral part of the value creation process

Anadolu Isuzu takes significant strides in its pursuit of developing new products and expanding into new markets through its commitment to R&D and innovation, which it considers an essential component of its value creation process.

MANAGEMENT APPROACH

R&D and innovation form an integral part of Anadolu Isuzu's value creation process. The Company operates with the awareness that it can achieve significant progress in developing new products and entering new markets through R&D and innovation.

Anadolu Isuzu acknowledges the importance of conducting high-quality R&D and innovation activities to create competitive, high value-added products at cost-effective rates, to discover alternative sources of raw materials, to pinpoint cost-saving technologies, and to enhance the efficient utilization of energy resources.

In this regard, the Company is expanding the integration of digital technologies across all functions, with a particular emphasis on production. It is also undertaking projects aimed at boosting production and energy efficiency, streamlining processes, and enhancing workplace safety.

Relevant Material Topics

- Vehicle Quality and Road Safety
- Climate Crisis and Environmental Impacts
- R&D and innovation
- Digitalization and Cyber Security



Pioneer of R&D and Innovation

ANADOLU ISUZU'S VALUE PROPOSITION, CENTERED ON ENSURING SAFE DRIVING AND COMFORT, IS HIGHLY VALUED BY ITS CUSTOMERS.

TRUCK

EXTENSIVE PRODUCT PORTFOLIO

The Anadolu Isuzu truck group provides a diverse selection of products tailored to meet the specific needs and preferences of customers. Anadolu Isuzu's extensive after-sales network and competitive spare parts pricing contribute to the popularity and frequent choice of its truck group products among customers, as they offer a cost-effective total ownership experience.

Anadolu Isuzu produces a diverse lineup of trucks, featuring varying payload capacities and chassis lengths, and caters to a broad spectrum of requirements by offering a wide array of superstructure options. These trucks, known for their extensive after-sales support network and cost-effective spare parts, are highly valued by customers.

- NPR
- NPR Long
- NPR10
- NPR10 Long
- NPR3D
- NQR 90



LIGHT TRUCK**BUSINESS PARTNER FOR SMEs**

Anadolu Isuzu's light trucks, known for their efficiency in transportation and comfort of use, cater to customers across various segments, particularly SMEs. This lineup comprises two models that have garnered high customer satisfaction.

- N-Wide
- N-Wide Long

MIDIBUS-BUS**ENVIRONMENTALLY FRIENDLY PRODUCTS THAT PRIORITIZE EFFICIENCY AND PROFITABILITY**

Anadolu Isuzu manufactures midibuses and buses designed to align with emerging trends in public transportation, providing solutions for public transportation, tourism, and shuttle transportation sectors. Isuzu buses are crafted with the aim of offering an efficient and profitable business model for operators, ensuring a comfortable and safe journey for passengers and vehicle personnel. Additionally, Isuzu produces full electric and alternative fuel buses that meet the demands of municipalities worldwide, featuring attributes like zero emissions, quiet operation, and enhanced comfort.

Anadolu Isuzu's midibuses, tailored for shuttle, school, tourism, and public transportation purposes, are designed to provide cost-effective solutions to their users. They incorporate various technical and equipment features to meet the diverse requirements of different sectors.

- Grand Toro
- Turkuaz/Turquoise
- Novo/Novo S
- Novo Lux/Novo Ultra
- NovoCiti
- NovoCiti Life
- NovoCiti Volt
- Citiport 18
- Citiport 18 CNG
- Citiport 12
- Citiport 12 Hyper
- Citiport 12 CNG
- Citiport 12 CNG Hyper
- Kendo/Interliner 13 CNG
- Kendo/Interliner 12.3
- Visigo
- Visigo Hyper
- Visigo Interurban

MICROMOBILITY**AN ELECTRIC AND COMPACT MICRO TRUCK**

BIG.e, Anadolu Isuzu's electric micro-truck, is a testament to the functionality and innovation introduced to the transportation sector, being entirely developed and produced in Türkiye.

BIG.e, being 100% electric, is an environmentally friendly product, and it is anticipated to see high demand, particularly in large cities due to its compact design.

Pioneer of R&D and Innovation

Anadolu Isuzu is advancing as a prominent leader in its industry.

Anadolu Isuzu is making significant strides as a brand that influences transformation and establishes industry standards, thanks to its robust R&D capabilities, smart factory infrastructure, and design expertise.

The Company is committed to expanding its vehicle range with alternative fuel vehicles and aligning its production processes with sustainability principles, recognizing that every innovation strengthens its contribution to the Turkish economy and propels it towards the future.

Recent investments and development projects in the alternative fuel, particularly electric vehicles, segment are bearing fruit and garnering strong appreciation from stakeholders. In 2022, Anadolu Isuzu invested over TL 108 million in R&D for electric vehicles.

Some recent examples include the internationally award-winning micro mobility vehicle BIG.e and the electric bus NovoCiti Volt, both of which have garnered significant acclaim.

Alongside these environmentally friendly products known for their customer-oriented design and superior technical features, Anadolu Isuzu is actively developing next-generation counterparts, expanding its product line and aiming to achieve even greater success in the future.



Anadolu Isuzu, guided by its R&D and sustainability vision, places a strong emphasis on producing fully electric and alternative fuel vehicles that meet the demands of municipalities worldwide, offering attributes like zero emissions, quiet operation, and passenger comfort. Anadolu Isuzu's NovoCiti Volt, a groundbreaking fully electric bus, has garnered worldwide acclaim for its zero-emission capabilities, top-notch safety, eco-friendly attributes, extensive equipment choices, and striking design.

Since its first international delivery to France in 2021, the NovoCiti Volt is now being exported to numerous European countries.

NovoCiti Volt sets itself apart from the competition with its cost-effective operation and outstanding efficiency benefits for operators, providing a range of up to 400 km thanks to its 268 kWh battery capacity.

<https://www.isuzu.com.tr/modeller/toplu-tasima/novociti-volt>

**NovoCiti VOLT
100% ELECTRIC
- THE MOST ECO-
FRIENDLY, COST-
EFFECTIVE, AND QUIET
SOLUTION FOR PUBLIC
TRANSPORTATION**



Developed and manufactured entirely in Türkiye, thanks to Anadolu Isuzu's cutting-edge R&D and innovation capabilities, the electric micro truck BIG.e is a revolutionary product set to redefine last mile transportation, particularly in major urban centers.

BIG.e, equipped with a 100% electric, high-performance, and zero-emission engine, offers the interior volume and carrying capacity of a minivan. Its compact and agile design makes it an ideal solution for the growing last-mile transportation needs, particularly in major urban centers, where environmental concerns and innovation are paramount.

BIG.e will be available in 2024.

<https://isuzu.com.tr/tr/big-e>

https://isuzu.com.tr/tr/landing_bige/BIG-e_FUAR_VIDEO_v4.mp4

**BIG.e
A FAST SOLUTION
FOR LAST MILE
TRANSPORTATION
NEEDS**



Pioneer of R&D and Innovation

Anadolu Isuzu's success is underpinned by its high level of competence in R&D and innovation.

R&D centers play a crucial role in helping companies gain a competitive edge and stay abreast of the latest technologies worldwide, ensuring quality production. Anadolu Isuzu's success in the commercial vehicles industry is underpinned by its proficiency in R&D and innovation.

Operating in the technology-intensive automotive industry, Anadolu Isuzu strives to fulfill its customers' rising demands and expectations through innovative solutions. In this regard, the Company closely monitors the rapidly evolving and shifting global trends.

Anadolu Isuzu's R&D and innovation capabilities are instrumental in designing and manufacturing customized products, thereby enhancing the value provided to customers.

The R&D Center is a fundamental function that contributes to both Anadolu Isuzu's profitability and its sustainable future.

As part of its corporate strategy, Anadolu Isuzu places special emphasis on R&D activities and continually enhances its investments in this domain.

The Anadolu Isuzu R&D Center is among Türkiye's pioneering R&D centers officially registered by the Ministry of Science, Industry, and Technology. The center, originally functioning as

an engineering department, has its roots tracing back to 2009. In 2015, a significant investment transformed the Anadolu Isuzu R&D Center into a modern facility, boasting an indoor area of 6,220 m² and equipped with state-of-the-art technology. The building encompasses a wide range of technologies, including one of the largest test centers in Türkiye and Europe, a prototype workshop, as well as offices and meeting spaces.

Dynamic and specialized workforce

The R&D Center is organized under the leadership of Anadolu Isuzu's General Manager and comprises 5 directorates, 6 chief offices, and 25 teams.

Throughout the reporting period, the Anadolu Isuzu R&D Center continued



Equipped with state-of-the-art technology

In 2015, a substantial investment transformed the Anadolu Isuzu R&D Center into a modern facility, featuring an indoor area of 6,220 m² and equipped with state-of-the-art technology.

to provide innovative products and services that prioritize environmental responsibility and enhance the lives of its customers, thanks to its team of 200 dynamic and specialized workforce.

New products achieved with the support of R&D

Leveraging its R&D and innovation capabilities, Anadolu Isuzu introduces numerous new products that cater to market and customer requirements.

In recent times, there has been a strong emphasis on R&D activities pertaining to alternative fuel vehicle projects and E&E systems. In this context, in 2022, Anadolu Isuzu invested over TL 108 million in R&D for electric vehicles. The teams at Anadolu Isuzu remain dedicated to their work, recognizing that their competence and innovation potential, particularly in the field of alternative fuel and electric vehicles, confer a competitive edge. The 8-meter-long low-floor electric NovoCiti Volt vehicle was introduced for sale, and development efforts are ongoing for new 12-meter and 18-meter-long low-floor electric vehicles.

In 2022, 7.5% of Anadolu Isuzu's revenue was attributed to the sale of low-emission vehicles, with a total of 114 CNG and 21 electric vehicles sold during the year. Compared to 2021, CNG vehicle sales saw an increase of 396%, while electric vehicle sales surged by 600%. These vehicles make up 2% of the total number of vehicles sold in 2022.

Additionally, projects related to transitioning all models in the Company's product range to Euro 6 StageE emissions standards and ensuring compliance with driver and passenger safety regulations have been successfully completed.

Anadolu Isuzu customizes the technological equipment and applications of its vehicles to meet the specific requirements and expectations of different countries and customers.

The Company also continues to invest in intelligent transportation systems.

The company has elevated its investments in this area by conducting Electrical-Electronic System (EES) Architecture development studies, with the goal of enhancing driver convenience and improving overall vehicle functionality. Anadolu Isuzu has devised a range of new features and software options that will be incorporated into all its forthcoming vehicles through the EES Architecture. These innovations have already been introduced in the NovoCiti Volt vehicle following their implementation in the Interliner and Grand Toro vehicles.

The key highlight of the new products emerging from the Anadolu Isuzu R&D Center is their alignment with the Company's sustainable environmental strategies, boasting low-emission profiles, with natural gas or electric options. Electric vehicles contribute to making urban life more comfortable, offering quiet and emission-free transportation solutions that benefit both passengers and the environment.

The vehicles were designed by a Turkish design team based at Anadolu Isuzu R&D Center. The Kendo and Grand Toro models have consistently received awards in prestigious national and international competitions.

Anadolu Isuzu has initiated biomaterial research in alignment with its objective to address the climate crisis and minimize environmental effects. As part of its commitment to complying with the EU Green Deal, Anadolu Isuzu is prioritizing the utilization of recyclable materials that have no adverse environmental impact in its vehicles. The biomaterial studies conducted by the Company in collaboration with start-up companies and universities are expected to result in final products that can be incorporated into vehicles in the coming years.

5GMED project partnership involving local engineering and local know-how

Anadolu Isuzu is among the 21 partners from 7 different countries participating in the "5GMED" project. This project aims to establish a 5G deployment model for future mobility along the Mediterranean corridor. As part of the "5GMED" project, which is funded by the European Commission and scheduled for implementation until November 2023, Anadolu Isuzu has initiated the development of the first vehicle equipped with 5G communication devices, GNSS antennas, and V2X capability in the 5G segment. The project is expected to contribute significantly to the development of domestic engineering and local expertise in the connected vehicle field for Anadolu Isuzu.

Anadolu Isuzu is the leading patent holder in the Turkish automotive industry.

Anadolu Isuzu sustains its accomplishments in the automotive industry by securing patents through its ongoing R&D endeavors. Anadolu Isuzu has submitted a total of 359 patent applications, 56 utility models, and 176 design registrations to date.

Anadolu Isuzu has 108 patents, 34 utility models, and 176 industrial designs registered by the Turkish Patent and Trademark Office.

In 2022, Anadolu Isuzu registered 8 patents, 7 utility models, and 4 industrial designs.

The R&D Center remained highly committed to supporting export activities through its intensive efforts.

The Anadolu Isuzu R&D Center remains dedicated to its intensive efforts aimed at contributing to the Company's export activities. Throughout 2022, numerous activities were directed towards both existing and potential customers in international markets.

Pioneer of R&D and Innovation

The Company conducted visits to distributors, corporate customers, and prominent foreign companies in the sector, and collected feedback regarding the demands and expectations of both existing and potential customers, as well as staying updated on technological developments in detail.

Moreover, apart from the gathered information, the Company also analyzed the tender specifications of potential markets and intensified its efforts to align the vehicles in the Anadolu Isuzu product portfolio, as well as those under development, with the current and potential customer requirements.

The vehicles produced in this context have been meticulously designed and developed, prioritizing safety, speed, quality, and adherence to delivery schedules specified in tenders. As part

of its vehicle design processes, Anadolu Isuzu prioritizes passenger safety and conducts awareness-raising activities to promote safe and responsible driving among passengers. In 2022, Anadolu Isuzu organized Safe Driving Training programs for its customers.

Collaborations with universities, conferences attended

The Anadolu Isuzu R&D Center, with its focus on university-industry collaboration, has established partnerships with expert academics from universities. This collaboration has been instrumental in various projects developed in parallel with the center's activities.

In 2022, Anadolu Isuzu continued its collaborations with leading universities in Türkiye, including METU, İTÜ, Yıldız Technical University, Bartın University,

Sabancı University, Okan University, and Gebze Technical University.

The communication with TTOs (Technology Transfer Offices) was enhanced to bolster collaboration platforms and establish closer connections with universities.

Anadolu Isuzu provided essential support to its employees who were pursuing master's and doctoral studies, enabling them to complete their graduation projects through company-university collaboration.

In 2022, representatives from the R&D Center attended numerous conferences and events both in Türkiye and abroad, significantly enhancing Anadolu Isuzu's visibility and recognition on national and international stages. Throughout 2022, Anadolu Isuzu participated in 10 conferences and delivered presentations.



Smart
factory

Digitalization projects

Through various digitalization projects, Anadolu Isuzu is making significant progress towards its vision of establishing a leading and distinctive smart factory concept.

Technology-oriented industrial leap: Call for Mobility

Anadolu Isuzu submitted two projects to the Call for Mobility initiated by the Ministry of Science, Industry, and Technology, aiming to promote the localization of future technologies and foster the country's development.

Through delivering stakeholder declarations to over 10 SMEs, Anadolu Isuzu has established an ecosystem aimed at supporting the localization and commercialization of crucial technologies. As of 2022, two projects have been accepted, and their work is currently in progress.

TEYDEB-supported projects

The primary functions of the Scientific and Technological Research Council of Türkiye (TÜBİTAK) encompass fostering industrial research and technology development, promoting and facilitating innovation, and facilitating collaboration between universities and industries.

The programs and initiatives aimed at fulfilling these functions are managed and executed by the Directorate of Technology and Innovation Support Programs (TEYDEB).

Anadolu Isuzu actively engages in TEYDEB-supported projects and provides opportunities for undergraduate and doctoral students to gain practical experience within its R&D Center as part of its industry-university collaboration efforts.

Anadolu Isuzu collaborates with SMEs on the TEYDEB platform to develop and commercialize new technologies. In 2021, the Company successfully completed a project conducted within the framework of the international Eureka initiative, focusing on technological innovation and development. The Company is currently involved in one ongoing Horizon 2020 project.

The R&D Center makes significant contributions to the scientific literature through its publications.

Anadolu Isuzu R&D Center enhances its presence not only in the industrial

field but also in the academic field by publishing scientific studies in the form of written and oral articles, thus contributing to the literature. Between 2009 and 2022, the Company has successfully delivered a total of 111 oral and written publications and article presentations.

The medium and long term objective of the Anadolu Isuzu R&D Center is to continue enhancing its work and creating added value through synergistic collaboration with other departments, aligning with market demands and meeting customer expectations. Additionally, the R&D Center is dedicated to offering essential support for Anadolu Isuzu's efforts in emerging segments, including the defense industry and electric vehicles.

INDUSTRY 4.0 AND DIGITAL TRANSFORMATION PROJECTS

Digitalization efforts to create more efficient business models

In 2022, Anadolu Isuzu remained committed to its digitalization efforts, aimed at creating more efficient business models, and maintained its momentum without slowing down.

During Phase-1, Anadolu Isuzu successfully completed key aspects of tailor-made manufacturing, including "reducing dynamic information to the operator" and implementing "real-time 3D production tracking" using the factory digital twin.

In Phase-2, efforts are focused on expanding data collection and storage to create a comprehensive Big Data repository. This initiative aims to continually enhance production process efficiency by conducting in-depth analyses of the collected data and aligning sustainability policies with environmental and energy considerations.

Through these projects and concurrent digitalization initiatives, Anadolu Isuzu is making significant progress towards its vision of establishing a leading and distinctive smart factory concept.

Highlights of digital transformation projects

- Automated differential oil filling system
- ARİS - Augmented reality-enhanced quality control
- ISUZUM - New functions for the digital employee mobile platform
- DigiSu - Robot employee
- ProEye - Remote technical support service
- Advanced Planning - New functions
- E-procurement - New functions
- Supplier invoice management system (Self-billing)
- Kit Delivery - New functions
- Industry 4.0 - Efficient business models
- MS Project - Project and portfolio management platform
- Automation of filling systems at the production site
- Integration of heating systems into the IoT platform
- Heat Map Project
- SCADA Project for Boiler
- Energy Monitoring System
- Load door management system
- Press printing production tracking
- Aconnect Telematics System
- Redi Diagnosis Project
- Substitution - Forecast Project & Dashboard
- ZOBAS Reporting
- Senior management performance reports
- Digitization of payment requests
- ISO documentation
- DOİF Platform

Pioneer of R&D and Innovation

Heat Map Project

Instant monitoring of indoor temperature across the factory is facilitated by 50 IoT platform sensors. This data will be further developed in the coming year to enable the automatic operation of heating systems. This will result in energy savings for heating purposes.

SCADA Project for Boiler

A PLC automation investment was implemented to record data such as temperature, pressure, and air production levels of all systems in the boiler room on the IoT platform. This allows for real-time monitoring and control of the team working in the boiler room during specific time intervals. The IoT platform is equipped with multiple alarms to generate notifications.

Energy Monitoring System

The factory-wide energy management system is employed to efficiently control energy resources, lower energy expenses, and enhance overall energy efficiency. The primary goal of this system is to ensure the conscious and efficient utilization of energy resources while monitoring the optimal use of available resources. The energy management system operates by gathering, analyzing, and reporting data concerning energy consumption while also monitoring performance. This approach aims to lower energy expenses, enhance efficiency, and minimize environmental repercussions.

Load door management system

All load doors across the factory are monitored real-time on the IoT platform. Maintenance and spare parts analysis is conducted based on the frequency of door openings. Creating notifications for relevant units based on the duration of load doors being open can help prevent heat loss when doors are left open for extended periods.

Press printing production tracking

Integrating the PLC with the IoT platform has modernized the process of recording daily chassis-based production information in the Smart Factory system, replacing the old manual paper-based system for printing press



Energy Monitoring System

Target to reduce energy costs

The energy management system installed throughout the factory operates by gathering, analyzing, and reporting data concerning energy consumption while also monitoring performance.

machine information. This has improved production planning accuracy by providing real-time information to the XS planner.

Aconnect Telematics System

Telematics is a technology that enables remote monitoring, control, and data collection from vehicles. This system offers vehicle owners and manufacturers real-time information about vehicle performance, location, and other crucial data. It allows for customer-oriented benefits in vehicle development based on telemetry data. Customers can optimize their fleet based on data such as vehicle location, speed, and fuel consumption. They can also enhance their operations by utilizing advanced reports on consumption, warnings, malfunctions, and Canbus data. Additionally, in the event of a malfunction, remote vehicle logs can be analyzed and evaluated. This helps extend the life of the vehicle and enhances driving comfort based on warnings and notifications.

Redi Diagnosis Project

Utilizing a common diagnostic device, all vehicle components were connected to a single device, enabling remote diagnosis and troubleshooting of vehicles from the SSH technology center. This significantly increased customer satisfaction. By selling the device to authorized and private service providers, the goal is to aggregate fault information from the Isuzu vehicle park into a common pool, allowing for faster fault detection and troubleshooting.

Substitution - Forecast Project & Dashboard

This system was designed to calculate the replacement costs of vehicles produced with various configurations and provide future replacement cost estimates based on factors like materials, material categories, and supplier escalation. This approach allows for the definition of various criteria and variables, and the impact of these factors on vehicle costs can be analyzed. Using this detailed data, extensive reporting studies were conducted to analyze replacement costs both from the supplier and vehicle perspective.

ZOBAS Reporting

ZOBAS refers to the process of producing customized vehicles according to customer requirements within the scope of tailor-made production. Within this process, several production preparation stages come into play, including assessing the specific requirements of individual customers, sourcing the required components and parts, and integrating these demands seamlessly into the production plan. The ZOBAS Dashboard has been developed to effectively report on these stages, continuously monitor their current status, and conduct in-depth analyses of the entire ZOBAS process.

Senior management performance reports

The Company has invested in digitalization to enhance reporting and performance metric tracking for departments such as R&D, SSH, and Supply Chain, streamlining their operational processes. Business units were given the opportunity to analyze and enhance the current status of their processes through regularly published dashboards and reports.

Digitization of payment requests

Users can request payments such as advances and expenses more conveniently, and transactions can be completed and monitored in a shorter timeframe thanks to seamless bank integration.

ISO documentation

A platform has been designed for managing ISO documentation. Monitoring and management of processes such as revision and revalidation have been implemented. External audits for ISO certificates are conducted by reviewing the documents on this platform.

CPI Platform

This platform serves as a means for the execution and reporting of corrective, preventive, and improvement actions identified based on documented documents during both internal and external audits.

Solutions to Enhance Customer Satisfaction

IMPORTANCE OF PRODUCT AND SERVICE QUALITY AND CUSTOMER SATISFACTION FOR ANADOLU ISUZU

Continuous improvement of product and service quality is a crucial factor directly impacting customer satisfaction. In today's business landscape, manufacturers must

build extensive sales and marketing teams, as well as dynamic, sector-specific teams that maintain close communication with customers. This enables them to provide customized solutions to customers with diverse needs and expectations.

Anadolu Isuzu is dedicated to enhancing and refining its product

and service quality on a daily basis throughout the entire value chain, from the supply phase to the end-user experience. The Company recognizes the importance of showcasing this continuous development to build highly satisfied customer bases and foster customer loyalty.



Customer satisfaction

Enhancing the value chain

Anadolu Isuzu is committed to enhancing and refining product and service quality to cultivate highly satisfied customer groups and foster customer loyalty.

MANAGEMENT APPROACH

Anadolu Isuzu's production strategy is built on the foundation of delivering an unparalleled consumer experience by providing products and services that are designed to completely satisfy customer expectations and requirements. In line with this approach, the Company leverages appropriate methods and cutting-edge technologies to identify and address customer needs in the development of its products and services.

Anadolu Isuzu effectively executes its strategies across various domains, including production, sales, and R&D. It seamlessly closes the value chain cycle by managing the supply network, engaging in marketing and dealer network expansion, and delivering comprehensive after-sales services.

Anadolu Isuzu places its customers at the forefront, adhering to a management approach that prioritizes addressing the ever-evolving demands and expectations of the markets where it provides its products in a comprehensive and punctual manner.

As a preferred manufacturer in the sector, Anadolu Isuzu provides its customers with reliable vehicles and high-quality services. This is achieved through a specialized sales and marketing organization staffed by a dynamic team that upholds the highest standards of safety and quality. Anadolu Isuzu also adheres to international quality standards and actively implements 5S activities across its factory production and warehouse areas. These activities encompass sorting, order, cleaning, standardization, and discipline standards to ensure efficiency and organization in its operations. Anadolu Isuzu holds the IM (Isuzu Monozukuri) certificate for Japanese Production Management and actively implements lean manufacturing practices in line with this system. Furthermore, the ISO 9001 Quality Management System is implemented in all production facilities.

By continuously improving the consumer experience, the company ensures that the value of its vehicles is preserved throughout the consumption period, thus enabling the generation of high added value for its customers.

Through the use of advanced technologies and quality systems, Anadolu Isuzu aims to sustain its success in the value creation cycle from end to end and to further improve customer satisfaction. In this context, customer satisfaction surveys are conducted on a regular basis. As a result of two surveys conducted in 2022, a 90% customer satisfaction rate was achieved.

Anadolu Isuzu, as a preferred manufacturer in the sector, offers its services through a specialized sales and marketing organization with a dynamic team.

Relevant Material Topics

- Climate Crisis and Environmental Impacts
- R&D and innovation
- Digitalization and Cyber Security

Solutions to Enhance Customer Satisfaction

Anadolu Isuzu has maintained a high level of customer satisfaction with uninterrupted production throughout the year.

The global disruption in supply networks and difficulties in the procurement of some key inputs have adversely affected the industry's production and shipment planning.

Despite the extraordinary market conditions, Anadolu Isuzu continued uninterrupted production in 2022 and successfully fulfilled its obligations to its customers. This success is a natural consequence of the Company's long-established supplier relationships.

Implementing effective customer relationship management, Anadolu Isuzu aims to provide a positive customer experience and is dedicated to delivering personalized and customized services through continuous communication

with all its customers. With its robust CRM structure, the Company tracks its customers through various channels, fostering customer loyalty, and simultaneously engages in extensive efforts to expand its reach and acquire new customers in the market.

Anadolu Isuzu's supply chain activities encompass four primary functions: Production Planning, Domestic and International Purchasing, Internal and External Logistics, and Foreign Trade.

Anadolu Isuzu adopts a sensitive, meticulous, and proactive approach in the production of hundreds of different models across four distinct vehicle segments. This production takes place in two plants with four different production lines located in Şekerpınar, Kocaeli. While Anadolu Isuzu engages in series production for truck and light truck customers, it primarily focuses on custom-made and tailor-made production for midibuses and buses.

The Anadolu Isuzu Supply Chain Directorate plays a crucial role in enhancing the Company's competitiveness by efficiently meeting evolving customer expectations and demands in the shortest time and at the most cost-effective rates possible.

Anadolu Isuzu has undergone a comprehensive restructuring of its material requirements planning, procurement, and integrated logistics systems to ensure they fully and optimally meet the Company's needs.

Anadolu Isuzu collaborates on indirect procurement activities with both its affiliated companies and the broader Holding as part of its supply chain activities. The synergy generated by these efforts is expected to result in significant gains on both commercial and economic fronts.



**Continuous
production**

Long-standing supplier relationships

In 2022, Anadolu Isuzu maintained continuous production and met its customer commitments with great success. This achievement is a direct result of the long-lasting relationships it has cultivated with its suppliers over the years.

Furthermore, the Company closely monitors foreign trade legislation and leverages incentive advantages to provide exemptions in various tax types.

Anadolu Isuzu adopts a strategic approach to supply management that aligns with its production requirements and conditions.

Anadolu Isuzu places a strong emphasis on procuring materials optimally, focusing on cost-efficiency, quality, and logistics to maintain a competitive edge in the markets in which it operates.

As of the end of 2022, Anadolu Isuzu had over 300 suppliers in Türkiye and more than 100 suppliers abroad. Anadolu Isuzu has established enduring partnerships with 20% of its suppliers, maintaining these relationships for over three decades, with the majority of its domestic suppliers concentrated in the Marmara Region. Additionally, Anadolu Isuzu has strategically significant suppliers in various geographical regions of Türkiye, in particular the Aegean Region.

Anadolu Isuzu is committed to enhancing domestic value added by increasing the proportion of locally sourced components in its production processes. To achieve this objective, the Company launched the Hamle Project in 2022, which focuses on achieving local production for 28 component groups, primarily electronic components, through collaborations with 21 different suppliers.

Anadolu Isuzu aims to procure a total of 35,000 different items, both imported and domestic, for production purposes and currently sources 22,000 items to fulfill its spare parts requirements.

Anadolu Isuzu has mutually strengthened its commercial partnerships with both domestic and international suppliers of significant commodity groups through long-term agreements. Under the umbrella of this value chain, established with a win-win principle and approach, the Company has elevated its commercial relations with suppliers to strategic business partnerships.

Anadolu Isuzu places great importance on applying objective criteria in supplier identification.

Anadolu Isuzu considers various criteria when selecting its suppliers and follows an objective and lean approach. The primary criteria include:

- Generally complying with Anadolu Isuzu's policies and strategies,
- Prohibiting child labor, forced labor, and discriminatory practices,
- Adhering to information confidentiality,
- Respecting the right to collective bargaining and unionization,
- Complying with the standards imposed by the law and the industry,
- Complying with legal working and employment hours,
- Respecting ethical rules,
- Manufacturing in accordance with legal regulations on environment and OHS,
- Collaborating regularly to prevent the utilization of conflict minerals, the use of which is a significant concern in the supply chain, particularly those associated with human rights violations.

Anadolu Isuzu heavily leverages technology to sustain peak logistics performance.

Anadolu Isuzu closely tracks technological advancements to optimize its supply and logistics operations. The Company seeks to enhance efficiency by implementing electronic monitoring and control systems.

In pursuit of this goal, the Company extensively employs the Milk-Run system in the Marmara and Aegean Regions to sustain peak logistics performance. The Milk-Run system continues to gain significance within the Anadolu Isuzu supply chain, providing enhanced management and reporting capabilities within the digital framework.

As part of its digital transformation journey, Anadolu Isuzu identifies and integrates suitable digital solutions into

its business processes, including Smart Racking and Picking Systems, Kit Delivery, Online Shipment Tracking, and Advanced Planning Systems, to address current operational requirements effectively.

Anadolu Isuzu sources materials and components from various parts of the world using a variety of procurement methods.

Anadolu Isuzu primarily imports a significant portion of its materials and components via sea routes from Japan-Thailand. The Company is also continually expanding its supplier network by diversifying its sources from various regions across the globe.

Road transportation is becoming increasingly significant for Anadolu Isuzu in terms of its overall transportation methods, while air transportation plays a relatively minor role in its supply chain operations. The company provides full integration with its customers in product delivery activities, serving 4 continents and 26 countries in export vehicle logistics and 3 continents and 25 countries in spare parts logistics.

Regarding exports, Anadolu Isuzu predominantly exports to Europe, a region with stringent quality standards. As a result, the Company chooses its entire supply network, ensuring its suppliers meet these expectations.

Anadolu Isuzu expands its supplier network through its involvement in defense projects.

Anadolu Isuzu engages in defense projects to fulfill the requirements of the Turkish Armed Forces. In pursuit of its objective to create domestic and national solutions suitable for these projects, the Company collaborates on joint R&D initiatives to guide its existing suppliers into this sector.

Furthermore, the Company has expanded its procurement portfolio by incorporating new subsystem manufacturers into the system to align with the specific requirements of defense projects, and it has successfully completed validation processes for these additions.

Solutions to Enhance Customer Satisfaction

After-sales and technical support services

Anadolu Isuzu places great importance on post-sale services, considering them as the true beginning of the customer relationship and as crucial elements in maintaining high levels of customer satisfaction. In 2022, Anadolu Isuzu continued its expansion of after-sales services and placed a strong emphasis on digital transformation projects, successfully implementing several projects in this regard.

In 2022, Anadolu Isuzu efficiently utilized the following technologies:

- remote technical trainings,
- new online communication system for overseas distributors,
- domestic dealer online system improvements,
- vehicle breakdown/spare parts-related immobilization notification system,

- online wholesale spare parts sales platform,
- transition to tablet check sheet in authorized service provider/distributor development and audits,
- technical support with remote connection (PRO-EYE) systems.

Anadolu Isuzu SSH Technology Center

In 2022, with the operationalization of the Anadolu Isuzu SSH Technology Center, it was evident that technical repairs were conducted more efficiently and accurately compared to previous methods.

The Company has introduced various remote services including technical support, interactive training sessions, technical solution videos, and remote warranty parts inspections.

PRO-EYE Project

The PRO-EYE project, designed to expedite customer vehicle interventions

and enhance support for Anadolu Isuzu authorized service providers, received the first prize in the “working method of the future” category at the IDC CIO awards.

Digital Sales Platform

Anadolu Isuzu introduced a digital sales platform, <https://yedekparca.isuzu.com.tr>, which will cater to the entire domestic market alongside Anadolu Isuzu authorized service providers. This sales platform successfully distributed original and ANT spare parts to over 350 locations within just three months.

Anadolu Isuzu Digital Sales Platform

<https://yedekparca.isuzu.com.tr>

BI System

A BI System was set up to monitor real-time, detailed performance reports for Anadolu Isuzu authorized service providers.



Online systems

Efficient use of digital systems

Anadolu Isuzu is committed to meeting the after-sales needs and expectations of its customers, both domestic and international, across all segments it serves. The Company places a strong emphasis on digital transformation projects to enhance its customer service capabilities.



Through the Power BI project, real-time sales reports, warehouse performance reports, and stock performance reports that offer access to rapidly changing data have been made visible and analyzable. Increased spare parts stocks have led to a 10% improvement in availability, resulting in 90% satisfaction among both domestic and international authorized service providers.

International DMS System

An international DMS was implemented, enhancing order and inventory tracking for Anadolu Isuzu distributors.

European Logistics Center in Stuttgart

Anadolu Isuzu is committed to strategic investments aimed at both entering new markets and consolidating its position in existing ones. In pursuit of its goal to enhance its sales and authorized service provider network in international markets and attain unparalleled customer satisfaction, Anadolu Isuzu has achieved record-breaking export results and established its European Logistics Center in Stuttgart, Germany.

The establishment of this center marks a significant milestone in Anadolu Isuzu's efforts to improve and enhance its after-sales services, with a strong commitment to providing high-quality and customer-centric support.

Anadolu Isuzu boasts an extensive authorized service provider network and a highly skilled after-sales service team comprised of dedicated employees who are committed to continuous improvement.

Anadolu Isuzu's sustainable customer satisfaction and overall success can be attributed to its extensive authorized service provider network and an after-sales service team comprised of dedicated employees who are committed to continuous improvement.

In 2022, there was a 6% decrease in the number of customer complaints received through the Grievance Hotline. As of the end of 2022, Anadolu Isuzu offered high-value services through 93 service providers located in 58 provinces in Türkiye and 128 authorized service providers in 40 countries worldwide. Furthermore, 3 wholesale spare parts dealers continued to cater to domestic customers.

Anadolu Isuzu has enhanced its spare parts requirement planning and stock control system through digital transformations. This strategic move allows the Company to efficiently utilize its existing resources, particularly in an environment characterized by various variables such as fluctuating demand, pricing, supply lead times, and suppliers' production capacities. As a result, Anadolu Isuzu can consistently deliver a smooth service flow to meet its customers' needs.

As part of our digital transformation efforts, we have enhanced stock and warehouse management, and aside from adding value through spare parts availability, we have expanded our shipping capacity to cover more than 300 special points.

Through the implementation of the MRP system, Anadolu Isuzu has bolstered its inventory levels, ensuring the maintenance of an optimal stock level. Furthermore, this system facilitates the tracking of orders, allowing authorized service providers to monitor cargo shipments effectively.

Anadolu Isuzu organized distance learning initiatives aimed at enhancing dealer standards and performance.

Anadolu Isuzu consistently seeks feedback and input from its dealers and authorized service providers, reinforcing its strong partnership with the dealer network

through continuous collaboration and enhancement efforts.

Throughout 2022, the Company continued to offer remote training programs for its employees at dealerships, authorized service providers, and international distributors. Additionally, advanced vocational training sessions were organized for employees who had previously completed basic vocational training. A Learning Management System was integrated into the distance training program as well. Furthermore, the implementation of the remote technical support (ProEye) system has led to a reduction in the number of trips required by the technical team.

The new knowledge acquired from these training sessions has been systematically applied, offering dealer and authorized service provider personnel a solid foundation to carry out their tasks with greater professionalism. Likewise, distance training sessions covered various topics, including automotive technology, product and system usage, as well as subjects such as Personal Data Protection Law (PDPL), Message Management System (MMS), and Electronic Commerce Law (ECL).

In 2022, Anadolu Isuzu accelerated the standardization of its vehicle sales dealers and successfully completed their efforts to create a unified and consistent appearance. The Company revamped all dealer interiors with contemporary vehicle visuals, expanding its services to customers by also adding new locations to its dealer and authorized service provider network.



28,756
GJ

Savings achieved through energy efficiency projects

100%

Packaging waste recovery rate

2,325
person x hours

Environmental training



Heightened Awareness of Environmental Sustainability

Anadolu Isuzu has strategically executed its comprehensive transformation plan by establishing enduring policies and systems, adopting a proactive stance in addressing climate change-related risks.

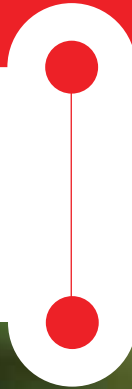
Proactive Approach to Environmental Management

IMPORTANCE OF ENVIRONMENT AND CLIMATE MANAGEMENT FOR ANADOLU ISUZU

The climate crisis is recognized as one of the most critical global risks, impacting the environment, society, and national economies. In this context, Anadolu Isuzu has embarked on a mission to address

the climate crisis and transition to a low-carbon economy. With the goal of bequeathing a cleaner and more sustainable world to the generations to come, Anadolu Isuzu has outlined its environmental vision, set up an environmental management system, and put into action a comprehensive transformation strategy.

Anadolu Isuzu is dedicated to increasing awareness of environmental conservation, energy efficiency, and ecological equilibrium both within the organization and among its stakeholders. The Company has adapted its environmental material topics to align with the evolving global sustainability agenda.



Efficient environmental management

Awareness of ecological balance

Anadolu Isuzu aims to promote awareness of climate change mitigation and ecological balance both within the Company and among its stakeholders.

MANAGEMENT APPROACH

Anadolu Isuzu is dedicated to creating innovative and sustainable projects to reduce the environmental footprint of its production activities. The Company's primary goals in this context involve minimizing the environmental consequences related to emissions, water contamination, as well as hazardous and non-hazardous waste generated by its operations at the source, while also fostering recycling initiatives.

Anadolu Isuzu has formulated its Environmental Policy by crafting strategies aimed at accomplishing these objectives.

Related Material Topics

- Vehicle Quality and Road Safety
- Climate Crisis and Environmental Impacts
- R&D and innovation
- Digitalization and Cyber Security
- Stakeholder Interaction and Collaborations

Anadolu Isuzu's Environmental Policy commits to;

- ensure the required energy efficiency for reducing greenhouse gas emissions through continuous enhancement of its environmental performance in production activities, products, and services, complying with all legal obligations, meeting the expectations of stakeholders, preventing environmental pollution at its source, and increasing the utilization of renewable energy resources,
- prioritize biodiversity conservation for maintaining ecological balance,
- mitigate the impacts of climate change,
- establish a sustainable environmental management system, and
- in alignment with these goals, consistently safeguard the environment.

At Anadolu Isuzu, the Board of Directors is responsible for making strategic decisions regarding environmental management. The decisions made are put into action by senior management and relevant departments, following the guidance of Anadolu Isuzu General Manager. The Anadolu Isuzu Environmental Management System, which plays a dual role in addressing environmental issues and finding solutions, prioritizes leadership, commitment, purpose, as well as risks and opportunities. During the annual Management Review Meetings, senior management receives updates on environmental risks and opportunities, and specific targets are established.

Click on the link below to read Anadolu Isuzu's Environmental Policy:

www.anadoluisuzu.com.tr/hakkimizda/cevre-politikasi

Proactive Approach to Environmental Management

Anadolu Isuzu places a top priority on addressing the climate crisis across all aspects and continues to make decarbonization efforts and investments accordingly. Besides reducing emissions from the production cycle, Anadolu Isuzu aims to set an example by increasing awareness of the climate crisis throughout the entire supply chain.

Anadolu Isuzu implements strategies to address climate change in alignment with the Anadolu Isuzu Strategic Business Plan and following the Net Zero roadmap.

Environmental Management System

Anadolu Isuzu conducts all its activities in accordance with the ISO 14001 Environmental Management System.

Anadolu Isuzu collaborates with its stakeholders to minimize the environmental impact of the production process, in addition to addressing its direct environmental footprint. The Company's environmental management approach is guided by the core principles outlined in the Environmental Policy. These principles play a vital role in achieving environmental sustainability by addressing greenhouse gas emissions, as well as water, waste, and chemical management activities. Addressing the climate crisis emerged as a prominent topic in the materiality analysis, which involved input from various stakeholders of the Company.

As part of Anadolu Isuzu's strategies and initiatives, a net-zero roadmap was established in collaboration with the Science Based Target initiative (SBTi) and Drive to Zero initiative. The Company is a member of prominent international sustainability platforms like the UN (United Nations) Global Compact and actively supports initiatives such as the Task Force on Climate-Related Financial Disclosure.

Anadolu Isuzu remains closely engaged with national and international developments and actively participates in environmental working groups within organizations such as the Automotive Industry Association, TÜSIAD, and Anadolu Group Holding.



Solar Power Plant (SPP)

A Solar Power Plant (SPP) investment with a capacity of 5,500 MWp was completed by installing 12,000 solar panels on a 27,000 m² area on the rooftops of the truck and bus production factories.

Solar power plant (SPP) investment completed.

Anadolu Isuzu places a high priority on minimizing the environmental impact of its processes and products. Recognizing the significance of renewable energy, the Company invests in energy initiatives aimed at achieving this goal.

To reduce Scope 2 emissions and advance decarbonization efforts, Anadolu Isuzu completed a Solar Power Plant (SPP) project with a capacity of 5,500 MWp. This initiative involved installing 12,000 solar panels on a 27,000 m² area on the rooftops of the truck and bus production factories. As a result, a portion of the factory’s electricity requirements are now met through renewable energy sources. In 2022, a total of 1,088 MWh of electricity was generated from solar energy, which accounted for 30% of the electricity consumption. Out of the total renewable energy generated, 967 MWh was utilized within the factory for its operations, and the remaining 121 MWh was injected into the grid, making renewable energy accessible to other consumers. The renewable energy investment led to a reduction of 450 tCO₂e in greenhouse gas emissions.

Excess generated energy is sold back to the grid. SPP data is reported daily on the IoT platform.

In the upcoming period, Anadolu Isuzu plans to increase its green energy ratio to 70% with the second phase of the WPP project.

Scope 1, 2 and 3 emissions

In 2022, Anadolu Isuzu calculated the Corporate Carbon Footprint for the year 2021. The Company’s Scope 1, Scope 2, and Scope 3 emissions are independently verified by a third-party verification body in accordance with the ISO 14064-1:2018 Greenhouse Gas Emissions Verification and Reporting Standard. In January

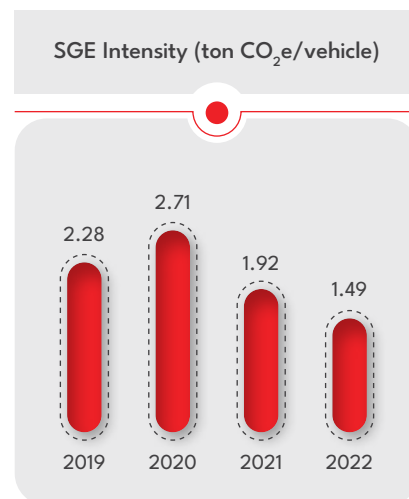
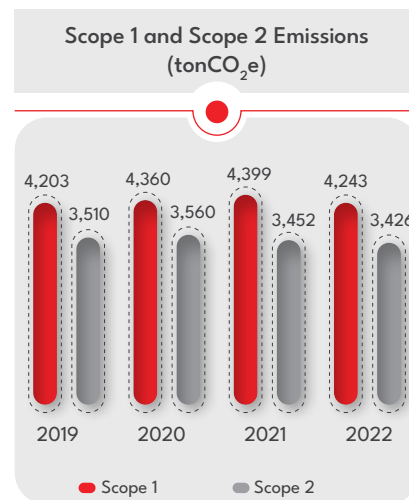
2022, carbon footprint mapping was conducted for emission calculations, encompassing Scope 1+2 and Scope 3 emissions to align with emission reduction commitments across the entire value chain in accordance with the Science Based Targets initiative (SBTi). Scope 3 emission calculations encompass categories such as purchased products and services, transportation and distribution, operation-related waste, business travel, employee travel, and the use and end-of-life processing of purchased products.

In 2022, Anadolu Isuzu’s production facility maintained its status as a low-emission facility through the Monitoring, Reporting, and Verification (MRV) of Greenhouse Gas Emissions program. This was based on the analysis of the existing process and energy consumption data. The initiatives to decrease greenhouse gas emissions run parallel with projects focused on enhancing energy efficiency and achieving savings. Projects aimed at reducing the carbon footprint in both the short and medium terms are currently in the planning phase.

Scope 1 and 2 Emissions

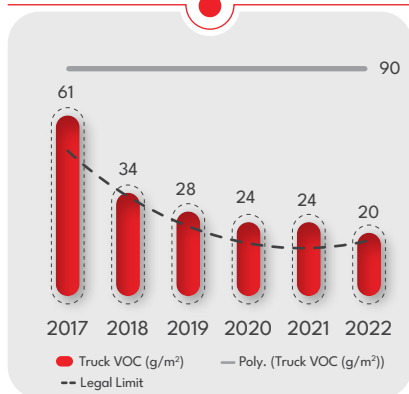
	2019	2020	2021	2022
Scope 1 GHG (tCO ₂)	4,203	4,360	4,399	4,243
Scope 2 GHG (tCO ₂)	3,510	3,560	3,452	3,426
GHG Intensity (tonsCO ₂ e/vehicle)	2.28	2.71	1.92	1.49

The total value of Scope 3 emissions calculated for the year 2022 was 3,804,403 tCO₂.

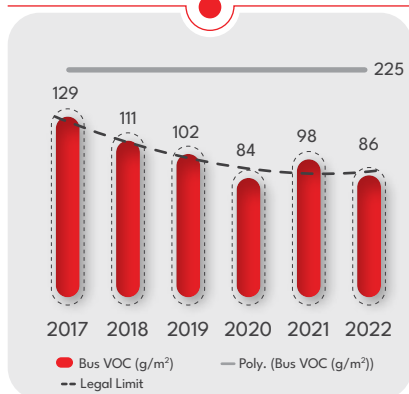


Proactive Approach to Environmental Management

VOC - Truck Facility (g/m²)



VOC - Bus Facility (g/m²)



Formal commitment under the Science Based Targets initiative (SBTi)

Anadolu Isuzu has formally committed to the Science Based Targets initiative (SBTi) 1.5°C target.

In alignment with the Paris Agreement, Anadolu Isuzu has set its sights on reducing Scope 1, 2, and 3 greenhouse gas emissions with the goal of limiting global temperature increases to 1.5°C above pre-industrial levels. The Company conducts both quantitative and qualitative scenario analyses in line with the SBTi.

The goal is to achieve a 50.4% reduction in Scope 1+2 emissions by 2032 compared to the emissions in 2022. Another target is to achieve a reduction of at least 4.2% per year in Scope 1+2 emissions and at least 2.5% per year in Scope 3 emissions (from the use phase of products sold) by 2032 compared to the baseline year of 2022. The sectoral decarbonization approach for the automotive industry from SBTi is anticipated to be released, which will facilitate the approval of the targets.

Anadolu Isuzu ranks first among organizations engaged in commercial vehicle production in Türkiye, with an A- score in the CDP assessment

Anadolu Isuzu is making renewable energy investments as part of its efforts to reduce both Scope 1 and Scope 2 emissions.

For the first time, Anadolu Isuzu voluntarily reported its low-carbon economy-oriented efforts as part of the Carbon Disclosure Project (CDP) Climate Change Program. Anadolu Isuzu achieved an A- score in the evaluation conducted by CDP, positioning the company as the top organization in the field of commercial vehicle production in Türkiye.

Anadolu Isuzu is committed to raising its sustainability targets and providing ongoing reports to CDP on its strategy, risks, and performance in the fight against climate change in the years to come.

Improvement in 2022 VOC values compared to the previous year

As part of its production activities, Anadolu Isuzu consistently monitors and controls emissions of volatile organic compounds (VOCs) into the atmosphere. The Company reports its annual cumulative VOC values to the Ministry of Environment, Urbanization, and Climate Change of the Republic of Türkiye. It also initiates short and medium-term projects to reduce these emissions.

In 2022, efficiency and savings projects were implemented in the use of chemical products, and solvent consumption amounts were effectively managed through a tracking system. The optimization of chemical usage and the transition to products with lower VOC rates were successfully implemented in the truck and bus product ranges. In 2022, a 18% reduction in VOC values was achieved at the truck plant, while the bus plant also saw a 12% reduction in VOC emissions compared to the previous year.

Combating air pollution

Anadolu Isuzu is committed to minimizing emissions from its paint shop operations and ensuring the highest air quality standards. The Company follows the best available techniques to achieve this goal and complies with national regulatory requirements to maintain the highest standards in air quality control. Emission and air quality measurements are conducted at regular intervals by institutions that are accredited and authorized by the Ministry of Environment, Urbanization, and Climate Change.

As part of the Regulation on the Control of Industrial Air Pollution (RCIAP), the Company reports volatile organic compound values to the Ministry and implements measures to reduce these emissions. In compliance with the regulation, pollutant parameters are measured from 68 emission sources (flue) within the factory. The emissions were found to be within the legal limits. Additionally, dust trap filters are installed in all flues to further reduce emissions.

SO_x and NO_x emissions, which are crucial for air pollution measurement, are routinely monitored. In 2022, the NO₂ emission was measured at 3.68 kg/h, the NO at 2,632 kg/h, and SO₂ at 0 kg/h.

Anadolu Isuzu follows the Regulation on Fluorinated Greenhouse Gases published by the Ministry of Environment, Urbanization, and Climate Change for ozone-depleting substances. In 2022, the declaration of air conditioning gases (fluorinated greenhouse gases) in the vehicles sold during the year was submitted to the FARAVET system, which is the Ministry's database of annual reports. In this context, a carbon emission impact of 7,484 tCO₂ was recorded.

Monitoring fuel and carbon emission performance of the vehicle fleet

Anadolu Isuzu annually tracks fuel consumption per vehicle produced across all vehicle types. The calculations, based on liters per 100 km, rely on the outcomes of SORT tests conducted to assess the fuel consumption of vehicles.

Besides fuel consumption performance, carbon emission performance is also tracked concerning vehicle types, fuel type, and consumption.

Carbon pricing efforts

Anadolu Isuzu integrates internal carbon pricing into its processes by using partial shadow pricing in investment decisions and feasibility studies for energy efficiency projects. In this context, a carbon value ranging from EUR 30 to 120 per ton of carbon dioxide is included in feasibility reports. This approach provides a better understanding of the potential financial risks associated with climate change and the potential carbon price impact on the prices of projects under development.

At the same time, this study prepares for the carbon pricing mechanism ahead of the Emissions Trading System (ETS), which is also in progress in Türkiye.

Water management

Environmental challenges like climate change and global warming are making access to usable water resources more and more challenging. With the goal of securing the sustainability of water resources, which are set to become even more crucial in the future, Anadolu Isuzu is actively working to minimize water consumption in its operations.

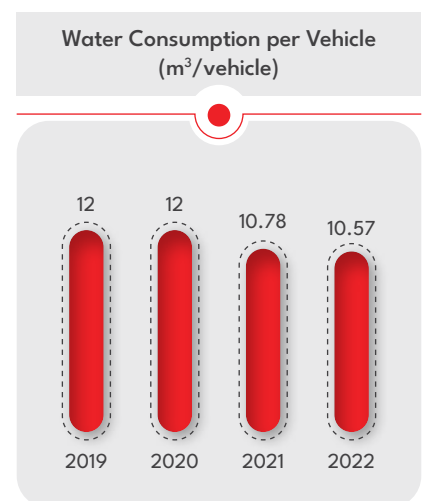
12% reduction in water consumption per vehicle

The monitoring system used in the garden irrigation system, a result of extensive projects in the cataphoresis section of the paint shop facility, has shown positive results in reducing water consumption. Thanks to these efforts, the amount of water consumed per vehicle has been reduced by 12% compared to 2020.

At the treatment plant, which has been in operation since the establishment of the Anadolu Isuzu plant, there are two different wastewater treatment systems:

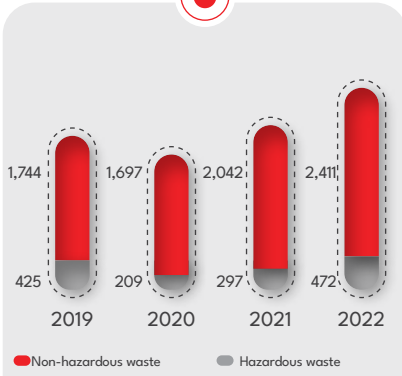
an industrial wastewater treatment system and a domestic wastewater treatment system. Industrial wastewater treatment is conducted through a continuous treatment plant that utilizes chemical treatment processes. Wastewater from three separate sources, which include the acid-alkali wastewater line, industrial oily water line, and paint shop wastewater line, enters the chemical (continuous) treatment process.

The quality of the discharged water from the wastewater treatment plant adheres to the industrial wastewater discharge standards specified by the Water Pollution Control Regulation applicable in Türkiye. The control of pollution parameters is overseen through daily laboratory analyses conducted within the facility. Due to the implementation of technology and environmentally friendly practices, the pollutant levels in the effluent from Anadolu Isuzu's wastewater treatment plant remain below the regulatory limit values in Türkiye. In 2023 and beyond, renovation work is planned for the wastewater treatment plant.



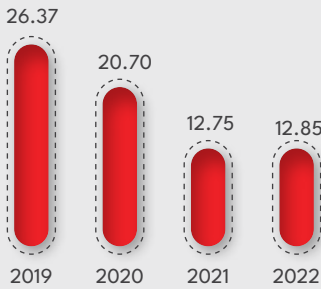
Proactive Approach to Environmental Management

Amount of Waste by Types* (ton)



* Üretim sayısındaki artış sebebiyle atık miktarında artış yaşanmıştır.

Amount of Contaminated Waste per Vehicle* (kg/vehicle)



* Ürün gamındaki değişiklik sebebiyle 2022 araç başı atık miktarında artış yaşanmıştır.

Waste management

Anadolu Isuzu implements waste management processes with a primary focus on source reduction, which is the initial step in the waste hierarchy. To achieve this objective, Anadolu Isuzu has expanded its targets to maintain continuous control in all processes. A department-based waste inventory management system is utilized to monitor and manage waste. In this context, the practice of line-based waste managers continued in production departments, and projects were implemented to reduce waste generated from each department's own processes. Furthermore, production departments were assigned targets based on the product lifecycle principle.

Waste management training was successfully completed for all employees at the truck and bus plants, accompanied by awareness-raising activities. The waste separation system in offices and cafeterias has been improved with a zero-waste approach. With the new system, all waste bins are subject to inspection.

Zero Waste Principle

The Anadolu Isuzu plant, which holds a Zero Waste Certificate, operates in alignment with the vision of efficient management of raw materials and natural resources, as well as a sustainable environment.

Recycling of electronic waste

Electronic waste is categorized as hazardous waste and is collected separately from the production line and offices, then it is sent to a licensed recycling company. In 2021, 1,180 kg of electronic waste was sent to recycling companies. However, in 2022, as the waste did not accumulate to a sufficient weight for recycling, it is being stored temporarily in the waste storage area within the factory. In 2023, arrangements will be made to ensure the shipment of waste.

Green Dot Industry Awards

In 2022, Anadolu Isuzu's Sustainable and Digital Zero Waste Management System project earned the first place in the Waste Management System and Practices category for large enterprises at the Green Dot Industry Awards hosted by ÇEVKO (Environmental Protection and Packaging Waste Assessment Foundation).

As a part of the digital zero waste system, QR codes were incorporated into waste bins within the office sorting system, ensuring the digitalization of the waste management process. With this infrastructure, the recycling activities of employees are tracked, and a rewarding system for proper sorting has been introduced at Anadolu Isuzu.

Apart from the waste reduction initiatives in production areas and offices, single-use plastic packaging in cafeterias was eliminated, resulting in a reduction in plastic consumption.

Recycling with Biriktir App

In collaboration with the Biriktir App, a dedicated login screen was established for Anadolu Isuzu employees, and QR codes were incorporated into the zero waste sorting kits within the facility. Through this partnership, an app was introduced to incentivize waste recycling within the factory premises, offices, and the homes of employees.

The app allows employees to earn points by scanning the QR code on waste collection bins whenever they dispose of paper, glass, metal, plastic, batteries, and electronic waste. Furthermore, employees have the option to collect and dispose of glass, metal, plastic, waste oil, batteries, electronic waste, and textile waste from their homes and families at the nearest waste collection point, earning extra points in the process. Employees can redeem the points they earn for various prizes available within the application, enhancing the incentive for recycling and waste reduction.

Environmental performance shared with employees

Anadolu Isuzu consistently enhances its environmental performance by implementing a variety of projects and initiatives. The Company communicates its environmental performance goals to its employees and regularly shares the outcomes achieved through the Environmental Bulletin, which is compiled with monthly data.

In 2022, a total of 2,325 person x hours of environmental training were conducted at Anadolu Isuzu.

Anadolu Isuzu regularly conducts environmental information training sessions for its employees to enhance their environmental awareness. Furthermore, the information provided during the training sessions was reinforced through practical drills

conducted in specific sections of the Company.

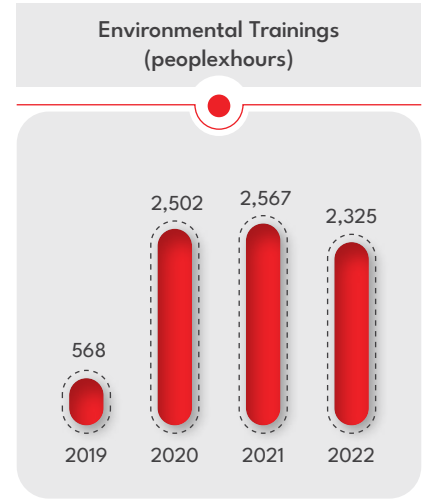
In 2022, Anadolu Isuzu delivered a total of 2,325 person x hours of environmental training and 895 person x hours of energy training to its employees.

The trainings provided include:

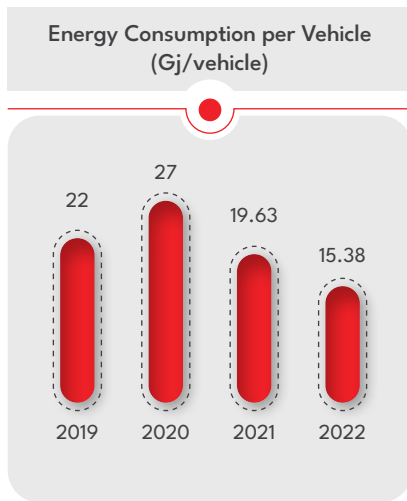
- Zero Waste and Waste Management
- Chemical Substance Management
- ADR
- Environmental Accidents and Prevention Methods
- Carbon Footprint and the European Green Deal
- Water Footprint and Water Management
- Energy Efficiency

Information notes on environmental issues are displayed in the common areas of the Anadolu Isuzu campus, and environmental awareness broadcasts are also conducted on plasma screens. In 2022, extensive initiatives were undertaken to raise awareness not only among factory employees but also among stakeholders.

Information notes about climate change were distributed to all employees, suppliers, and other stakeholders. Additionally, environmental compliance and 5S training sessions were conducted with the participation of all dealers and authorized service providers. Furthermore, in 2022, Environmental Committee meetings were convened, and seminars on environmental sustainability were conducted. Anadolu Isuzu also played an active role in the OSD Environment Committee and the TÜSİAD Environment and Climate Change Working Group.



Proactive Approach to Environmental Management



Savings of 28,756 GJ savings through energy efficiency projects

To reduce energy consumption and minimize its environmental impact, Anadolu Isuzu has been implementing a range of energy efficiency projects, with a particular focus on renewable energy initiatives. In 2022, the Company initiated projects that facilitated the utilization of renewable energy sources.

In 2022, the portion of electricity bought in the overall energy consumption of 79,384 GJ amounted to 28,033 GJ. Due to the initiatives undertaken in 2022, notably the SPP project, a total of 28,756 GJ of energy was saved, and 3,427 tons of CO₂e greenhouse gas emissions were prevented. Through these collective endeavors, Anadolu Isuzu invested over TL 62 million in environmental initiatives.

Furthermore, to mitigate any potential adverse effects on energy consumption per vehicle resulting from alterations in production plans during the pandemic, Anadolu Isuzu oversaw energy-saving efforts and effectively kept energy consumption levels below anticipated thresholds.

Continuous improvement

Anadolu Isuzu consistently enhances its energy performance through a range of projects and initiatives. Acknowledging the significance of energy performance in global competitiveness, the Company continued its energy-saving endeavors in 2022. Measures were implemented for potential enhancements, and a total of 7 Quick-Win projects, which yielded rapid results, were initiated.

Anadolu Isuzu monitors the energy consumption of its various departments in real-time through its energy management system. As part of this cycle, any adverse impacts on energy consumption or potential opportunities for savings are identified and addressed. Simultaneously, activities for short, medium, and long-term development/improvement are designed and implemented.

Data on consumption in regions with high energy usage are shared daily with department managers, allowing for immediate evaluation of energy performance.

Anadolu Isuzu is committed to maintaining uninterrupted investments in sustainability and strives to be a

Anadolu Isuzu's Energy Policy

Anadolu Isuzu's Energy Policy primarily aims for long-term environmental and economic sustainability.

Anadolu Isuzu is committed to enhancing energy-saving and efficiency in its production processes,

promoting the adoption of energy-efficient and environmentally friendly products, equipment, and services, advocating energy-efficient options in facility design and process improvements, raising awareness among its employees through information dissemination and training to

encourage responsible energy use and environmental consciousness, reducing energy consumption and costs, and contributing to the long-term environmental and economic sustainability.

leader in the green transformation. In the future, Anadolu Isuzu aims to obtain LEED certification for specific locations to enhance energy efficiency in its buildings.

Energy trainings and working groups

In 2022, Anadolu Isuzu conducted department-based training and information meetings to enhance employee awareness about energy. Furthermore, the Company actively participated in energy efficiency seminars and exhibitions, closely monitored technological advancements, and developed ongoing improvement and future projects.

Emphasis on biodiversity

Anadolu Isuzu is committed to preserving the biodiversity of the natural environment where it operates and strives to ensure that its activities have no adverse effects on biodiversity. As part of the Company's environmental

policy, Anadolu Isuzu is committed to prioritizing biodiversity concerns and taking measures to mitigate the impacts of climate change to protect ecological balance.

Suppliers' environmental sustainability

With its extensive network of suppliers, Anadolu Isuzu emphasizes the importance of suppliers complying with current environmental regulations and continuously striving for improvements in environmental sustainability.

The Company utilizes an Environmental Management System (EMS) portal, which includes climate change-related inquiries, to assess the environmental practices of its suppliers and implement requisite actions.

Suppliers have access to an online portal, serving as a data collection platform, where environmental data is shared. In this context, the

portal collects data related to the environmental management system, including wastewater discharge licenses, hazardous waste temporary storage permits, emission permits, ISO 14001, ISO 50001, ISO 14064 certificates, electricity, water, and raw material consumption data, as well as greenhouse gas monitoring plans and verifications.

Anadolu Isuzu conducts audits in line with Quality and Environmental Management Systems to monitor the environmental practices and progress of its suppliers.

To maintain top-tier logistics performance, the Company extensively employs the Milk-Run system in the Marmara and Aegean Regions. Anadolu Isuzu's digitally managed and reported Milk-Run system continues to gain significance within the Company's supply chain with each passing period.

Project highlights...

In 2022, Anadolu Isuzu implemented various electric energy efficiency projects across different areas. Some highlights from these efforts are provided below.

The **Energy Management System**, adhering to global standards, obtained ISO 50001 certification for the first time in 2022 following comprehensive audits. A Factory Energy Audit was conducted, and the actions outlined in the report, which did not require investments, were promptly implemented as Quick Wins. Feasibility studies were carried out for projects that necessitated investments.

Under the **Efficiency-Boosting Project (EBP) Supports**, lighting fixtures were replaced in the truck and bus factories. A total of 1,313 fluorescent lights were

replaced with 767 LED lights, resulting in a 64 MWh increase in energy efficiency.

The **factory's energy monitoring system** was upgraded by transitioning to a digital platform. As a result, the SPP electricity generation, electricity consumption, and natural gas consumption data can now be conveniently accessed through a single interface. Heating systems are continuously monitored online through the same platform using Auxiliary Facilities and Paint Shop SCADA screens.

The installation of an electric heater in the phosphate pool at the cataphoresis plant, which was previously heated with superheated water from the boiler room, resulted in a 9% reduction in annual natural

gas consumption due to quicker and more efficient heating at lower temperatures.

Vibration data from **equipment like electric motors and fans** was recorded, and the results were thoroughly analyzed. By replacing two high-capacity fans with units designed for maximum efficiency, the Company achieved savings of 34 MWh.

The **UPS unit in the administrative building**, which had 70% energy efficiency, was replaced with a new UPS unit that has an efficiency of 96.5%, resulting in electricity savings.

Anadolu Isuzu prioritizes green procurement, opting for products with high energy efficiency ratings that offer a quick return on investment, as opposed to products with lower initial costs.



35%

Percentage of increase in the number of female employees relative to the total number of employees over the past 5 years

712

Number of unionized operation employees

7.2

Rate of lost-time accidents
(Number of accidents with ≥ 1 lost day x 1,000,000/work hours)



Value-Added Approach to Individuals and Society

As part of its corporate social responsibility, Anadolu Isuzu conducts activities aimed at generating added value for its human resources, which the Company considers its most valuable asset, and for the society in which it operates.

Competent Human Resources

IMPORTANCE OF HUMAN RESOURCES FOR ANADOLU ISUZU

Strong human resources are crucial for companies to maintain their presence in the market.

Anadolu Isuzu believes that creative employees who are innovative, possess a broad perspective, adapt to change, and work towards common goals,

contribute to the Company's ability to maintain and enhance its competitive edge while sustaining growth.

Anadolu Isuzu's unwavering goals include establishing and preserving a work environment that safeguards and respects employee rights, nurtures talents, maintains zero tolerance for discrimination, ensures equal opportunities for both male and female

employees, and adheres to the highest global standards in occupational health and safety.

Anadolu Isuzu designs its strategies to cultivate an ecosystem where employee well-being takes precedence, and where research and development, collective learning, and a collaborative work culture are at the forefront.



MANAGEMENT APPROACH

Anadolu Isuzu's employees are the Company's most valuable asset and the heroes who make the execution of its corporate strategies possible. Anadolu Isuzu strives to be a preferred employer in all circumstances through its human resources practices.

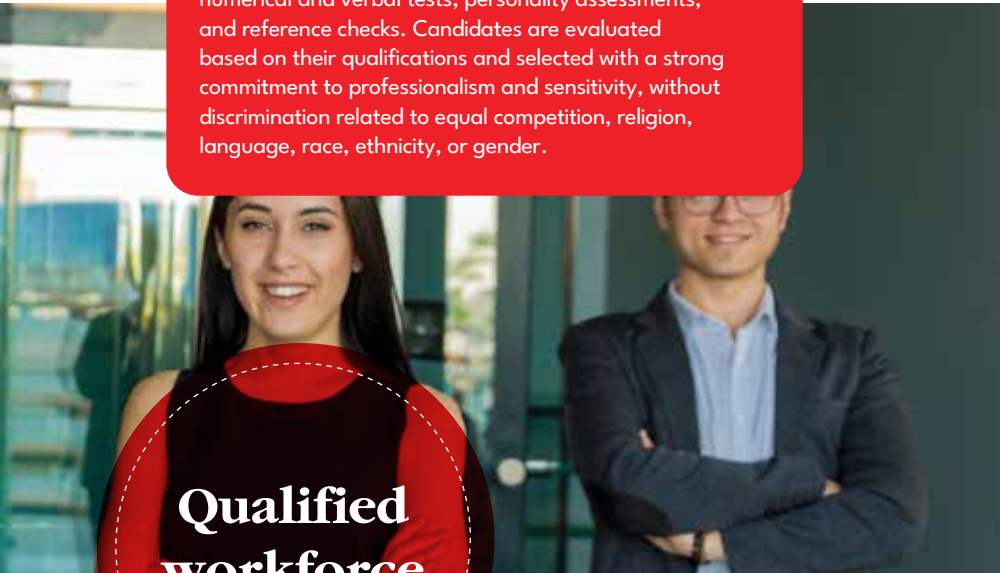
The Company handles its human resources, which consist of professionals contributing significantly to sustainable growth, with a dedicated emphasis on employee satisfaction, ongoing development, and transparent mutual communication.

The fundamental principles that steer Anadolu Isuzu's human resources policies include equal opportunity for all, hiring the most suitable person for each role, fair compensation for the same work, merit-based recognition of success, maintaining consistent and efficient job performance, fostering effective internal communication, and being mindful of social responsibility.

The selection and placement processes conducted for the recruitment of skilled professionals at Anadolu Isuzu involve foreign language proficiency assessments, numerical and verbal tests, personality assessments, and reference checks. Candidates are evaluated based on their qualifications and selected with a strong commitment to professionalism and sensitivity, without discrimination related to equal competition, religion, language, race, ethnicity, or gender.

Related Material Topics

- Business Ethics and Human Rights



**Qualified
workforce**

Fundamental principles pertaining to human resources

Anadolu Isuzu adheres to fundamental human resources principles as a guiding framework in the selection and placement processes used to hire qualified professionals for the Company.

GRI 2-7, 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7

Competent Human Resources

Human Resources Mission

In alignment with Anadolu Isuzu's raison d'être and strategies, enhance employees' skills, boost their motivation and loyalty, thereby contributing to the Company's profitability and creating added value for the organization's future.

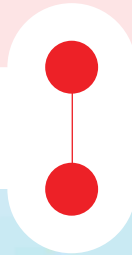
Human Resources Vision

Be a strategic business partner that fosters a competitive advantage.

Human Resources Strategy

Bring the right human resources with a global perspective and skillset to the Company

- Cultivate a work culture and human resources systems that strive for continuous improvement through teamwork, knowledge, and in an environment built on open communication and trust within the business
- Contribute to organizational efficiency and organizational development
- Strengthen the culture of employee engagement
- Establish a preferred, people-centric employer brand



HR mission, vision and strategy

Anadolu Isuzu places a strong emphasis on nurturing employees with a global mindset, fostering collaboration and effective communication, promoting personal development, and encouraging critical thinking and initiative. Furthermore, the Company prioritizes qualities like leadership, strategic thinking, and managerial effectiveness when identifying potential candidates for leadership roles.

HIGHLIGHTS OF HUMAN RESOURCES INITIATIVES IN 2022

Guided by its values and corporate culture, Anadolu Isuzu places “human beings first,” irrespective of language, religion, race, or gender. The Company’s priority is to establish a working environment in which all employees are granted equal rights and opportunities, ensuring that they have access to equal opportunities and that their rights, as determined by labor regulations, are fully upheld.

Equality of opportunity, a principle outlined in Anadolu Group’s code of conduct and steadfastly upheld, is actively promoted. Equal opportunity and diversity are integrated into all human resources practices, ranging from the recruitment of employees to training, compensation, and career development. Anadolu Isuzu also places a strong emphasis on nurturing the creativity and innovation skills of its employees.

Preferred employer

The fundamental principles that steer Anadolu Isuzu’s human resources policies include equal opportunity for all, hiring the most suitable person for each role, fair compensation for the same work, merit-based recognition of success, maintaining consistent and efficient job performance, fostering effective internal communication, and being mindful of social responsibility.

Anadolu Isuzu strives to be a preferred employer in the market in all circumstances through its human resources practices.

The Company regards the management of its human resources, including professionals who contribute significantly to sustainable growth, as one of its

corporate priorities. This management is centered on employee satisfaction, ongoing development, and transparent mutual communication.

- The total number of employees at Anadolu Isuzu is 983 as of 2022.
- The total number of employees at the Company’s R&D Center was 200 during the same period.
- Anadolu Isuzu had a workforce of 166 employees in 2022.

The selection and placement processes conducted for the recruitment of skilled professionals at Anadolu Isuzu involve foreign language proficiency assessments, numerical and verbal tests, personality assessments, and reference checks. Candidates are evaluated based on their qualifications and selected with a strong commitment to rigor and sensitivity, without discrimination related to equal competition, religion, language, race, ethnicity, or gender.

Prioritizing the inclusion of individuals with disabilities in the workforce, Anadolu Isuzu employs 40 individuals with disabilities as of 2022.

New employees at Anadolu Isuzu are greeted with a welcome kit and participate in a one-month orientation process that commences on their first day, aiding in their adjustment to the corporate culture.

Anadolu Isuzu places equal emphasis on retaining its talented workforce, considering them one of its most valuable stakeholders, as it does on being a preferred employer. At the conclusion of 2022, the average employee tenure was 7 years, with a voluntary employee turnover rate of 5% and an overall employee turnover rate of 14%.

35% increase in the number of female employees

Anadolu Isuzu places a high priority on augmenting the representation of female employees and elevating the role of women in management across its entire workforce. As a result of the employment approach aligned with the goal of achieving gender equality within the Company, the number of female employees increased by 35% within the total workforce over a span of 5 years.

Anadolu Isuzu Human Resources remains committed to advancing women’s employment and concurrently carries out projects to enhance the satisfaction and standards of the current female employees in the workplace.

In conjunction with its projects in this realm, the Company formulates policies to augment the representation of women in recruitment and promotions, and closely monitors its progress in this regard.

To achieve its objective of doubling the number of female employees, Anadolu Isuzu aims to hire a minimum of 50% female employees annually and strives to ensure that at least 50% of its interns are female students. Accordingly, the Company has introduced a female candidate recommendation system. Employees who recommend female candidates for open positions receive a recommendation award when the suggested candidate successfully completes their sixth month of employment.

Competent Human Resources

OPEN VACANCIES MODEL

The “Open Vacancies Model” is designed to make open positions within the Anadolu Group accessible to all of the Group’s companies and to enable employees to seize these opportunities in alignment with their skills, experience, and career aspirations. Under this model, talented individuals employed in other companies are also informed about career prospects within Group companies

The objectives of this platform include;

- enhance communication and transparency within the Company/ Group,
- empower employees to proactively shape their own career paths,
- optimize the utilization of human resources, including competencies and skills,
- elevate employee loyalty and motivation.

ANADOLU ISUZU PERFORMANS YÖNETİM SİSTEMİ

The Anadolu Isuzu’s Performance Management System is designed to encourage teams and individuals to enhance their performance and foster the development of their competencies. The Performance Management System, which is instrumental in the Company’s success, places emphasis on employee development in addition to business outcomes. It also offers feedback to all employees regarding their strengths and areas for improvement.

As part of this system, performance criteria and annual performance targets for employees are established in alignment with the Company’s strategy and objectives.

Anadolu Isuzu strives to establish objectives that promote sustainability

through a performance management system centered on the impartial assessment of employee performance. Employees can set their own targets through the system and conveniently initiate approval processes from anywhere at any time throughout the year.

The performance appraisal process is considered an integral component of employee development and a tool that will drive the Company’s performance to greater heights. Recruiting the necessary talent for Anadolu Isuzu from among the Company’s existing employees is also an integral part of this process. In 2022, 75% of promotions were filled by internal appointments.

The Performance Management System is implemented twice a year through the “Mid-term Performance Evaluation” and “End of Year Performance Evaluation” processes.



Performance appraisal process

Recruiting the necessary talent for Anadolu Isuzu from among the Company’s existing employees is also an integral part of the performance appraisal process. In 2022, 75% of promotions were filled by internal appointments.

ORGANIZATIONAL DEVELOPMENT INITIATIVES

Anadolu Isuzu places significance on organizational development initiatives. In 2022, the Company continued its efforts to refine organizational designs aimed at facilitating the achievement of its strategic objectives, leading to the implementation of new business models.

Training initiatives

Anadolu Isuzu provides its employees with numerous opportunities to improve and develop both their personal and professional skills. The training and development initiatives conducted for continuous improvement and growth within the Company are intended to facilitate the advancement of all employees in alignment with the Company's strategic priorities.

Anadolu Isuzu also organizes corporate development programs to nurture young talents and train future leaders.

HIGHLIGHTS OF TRAINING INITIATIVES

Strategically, Anadolu Isuzu aims to enhance the skills of all employees in their respective focus areas through ongoing training and development initiatives designed to foster continuous improvement and growth.

Recognizing continuous training and development as the cornerstone of its human resources system, Anadolu Isuzu seeks to broaden its employees' horizons and facilitate their technical, knowledge, skills, and personal growth. Anadolu Isuzu invested over TL 2.9 million in employee training during 2022.

Development needs are determined based on feedback from employees, which they receive from their managers and colleagues as part of the competency assessment system. This information, along with the outcomes of manager-employee interviews held during the performance appraisal process and human resources planning meetings, is used to create both short-term and long-term training and development plans.

Anadolu Isuzu organizes corporate development programs to foster young talents and train new leaders.

Sabancı University - Leadership Development Program

Alongside the support provided to enhance the managerial competencies of First Level Managers and Team Leaders, a Leadership Development Program was devised and put into action in partnership with Sabancı University. This program is aimed at nurturing a shared management comprehension and linguistic consistency, fostering a reconsideration of leadership abilities, and enhancing the participants' perspectives on the business and problem-solving within a framework of integrity. The Leadership Program comprises 5 primary modules, covers 7 key topics, and spans a total of 10 training days, incorporating a Business Simulation exercise.

Improving executive financial literacy

The One-on-One Financial Coaching program was launched with the objective of enhancing the financial literacy of every manager, regardless of their direct involvement in financial management. The program focuses on interpreting financial transaction statements, conducting related analyses and practices, and understanding how their decisions in their respective areas impact the Company's results as reflected in the financial statements in a comprehensive manner.

The program's goal is to foster a comprehensive financial perspective and equip participants with the ability to anticipate the implications of the financial dimension in all decision-making processes at Anadolu Isuzu. In line with this objective, the Finance School program, comprising 4 distinct training sessions for managers, was conducted to anticipate the influence of the financial aspect in all decision-making processes at Anadolu Isuzu.

Anadolu Isuzu Professional Development Program

An industry need that remains critical both in the present and for the future is a skilled workforce equipped with technical knowledge and expertise.

Based on the data published by the Automotive Manufacturers' Association in 2021, the participation rate of women in the workforce in production areas is 6.8% among OSD member companies.

Anadolu Isuzu is committed to fulfilling its responsibility with the awareness that this percentage should be elevated.

When devising the Anadolu Isuzu Professional Development Program, the goal was to educate the young workforce with expertise in the latest technology and sustainability principles. To achieve this, half of the young professionals entering the industry were chosen from among female candidates, in adherence to the principles of gender equality.

As part of this initiative, young individuals aspiring to pursue careers in areas such as painting, electrical operations, welding, and assembly operations, which demand a highly skilled workforce within the automotive sector, are provided with comprehensive training from the ground up.

Out of the 35 candidates chosen for the project, which commenced in July 2022, they underwent a diverse array of training sessions spanning personal development, skill workshops, Kaizen training, and practical field experience over the course of 9 months. The inclusion of half of the participants as women not only advanced female employment in production areas but also underscored that women can excel in every facet of the production process.

OHS, accident investigation and risk analysis trainings

Training sessions on occupational health and safety, accident investigation, and risk analysis were conducted with the aim of establishing a safe and healthy work environment, reducing occupational accidents and diseases, educating employees about workplace risks and the corresponding precautions, and fostering awareness regarding occupational health and safety.

Digital Transformation Program

Anadolu Isuzu has developed a Digital Transformation Program designed to comprehend digitalization from various perspectives, to leverage it most effectively and efficiently in business processes and personal life, and to fortify competencies for the new generation.

Competent Human Resources

As part of the ongoing program, which included “Digital Transformation Ambassadors” volunteering from different departments in 2022, 992 hours of training were delivered to these volunteer ambassadors. The training covered topics related to digitalization, agile methodologies, Power BI, and Power App. The program continued with “Data Drivers Next,” guided by professional consultants, to convert the training into practical applications and projects. Digital Transformation Ambassadors were organized into eight teams, applying their theoretical knowledge through the utilization of machine learning and Power BI methods across a range of projects.

Competency Development Trainings

To enhance the competencies of employees, classroom-based training sessions were conducted, covering topics such as transactional analysis and communication, time and stress

management, as well as effective presentation techniques.

Employees collectively received 5,189.5 hours of training through the “flexible online training” application. This initiative allows employees to access technical training on their preferred online training platforms within the defined budget.

To enhance the English language proficiency of employees who use English as part of their daily work, an English Training Program was made available to these employees. In 2022, employees collectively received a total of 440 hours of training through this program.

For Group-wide synergy

With the objective of bolstering synergy within Anadolu Group Companies and enhancing the overall organizational development of the Group, a process has been instituted to unite employees from various companies and facilitate their

growth. Initiated at the end of 2019 with an inventory assessment, this process persists as an extensive Development Program.

15,414 hours of training

Development activities for operators continued through various training programs, totaling 15,414 hours of training delivered to 3,008 employees. These programs encompassed topics such as Kaizen, 5S, fire safety, OHS, and environmental training.

MESS and TISK Online Academy Platforms

Anadolu Isuzu employees have the opportunity to engage in a wide array of training programs, spanning from leadership and communication to personal productivity and information technologies, via the MESS and TISK Online Academy Platforms.



992
hours

“Digital Transformation Ambassadors”

As part of the 2022 Digital Transformation Program, a total of 992 hours of training were offered to dedicated Digital Transformation Ambassadors. This training covered various aspects of digitalization, agile methodologies, Power BI, and Power App.

Communication Sessions

Communication sessions were arranged to bring employees from diverse departments together, fostering improved interpersonal connections through interactive games and dialogues.

Other trainings

As agility necessitates a cultural shift, it is imperative to recognize the need for change at the individual, team, and organizational levels, and to cultivate a willingness to adapt. In light of this requirement, Anadolu Isuzu provides its employees with training programs covering various topics.

To promote transparency, an Agile Awareness Session was conducted for all individuals affected by the transformation process.

The Company's management team obtained certificates of expertise in "Disruptive Strategy" by completing the Harvard Business School's online training program.

In 2022, new employees who joined the Company underwent Transactional Analysis and Communication, Goal Mapping, and People-Oriented Collaboration training as part of their orientation to facilitate their quicker adaptation to the corporate culture.

An 8-week, 16-hour sign language training program was organized to facilitate communication between hearing individuals and individuals with hearing impairments.

Competition Law training was provided to equip employees with the theoretical and practical knowledge necessary to assess various situations and issues they encounter in their professional life from a competition law perspective.

Distance Learning Platform AG Academy

Anadolu Isuzu Human Resources is at the forefront of digital transformation efforts, with the aim of establishing the infrastructure for a skilled workforce in the present and fostering a work environment conducive to technology development. AG Academy, the training and development platform of Anadolu Group, eliminates barriers to accessing information, facilitates ongoing learning, and directly influences business performance. Anadolu Isuzu employees have the opportunity to partake in training programs tailored to their specific needs through AG ACADEMY.

Importance of internal communication

Anadolu Isuzu places significant emphasis on internal communication initiatives and makes its Human Resources policies and procedures accessible to employees via a dedicated portal. The Company regularly conducts employee satisfaction and engagement surveys. Furthermore, employees were provided with an e-platform to share their innovative ideas, fostering open communication between employees and the management team.

As part of an online platform, surveys are administered to gather employees' input and recommendations on various matters. This structure, accessible to employees from both smartphones and computers, enables them to respond to surveys at any time and provide feedback on any topic. Employees can utilize the online platform to submit their suggestions and desires, which are then reviewed by the Human Resources department and responses are provided to the employee.

ISUZUM Portal

Through the ISUZUM application, all employees have access to various processes, including viewing payroll, checking the food menu, entering overtime and leave requests, and participating in surveys from anywhere and at any time. The digital assistant Digisu allows employees to perform various daily tasks in seconds through WhatsApp, enhancing efficiency and convenience in their work.

For employee well-being and happiness

Anadolu Isuzu places great emphasis on the well-being of its employees and implements a range of activities in this regard. As part of the Anadolu Group Employee and Family Support Program, employees have the option to contact a support line at any time to obtain information and guidance from experts on a wide range of issues, including legal, medical, financial, and more, to address their questions, curiosities, or support needs.

The remote-access dietitian application enables employees to consult with a matched dietitian, ask questions about their dietary habits, and develop a personalized diet program. Additionally, a psychological support service is available to safeguard the mental well-being of employees.

Motivational activities

Anadolu Isuzu places employee happiness and productivity as a top priority and seeks to establish a common language with employees who aspire to shape the future.

Anadolu Isuzu prioritizes boosting productivity by fostering the loyalty of its skilled and experienced employees. The Company has also expanded the array of special events and initiatives provided to its workforce.

Employees seeking a break from the daily routine and looking to enhance communication and synergy between departments convened as part of the Sailing Workshop.

Anadolu Isuzu's rowing team took part in the 2022 Dragon Festival, a corporate sports event that has united various industries since 2008, drawing in over 55,000 participants to date.

On December 3, International Day of Persons with Disabilities, Anadolu Isuzu organized a bowling tournament titled "Anadolu Isuzu Devir Engelleri Devir" to come together with employees with disabilities. Moreover, the Company's senior management maintained regular meetings with employees with disabilities during breakfast gatherings.

Competent Human Resources

The traditional Circumcision Event was arranged for the children of employees aged 4 to 12, including a Bosphorus tour and a visit to the Rahmi Koç Museum. This special event involved 42 children and their families before the circumcision ceremony.

Employer Brand - “The Future is Our Path, You Are Our Strength!”

“In 2022, the slogan “The Future is Our Path, You Are Our Strength!” was employed to communicate Anadolu Isuzu’s areas of operation, work culture, and vision to prospective candidates. “Within the framework of “The Future is Our Path, You Are Our Strength!” numerous initiatives aimed at the development, future prospects, and working conditions of employees have been reinforced and sustained.

Anadolu Isuzu’s fresh employer brand has served as an effective and compelling tool to showcase and communicate success,

future vision, unity, and strength in the most impressive manner.

UNIVERSITY-INDUSTRY COOPERATION PROJECTS

Talent Pick-Up

Anadolu Isuzu has redesigned its university-campus communication process to enhance efficiency, offer prospective students a taste of the Anadolu Isuzu employee experience, and entice promising and talented students to join the Company. Within this framework, all internship and youth engagement initiatives were consolidated under the “Talent Pick-Up” brand, and these programs were revitalized. The project is offered with 3 different options.

Talent Pick-Up is an internship program designed to offer selected university students the Anadolu Isuzu experience for a duration of 10 weeks during the summer.

Talent Pick-Up Experience is an internship program that grants university students, capable of managing their class schedule, the chance to gain genuine work experience at Anadolu Isuzu for a duration of 6 months.

Talent Pick-Up Plus is an internship program designed for university students seeking to undertake a full semester internship during the academic year (Fall and Spring).

Talent Pick-Up was launched in July 2022. To offer internship candidates a high-quality recruitment experience aligned with modern standards, digital processes were implemented for stages including interviews, personality assessments, and English tests.

In the comprehensive internship program, where intern selection is handled with care (including a General Aptitude Test, Personality Inventory, English Exam, and



**Fresh
employer
brand**

“The Future is Our Path, You Are Our Strength!”

“Within the framework of “The Future is Our Path, You Are Our Strength!” numerous initiatives aimed at the development, future prospects, and working conditions of employees have been reinforced and sustained.



Department Interview), and emphasis is placed on equality, students kick-started their journey by getting acquainted with their project coaches and project topics prior to the internship.

Throughout their internships, participants of the Talent Pick Up program collaborated with their assigned mentors on designated projects, enhancing their practical experience and project management skills. As part of the internship period, personal development training was provided on the following topics:

- Importance of Networking in Business Life
- Communication through Transactional Analysis
- Goal Mapping and Mind Mapping
- People-Centered Collaboration and Internal Negotiation

To offer a more comprehensive understanding of the Anadolu Isuzu production lines and provide an on-site view of the processes, we organized an in-depth factory tour as part of the “Talent Pick Up Tech Tour”. Furthermore, on August 31, 2022, we took a virtual tour of the MEXT Digital Factory to gain a fresh perspective on our operations.

As part of “Talent Direct Talks,” Talent Pick Up interns had the opportunity to meet and engage with industry experts such as Arif Özer, Aşkın İnci, Murat Sever, Hakan Kefoğlu, Hakan Özenç, Murat Dedeoğlu, and Yusuf Teoman from August 15 to 24. Twenty university students took part in the Talent Pick-Up internship program and undertook 20 projects related to their respective departments.

One of the most acclaimed talent shows of the year

The Talent Pick-Up Internship Program, designed to provide university students with valuable experience and a successful start to their careers, achieved recognition by being included in the Top 100 Talent Program 2022 list of the Most Acclaimed Talent Programs by Toptalent.co.

In 2022, the “Talent Pick-Up” Talent Program by Anadolu Isuzu secured the 1st position in the Automotive (Commercial) category in the “Best Talent Program” competition organized by Toptalent.co. This achievement was the result of a popular vote by 101,382 young talents.

Anadolu Isuzu employees, as part of the “Talent Talks” program, host webinars for university students, sharing their expertise on various topics. Production engineers at Anadolu Isuzu lead digital tours of our plant, sharing their expertise in production line processes with university students through the Talent Tech Tour program.

VOCATIONAL HIGH SCHOOL-INDUSTRY COOPERATION PROJECTS

In 2022, Anadolu Isuzu extended internship opportunities to 40 senior students from industrial vocational high schools through a collaborative initiative between vocational schools and the industry.

Anadolu Isuzu has established a Paint Technologies Workshop at Küçükyalı Vocational and Technical Anatolian High School. The workshop plays a crucial role in enhancing vocational training. The workshop is dedicated to training skilled paint professionals who are not only well-versed in theoretical knowledge but also committed to staying updated on industry innovations. These professionals prioritize practical applications, adhere to strict occupational health and safety guidelines,

and demonstrate a strong sense of environmental responsibility. The project also plays a crucial role in cultivating the qualified human resources essential for meeting the demands of the industrial sector.

As of 2022, a total of 71 students have successfully completed their studies at the Anadolu Isuzu Paint Technologies Workshop.

PROMOTIONAL ACTIVITIES CARRIED OUT AT UNIVERSITIES

Anadolu Isuzu actively takes part in career days at Türkiye’s prominent universities and sponsors case studies.

Students and academics from both within Türkiye and abroad are provided with the opportunity to become familiar with Anadolu Isuzu during the Tech Tour. Guests are encouraged to explore Anadolu Isuzu through detailed explanations of the technologies employed, guided tours of the R&D and production facilities, and the chance to have their questions answered by our expert and experienced team.

Throughout the year, we arranged technical field trips for student clubs and vocational high school students from Middle East Technical University, Mimar Sinan University, Gazi University, Istanbul Technical University, Yıldız Technical University, and Kocaeli University. These trips aimed to share insights into our operations and experiences with our expert employees.

We signed a cooperation agreement with the Faculty of Mechanical Engineering and Faculty of Electrical and Electronics Engineering at Yıldız Technical University.

Competent Human Resources

Highlights of interactive initiatives

- Anadolu Isuzu took part in the Interview Simulation Days organized by Yıldız Technical University Business Club to identify and recruit top-performing students for Anadolu Isuzu.
- Anadolu Isuzu participated in the Otosem event organized by Uludağ University IEEE Club.
- Anadolu Isuzu participated in the Young Executive Academy event, which drew more than 10,000 people from various parts of Türkiye.
- Anadolu Isuzu took part in the Career Days event organized by the Middle East Technical University, where internal career opportunities were presented and discussed.
- Anadolu Isuzu participated in the KVK Academy event organized by Yıldız Technical University Quality Efficiency Club.

- Anadolu Isuzu participated in the Energy Summit event organized by Boğaziçi University Engineering Club, where it provided insights into energy systems.
- An informative session on building an effective career journey was presented at the Career-In event organized by Hacettepe University Venture and Investment Community.
- We engaged with Yıldız Technical University students who were eager to take a step forward in their careers and futures.
- The Company participated in the Boğaziçi University Management Study with Executives (MSE) Summit.
- In 2022, the Company engaged with 80 universities, took part in 35 events, and reached a total of 90,000 students.

OSD AUTOMOTIVE SUMMER CAMP

The online certified Automotive Summer Camp event, organized between June 24 and July 1, 2022, with the support of the Automotive Industry Exporters' Association (OİB), continued to receive significant attention in its second year.

Over 60,000 students participated in the Automotive Summer Camp, which was created and executed by the OSD Human Resources Committee's Training Working Group. This initiative was established in response to the limitations on internship opportunities for students during the pandemic and aimed to enhance awareness of the automotive industry. Anadolu Isuzu representatives shared their insights on "The Future of the Automotive Industry" with university students as part of the summer camp.



“Team Happiness”

Team Happiness, actively contributing to employee happiness, is actively involved in shaping employee engagement action plans. In the 2022 Employee Engagement Survey, the satisfaction rate was recorded at 79.8%.



Team Happiness in action

Anadolu Isuzu's Team Happiness is composed of members from various departments who work together to promote employee happiness and well-being.

The Team;

collaborating with the Human Resources department, organizes initiatives designed to address the identified focus areas,

actively participates in the development of employee engagement action plans,

presents the outcomes and achievements of employee engagement action plans, both at the Company level and within specific departments, to the senior management.

"Team Happiness" has enriched and fortified internal communication and social dialogue platforms, facilitating the implementation of actions driven by the assessment of areas for development through a collaborative approach.

In the 2022 Employee Engagement Survey, the satisfaction rate was measured at 79.8%.

Team Happiness and Human Resources maintained regular meetings throughout the year to assess and translate departmental requests and suggestions for enhancing employee engagement into actionable initiatives. Additionally, the General Manager received regular updates on ongoing projects, and action plans were communicated.

UNION RIGHTS AND COLLECTIVE BARGAINING AT ANADOLU ISUZU

Collective bargaining agreements are the primary framework that regulates the relationships with blue-collar employees at Anadolu Isuzu. The valid provisions outlined in the collective bargaining agreement are acknowledged.

The authorized trade union at Anadolu Isuzu is United Metalworkers Union.

Within the company, there is 1 Chief Representative who has been both elected and appointed, along with 3 Union Representatives.

These representatives play a crucial role in addressing the concerns, complaints, and issues raised by blue-collar employees. They also act as advocates for employees within various committees, including the Disciplinary Board and the Occupational Health and Safety Committee. Their responsibilities include ensuring that employees' legal rights are upheld, all in accordance with the provisions outlined in the Collective Labor Agreement between the United Metalworkers Union and MESS (Turkish Metal Industrialists' Union) and in compliance with relevant labor laws.

As of the end of 2022, 712 operations employees at Anadolu Isuzu were active union members.

VOCATIONAL QUALIFICATION CERTIFICATION INITIATIVES

Anadolu Isuzu continues its Vocational Qualification Certification process in accordance with the communiqué issued by the Ministry of Labor and Social Security of the Republic of Türkiye.

Workshop-based training sessions were conducted to prepare skilled personnel for the automotive industry and assess employees based on their job performance.

Awards Received by Anadolu Isuzu

The Talent Pick Up Internship Program, aimed at empowering university students to launch successful careers through valuable experience, secured the top position in the "Top 100 Talent Program" 2022 in the Automotive (Commercial) category.

Anadolu Isuzu was honored with the "Employer Brand of the Year" award at the Boğaziçi Business World Awards presented by the Boğaziçi University Engineering Club.

The "Professional Development Program," designed to promote the professional growth and qualified employment of women in the automotive sector, received recognition in the "Women's Changemakers" category at the "Common Future" awards ceremony hosted by the Turkish Confederation of Employers' Associations (TİSK).

Anadolu Isuzu was recognized as one of the companies with a significant contribution to the employment of disabled individuals through the "Contributing to Employment Project" by Kocaeli Metropolitan Municipality. The award was presented to Anadolu Isuzu by Kocaeli Metropolitan Municipality Deputy Mayor Yaşar Çakmak, Çayırova District Governor Ahmet Önal, and İşkur Gebze Service Center Manager Şener Palavar.

Anadolu Isuzu takes the lead in Anadolu Group's Bi-Fikir platform

The Bi-Fikir App and Bi-Fikir Festival serve as a dynamic platform within Anadolu Group, enabling employees to showcase their inventive concepts, foster creativity individually and collaboratively, and enhance the value proposition for Group entities. This platform seeks to nurture both individual and collective creativity and innovation among employees, with the ultimate goal of ingraining these qualities into the organizational culture.

Anadolu Isuzu's culture of fostering creative and innovative ideas, which initially took root through Quality Circle activities, is consistently promoted in the Bi-Fikir platform. This culture thrives thanks to the active engagement of all employees across various domains.

In the finale of Bi-Fikir, Anadolu Group's innovation initiative, the "Big-e" project, symbolizing the innovation and creativity of Anadolu Isuzu, secured the 1st prize in the Inventor category for 2022.

Competent Human Resources

Bi-Fikir KAP has a mission to expand Anadolu Group's innovative approach beyond the Group's boundaries, enhance the employer brand, and solicit practical, innovative, and viable project proposals from university students through open innovation, to benefit various Group companies.

At the Bi-Fikir KAP Finale, which recognizes and rewards innovative projects from university students, the New Generation Carbon Dioxide Technologies project, backed by Anadolu Isuzu, secured the top position.

Sparkling creativity and innovation at Kaizen Days

Kaizen is a Japanese term that originates from the fusion of two words. By merging Kai, which signifies "Change," with Zen, signifying "Good," a philosophy of continuous improvement was born. In the long run, it involves making incremental improvements in small, steady steps. Kaizen is implemented with minimal or no investment, and over the course of a year, the cumulative effect of hundreds of small improvements leads to substantial gains.

Anadolu Isuzu consistently fosters and champions creative and innovative ideas that originate from Quality Circle and Kaizen initiatives and gradually evolve into

an integral part of the corporate culture. In 2022, Anadolu Isuzu successfully completed 802 Kaizen projects, and employees who presented their ideas during Kaizen Days were recognized and honored with Kaizen awards.

OHS/EMPLOYEE SAFETY

Anadolu Isuzu is firmly committed to the goal of achieving zero occupational accidents, with a strong focus on maintaining safe workplaces and enhancing employee awareness as the main pillars of this commitment.



OHS

Safe working environment

In addition to complying with occupational health and safety legislation, Anadolu Isuzu is dedicated to establishing a secure work environment, enhancing employee health and safety awareness, and preventing and improving occupational accidents, injuries, and diseases.

ANADOLU ISUZU'S OCCUPATIONAL HEALTH AND SAFETY POLICY

Anadolu Isuzu's Occupational Health and Safety Management System relies on the collective involvement and support of all its employees.

In addition to complying with occupational health and safety legislation and other obligations, the Company is dedicated to establishing a secure work environment, enhancing employee health and safety awareness, and preventing and improving occupational accidents, injuries, and diseases.

Anadolu Isuzu recognizes its responsibility to safeguard the health and safety of not only its employees but also its subcontractors working at the plant, suppliers, interns, visitors, and all other stakeholders.

Anadolu Isuzu commits to;

- monitor and support the sustainability and the ongoing improvement of a safe and healthy working environment through occupational health and safety targets,

- ensure continuous improvement by eliminating hazards and reducing occupational health and safety risks,
- take all necessary measures to prevent the deterioration of its employees' health.

The occupational health and safety management structure at Anadolu Isuzu is in compliance with the ISO 45001 Occupational Health and Safety Management System Standard. The system relies on the collective participation and support of all employees.

ANADOLU ISUZU'S OCCUPATIONAL HEALTH AND SAFETY OBJECTIVES

Anadolu Isuzu recognizes human health and safety as a top priority. The Company has set the goal of zero occupational accidents as an unwavering commitment, achieved by maintaining safe workplaces and fostering employee awareness.

Committed to achieving zero accidents, Anadolu Isuzu successfully reduces its accident frequency rate (AFR) year after year. By prioritizing occupational safety and health-related goals, Anadolu Isuzu managed to decrease the accident frequency rate in 2022 by 60% when compared to the figures from 2015.

The near-miss notification system for occupational health and safety allows for the evaluation of work environments from the employees' perspective, identifying areas for improvement directly at the workplace.

The behavior-oriented safety project encompasses activities that support the occupational safety approach at all organizational levels.

To promote a safe and healthy working environment, Anadolu Isuzu utilizes skits

and plays during Occupational Health and Safety Week to underscore the significance of OHS practices.

Anadolu Isuzu prioritizes improving and supporting ergonomic conditions in the working environment through various activities aimed at enhancing the well-being of its employees.

A full compliance approach to human rights

Anadolu Isuzu aligns its operations with the principles established by the Anadolu Group, to which it belongs and operates in strict accordance with international guidelines like the UN Declaration of Human Rights and the UN Global Compact. Moreover, it complies with the legal framework and labor-related regulations governing human rights within Türkiye. Anadolu Isuzu carries out projects to create a modern working environment that upholds human rights and promotes equal opportunities for participation among its employees.

Please visit the link below to access Anadolu Isuzu's Business Principles

<https://www.anadoluisuzu.com.tr/img/calisma-ilkeleri-1-tr.pdf>

Anadolu Isuzu is firmly opposed to all forms of forced labor and the use of child labor, both in Türkiye and globally.

Committed to conducting all business activities in accordance with ethical rules, the Anadolu Isuzu Code of Business Ethics serves as a trusted source for all employees, stakeholders, customers, suppliers, business partners, competitors, and society.

Anadolu Isuzu's Human Resources department provides regular training to inform employees about ethical rules, ensure the understanding of policies and rules, and maintains constant communication with the workforce.

In 2022, Anadolu Isuzu employees underwent Ethics Training, focusing on the significance of ethical values in business life and how to internalize these values.

Please visit the link below to access Anadolu Isuzu's Occupational Health and Safety Policy

www.anadoluisuzu.com.tr/hakimizda/isci-sagligi-ve-guvenligi-politikasi

Social Development Projects

IMPORTANCE OF ADDING VALUE TO SOCIETY FOR ANADOLU ISUZU

In today's world, businesses not only bolster the economies of the nations where they are based but also embrace a comprehensive approach to fostering social development. Organizations in the economic sphere

that generate impactful and inclusive social responsibility initiatives, creating added value for society, actively promote social development by collaborating with various stakeholder groups, such as universities, civil society organizations, and government initiatives.

Since its establishment, Anadolu Isuzu has not only been dedicated to serving the nation's industrial and economic interests through its manufacturing efforts but has also demonstrated its commitment to social development by actively engaging in and supporting various projects.



MANAGEMENT APPROACH

Anadolu Isuzu plans and executes its corporate social responsibility initiatives with a long-term vision. The Company's comprehensive social responsibility projects are closely overseen and endorsed by top-level management at all organizational levels.

Anadolu Isuzu, with its diverse array of stakeholders, aspires to make a positive impact on all sectors of society and every facet of commerce through its vehicles, which play various roles in the business and lifecycle, making it a key objective of its social policies.

Related Material Topics

- Stakeholder Interaction and Collaborations
- Climate Crisis and Environmental Impacts



**Social
responsibility**

Continuous development of society

Anadolu Isuzu regards the creation of social value for all stakeholders as a vital component of its corporate identity, aiming to contribute to the continuous development of society.

Social Development Projects

HIGHLIGHTS OF SOCIAL RESPONSIBILITY PERFORMANCE IN 2022

Anadolu Isuzu showcases its direct and indirect contributions to society across various domains through enduring, long-term projects. These efforts aim to enhance the well-being of individuals and foster sustainable, enduring value for the community.

The Company actively tracks the endeavors of both national and international sustainability-focused initiatives. It wholeheartedly endorses social development efforts through various collaborative initiatives and partnerships.

In 2022, Anadolu Isuzu persisted in its commitment to becoming an organization and a brand that considers the expectations of its stakeholders. It continued to nurture sustainable projects that cater to societal needs while prioritizing environmental and human well-being.

Association of Private Sector Volunteers (ÖSGD) membership

Since 2014, Anadolu Isuzu has concentrated its efforts in the field of corporate social responsibility on education, environment, and disability. Within this framework, the Company has categorized its initiatives as “Social Awareness Projects” and encouraged the voluntary participation of its employees in these endeavors.

Anadolu Isuzu is a member of the Association of Private Sector Volunteers (ÖSGD), an organization dedicated to promoting corporate volunteerism in the private sector and conducting its activities in a sustainable and systematic manner.

“Goodness Boxes”

One of Anadolu Isuzu’s social responsibility projects is “Goodness Boxes”. New clothes, books, and toys collected as part of the project are placed in colorful Goodness Boxes on the ground floor of Anadolu Isuzu Headquarters and then distributed to their new owners.



Sustainable projects

Creating sustainable and lasting value for society

In 2022, Anadolu Isuzu persisted in its commitment to becoming an organization and a brand that considers the expectations of its stakeholders. It continued to nurture sustainable projects that cater to societal needs while prioritizing environmental and human well-being.



Anadolu Isuzu employees, recognizing the responsibility of being good citizens, collect clothing and toys in Goodness Boxes and donate them to the Anadolu Foundation for those in need.

Paint Technologies Workshop

Anadolu Isuzu collaborates with industrial vocational high schools to provide internship opportunities for final-year students.

In 2015, the Company established the Anadolu Isuzu Paint Technologies Workshop at Küçükyalı Vocational and Technical Anatolian High School, with the aim of providing substantial support to vocational education.

The workshop is dedicated to training skilled paint professionals who are not only well-versed in theoretical knowledge but also committed to staying updated on industry innovations. These professionals prioritize practical applications, adhere to strict occupational health and safety guidelines, and demonstrate a strong sense of environmental responsibility. The project also plays a crucial role in cultivating the qualified human resources essential for meeting the demands of the industrial sector.

Anadolu Isuzu continued its support for the project in 2021. As of the end of 2022, a total of 71 students have graduated from the workshop.

Mobile Library

Since 2015, Anadolu Isuzu has been providing books to elementary school students in underprivileged areas of İzmir using a vehicle converted into a mobile library.

The project aims to foster a love for reading among children, introduce them to children's authors, and enhance their language development through a variety of workshops. In the 2022 academic year, the project included visits to 20 schools, during which 24,407 books were lent to students.

Mentors for a Million Women Project

The Mentors for a Million Women Program strives to connect young women aged 15-25, working in STEM (Science, Technology, Engineering, and Mathematics) fields, with industry leaders through a digital platform. As part of the program, 20 expert and professional employees from Anadolu Isuzu shared their experiences with 15 female STEM students, providing valuable insights into their careers.

Thanks to the program;

- a unique opportunity was created to make a positive impact on the lives of young women pursuing STEM studies or careers, fostering their growth and contributing to broader transformation in the field.

- mentors made a significant impact on the world of STEM by leveraging their expertise, knowledge, and extensive experience.
- Anadolu Isuzu employees were motivated to become mentors in the program, thereby fostering a culture of mentorship, development, and knowledge sharing within the Company.

44th İstanbul Marathon: Koruncuk Foundation's My Dream School Project

Anadolu Isuzu had 120 volunteers who participated in the 44th İstanbul Marathon in the 15K category. Anadolu Isuzu's participation in the 44th İstanbul Marathon in the 15K category supported the Koruncuk Foundation's My Dream School Project, which aims to make it possible for girls to attend the university of their choice and bring smiles to the faces of children.

Social Development Projects

SOLUTIONS FOCUSED ON SOCIETY AND HUMANS

Novociti Volt

The Novociti Volt, the most compact member of Anadolu Isuzu's electric bus lineup, shares its platform with the acclaimed Novociti Life, a model that has gained recognition since 2018. Equipped with an electric motor and a refreshed look, the Novociti Volt is set to introduce emissions-free transportation, reduced noise, and a contemporary aesthetic to urban environments.

The Novociti Volt generates value for passengers, drivers, operators, nations, and society as a whole. It ensures passengers enjoy convenient boarding and alighting with its low-floor platform and spacious entrance and exit doors. The modern and comfortable interior design creates an inviting and friendly atmosphere for passengers. Zero

emissions and minimal noise contribute to a greener future and provide added value to society.

Operators can expect the Novociti Volt to uphold Anadolu Isuzu's renowned quality standards, ensuring outstanding design, exceptional reliability, durability, excellent maneuverability, and easy serviceability.

The Novociti Volt, measuring 8 meters in length, is designed to cater to everyone's needs.

The roof-mounted battery packs ensure a capacity for 54 passengers. Additionally, the TM4 electric motor delivers a 270 kW of maximum power and 2,500 Nm of maximum torque. The Novociti Volt offers three battery options: 142 kWh, 211 kWh, and 268 kWh, all backed by an 8-year warranty. These batteries provide a range of up to 400 km. The regenerative braking system not only extends the vehicle's range but also

increases the lifespan of the brakes.

The standard pack of the vehicle is configured to accommodate DC charging. Furthermore, it offers compatibility with AC charging when equipped with the optional "Built-in Charger".

The 211 kWh standard vehicle can be recharged in 2 hours using a 150 kW DC charging system and in 8.5 hours with a 22 kW AC charging system. Enhanced with a fast charging system, optional telematics, and a driver scoring system, the Novociti Volt ensures increased operational efficiency.

It offers an ideal solution for operators and countries striving to integrate a certain percentage of alternative fuel vehicles into their vehicle fleets, especially in public transportation.

For drivers, the Novociti Volt means a more comfortable, safer and enjoyable driving experience.



The Novociti Volt delivers improved performance through its innovative electric motor, while the ergonomically designed workspace and customizable instrument display offer a more enjoyable driving experience.

CitiVolt

Anadolu Isuzu's innovative 12-meter all-electric model, the CitiVolt, stands out with its zero-emission, all-electric capabilities and modern design. Apart from its cutting-edge technology, extensive features, and zero-emission benefits, the CitiVolt offers passengers seamless accessibility, courtesy of its low-floor platform and spacious doors. Boasting a high-performance electric motor, the CitiVolt is more powerful and provides an enhanced driving experience. The ergonomic driver's area and customizable instrument display further contribute to enjoyable driving.

BIG.e

BIG.e, the all-electric micro truck from Anadolu Isuzu, represents a significant leap in last-mile transportation solutions. Designed and manufactured entirely in Türkiye, this innovative vehicle harnesses the power of electric mobility, offering

impressive interior space and payload capacity comparable to a minivan. With its high-performance electric motor, BIG.e operates silently and produces zero emissions, making it the ideal solution to address the growing demand for last mile transportation in urban areas. Its compact and agile design, paired with an innovative, eco-friendly electric engine, makes BIG.e a game-changer for last-kilometer logistics, particularly in bustling cities.

BIG.e, meticulously designed to address the evolving needs of last mile transportation, offers unmatched capabilities. It is well-prepared to handle the transportation requirements of a wide range of businesses, from courier and delivery companies to local distribution services for retail chains, in the most cost-effective manner. Competing with minivans in its class due to its exceptional features and excellent maneuverability, BIG.e presents a substantial advantage for businesses.

Featuring a spacious cargo area of up to 4 m³ and a payload capacity of up to 1,000 kg, BIG.e provides a range of up to 150 kilometers with 3 different battery options.

Kendo 13 CNG

Measuring 13 meters in length, Kendo offers an ideal solution for short intercity routes, school buses, and employee shuttle services for companies. From the moment it was introduced to the market, Kendo has received high praise from customers for its comfort, advanced technology, well-equipped features, aerodynamic design, and modern aesthetics.

Kendo promotes environmental protection through its eco-friendly CNG engine, simultaneously delivering substantial cost savings to customers with its impressive fuel efficiency. The vehicle reduces fuel consumption by up to 25% and minimizes emissions.

Kendo, known for its comfort and design, earned the prestigious "Gold A'Design Award" for its outstanding design at the A'Design Awards & Competition in Italy in 2020. Furthermore, Kendo/Interliner CNG was honored with the "Sustainable Bus of the Year 2022" award in the Intercity category at the "Sustainable Bus Award" event held in Europe.



Social Development Projects

Citiport 12 CNG

Citiport is a product that embodies Anadolu Isuzu's commitment to generating enduring value for both society and the environment. Citiport 12 CNG, designed to address the growing global demand for eco-friendly, low-emission urban transportation, also offers a comfortable and inclusive travel experience for passengers with disabilities through its interior design.

Citiport 12 CNG retains the same distinctive design as its diesel counterpart, which was honored with the "Gold A'Design Award" at the "A'Design Awards & Competition" in 2018. The vehicle's interior is relatively brighter and more spacious, and it has earned design recognition. This has improved the experience for passengers with disabilities, allowing them to enjoy views from the window area.

The Isuzu Citiport 12 CNG model is an ideal public transportation vehicle due to its low operating costs and reduced

environmental impact compared to a conventional public transportation vehicle.

Grand Toro

The Grand Toro is the latest addition to Anadolu Isuzu's lineup of shuttle and touristic buses.

Anadolu Isuzu has leveraged its midibus production experience and expertise from Novo and Turkuaz to develop the Grand Toro.

The Isuzu Grand Toro midibus is recognized for its exceptional maneuverability, making it well-suited for various applications, including short and medium-distance shuttle, tourism, and airport transportation. The Isuzu Grand Toro impresses with its powerful engine, delivering 206 HP at 2,300 rpm, and its compliance with Euro 6-E emission standards, ensuring low emissions. This model effectively meets the demands for short and medium-distance transportation, providing seating for up

to 37 passengers, a spacious interior, and ample luggage space.

The Grand Toro offers a smoother ride and superior power transmission, ensuring the best possible experience for both passengers and drivers during their journey. Grand Toro, representing Anadolu Isuzu's innovative design philosophy, was honored with the "Silver A" award in the "Mobility" category at the BIG SEE Awards for product design. Additionally, it was recognized in 2020 by the A'Design Award, an Italy-based design competition, even before its launch.

Novociti Life

The Isuzu Novociti Life, designed for sustainable urban living, offers a distinctive solution to meet the evolving demands of the market and users. The Novociti Life is crafted to replace larger buses and is exceptionally well-suited for navigating through the narrow streets of urban areas. Its low-floor design is a boon for persons with disabilities and the



elderly, enhancing their ability to partake in social activities.

The Novociti Life boasts a roomy interior, accommodating a total of 60 passengers comfortably. Featuring a unique passenger window design that maximizes natural light, this vehicle enables passengers in wheelchairs to effortlessly access and appreciate the user-friendly and intelligent design while enjoying the view from the side windows.

Novociti Life offers remarkable energy efficiency and minimal fuel consumption through its engine technology, which complies with Euro 6E emission standards, thus meeting the demands of the global market.

Novo School Bus

In line with the school vehicle regulations enforced in Türkiye, Anadolu Isuzu conducted extensive research and development activities at six pivotal locations to enhance the safety and comfort of student transportation.

The first of these measures includes security cameras both inside and outside the vehicle. In-vehicle security cameras provide the opportunity to monitor all seats when students get on and off the bus. An outdoor camera with 360-degree visibility allows the driver to maneuver more safely in traffic. With Novo's new equipment package, video recordings of the interior and exterior of the vehicle can be stored and accessed for at least 30 days.

Another feature of Novo is the sensor system installed on all seats. The sensor system, capable of detecting weights of 9 kg or more, enables the monitoring of occupied seats through the seat arrangement screen in front of the driver. If weight continues to be detected on the seats after the ignition is switched off, an audible warning is given, followed by a warning with four-way flashers, and finally, the horn is activated. The goal of this system is to prevent incidents where child passengers are accidentally left behind in the vehicle.

Anadolu Isuzu's R&D team dedicated extensive efforts to develop 3-point, height-adjustable seat belts for all passengers in Novo, recognizing the paramount importance of traffic safety. The seat detection system in Novo allows for the easy identification of seats without seat belts on the screen located in front of the driver.

The vehicle tracking system is another prominent feature for school buses. The system enables real-time monitoring of the location of the school bus and stores the data for up to 30 days.

Transparent windows that allow visibility inside the vehicle enhance safety for students, while a sensor door system ensures that there is no risk of them getting trapped between the doors. In the event of an object or person being detected during door closure, the door automatically opens, ensuring necessary safety measures.







Appendices

Performance Tables

Economic and Operational Performance

	2018	2019	2020	2021	2022
Production (units)	4,461	3,379	2,897	4,066	5,161
Truck	1,517	1,079	1,649	2,637	3,090
Light Truck	560	340	3	439	603
Pick-up	891	465	65	-	0
Midibus and Bus	1,493	1,495	1,180	990	1,468
Sales (units)	4,918	4,010	3,049	5,057	6,427
Total Domestic Sales (units)	3,995	2,487	2,486	4,051	5,349
Total Exports (units)	923	1,523	563	1,006	1,078
Capacity Utilization Rate (%)	23.46	17.77	15.24	21.39	33.80
Sales Revenues (TL thousand)	1,187,863	1,422,988	1,241,213	2,678,042	6,269,882
Domestic	736,728	689,547	878,241	1,701,689	4,317,778
International	528,832	804,352	425,926	1,165,242	2,222,058
Other Sales Related to Primary Operations	9,996	11,850	10,831	22,064	30,291
Discounts	-87,693	-82,762	-73,785	-210,954	-300,245
Profit Before Tax (TL thousand)	-94,130	2,789	532	203,149	491,891
Net Profit (TL thousand)	-80,509	21,788	13,648	211,426	617,387
EBITDA (TL thousand)	72,864	148,748	114,521	301,747	807,855
Earnings per Share (Kr)	0,9584	0,2594	0,1625	2,517	7,350
Economic Value Distributed (TL)					
Operating Expenses	1,132,020,819	1,322,037,948	1,152,751,075	2,368,075,738	5,364,262,091
Employee Wages and Other Benefits	87,213,416	93,995,088	113,362,208	165,416,794	355,734,031
Dividends Paid to Shareholders	0	0	0	0	30,000,000
Taxes and Other Liabilities to Government	1,098,616	739,109	1,202,380	1,458,726	1,981,629
Social Investments (including donations)	34,250	33,080	343,573	26,000	11,437,000
Accumulated Economic Value					
Incentives Received from the Government (TL thousand)	1,364	1,414	3,215	272	1,736,00000
Total R&D Budget (TL)	47,352,847	77,349,331	73,624,546	165,574,589	190,997,154
Total Number of R&D Employees (persons)	101	109	125	141	171
Number of Patents Obtained (number)	10	25	21	0	1

¹ There is no indirect energy consumption.

Environmental Performance

	2018	2019	2020	2021	2022
Total Energy Consumption (GJ)	72,327	73,927	79,638	80,267	79,384
Direct Energy Consumption - Natural Gas and Electricity (GJ)	72,327	73,927	79,638	80,267	79,384
Number of Vehicles Manufactured	4,453	3,380	2,920	4,093	5,161
Energy Consumption per Vehicle Manufactured (GJ/vehicle)	16	22	27	19.63	15.38
Savings from Energy Efficiency Projects (GJ)	3,085	945	3,132	8,857	28,756
Greenhouse Gas Emissions Reduced by Energy Efficiency Projects (tons CO₂e)	173	34	172	1,056	3,427
Scope 1	173	34	172	564	2,460
Scope 2	-	-	-	492	967
Direct Greenhouse Gas Emissions (Scope 1) (tons CO₂e)	2,449	2,566	3,012	4,399	4,243
Indirect Greenhouse Gas Emissions (Scope 2) (tons CO₂e)	-	-	-	3,452	3,426
Greenhouse Gas Emissions per Vehicle Manufactured (kg CO₂e/vehicle)*	550	759	1,032	1,918	1,486
Total VOC Emissions (tons)**	11.81	7.46	5.49	10.97	12
Specific VOC Emission (gr/m² paint surface area)**	34	28.19	24.28	24.08	19.69
Total VOC Emissions (tons)***	56.72	55.3	35.44	39.20	58.6
Specific VOC Emission (gr/m² paint surface area)**	111.11	102.43	84.33	98.68	86.49
Total Water Withdrawal - Underground Source (m³)	55,989	50,594	45,255	51,438	54,593
Water Consumption per Vehicle Manufactured (m³/vehicle)	10	12	12	10.78	10.55
Wastewater Discharge - (m³)	27,401	28,220	19,969	23,526	31,273
Total Amount of Hazardous Waste by Disposal Method (tons)	372	425	209	297	474
Energy Recovery	-	-	-	-	-
Recovery	372	425	209	297	474
Landfill	-	-	-	-	-
Total Amount of Non-Hazardous Waste by Disposal Method (tons)	1,996	1,744	1,697	2,043	2,411
Energy Recovery	-	-	-	-	-
Recovery	1,996	1,744	1,697	2,043	2,411
Amount of Hazardous Waste Transported for Disposal (tons)	372	425	209	297	474
Total Amount of Packaging Used (tons)	721	609	624	877	1,017
Packaging Waste Recovery Rate (%)	100	100	100	100	100
Environmental Trainings Provided to Employees - Participation (number of people)	715	1,136	652	1,491	1,561
Direct Employment	579	684	561	1,348	1,536
Contractor Company Employees	136	452	91	143	36
Environmental Trainings Provided to Employees - Total Hours (person x hours)	357.5	568	2,502	2,567	2,325
Direct Employment	289.5	342	2,422	2,352	2,289
Contractor Company Employees	68	226	80	215	36
Total Environmental Management Expenditure (TL)	160,939	332,972	363,494	461,846	1,250,839
Penalty for Non-Compliance with Environmental Laws (pcs-TL)	0	0	0	0	0
Environmental Impact Complaints Submitted through Formal Mechanisms (number)	0	0	0	0	0
Total Number of Suppliers Evaluated by Environmental Criteria (number)	38	69	262	262	262

* Starting from 2021, Scope 2 has been included in emissions per vehicle and this has created an increase.

** Truck

* Bus

GRI 301-3, 302-1, 302-2, 302-3, 302-4, 302-5, 303-1, 303-2, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 306-1, 306-2, 306-3, 306-4, 306-5

Performance Tables

Social Performance

	2018	2019	2020	2021	2022
Employee Trainings - Number of Participants (persons)	1,531	1,889	1,616	2,220	5,168
Operations Employee	1,149	822	1,259	1,492	3,004
Administrative Staff	382	1,065	357	728	2,164
Female	140	160	64	151	560
Male	1,391	1,729	1,552	2,069	4,608
Employee Trainings - Total Hours (person x hours)	18,399	12,427	15,276	13,705	23,097
Operations Employee	5,248	4,638	7,009	5,313.5	13,785.5
Administrative Staff	13,151	7,794	8,267	8,391.5	9,311.5
Female	1,899	1,500	4,416	5,161	1,696.5
Male	16,500	10,927	10,860	8,544	21,400.5
Average Training Hours per Employee (hours/person)	12.01	14.99	18.25	14.88	4.47
Operations Employee	4.56	8.77	21.02	24.43	4.58
Administrative Staff	34.42	25.98	17.44	38.07	4.30
Female	13.56	9.38	56.4	60%	3.02
Male	11.86	6.32	11.60	12.50	4.64
Contractor Employee Trainings - Number of Participants (persons)	15	30			
Contractor Employee Trainings - Total Hours (person x hours)	120	360			
Average Training Hours per Contractor Employee (hours/person)	8	12			
OHS Trainings Provided to Employees - Number of Participants (persons)					
Direct Employment	531	105	1,098	451	1,083
Contractor Company Employees	15	30	67	0	0
OHS Trainings Provided to Employees - Total Hours (person x hours)					
Direct Employment	4,248	1,260	8,784	4,036	10,292
Contractor Company Employees	120	360	536	0	0
Occupational Disease Rate (%)					
Direct Employment	0.37	0	0	0	0
Contractor Company Employees	0	0	0	0	0
Lost-Time Accident Rate (Number of lost-day incidents (≥1 day lost) x 100,000/total work hours)					
Direct Employment	0,275	0.45	0.45	0.44	7.2*
Contractor Company Employees	0	0	0	0	0.01
Number of Work-Related Fatalities (persons)					
Direct Employment	0	0	0	0	0
Contractor Company Employees	0	0	0	0	0
Number of Employees Working in Environments or Tasks with a High Risk of Accidents or Occupational Diseases (persons)	0	0	0	0	0
Number of OHS Committees Established (persons)	0	0	0	6	6
Total Number of Members in Established OHS Committees (persons)	15	15	21	21	23
Number of Employee Representatives in Established OHS Committees (persons)	3	4	4	4	4
Total Number of Suppliers Evaluated by Workforce Criteria (number)	20	34	33	33	

* The Lost-Time Accident Rate for the year 2022 was calculated using the formula: number of lost-time accidents x 1,000,000/total work hours.

GRI 403-5, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3,

HR Demographics

	2018	2019	2020	2021	2022
Total Number of Workforce	913	951	1,045	1,104	1,087
Direct Employment	808	841	937	921	983
Female	80	94	108	106	104
Male	728	747	829	894	879
Contractor Company Employees	105	110	108	104	104
Total Number of Employees by Contract Type*					
Indefinite Employment Contract	802	827	863	921	983
Female	77	87	93	90	104
Male	725	740	770	831	879
Temporary Employment Contract	6	14	74	79	206
Female	3	7	15	16	54
Male	3	7	59	63	152
Total Number of Employees by Category*					
Operations Employee	524	529	576	561	579
Female	13	10	23	10	11
Male	517	519	553	551	568
Administrative Staff	278	298	361	360	404
Female	67	77	85	80	93
Male	211	221	276	280	311
Total Number of Employees by Employment Type*					
Full-time	802	827	937	921	983
Female	77	87	108	90	104
Male	725	740	829	831	879
Part-time	6	14	0	0	0
Total Number of Employees by Education Level*					
Primary School	166	164	158	153	140
High School	346	345	377	375	401
University and Higher	296	332	402	393	442
Total Number of Employees by Age Group*					
Between 18 and 30	242	240	297	221	267
Between 31 and 40	330	350	370	397	423
Between 41 and 50	227	240	259	276	264
Between 51 and 60	9	11	11	27	29
Senior Management Structure (persons)	24	27	37	39	44
By Gender					
Female	3	4	5	5	7
Male	21	23	32	34	37
By Age Group					
Between 18 and 30	0	0	0	0	0
Between 31 and 40	7	11	13	8	17
Between 41 and 50	12	11	18	17	19
Between 51 and 60	5	5	6	9	8
Nationality					
Turkish Citizen	23	25	35	32	42
Expatriate	1	2	2	2	2

* Number of employees of contractor companies has been excluded.

GRI 2-7, 2-8, 401-1, 401-2, 401-3, 405-1, 405-2

Performance Tables

	2018	2019	2020	2021	2022
Mid-Level Management Structure (persons)	42	47	47	53	54
By Gender					
Female	10	10	10	11	13
Male	32	37	37	42	41
By Age Group					
Between 18 and 30	2	0	1	1	3
Between 31 and 40	20	25	27	27	28
Between 41 and 50	19	19	16	19	17
Between 51 and 60	1	3	3	6	6
Number of Workforce Covered by Collective Bargaining Agreements	524	529	561	561	579
Number of Newly-Hired Employees	98	119	148	169	231
By Gender					
Female	18	36	29	33	21
Male	80	83	119	136	211
By Age Group					
Between 18 and 30	68	71	113	129	149
Between 31 and 40	27	39	31	36	78
Between 41 and 50	2	8	4	3	3
Between 51 and 60	1	1	0	1	1
Number of Employees who Left	161	85	77	70	160
By Gender					
Female	27	20	20	25	14
Male	134	65	57	45	146
By Age Group					
Between 18 and 30	77	37	40	38	85
Between 31 and 40	68	27	22	20	54
Between 41 and 50	16	14	8	7	11
Between 51 and 60	0	7	7	5	10
Number of Employees who Took Parental Leave					
Female	3	6	7	3	5
Male	0	0	0	0	0
Number of Employees Returning from Parental Leave					
Female	3	5	6	3	5
Male	0	0	0	0	0
Number of Employees that Returned to Work After Parental Leave Ended that were Still Employed 12 Months After Their Return to Work					
Female	3	5	6		5
Male	0	0	0		0

GRI CONTENT INDEX

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. This service was provided for the Turkish version of the Report.

STATEMENT OF USE	Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. has reported in accordance with the GRI Standards for the period 01.01.2022-31.12.2022.	
GRI 1 USED	GRI 1: Foundation 2021	
APPLICABLE GRI SECTOR STANDARD(S)	N/A	
GRI STANDARD	DISCLOSURE	RELEVANT PAGE NUMBERS AND/OR EXPLANATIONS
GENERAL DISCLOSURES		
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	Corporate Profile, Page: 14-15 https://www.anadoluisuzu.com.tr/en/about/anadolu-isuzu
	2-2 Entities included in the organization's sustainability reporting	About the Report, Page: 1
	2-3 Reporting period, frequency and contact point	About the Report, Page: 1 Yearly NEVAL DERELİÖZ Corporate Communications Manager neval.derelioz@isuzu.com.tr Tel : +90 850 200 19 86 Fax : +90 262 658 85 69 www.isuzu.com.tr
	2-4 Restatements of information	There is no statement readjusted based on information provided in previous reports.
	2-5 External assurance	The report has not been externally assured.
	2-6 Activities, value chain and other business relationships	Corporate Profile, Page: 14-15 Pioneer of R&D and Innovation, Page: 60-61, 63 Solutions Focused on Society and Humans, Page: 108-111
	2-7 Employees	Competent Human Resources, Page: 90-94 HR Demographics, Page: 117-118
	2-8 Workers who are not employees	HR Demographics, Page: 117-118
	2-9 Governance structure and composition	Managerial Structure at Anadolu Isuzu, Page: 18-20 https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 140-146
	2-10 Nomination and selection of the highest governance body	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 140-146
	2-11 Chair of the highest governance body	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 106-109
	2-12 Role of the highest governance body in overseeing the management of impacts	Managerial Structure at Anadolu Isuzu, Page: 18-20 https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 140-146
	2-13 Delegation of responsibility for managing impacts	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 140-146
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, Page: 24-25
	2-15 Conflicts of interest	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 126-129
	2-16 Communication of critical concerns	Sustainability Management, Page: 24-25 Anadolu Isuzu's Sustainability Policy, Page: 38-41
	2-17 Collective knowledge of the highest governance body	https://www.anadoluisuzu.com.tr/en/corporate-governance/board-of-director https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 106-109
	2-18 Evaluation of the performance of the highest governance body	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 140-146
	2-19 Remuneration policies	https://www.anadoluisuzu.com.tr/docs/Al/pdf/kurumsal-yonetim-politikalari/ucretlendirme-politikasi-en.pdf https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 147
	2-20 Process to determine remuneration	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 147

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GRI STANDARD	DISCLOSURE	RELEVANT PAGE NUMBERS AND/OR EXPLANATIONS
	2-21 Annual total compensation ratio	https://www.anadoluisuzu.com.tr/docs/n/Annual_Report_2022.pdf Page: 147
	2-22 Statement on sustainable development strategy	Anadolu Isuzu's Strategy and Value Creation Process, Page: 32-33 Anadolu Isuzu's Growth Roadmap, Page: 34-35
	2-23 Policy commitments	https://www.anadoluisuzu.com.tr/en/corporate-governance/corporate-management-principles-policies https://www.anadoluisuzu.com.tr/en/sustainability/policy
	2-24 Embedding policy commitments	Managerial Structure at Anadolu Isuzu, Page: 18-20
	2-25 Processes to remediate negative impacts	Risk Management and Internal Control, Page: 20
	2-26 Mechanisms for seeking advice and raising concerns	Solutions to Enhance Customer Satisfaction, Page: 75 Competent Human Resources, Page: 101
	2-27 Compliance with laws and regulations	Legal Compliance and Code of Ethics, Page: 21
	2-28 Membership associations	Anadolu Isuzu's Corporate Memberships, Page: 43
	2-29 Approach to stakeholder engagement	Stakeholders, Page: 42-43
	2-30 Collective bargaining agreements	Competent Human Resources, Page: 101
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics, Page: 44
	3-2 List of material topics	Material Topics, Page: 44
VEHICLE QUALITY AND ROAD SAFETY/R&D AND INNOVATION/DIGITALIZATION AND CYBER SECURITY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 The Economic Value We Generate, Page: 51 Pioneer of R&D and Innovation, Page: 59 Proactive Approach to Environmental Management, Page: 79
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	Key Indicators, Page: 16 The Economic Value We Generate, Page: 50-55 Pioneer of R&D and Innovation, Page: 64-66 Economic and Operational Performance, Page: 114
	201-2 Financial implications and other risks and opportunities due to climate change	Proactive Approach to Environmental Management, Page: 78-87
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1 Infrastructure investments and services supported	Pioneer of R&D and Innovation, Page: 60-65 Pioneer of R&D and Innovation/Industry 4.0 and Digital Transformation Projects, Page: 67-69
	203-2 Significant indirect economic impacts	Pioneer of R&D and Innovation, Page: 64-66 Proactive Approach to Environmental Management, Page: 79-87
CLIMATE CRISIS AND ENVIRONMENTAL IMPACTS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Proactive Approach to Environmental Management, Page: 79 Environmental Policy https://www.anadoluisuzu.com.tr/en/about/environmental-policy
GRI 301: MATERIALS 2016	301-3 Reclaimed products and their packaging materials	Environmental Performance, Page: 115
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	Proactive Approach to Environmental Management, Page: 86-87 Environmental Performance, Page: 115
	302-2 Energy consumption outside of the organization	Proactive Approach to Environmental Management, Page: 86-87 Environmental Performance, Page: 115
	302-3 Energy intensity	Proactive Approach to Environmental Management, Page: 86-87 Environmental Performance, Page: 115
	302-4 Reduction of energy consumption	Proactive Approach to Environmental Management, Page: 86-87 Environmental Performance, Page: 115
	302-5 Reductions in energy requirements of products and services	Proactive Approach to Environmental Management, Page: 86-87 Environmental Performance, Page: 115

GRI STANDARD	DISCLOSURE	RELEVANT PAGE NUMBERS AND/OR EXPLANATIONS
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	303-2 Management of water discharge-related impacts	Proactive Approach to Environmental Management, Page: 83 Environmental Performance, Page: 115
	303-3 Water withdrawal	Proactive Approach to Environmental Management, Page: 83 Environmental Performance, Page: 115
	303-4 Water discharge	Proactive Approach to Environmental Management, Page: 83 Environmental Performance, Page: 115
	303-5 Water consumption	Proactive Approach to Environmental Management, Page: 83 Environmental Performance, Page: 115
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Proactive Approach to Environmental Management, Page: 82-83 Environmental Performance, Page: 115
	305-2 Energy indirect (Scope 2) GHG emissions	Proactive Approach to Environmental Management, Page: 82-83 Environmental Performance, Page: 115
	305-3 Other indirect (Scope 3) GHG emissions	Proactive Approach to Environmental Management, Page: 82-83 Environmental Performance, Page: 115
	305-4 GHG emissions intensity	Proactive Approach to Environmental Management, Page: 82-83 Environmental Performance, Page: 115
	305-5 Reduction of GHG emissions	Proactive Approach to Environmental Management, Page: 82-83 Environmental Performance, Page: 115
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Proactive Approach to Environmental Management, Page: 84-85 Environmental Performance, Page: 115
	306-2 Management of significant waste-related impacts	Proactive Approach to Environmental Management, Page: 84-85 Environmental Performance, Page: 115
	306-3 Waste generated	Proactive Approach to Environmental Management, Page: 84-85 Environmental Performance, Page: 115
	306-4 Waste diverted from disposal	Proactive Approach to Environmental Management, Page: 84-85 Environmental Performance, Page: 115
	306-5 Waste directed to disposal	Proactive Approach to Environmental Management, Page: 84-85 Environmental Performance, Page: 115
BUSINESS ETHICS AND HUMAN RIGHTS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Competent Human Resources, Page: 91
		Human Resources Policy https://www.anadoluisuzu.com.tr/en/about/hr-policy Working Principles https://www.anadoluisuzu.com.tr/docs/Al/_pdf/calisma-ilkeleri-2-en.pdf https://www.anadoluisuzu.com.tr/docs/Al/_pdf/calisma-ilkeleri-1-en.pdf
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	Legal Compliance and Code of Ethics, Page: 21
	205-2 Communication and training about anti-corruption policies and procedures	Legal Compliance and Code of Ethics, Page: 21
	205-3 Confirmed incidents of corruption and actions taken	Legal Compliance and Code of Ethics, Page: 21
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no lawsuits filed regarding anti-competitive behavior, anti-trust, and monopoly practices during the reporting period.
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination recorded during the reporting period.
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Competent Human Resources, Page: 101
		During the reporting period, there were no activities or suppliers determined to have violated the right to freedom of association and collective bargaining or to be at significant risk.

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GRI STANDARD	DISCLOSURE	RELEVANT PAGE NUMBERS AND/OR EXPLANATIONS
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	There is no child labor at Anadolu Isuzu.
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	There are no cases of forced or compulsory labor at Anadolu Isuzu.
STAKEHOLDER INTERACTION AND COLLABORATIONS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Stakeholders, Page: 42-43
GRI 2: GENERAL DISCLOSURES 2021	2-29 Approach to stakeholder engagement	Stakeholders, Page: 42-43
GRI 415: PUBLIC POLICY 2016	415-1 Political contributions	Anadolu Isuzu does not provide political contributions to any institution.
LOW PRIORITY MATERIAL TOPICS		
TALENT MANAGEMENT		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Competent Human Resources, Page: 90-93
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	HR Demographics, Page: 117-118
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	HR Demographics, Page: 117-118
	401-3 Parental leave	HR Demographics, Page: 117-118
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	Social Performance, Page: 116
	404-2 Programs for upgrading employee skills and transition assistance programs	Competent Human Resources, Page: 94-102 Social Performance, Page: 116
	404-3 Percentage of employees receiving regular performance and career development reviews	Competent Human Resources, Page: 94-102 Social Performance, Page: 116
OCCUPATIONAL HEALTH AND SAFETY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Competent Human Resources, Page: 91, 102-103
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	Competent Human Resources, Page: 91, 102-103
	403-2 Hazard identification, risk assessment, and incident investigation	Competent Human Resources, Page: 91, 102-103
	403-3 Occupational health services	Competent Human Resources, Page: 91, 102-103
	403-4 Worker participation, consultation, and communication on occupational health and safety	Competent Human Resources, Page: 91, 102-103
	403-5 Worker training on occupational health and safety	Competent Human Resources, Page: 91, 102-103 Social Performance, Page: 116
	403-6 Promotion of worker health	Competent Human Resources, Page: 91, 102-103
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Competent Human Resources, Page: 91, 102-103
	403-8 Workers covered by an occupational health and safety management system	Social Performance, Page: 116
	403-9 Work-related injuries	Social Performance, Page: 116
	403-10 Work-related ill health	Social Performance, Page: 116
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GRI STANDARD	DISCLOSURE	RELEVANT PAGE NUMBERS AND/OR EXPLANATIONS
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Solutions to Enhance Customer Satisfaction, Page: 70-75
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1 Assessment of the health and safety impacts of product and service categories	Solutions to Enhance Customer Satisfaction, Page: 70-75
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During the reporting period, there were no cases of non-compliance with regulations and voluntary rules concerning the health and safety impacts of products and services during their use.
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no cases of non-compliance with regulations and rules concerning product and service information and labeling during the reporting period.
	417-3 Incidents of non-compliance concerning marketing communications	There were no cases of non-compliance with regulations and rules concerning marketing communications during the reporting period.
GRI 417: MARKETING AND LABELING 2016	418-1 Müşteri gizliliğinin ihlali ve müşteri verilerinin kaybı ile ilgili doğrulanmış şikayetler	There were no substantiated complaints concerning breaches of customer privacy and losses of customer data during the reporting period.
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no substantiated complaints concerning breaches of customer privacy and losses of customer data during the reporting period.
RESPONSIBLE SUPPLY CHAIN		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Solutions to Enhance Customer Satisfaction, Page: 70-75
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	Solutions to Enhance Customer Satisfaction, Page: 73-74
	308-2 Negative environmental impacts in the supply chain and actions taken	There were no significant negative environmental impacts in the supply chain during the reporting period.
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	Solutions to Enhance Customer Satisfaction, Page: 73-74
	414-2 Negative social impacts in the supply chain and actions taken	There were no significant actual or potential negative human rights impacts in the supply chain during the reporting period.
EQUAL OPPORTUNITY AND DIVERSITY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Competent Human Resources, Page: 90-93
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	HR Demographics, Page: 117-118
	405-2 Ratio of basic salary and remuneration of women to men	HR Demographics, Page: 117-118
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Competent Human Resources, Page: 90-93
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GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Managerial Structure at Anadolu Isuzu, Page: 20

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SOCIAL INVESTMENT PROGRAMS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Social Development Projects, Page: 104-107
BIODIVERSITY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Letter from the Chairman of the Board, Page: 4-5 Letter from the President of the Automotive Group, Page: 6-7 Message from the General Manager, Page: 8-11 Proactive Approach to Environmental Management, Page: 79 Environmental Policy https://www.anadoluisuzu.com.tr/en/about/environmental-policy
GRI 304: BIODIVERSITY 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None.
	304-2 Significant impacts of activities, products and services on biodiversity	Proactive Approach to Environmental Management, Page: 83

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