

2022 ANNUAL REPORT



We would like to express our condolences on the loss of our citizens, employees' families and relatives and our dealer-authorized service network at the earthquake of 6 February 2023 with Kahramanmaraş epicenter.

We are picking up the pieces together after the devastating earthquake that deeply affected our country.

After this devastating disaster, as Anadolu Isuzu family, we were mobilized to heal the wounds, provide for the needs of the earthquake area and support rescue efforts and established a Disaster Coordination Unit.

From the first day, we achieved to send all aid materials supplied by the support of our employees to the earthquake areas. We donated tents and containers and continue to provide them at these areas.

On the March 8th International Women's Day, we prepared necessity packages for women and children affected by the earthquake; we went to the area with a volunteer team and stood by the women in the earthquake areas.

Some of our domestic dealers and foreign distributors also participated our campaigns and supported us.

Isuzu Search and Rescue Team composed of Anadolu Isuzu employees who completed AFAD trainings joined the rescue operations in Adıyaman acting in coordination with AFAD.

Our Japanese business partners Isuzu Motors and Itochu Cooperation donated JPY 20,000,000 to support the earthquake regions.

We provided our support to AFAD by donating 1 truck and 2 pick-up vehicles which are needed for search-rescue-support efforts.

In the following period, we will focus on sheltering of our citizens and continuance of education of children.

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TRY **6.270** MILLION
TURNOVER

TRY **1.423** MILLION
GROSS PROFIT

USD **130** MILLION
EXPORTS

**WE ARE TAKING
STEADY STEPS INTO
THE FUTURE UNDER
THE GUIDANCE OF
OUR STRATEGY.**

Strategy

To achieve strong and rapid growth in the global Market, to offer a strong customer value proposition, to take market positioning to new horizons and to increase the efficiency of new business lines in all end-to-end processes.



TRY **193** MILLION R&D
EXPENDITURE

LEADER IN MIDIBUS
EXPORTS FOR **19** YEARS
IN A ROW

DOMESTIC MARKET
40% MIDDLE CLASS
TRUCK MARKET SHARE

VEHICLES OF THE FUTURE
ENVIRONMENTAL MOBILITY

COMFORT

SECURITY

ENJOYABLE
DRIVING
EXPERIENCE





CORPORATE PROFILE

ANADOLU ISUZU IN BRIEF

The foundations of Anadolu Isuzu were laid in 1965. Its activities started with the production of light trucks and motorcycles under the name of Çelik Montaj, and the production of Škoda light trucks continued until 1986.

Anadolu Isuzu assumed its current name through a license agreement signed with Isuzu Motors Ltd. in 1983, and production of Isuzu vehicles started at the Istanbul Kartal Plant in 1984.

Today, Anadolu Isuzu continues its activities as a joint venture of leading groups in Turkey and throughout the rest of the world:

- Anadolu Group (55.40%)
- Isuzu Motors Ltd. (16.99%)
- Itochu Corporation (12.74%)
- Other (14.87%)

Operating in the commercial vehicle segment of the automotive industry, Anadolu Isuzu, boasts a strong product range, after-sales services with high added value, and a widespread dealer and technical service network. Anadolu Isuzu makes trucks, light trucks, buses and pick-up truck and Anadolu Isuzu also has a very important position in export markets..

The Company carries out both the manufacturing and marketing of commercial vehicles with production facilities based in Şekerpınar, Çayırova. The annual total production capacity of Anadolu Isuzu's production facilities, built on a 300,000-square-meter land, is 19,000 vehicles per shift.

Providing high added-value services through its authorized services at 90 after-sales support points in 57 cities in Turkey, Anadolu Isuzu has distributors in more than 40 countries abroad. Anadolu Isuzu shares have been trading on the BIST since 1997 with the "ASUZU" ticker.



CAPITAL AND SHAREHOLDING STRUCTURE

The shareholding structure of Anadolu Isuzu as of the end of 2022:

SHAREHOLDER'S NAME	CAPITAL (TRY)	SHARES (%)
Anadolu Group	46,535,401.00	55.40
Isuzu Motors Ltd,	14,275,509.00	16.99
Itochu Corporation	10,706,534.00	12.74
Other	12,482,556.00	14.87
Total	84,000,000.00	100.00

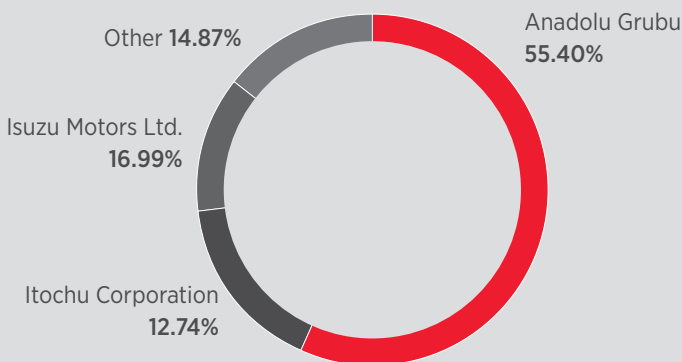
NUMBER OF EMPLOYEES

983

THE ANNUAL TOTAL PRODUCTION CAPACITY OF ANADOLU ISUZU'S PRODUCTION FACILITIES, BUILT ON A 300,000-SQUARE- METER LAND, IS 19,000 VEHICLES PER SHIFT.



TODAY, ANADOLU ISUZU CONTINUES ITS ACTIVITIES AS A JOINT VENTURE OF LEADING GROUPS IN TURKEY AND THROUGHOUT THE REST OF THE WORLD.



MILESTONES

1965

Çelik Montaj is founded.

1983

As the first Turkish-Japanese partnership in the automotive industry, a license agreement was signed with ISUZU Motors.

1984

Production of ISUZU trucks started.

1987

Midibus production started (All designed and developed by AIOS).

2003

The first IMM (Isuzu Manufacturing Management) certificate was obtained for the AIOS truck factory.

1996

The share of Japanese partners was increased to 35% and the name of the company was changed to "Anadolu Isuzu".

2009

Anadolu Isuzu is qualified to be an R&D Center.

2017

IM certification has been obtained for bus production as well as for trucks and pick-ups.

2018

The number of export countries reached 40.

2019

Anadolu Savunma brands are showcased at IDEF.

The first sustainability report is published.

Anadolu Isuzu achieves the single biggest midibus export in the Turkish automotive history.

AIOS Export record.

Became the only Isuzu factory with IM Certificate with all its lines.

2020

Electric vehicle projects and pandemic-oriented designs were realized.

2021

The first export of the electric vehicle Volt was realized.



2022

Electric Big.e
launched

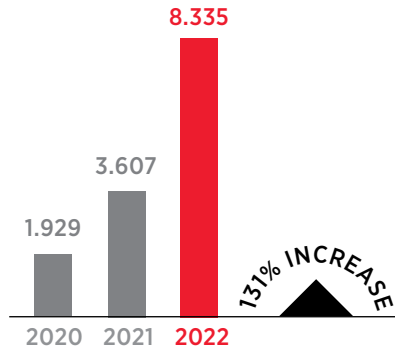
New 12mt CitiVolt
introduced

AIOS Export record

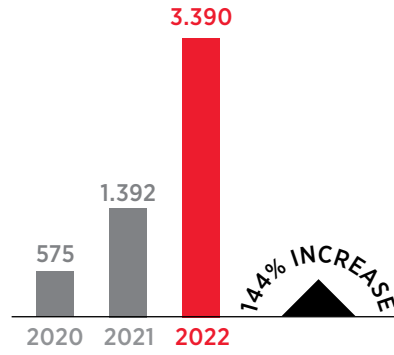


2022 FINANCIAL AND OPERATIONAL HIGHLIGHTS

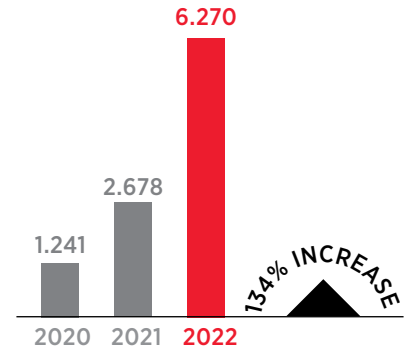
TOTAL ASSETS (TL million)



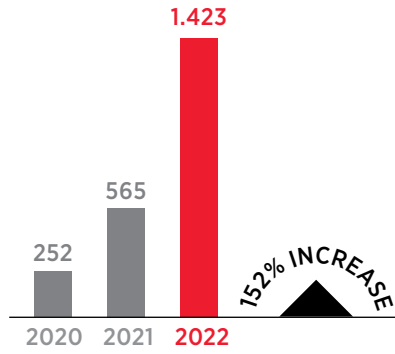
EQUITY CAPITAL (TL million)



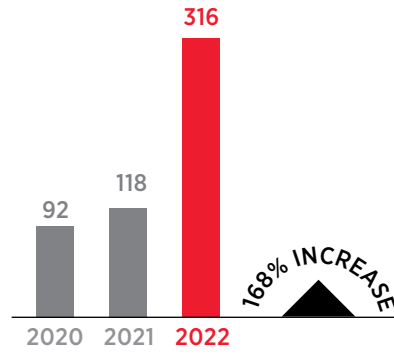
NET SALES (TL million)



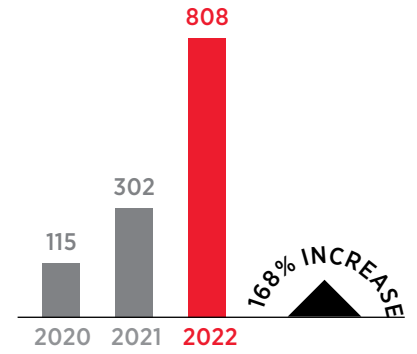
GROSS PROFIT (TL million)



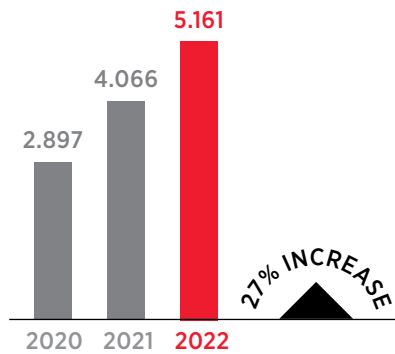
INVESTMENT EXPENDITURES (TL million)



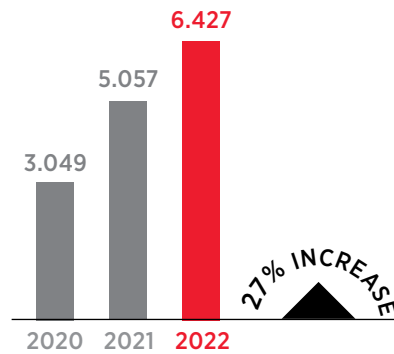
EBITDA (TL million)



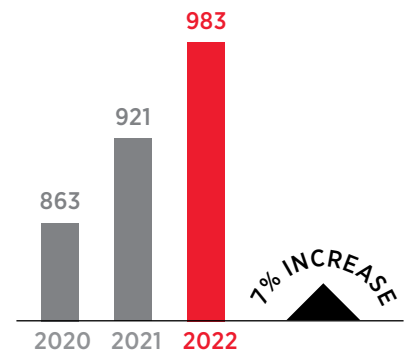
TOTAL PRODUCTION (Unit)



TOTAL SALES (Unit)



ÇALISAN SAYISI (Kişi)



FINANCIAL DATA (TRY)	2022	2021	2020
Sales Revenue	6,269,881,603	2,678,041,855	1,241,213,253
Gross Profit	1,423,222,069	564,599,132	251,665,127
Operating Profit	703,491,201	235,590,229	72,440,582
EBITDA	807,854,850	301,746,548	114,521,328
Profit Before Tax	491,890,866	203,149,977	532,551
Net Profit (Controlling Shares)	617,387,200	211,426,746	13,648,318

PROFITABILITY RATIOS (%)	2022	2021	2020
Gross Profit Margin	22.7	21.1	20.3
Operating Margin	11.2	8.8	5.8
Net Profit Margin	9.8	7.9	1.1
Return on Equity	18.2	15.2	2.4
Operating Expenses/Net Sales	11.5	12.3	14.4
Financial Expenses/Net Sales	3.7	1.2	6.2
EBITDA Margin	12.9	11.3	9.2

CURRENT RATIOS	2022	2021	2020
Current Ratio	1.16	1.3	1.1
Cash Ratio	0.41	0.4	0.3
Liquidity Ratio	0.81	1.0	0.7

SOLVENCY RATIOS (%)	2022	2021	2020
Trade Debt-to-Equity Ratio	64.9	72.6	91.6
Financial Debt-to-Equity Ratio	8.5	21.1	62.8
(Total Trade Debt + Total Financial Debt)/ Equity	124.4	139.7	200.8
Debt-to-Asset Ratio	59.3	61.4	70.2
Equity-to-Asset Ratio	40.7	38.6	29.8

MARKET VALUE (TRY)	2022	2021	2020
ASUZU	19,437,600,000	2,899,680,000	1,512,000,000

MESSAGE FROM THE CHAIRMAN

As we were in the preparation process of our annual report, we woke up to the news of an earthquake with an epicenter of Kahramanmaraş on 6 February 2023 and we were devastated. We were deeply saddened as a nation to realize that our country was exposed to an unprecedented natural disaster which has not occurred in centuries.

As Anadolu Group Family, along with our Group companies, we are interacting with AFAD and local administrations from the first day of the earthquake disaster to provide our support to regions affected.

We share this deep and indefinable pain, we wish peace to ones we lost and express our condolences to their grieving families. We would also like to express our wishes for a quick recovery to all our nation.

It will take time to heal the wounds of such a disaster. We will continue to do our share and to be on the side of all our stakeholders.

I would like to express my sincere gratitude to Anadolu Isuzu employees which demonstrated a great example of solidarity at one of the most challenging days of our country and our business partners, dealers, authorized services, foreign distributors, customers and shareholders who are always by our side and who help to increase the power of our family with their trust.

We take our power from our vision...

Our Group, which operates in 19 countries, with 80 companies, 86 production facilities, 6 R&D centers and more than 80,000 employees in 7 industries with the vision of "The

star that connects Anatolia to the world and the world to Anatolia", continues to work relentlessly with the mission to be a leading stakeholder in building a sustainable future.

Our multinational and entrepreneurial group identity that is reinforced by the partnerships we established with leading brands and companies in their areas strengthens our perseverance in facing the global challenges of today and walking with determined steps to the future.

We take our determination from our competencies...

From the day of establishment, Anadolu Group gave priority to industrialization of Turkey and supported domestic and national production power. Accordingly, the Group made its investments in that direction.

Since 1965, we continuously provided and shared more added value to Turkey and our industry in one of our main business lines, automotive sector, with uninterrupted investments and leaps.

While we progress with vehicle development, production and sales experiences, we benefited from our synergic collaborations with our partners which are the leading engine manufacturers. We learned from them and developed products specific to us. We carried our success we obtained from what we developed to this day.

Today, Anadolu Isuzu presents a strong value proposition to its customers in both commercial and passenger vehicle categories and

more importantly, the opportunity to enjoy safe driving that prioritizes human life.

In addition to production and commercial competencies, we are also pleased to have one of the first authorized R&D centers of the automotive sector in Turkey. One of our strongest muscles, R&D, not only carried us to being the patent leader of the automotive sector and also played a significant role in achieving to become the leading producer which has 70% of locality rate, which produces and develops its own designs in its own facilities and presents them to be used by millions of people around the world.

Today, in a world that struggles with the climate crisis and energy crisis, the same competencies impress the world with our success recorded in vehicles with alternative fuel which are highly regarded by our stakeholders.

We achieve success thanks to our powerful management...

We manage all our investments and operational cost structure precisely in accordance with our sustainable and long-term performance objective. We also prioritize effective risk management and diversification of our revenue sources; we observe efficiency as a major anchor.

We know the need for non-stop production, working more for the future and reducing our foot print we leave on nature while doing those. Establishing sustainable business and life practices that respect the environment, conveying and sharing them with each other in harmony and collaboration are a few of our other responsibilities.



WE ARE PROUD OF THE
EXCEPTIONAL POSITION WE
ACHIEVED BUT OUR GOAL IS TO
REACH HIGHER.

CREATING VALUE

FOR THE LANDS WE
OPERATE IN AND THE
PEOPLE OF THESE LANDS
IS THE MAIN PHILOSOPHY
ADOPTED AT THE
ESTABLISHMENT OF OUR
GROUP.

Achieving this is a result of our management strength that we structured with an integrated perspective.

Creating value for the lands we operate in and the people of these lands is the main philosophy adopted at the establishment of our Group. This philosophy leads the way to Anadolu Isuzu as to all our companies and presents the leverage it needs for a strong performance.

Our contributions to our country will always continue...

2022 passed under the shadow of economic and political instabilities around the world. Although some

relative improvements were observed in 2023, this year still does not present a nice view in terms of global economy. In this great picture, we hope that our country will take appropriate steps and differentiate itself in all aspects by properly using its structural and demographic advantages.

As Anadolu Group and Anadolu Isuzu, we will continue to provide our contributions to our country as always, and make our strategic investments to increase Turkey's competitive edge with a long-term perspective. We are determined to do that and we have the energy needed.

We move on with confidence...

We are proud of the exceptional position we achieved but our goal is to reach higher.

Our objective in production and trade operations we conduct at Anadolu Isuzu is to grow in new markets and new segments and to move on as a vehicle producer and solution partner whose presence in the market increases every day.

Respectfully,

TUNCAY ÖZILHAN

Chairman of the Board

MESSAGE FROM THE PRESIDENT OF THE AUTOMOTIVE GROUP

Esteemed Stakeholders,

In 2022, the economic agenda was defined by inflation and energy crisis.

Rapid realization of the demand delayed during the pandemic period, price increases were observed in 2022, inflation rapidly increased across the world. On the other hand, ongoing tension at the border between Russia and Ukraine turning into a large scale war in February, strong fluctuations were observed in global markets.

While all these developments caused significant value losses in asset markets, large scaled economic sanctions applied against Russia which is one of the largest players in the commodity and energy markets were reflected in the global market as record commodity and energy prices. This problem had more effect on developing economies with energy deficit; current deficit threat increased. During this process, central banks of most developed countries ended monetary expansion and returned back to interest increases and tightening policies.

January 2023 World Economic Outlook Update of IMF predicts global growth of 3.4% anticipated for 2022 to decrease to 2.9% in 2023 but to increase to 3.1% in 2024. Forecast of 2023 is 0.2 points higher than predicted in October 2022 World Economic Outlook, but lower than the historical average of 3.8.

Turkish economy continues to grow.

Turkish economy achieved to stay at the growth path and grew by 5.6% in 2022 with the support of strong domestic demand and export. With respect to foreign trade deficit, despite high levels in commodity prices, energy prices in particular, and increase in import of gold, increase in tourism revenue continued to support current account balance.

Despite relatively moderate course of energy prices in our country as a result of reduction in oil prices from the second half of the year, fragility continues based on geopolitical climate. Additionally, possibility of EU, our main export market, going into stagnation is a risk factor on current account balance. Annual consumer price index inflation, which climbed up during 2022 as a result of supply-demand imbalance and increasing energy and food costs on a global basis, went down to 64.27% as of year-end.

Growth and rapid change in global commercial vehicle market

Our global sector which is predicted to has a volume of USD 1.7 million in 2021 is expected to exceed USD 3 trillion until 2030.

Growth of commercial vehicle sector is mainly the result of multiple functions such as increase in e-commerce business, increase in significance of public transportation due to environmental and economic reasons, industrialization and infrastructural developments and industry 4.0 activities in the automotive industry.

Among these topics, climate crisis is the most important trend directing and shaping the commercial vehicle sector. According to International Energy Agency data, highway transportation creates 16% of global emissions by itself, thus clearing the sector from carbon is an important target. In this context, electrical vehicles are rapidly being developed in the last years. Electrical vehicle sales are relatively increasing with their improved driving ranges, diversified model range and increasing performances.

In our opinion, vehicles with alternative fuel will continue their rising trend among the most preferred choices in the world and our country and this will have a positive impact on fight against climate crisis.

Our industry succeeds with exemplary operations in innovation and development of environment-friendly vehicles.

Automotive industry is about to experience a long-lasting change with the triggering effect of the factors which were briefly mentioned above. Transition from internal combustion vehicles to vehicles with alternative fuel is gaining speed.

It is very pleasing to see that our industry is succeeding in significant activities and innovations. The Automotive sector which is under the impact of disruptive technologies is moving on successfully in preparing for the future and adapting its competitive edge to new conditions.

Furthermore, we believe that the electrical vehicle project, TOGG that we are a part of as the Group, will



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bring a new breath to the brand value of our country and mobility of the future. We see our contribution to this project as valuable and as a national duty.

Anadolu Isuzu is moving on to the future as a shining star of its industry

Anadolu Isuzu is taking strong steps as one of the brands which directs transformation and defines the rules of the game with its R&D strength, its smart factory infrastructure and its competencies in design area.

We work with the consciousness of the fact that each innovation we adopt strengthens our contribution to Turkish economy and we move on. We develop our wide vehicle range with alternative fuel vehicles and shape our production and related processes in accordance with sustainability principles.

Our recent investments and development projects implemented in alternative fuel and primarily electrical vehicles segment are being adopted one by one and they are being strongly appreciated by our stakeholders. The most recent examples of these are our micro mobility vehicle Big.e and

our electrical bus Volt which were internationally rewarded.

In the near future, new generation relatives of these environment-friendly products, which differentiate with their customer-oriented designs and superb technical features, will join them and success of our Company will reach new horizons.

I hereby like to extend my gratitude to management team and employees of Anadolu Isuzu who build the future with devotion and endeavor.

Respectfully,

Bora Koçak
President of the Automotive Group

MESSAGE FROM THE GENERAL MANAGER

As geopolitical developments shape the agenda in 2022

As 2022 started with the signs of the cease of pandemic, the Russia-Ukraine conflict which started in mid-February carried another round of uncertainty and fluctuation process to our agenda.

The first and immediate results of this new crisis were observed in energy prices. Energy prices rose up to very high levels with the effect of western countries' severe sanctions against Russia.

High inflationary spiral which also impacted our country as a stakeholder of the global economy emerged as a result of upward activity observed in global commodity and energy markets. Highest inflation levels were recorded for all times in Europe and for the last 40 years in USA.

These developments caused deterioration of global growth expectations and surfacing of stagnation expectations in the second half of the year. On the monetary policy side, tight monetary policy choices based on high interests were adopted.

Turkish economy successfully stood against the crisis and grew by 5.6% in 2022, domestic demand and net foreign demand became the major contributors of growth. However, inflation impacted Turkey as well; global supply-demand imbalance, increasing energy and food prices had reflections on prices.

Under these circumstances, our industry had quite a successful performance and increased its contribution to Turkish economy with the production and exports realized.

Anadolu Isuzu took determined and strong steps with the support of its solid and sustainable financial structure.

Anadolu Isuzu confirmed its enduring and future-oriented corporate identity once more with its performance in the fluctuating market conditions of 2022 and produced strong results which satisfied all its stakeholders, primarily its shareholders and investors.

Total revenue of our Company in 2022 reached TL 6,270 million with a 134% increase. This strong growth was also observed clearly in all other parameters, our gross profit increased by 152% and EBITDA increased by 168%. We also completed the year with a very healthy balance sheet performance.

As each one of our activities and projects implemented in 2022 was a strong preparation for our corporate future...

Our Company made no concessions on its focus on a balanced growth in local and international markets in 2022 and presented conventional and new generation vehicles it produced to its customers.

Ten millions of people who are end users of our vehicles in numerous countries continued to meet safe, comfortable and smart mobility which became identified with Anadolu Isuzu brand.

Our international sales caught the levels before the pandemic and our 2022 total exports were realized as EUR 124 million. Total number of vehicles sold to 30 countries was 1,078.

As Anadolu Isuzu maintains its championship in exports in midibus segment for the 19th year, the champions of our exports were Kendo, Novo, Turkuaz and Grand Toro models. We realized export of 706 pieces of these models. Another subject that we need to underline in terms of foreign market development activities is our strong entrance to and brand promotion in Spain, Portugal, England and Germany.



TOTAL REVENUE OF
OUR COMPANY IN 2022
REACHED TL 6,270
MILLION WITH A **134%**
INCREASE.

TEN MILLIONS OF PEOPLE WHO ARE
END USERS OF OUR VEHICLES IN
NUMEROUS COUNTRIES CONTINUED
TO MEET SAFE, COMFORTABLE AND
SMART MOBILITY.

When we look at the local markets, in 2022, we see that we have sold 5,349 commercial vehicles and our ambition, primarily in 6-16t Truck segment is being carried to new horizons. Moreover, the local geographic coverage of our dealer and after-sales services were expanded, effectiveness and win-win oriented satisfaction increased. When we look at this subject from our customers' perspective, we see that these efforts have reflections on customer satisfaction and we observe an increase in satisfaction.

As improvement of dealer and service network, which are spread across the whole country, to achieve better standards continue without any interruption, outputs of the digitalization activities conducted at Anadolu Isuzu were heavily used to provide better service experience to our stakeholders.

Within the framework of digital transformation, inventory and warehouse management was developed; in terms of spare part availability, in addition to creating more added value, the Company reached the capacity to deliver to more than 300 specific points.

In 2022, as we implemented all the projects required as a result of our physical expansion that were discussed in detail in various parts of our report, we achieved significant efficiencies through these activities.

MESSAGE FROM THE GENERAL MANAGER

2022 section of our investment plan was completed.

Another success of Anadolu Isuzu was the completion of 2022 section of its investment plan at the presence of all the disruptive technologies.

Products, regulations and technological studies which were anticipated to be realized in 2022 at our plan which was shaped with a long-term perspective, were completed and implemented during the year.

Our efforts to develop new products continued to be crowned by our R&D strength, smart factory structure, innovative and environmental character as well as competencies in the design area.

The recent examples of these activities were our electrical vehicles Big.e and CitiVolt. Big.e is up for changing the rules of the game in “the last kilometer and city” transportation. It will be a vehicle to respond to transportation needs of modern cities with its compact structure and high performance electrical engine. CitiVolt stands out as a 100% electrical, quiet and

environment-friendly solution. In addition to its advantages of being fully equipped and having zero emission, it provides a barrier-free accessibility to its customers with its low-based platform and wide doors. While Big.e is getting ready to be on the roads in 2024, CitiVolt has already taken its place in our product range and will start to meet its customers in 2023.

In this context, digitalization activities and applications continued, which were being conducted for a while and gradually becoming functional across our production-trade cycle. With innovative digital applications we have contributed to effectiveness and efficiency in our production and trace processes, our management processes were supported by new reporting and analysis tools.

Another focus area is to develop ecosystem development and to support becoming localized. From the day of establishment Anadolu Isuzu adopted an approach that focuses on making use of local resources and procurement choices. In 2022, the Company carried this way of doing business to another level.

Focusing on growing the collaboration ecosystem, our Company supported numerous projects of stakeholders such as startups, universities, engineering offices, side industries, shared its know-how with them and continues to conduct those activities. Our goal is to reap the fruit of our ecosystem advances rapidly and create and share value with a win-win logic.

Human resources and competencies are other subjects which are significant for the medium and long-term success of our Company. Many projects are conducted in this area which we focus on developing total value and benefits provided for each employee within the scope of employer brand. When we look at this in detail, we can say that we have ambitious targets primarily in number of women employees. During the reporting period, we achieved a great success in this area; ratio of white-collared women employees increased to 23% while number of blue-collared women employees increased to 2%. Within the scope of our occupational training program that we designed based on our internal capacity and needs, we prioritized women employees, setting women employee quota at this program to a high level of 50%.

Another leap of 2022 was the implementation of the 1st phase of our solar energy plant investment. When this project is complete, which is an important step in our contribution to global fight against climate crisis and in transitioning process to renewable energy, 70% of electric need of our production plant will be obtained from renewable energy.

Esteemed stakeholders

2023-2025 will be a period when our operations will be more concentrated.

Anadolu Isuzu will continue to grow and expand in accordance with its goals; in its investment activities which will be more concentrated between 2023 and 2025, the Company will complete product development in line with disruptive

technological developments and will make its product portfolio in line with sustainability expectations of the market.

This process in which we will continuously develop our R&D and production muscles will target responding mobility and related vehicle demand.

Our production campus will be considered in terms of sustainability, efficiency and continuous modernization and necessary activities will be completed during this period.

All these moves will not only strengthen our contribution to global climate crisis as a responsible corporate citizen but also will prepare us to changing market conditions as an economic actor.

ANOTHER LEAP OF 2022 WAS THE IMPLEMENTATION OF THE 1ST PHASE OF OUR **SOLAR ENERGY PLANT** INVESTMENT.

Within the process of internalization of sustainability, our material topics were defined as 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.

We will continue to reach our targets and create shareable value with the strong support of our main shareholder and contributions of our major stakeholders, employees, domestic and international dealer/ authorized service network, our customers and suppliers.

I would like to express my gratitude to all our stakeholders for their contribution and support

Respectfully,

TUĞRUL ARIKAN
General Manager

ANADOLU GROUP

OUR FOUNDING PHILOSOPHY

COLLECTIVE MIND



The business philosophy of our Group stems from the collective mind of our founders and it is based on a culture of cooperation and collective decision-making. The diversity of our employees and our stakeholders strengthens our collective mind. We enrich our collective mind by embracing different ideas and competencies and combining them with our experience from the past. We conduct our business with collective mind, we decide together and we build our future together with our collective mind.

OUR VALUES

WE ALWAYS FOCUS ON HUMAN



In the foundations of our management perspective and stakeholder relations, there is always a human-oriented approach. We respect our people, esteem and support their ideas. We invest in the development of our employees and recognize their needs to provide a desirable working environment for them. We always prioritize quality and endeavour to present our people the best in every area.

WE MANAGE OUR BUSINESS WITH A FAIR AND EGALITARIAN APPROACH



Our group is formed by reliable, honest, ethical and responsible individuals. Our companies adopt a fair and egalitarian approach in all their activities, decisions and implementations in and out of their organizations. We do not allow discrimination on any subject. We are transparent and accountable in all our actions. We take possession and responsibility of our business.

WE LEAD INNOVATION WITH OUR ENTREPRENEURIAL SPIRIT



With an innovative and entrepreneurial spirit, we always support innovation and embrace change. We work with passion and excitement to grow and develop our business. We encourage our employees to be creative and empower them to experiment. We endeavor to keep up with change and be a pioneer in new developments. With a visionary perspective, we make future-oriented investments.

WE STRIVE TO PRODUCE VALUE IN A SUSTAINABLE MANNER



In all our operations, we strive to produce value in a sustainable manner for our world and our stakeholders. In addition to the economic value we produce, we are always involved in activities that will create positive impact on social and environmental areas. Our principal mission is to fulfil our responsibility to carry our people and our society forward and leave a better world to the future generations.



ANADOLU GROUP



ISUZU

ITOCHU

ISUZU MOTORS LTD. COMMENCED OPERATIONS IN 1916.

One of the representatives of Japanese culture possessing the necessary virtues such as discipline, harmony, loyalty and business ethics, Isuzu Motors Ltd. takes its name from the Isuzu River near the Ise Shrine of Mie, the oldest shrine in Japan.

Isuzu Motors Ltd. is one of the leading commercial vehicle and diesel engine makers in Japan and the entire world. Sold in more than 130 countries around the world, Isuzu products lead the market in at least one product category in 23 countries.

ISUZU MOTORS LTD. FOCUSES ON R&D AND ITS CUSTOMERS

Aiming to provide high-quality products and services to its customers and develop new technologies that will contribute to the requirements of the industry, Isuzu Motors Ltd. produced Japan's first-ever air-cooled diesel engine 100 years ago, and has always made a difference with its pioneering, predictive and innovative structure.

Prioritizing R&D in its growth strategy, the company has focused on diesel engines for more than 70 years. Throughout its history, Isuzu Motors Ltd. has provided its customers and the global industry with a variety of technological innovations in the field of diesel engines.

Having produced more than 26 million diesel engines to date, Isuzu Motors Ltd. has an annual production capacity of more than 1 million diesel engines worldwide.

With a wide range of products, the company manufactures products ranging from a 1,000 cc power unit to 24-liter heavy-duty vehicles and marine engines.

As one of the largest diesel engine manufacturers in the world with three other European manufacturers, Isuzu Motors Ltd. has also made a name in environment-friendly diesel technology research.

For more information about Isuzu Motors Ltd, please visit www.isuzu.co.jp/world.

GOOD FOR THE SELLER, GOOD FOR THE BUYER, GOOD FOR SOCIETY

Founded in 1858 by a linen merchant named Chubei Itoh. Itoh's business culture, which adopts the Sampo Yoshi management philosophy that aims to be "good for the seller, good for the buyer and good for society," has evolved in 150 years into today's ITOCHU-style sustainability.

Today, Itochu Corporation is a global group that provides services with more than 100,000 employees at 120 different locations in 63 countries. The company has investments in various industries such as textile, metals, machinery, energy, chemicals, mining, forestry products, information technologies and finance.

With more than 200 affiliates and more than 100 subsidiaries, Itochu Corporation provides service with its Istanbul branch as well as its Ankara office, which opened in 1963.

A SOLUTION PARTNER THAT TAKES ON MAJOR PROJECTS IN TURKEY

Supporting mega projects around the world as a solution partner, Itochu Corporation specializes in generating financial resources. Contributing to the advancement of developing countries, the company has played a role in the implementation of major projects in Turkey such as the Haliç Bridge, the Fatih Sultan Mehmet Bridge and Bursa Thermal Power Plant.

Itochu Corporation reinforces its presence with more than 150 years of experience, international perspective and strength. As part of its mission of respecting the individual, society and the future with its commitment to global benefit, the company carries out infrastructure projects in developing countries, and assumes critical roles in the continuous development of societies and individuals through social responsibility projects.

For more information about Itochu Corporation, please visit www.itochu.co.jp/en.



ITOCHU CORPORATION:
A GLOBAL GIANT
DATING BACK TO
1858



ANADOLU ISUZU PRODUCT PORTFOLIO

ANADOLU ISUZU
OFFERS ITS
CUSTOMERS COMFORT,
SAFETY AND DRIVING
PLEASURE WITH ITS
HIGH-VALUE PRODUCT
RANGE.

PICKUP

VERSATILE D-MAX

Isuzu D-Max is a pick-up that stands out with its superior safety features and off-road capability. With various difference-making features, the D-Max is a versatile vehicle that provides added value to SMEs and tradespeople, and responds to the needs of individual users with its state-of-the-art features and driving comfort. D-Max makes a difference with its powerful Isuzu engine, safety equipment, modern design and state-of-the-art features, and provides benefits to its users for years to come.

D-Max stands out with its powerful engine, robustness, aesthetic appearance, superior safety measures, comfort and functionality, and appeals to the eye with its modern design.



TRUCKS

WIDE PRODUCT RANGE

Anadolu Isuzu truck group offers a wide range of products that live up to customer demands and expectations with numerous features. Standing out with Anadolu Isuzu's widespread after-sales network and affordable spare parts, the trucks are popular among customers thanks to their low total cost of ownership.

Anadolu Isuzu manufactures a wide range of trucks with different carriage capacities and chassis lengths. It responds to a wide variety of needs with its extensive range of superstructure options. Trucks which stand out with their widespread after-sales network and affordable spare parts cost have attracted appreciation from customers.



NPR
NPR Long
NPR10
NPR10 Long
NPR3D
NQR 90

LIGHT TRUCKS

A PARTNER FOR SMEs

Offering transport efficiency and comfort for customers in all segments, and primarily for SMEs, Anadolu Isuzu light trucks come in two customer-favorite models.



N-Wide
N-Wide Long

BIG.e

RAPID SOLUTION TO LAST KILOMETER TRANSPORTATION NEEDS

Big.e, the electrical micro truck which is completely developed and manufactured in Turkey with the R&D and innovation power of Anadolu Isuzu that is a pioneer in its industry, stands out as a product having such features that will change the definition of last kilometer transportation, primarily in large cities. With a 100% electrical, high performance, quiet and zero emission engine and the internal size and carrying capacity of a minivan, Big.e has the character of being a solution to respond to the "last kilometer" transportation needs which gained importance in large cities. The vehicle has a compact and agile structure and has an innovative and environment-friendly 100% electrical engine.



MIDIBUSES-BUSES

EFFICIENCY AND PROFITABILITY ORIENTED AND ENVIRONMENT FRIENDLY PRODUCTS

Anadolu Isuzu produces midibuses and buses which provide solutions to the needs of public transportation, tourism and service transportation sectors and which are developed in line with the public transportation trends of the future. Isuzu buses are designed and manufactured with the objectives of providing an efficient and profitable business model to their operators, offering a comfortable and safe journey to passengers and vehicle personnel and at the same time having features requested by the world's municipalities such as zero emission, quietness, comfort, completely electrical and alternative fuel.

Anadolu Isuzu aims to offer economic solutions to its users with its midibuses developed for workplaces, schools, tourism and public transportation, and with technical and equipment features that meet a wide range of industry requirements.



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

D-MAX

PUT ON THE TURKISH MARKET IN 2004, THE D-MAX HAS SOLD A TOTAL OF 37,284 UNITS BY THE END OF 2022.

Offering equipment, traction system and gear options, the all-new D-Max has a powerful 1.9-liter Isuzu engine.

ISUZU D-MAX FOR ALL BUMPY RIDES

The D-Max, manufactured with more than 100 years of Isuzu experience in vehicle design and production, comes with two different traction systems (4x2 and 4x4), two different transmission options (six-speed manual and six-speed automatic) and four different equipment options (V-GO, V-LIFE, V-JOY and V-CROSS).

Put on the Turkish market in 2004, the D-Max has sold a total of 37,284 units by the end of 2022.

LOAD CARRYING AND TOWING CAPACITIES OF D-MAX

A strong business partner that provides solutions for both SMEs and tradespeople, the versatile D-Max also responds to the needs of individual users. D-Max was designed for the combination of comfort and functionality with its sporty look, LED daylight lamps and standard accessories.

D-Max offers a comfortable ride and maximum safety with its equipment and technical features.

Providing 163 ps, 360 Nm/2,000-2,500 rpm flat torque, the 1.9-liter D-Max's engine is not only powerful, but also durable and economical. Allowing the driver to have full control of the steering wheel, the vehicle draws attention with its new LED daylight lamps, heated front seats, electric driver seat, keyless entry and starting system, high-beam assist, adaptive cruise control, traffic sign recognition system, turn assist, self-leveling headlamp system, lane keeping support, hill start assist and hill descent control, smart cruise control, dual-zone automatic digital air conditioning, central airbag and electric wing mirrors foldable with the press of a button.

The 9-inch touchscreen multimedia system that offers wireless Android Auto and Apple CarPlay support is offered as standard equipment in the equipped D-Max models.

In addition to superior safety systems such as EBD, ABS, BAS, ESC and TCS, the D-Max comes with an impact-absorbing overhang, impact-absorbing bars that reduce impact from the sides, and a reinforced cabin frame.

SUITABLE FOR URBAN ROADS



With the D-Max, Anadolu Isuzu introduced the groundbreaking "shift-on-the-fly" system that enables switching to the 4x4 mode with a single button. Continuously improving its engineering advantages, D-Max generates the same power as its predecessor with its new 1.9-liter diesel engine,

- COMPLETELY NEW 3RD GENERATION
- TAX AND FUEL ADVANTAGES
- ISUZU ENDURANCE
- SUPERIOR COMFORT
- EXCELLENT SAFETY
- BEST OF ITS CLASS



A strong business partner that provides solutions for both SMEs and tradespeople, the versatile D-Max also responds to the needs of individual users.

D-Max was designed for the combination of comfort and functionality with its sporty look, Bi-LED lamps and standard accessories.



6-speed manual and automatic transmission options, while offering lower fuel consumption, a silent cabin and a comfortable ride. Moreover, 4x4 models have Motor Vehicle Tax advantage with 1.9 lt engine.

**D-MAX OFFERS A
COMFORTABLE RIDE AND
MAXIMUM SAFETY WITH ITS
EQUIPMENT AND TECHNICAL
FEATURES.**

TRUCK GROUP

WIDE PRODUCT RANGE, WIDE AFTER-SALES NETWORK

NPR

With a useful chassis length of 4.2 meters and a gross vehicle weight of 7.5 tons, the NPR fully meets the needs of drivers with its next-generation, low fuel consumption Isuzu engine, while providing high performance at the same time. With its 150 PS engine power, 375 Nm torque Isuzu engine and its durability, it adds value to the business of its users for many years.

NPR LONG

Attracting experienced drivers, the NPR10 LONG is preferred for urban and close interurban distances. In addition to its dynamic and flexible structure, the vehicle provides its customers with a full air brake system, low operating costs, lower fuel consumption, less maintenance requirements, more load carrying capacity and more storage space, and it is widely popular in public and private sectors.

NPR10

NPR10 trucks make drivers feel the performance with 190 PS engine power and 510 Nm torque. With a gross vehicle weight of 9,800 kilograms and an air brake system, the NPR10 is the choice of those looking for the best in urban transportation. The vehicle is popular due to its ambitious features such as full air front and rear disc brake system, large load carrying capacity and superior maneuverability.

NPR10 LONG

Attracting experienced drivers, the NPR10 LONG is preferred for urban and close interurban distances. In addition to its dynamic and flexible structure, the vehicle provides its customers with a full air brake system, low operating costs, lower fuel consumption, less maintenance requirements, more load carrying capacity and more storage space, and it is widely popular in public and private sectors.

NPR3D

The NPR3D stands out with its large load carrying capacity and cost-effectiveness. Allowing passage through narrow streets, the NPR3D provides significant features such as large carrying load capacity with the third axle, gross vehicle weight of 12,500 kilograms, 190 PS power and 510 Nm torque, full air, dual-circuit disc brake system, electronic braking limitation, automatic brake pad adjustment and safety systems such as AEBS, ABS, ASR and ESC.

From comfort to capacity, from efficient transportation to durability and safety, the Anadolu Isuzu truck group offers a wide variety features.



- **6-10 TON** SEGMENT LEADER
- **6** DIFFERENT MODELS
- **HIGH** CARRYING CAPACITY
- **MAXIMUM** EFFICIENCY
- DRIVING **SAFETY**
- **LOW** OPERATING COST



LARGE LOAD CARRYING CAPACITY AND SUPERIOR MANEUVERABILITY

From comfort to capacity, from efficient transportation to durability and safety, the Anadolu Isuzu truck group offers a wide variety features. Anadolu Isuzu trucks also provide companies with increasing added value in terms of transportation expenses.



ANADOLU ISUZU TRUCK
GROUP HAS MANY IMPORTANT
FEATURES FROM COMFORT TO
CAPACITY, FROM EFFICIENCY
IN TRANSPORTATION TO
ENDURANCE AND SAFETY.

LIGHT TRUCKS

EFFICIENCY IN TRANSPORTATION AND COMFORT IN USE

Indispensable for urban transportation with their high maneuverability and durability, Isuzu light trucks are designed to meet any and all customer needs. Successfully passing through any road under the heaviest loads, Isuzu light trucks continue to be solid partners.

N-WIDE

Providing ease of use with its wider and deeper cabin and emphasizing driver comfort with its advanced suspension system, the N-WIDE stands out with its useful chassis length of 3.5 meters and the next-generation, powerful and durable Isuzu engine with 150 PS engine power and 375 Nm torque.

N-WIDE LONG

In addition to requiring less maintenance, the N-WIDE LONG also offers advantages such as affordable spare parts and fuel savings. With its useful chassis length of 4.3 meters, the N-WIDE LONG offers a solution for those who want large volume.

TAŞIMADA VERİMLİLİK, KULLANIMDA KONFOR

Anadolu Isuzu light trucks offer transport efficiency and comfort for customers in all segments, and primarily for SMEs. The agile light trucks produced by Anadolu Isuzu also meet the volume needs of individual and fleet users.



-
- **2** DIFFERENT MODELS
 - ISUZU **ENDURANCE** AND **STRENGTH**
 - **MAXIMUM** FREIGHT TRANSPORTATION EFFICIENCY
 - **LOW** OPERATIONAL COST
-



WITH ITS WIDER AND DEEPER CABIN, ANADOLU ISUZU PICK UP GROUP PROVIDES EASE OF USE AND IT CARES ABOUT DRIVER COMFORT WITH A DEVELOPED SUSPENSION SYSTEM.

LIGHT TRUCKS

WITH 100% ELECTRICAL HIGH PERFORMANCE, QUIET AND ZERO EMISSION ENGINE, BIG.E HAS THE INTERNAL VOLUME AND CARRYING CAPACITY OF A MINIVAN.

Turkey's commercial vehicle brand Anadolu Isuzu is entering a new area in transportation with its 100% electrical vehicle Big.e. Big.e brings a different dimension to last kilometer transportation with its fully electrical engine, compact size and economic structure.

Anadolu Isuzu, Turkey's commercial vehicle brand, carries its 40-year experience in commercial vehicle segment it gained with its production of midibuses, buses and trucks to the area of micro mobility. Big.e, the electrical micro truck which is completely developed and manufactured in Turkey with the R&D and innovation power of Anadolu Isuzu that is a pioneer in its industry, stands out as a product having such features that will change the definition of last kilometer transportation, primarily in large cities. With a 100% electrical, high performance, quiet and zero emission engine and the internal size and carrying capacity of a minivan, Big.e was first introduced in IAA Transportation Fair.

The product of Anadolu Isuzu's engineering "micro giant"

Big.e has the nature of Anadolu Isuzu's signature to the future reflecting its experience in the areas of logistics and transportation areas. Having mega features in its micro structure Big.e will fill an important gap in the market. Its production will be made at Anadolu Isuzu's Çayırova plant which has the properties of a smart factory.

Big.e, will create a difference in its class with its high capacity, large internal volume and modular design

Big.e, which can easily be used by everybody, has the character of being a solution to respond to the "last kilometer" transportation needs which gained importance in large cities. The vehicle has a compact and agile structure and has an innovative and environment-friendly 100% electrical engine. Every detail of the vehicle was elaborately developed to meet the current needs of last kilometer transportation. With its unique characteristics, Big.e is ready to carry the freight load of companies from courier companies to local distribution services of chain stores in the most economical way. With its superior qualities and high maneuverability, Big.e is a competitor of the minivan class and it will provide significant advantages to the companies.

Having a large carrying volume of 4 cubic meter and 1000 kg of haul capacity, Big.e provides a driving range of 150 kilometers with three different battery capacities.

Big.e which meets the needs of last kilometer transportation of companies from all industries, primarily those which have intensive deliveries, and which has advantageous features, Big.e will be offered at two different versions with 60 km/h and 80 km/h maximum speed. Big.e also has the practicality, flexibility and safety required by various services provided by the municipalities.



Rapid and easy charging possibility from an outlet like a mobile phone

One of the most important advantages of Big.e is that it can be charged just like a mobile phone through the standard electric network by plugging in. While full charge capacity is reached within 5 to 9 hours, this time can be reduced to 3*5 hours with an additional charging equipment. It will also be a pioneer in its segment in terms of total cost of ownership.

Having mega features in its micro structure, Big.e will fill an important gap in the market. Its production will be made at Anadolu Isuzu's Çayırova plant which has the properties of a smart factory.



With a modern design, practical features, safe and economical characters, Big.e will be offered for sale in 2024 and it is expected to achieve a great success in the market.

WITH SUPERIOR FEATURES
AND HIGH MANEUVARABILITY,
BIG.E WILL BE OFFERED TO
THE MARKET IN 2024 AND IT
WILL PROVIDE A SIGNIFICANT
ADVANTAGE TO COMPANIES.

BUSES AND MIDIBUSES

PRODUCT VARIETY FROM 8 TO 18 METERS IN PUBLIC TRANSPORTATION, SERVICE AND TOURISM PRODUCT RANGE

Anadolu Isuzu buses offer efficient transportation and comfortable use. Anadolu Isuzu buses are widely used in many areas from public transportation to tourism. With their low fuel consumption and low operating costs, Anadolu Isuzu midibuses appeal to customers in all segments. In addition to their agile structures, midibuses meet the needs of individual and fleet users and serve as one of the most popular transportation solutions in personnel transportation services.

VISIGO

Visigo, Anadolu Isuzu's 9.5-meter long tourist bus, has become popular both in Turkey and abroad with its aesthetic interior/exterior design and first-class comfort. The bus offers an ideal solution for tour groups looking for a luxurious trip with a passenger capacity of 37 to 39 people.

VISIGO INTERURBAN

Sharing the same platform with Visigo, Visigo Interurban offers solutions for the needs of personnel transportation rather than tourism with its unique interior design and more economical comfort. The Visigo Interurban at Class2 can also carry standing passengers. The Visigo Interurban is a disabled-accessible vehicle, as it comes with an additional middle door and wheelchair lift.



Visigo models, lengths and engine power:

- Visigo / 9.5 m, 248 hp
- Visigo Hyper / 9.6 m, 320 hp
- Visigo Interurban / 9.5 m, 248 hp
- Visigo Interurban Hyper / 9.6 m, 320 hp



CITIPOINT 18 & CITIPOINT 12

Public transportation vehicle Citiport 18 is the biggest bus manufactured by Anadolu Isuzu. The vehicle offers unique solutions for the needs of municipal and private public bus carriers serving in the public transportation sector. Citiport, which won "Europe's most ergonomic and comfortable vehicle" award at the Busworld Kortrijk 2015 International Fair in Belgium, stands out from its counterparts with its aesthetic exterior design and spacious interior layout. Articulated Citiport 18, the largest of the Citiport family, has a carrying capacity of 155 passengers. The other member of the product family, Citiport 12, comes with a 341 horsepower engine in the HYPER version.





Citiport models, lengths and engine power:

- Citiport 18 / 18 m, 370 hp
- Citiport 18 CNG / 18 m, 320 hp
- Citiport 12 / 12 m, 300 hp
- Citiport 12 / Hyper 12 m, 341 hp
- Citiport 12 / CNG 12 m, 280 hp
- Citiport 12 / CNG 12 m, 320 hp
- Citiport 12 / Euro 5 12 m, 289 hp



KENDO/INTERLINER

With a length of 13 meters, the Kendo/Interliner offers an ideal solution for close interurban transportation, school buses, airport transportation and personnel shuttles.

The Kendo/Interliner has become popular with its comfort, technology, equipment, aerodynamics and modern design. While protecting nature with its environment-friendly CNG engine, it also contributes to customer profits with low fuel consumption.

The Kendo/Interliner CNG was awarded the "Sustainable Bus of the Year 2022" award in the Intercity segment at the "Sustainable Bus Award" event held in Europe. The Kendo/Interliner, which has achieved tremendous success with its design, won the 'Gold A' Design award in the A Design Award competition in Italy in 2020, the BIG SEE Awards organized to encourage creativity in Europe and the "best design" award in the in best in the product design category of the "Dizayn Turkey" awards in 2021.



Passenger capacities;

- 63 seats, 13 CNG
- 59 seats, 12.3 diesel

Kendo/Interliner models, lengths and engine powers:

- Kendo/Interliner 13 CNG: 13 m, 320 hp
- Kendo/Interliner 12.3 Diesel: 12.3 m, 370 hp

BUSES AND MIDIBUSES

LOW FUEL CONSUMPTION AND LOW OPERATING COST

CITIBUS

Another solution Anadolu Isuzu offers for public transportation is the 9.5-meter Citibus. Thanks to its affordable price, low fuel consumption and operating costs, and durable infrastructure and superstructure, it is widely used in low population areas and lines where there is no need for a 12-meter bus.

Citibus models, lengths and engine powers:

- Citibus: 9,5 m, 211 hp
- Citibus Euro 5: 9,5 m, 204 hp

TURKUAZ

A size above the Novo class midibuses with a passenger capacity of 31 to 33 people, Turkuaz is the ideal midibus for the tourism industry. Offering plenty of comfort to both the driver and the passenger with its appearance, interior design, luggage capacity and standard equipment, Turkuaz is known as the flagship of midibuses used for tourist transportation.

Turkuaz can be produced with VIP and elevator configurations for special projects.

Turkuaz models, lengths and engine powers:

- Turkuaz Euro 5-6: 7,7 m, 190 hp
- Turkuaz Interurban Euro 5-6: 7,7 m, 190 hp
- Turkuaz Euro 2: 7,7 m, 175 hp

GRAND TORO

Developed by Anadolu Isuzu in line with the personnel and tourism transportation requirements in Turkey and Europe, the Grand Toro emerges as an innovation in the 8.5-meter midibus segment. A size above the Turkuaz midibuses with a higher 35 to 37 passenger capacity, the Grand Toro provides comfort for its passengers together with low fuel consumption, and modern interior and exterior design. It was deemed worthy of the 'Silver A'Design award at the A'Design Award competition in Italy in 2020, and the Product Design award at the BIG SEE Awards 2021, organized to encourage creativity in Europe. Grand Toro can be manufactured with VIP and elevator configurations for special projects.



Grand Toro models, lengths and engine powers:

- Grand Toro Euro6: 8.5 m, 206 hp
- Grand Toro Euro6 Class2: 8.5 m, 206 hp
- Grand Toro Euro6 RHD: 8.5 m, 206 hp



Anadolu Isuzu buses offer efficient transportation and comfortable use.

Anadolu Isuzu buses are widely used in many areas from public transportation to tourism.

NOVO LUX / NOVO ULTRA

Sharing the same platform with Novo S, yet boasting a higher level of comfort with its interior design and standard equipment, the Novo Lux appeals to workplace and tourism carriers who want to offer their passengers a more comfortable travel experience. Offering versatile use with its advanced equipment, the vehicle serves both workplace and touristic purposes. The rear air suspension offered with the Novo Ultra version provides even more comfort.

Novo Lux/Ultra models, lengths and engine powers:

- Novo Ultra Interurban Euro 6: 7.3 m, 190 hp
- Novo Lux/Ultra Euro 5: 7.3 m, 155 hp

NOVO / NOVO S

With its capacity of 27 to 29 passengers, the Novo S midibus has been popular throughout the industry with its low fuel consumption and operating costs. Thanks to its more durable engine and higher level of passenger comfort compared to minibuses, it has become one of the most popular transportation solutions for shuttle services.

Novo models, lengths and engine powers:

- Novo Euro 6: 7,3 m, 190 hp
- Novo Euro 5: 7,3 m, 155 hp

NOVOCITI

With a length of 7.5 meters, the NovoCiti addresses the needs of urban transportation in lower population towns and historical metropolises with narrow streets with its superior maneuverability, low investment, operating costs and fuel savings. NovoCiti is also the first vehicle in its class to have a wheelchair ramp. NovoCiti is the best-selling model domestically in its segment and demonstrates the same level of success in foreign markets.

NovoCiti models, lengths and engine powers:

- NovoCiti Euro 6: 7.5 m, 190 hp
- NovoCiti Euro 5: 7.5 m, 155 hp

NOVOCITI LIFE

NovoCiti Life was developed to deliver a new look to the existing NovoCiti model in line with the changing living conditions and new requirements in the city. While maintaining the maneuverability, low operating cost and fuel economy of the previous model, the vehicle eliminated all obstacles in urban travel with its low floor made possible with its rear-engined monocoque body. Thanks to its design that removes all steps, urban transportation has become easier than ever for elderly passengers and those with walking disabilities.

NovoCiti Life length and engine power:

- NovoCiti Life: 8 m, 186 hp



AESTHETIC
DESIGN,
MAXIMUM
PASSENGER
COMFORT

ELECTRICAL BUSES AND MIDIBUSES

THE PROMISE OF A ZERO CARBON JOURNEY

NOVOCITI VOLT

Designed as a 100% electrical vehicle for the midibus segment, the Isuzu NovoCiti Volt offers a silent and comfortable journey with zero carbon emission thanks to its fully-electric drive system. Included in the category of environment-friendly vehicles, the NovoCiti Volt is equipped with Acoustic Vehicle Alerting Systems (AVAS) aimed at ensuring the safety of pedestrians, preventing noise pollution and increasing awareness.

Offering two different battery capacities to the user, NovoCiti Volt provides a range of up to 300 km with a battery capacity of 211 kWh, and a range of 380 kilometers with a battery capacity of 268 kWh. Thanks to the positioning of the battery packs on the ceiling, the vehicle's range can be extended or shortened. The electric motor located at the rear end of the vehicle has a power of 270 kW and a torque value of 2500 Nm

NovoCiti Volt models, lengths and engine powers:

- 8 meters, low floor
- e-motor 270 kW, 2500 Nm
- 211 kWh and 268 kWh LFP Battery

QUIET AND COMFORTABLE
WITH **FULL ELECTRICAL**
DRIVING SYSTEM

UP TO 300 KM RANGE
WITH **211 KWH BATTERY** CAPACITY





VEHICLES
WITH
SUPERIOR
OFF-ROAD
CAPABILITY

CITIVOLT

CitiVolt, which is completely electrical and has zero emission, aims to add value to whole city for a renewable and sustainable future. With its brand new design and latest technological equipment CitiVolt will provide many important benefits for passengers, drivers, operators and most importantly society.

CitiVolt offers 4 different battery capacities to the user and a driving range of 480 km. It has a high passenger capacity as the battery packages are positioned at the ceiling and thanks to optimum weight distribution. E-Axle electrical engine guarantees a strong driving performance and leaves a large room inside for passengers.

CitiVolt models, lengths and engine powers:

- 12 meter, Low Floor
- e-engine 250 kW
- 225 kWh, 300 kWh, 375 kWh and 450 kWh NMC Battery

DEFENSE INDUSTRY

VEHICLES WITH SUPERIOR OFF-ROAD CAPABILITY

Defense Industry

Anadolu Isuzu manufactures trucks for the defence industry under the Anadolu Defence brand, from 4x4 models up to 14x14 models, to meet the requirements of the Turkish Armed Forces in the field of logistics.

With their superior cross-country capabilities, high strength and suitability for multiple purposes, these vehicles are produced with domestic facilities to serve the logistics activities of the Turkish Armed Forces.

Seyit Tactical Wheeled Military Vehicles

In order to ensure the uninterrupted logistics supply of the Turkish Armed Forces and to deliver useful loads to the desired regions on time, the Seyit Tactical Wheeled Military Vehicles, which range from 4x4 vehicles up

to 14x14 vehicles with rough terrain capability, offer high durability and are suitable for multi-purpose use. The vehicles, which are produced using domestic facilities, have been introduced into service with the Turkish Armed Forces.

Seyit Tactical Wheeled Military Vehicles, which can reach speeds exceeding 90 km/hr with different engine options ranging from 400 hp to 600 hp, have a range of over 500 km, the ability to pass through 120 cm of unprepared water, and operate on forward gradients of up to 60% and side gradients of up to 30%. While offering a carriage capacity of up to 16 tons per axle with its superior axle technology, Seyit stands out as the most suitable solution to ensure that payloads are at the right place at the right time in difficult terrain conditions, thanks to its independent suspension.



SEYİT

TACTICAL WHEELED
MILITARY TRUCK

16 TON CARRYING
CAPACITY WITH
SUPERIOR AXEL
TECHNOLOGY



SEYİT

FORM 4X4 TO 14X14 SEYİT
TACTICAL WHEELED MILITARY
TRUCKS ARE MANUFACTURED
BY USING NATIONAL RESOURCES
AND OFFERED TO THE SERVICE
OF TURKISH MILITARY FORCES.

THE ECONOMY IN TURKEY AND THE WORLD

Challenging process in global economy

Raw material shortage and supply incapacities caused by kicking of demand in 2021 which was delayed due to pandemic had an impact in rising inflation. In 2022, start of the Russia-Ukraine war caused commodity prices, energy prices in particular, to follow a new increasing trend.

Sanctions applied to Russia, which is one of the largest players in the global energy market, made the world, particularly Europe, face an energy crisis and as a result, commodity and energy prices increased to record high levels.

Monetary tightening and interest increases started by the large central banks, primarily by Fed, as a measure of fight against inflation had a pressure on the growth of primarily developing countries. As the effects of the war on global economy expanded, concerns of stagnation for developed countries also appeared. ,

US Central Bank (Fed) went to 425 basis points of interest increase in 2022 and raised policy interest to the highest level since 2007 which is 4.25%-4.5% range. European Central Bank (ECB) raised policy interest to 2.5% with the increases started in the second half of the year.

Interest increases of central banks at global level, contractionary monetary policy and anti-inflationary policies and supply problems due to China's zero-Covid policy caused downward revision of growth expectations.

While IMF revised its growth expectations upward for global economy and developed countries at its World Economic Outlook Report of January 2023, expectations for developing countries were revised downward. 2022 global economy growth rate is expected to be 3.4% and growth rates for developed and developing countries were revised as 2.7% and 3.9%, respectively. IMF also increased its 2023 forecast for global economic growth from 2.7% to 2.9%. Turkish economy grew by 7.5% in the first quarter, 7.7% in the second quarter, 3.9% in the third quarter and 3.5 % in the fourth quarter of 2022 on an annual basis. While Turkey recorded a 5.6% of growth compared to prior year, it demonstrated a performance above the world average.

Exports, which plays and important role in Turkey's growth also increased by 12.9% in 2022 to reach USD 254.2 billion. Our country's ever-growing export performance increased by 10 times since 2000. While Turkey's share of exports in the world's exports was 0.4% in 2000, it has exceeded 1% for the first time in 2022 and reached 1.01%.

Exports, having a significant role in Turkey's growth, increased by 12.9% and reached USD 254.2 billion in 2022.

INDUSTRY OUTLOOK

6%

AUTOMOTIVE EXPORTS IN 2022 INCREASED BY 6% AND REACHED USD 31.5 BILLION.

Commercial vehicle market continued its healthy growth, export performance was strong.

Turkish automotive industry closed 2022 with increases in production, exports and domestic market.

Based on the data of The Automotive Manufacturers Association (OSD), Turkey's total production in 2022 grew by 6% and automobile production increased by 4%. While total production was 1,352,648 vehicles, commercial vehicle production was 541,759. Total market grew by 7% compared to prior year and automobile market grew by 6%. Total production, including tractor production reached 1,402,189 units.

Production in commercial vehicle group increased by 10%, while in heavy commercial group by 26% and in light commercial vehicle group by 8%.

In 2022, commercial vehicle market grew by 11%, heavy commercial market by 24% and light commercial vehicle market by 9%. In 2022 January-December period, total automotive exports increased by 4%, automobile exports by 1%. During that period, total exports was 970,124 units and commercial vehicle exports was 398,906 units.

Production of commercial vehicles carrying freight and passengers increased by 10%. On a product group basis, 51% increase was realized in midibus and 50% increase was realized in bus segments. While truck and pick-up production increased by 21% and 9%, respectively, minibus production remained stable.

Capacity usage rates of automotive sector based on different groups in 2022 were 70% in light vehicles (automobile + light commercial vehicles), 92% in truck group, 41% in bus-midibus group and 66% in tractor group. Total capacity usage rate of the industry for the same period was 70%.

Based on the data from Uludağ Exporters Association (UIB), automotive exports in 2022 increased by 6% and reached USD 31.5 billion. In Euro basis, it increased by 18% and was realized as EUR 29.9 billion. At this period, main industry exports increased by 4% and supply industry increased by 9% in USD basis.

Based on Association of Turkish Exporters data, in 2022, total automotive industry exports was at the second place with a share of 12.2% in industrial export rankings after chemical products and materials.

THE NEW BIG.e CREATING DIFFERENCE IN ITS CLASS

CARRYING CAPACITY OF
1.000 KG

RANGE OF
150 KM





IN SUMMARY

Total revenue of TL 6.3 billion

Anadolu Isuzu continued to conduct its operations in 2022 in accordance with its global vision. The Company's total revenues reached TL 6,270 million.

In 2022, despite fluctuations caused by global and domestic economic conditions and unstable outlook of the Turkish automotive sector, Anadolu Isuzu achieved a healthy operational performance with the support of its strong financial structure.

Keeping its activities focusing on stabilizing exports and domestic market, Anadolu Isuzu continued its moves to enhance shareholder value with a risk based approach.

A healthy performance in the domestic market

Turkey's commercial vehicle brand, Anadolu Isuzu, continued to complement its successes in the domestic market in 2022.

Having achieved significant growth in bus and minibus exports in 2022, Anadolu Isuzu replicated this success with its strong share in the medium-duty segment in the domestic market.

The medium-duty models which Anadolu Isuzu manufactures and sells on the basis of 'tailor-made production' in a way that best meets different needs are in increasing demand in the market every year with their extremely high-performance engines and high maneuverability.

Isuzu medium-duty trucks came to the forefront in 2022 with their advantages in terms of durability, power and low operating costs, which are critical in commercial use.

Anadolu Isuzu's total sales in the medium-duty truck segment reached 2,881 in 2022. Maintaining its leadership in the medium-duty, 6-16 ton truck segment in Turkey for more than 10 years, Anadolu Isuzu's market share in this segment was 40% in 2022.

6.3

IN 2022, ANADOLU ISUZU'S TOTAL REVENUES REACHED TL 6.3 BILLION AS A RESULT OF ITS OPERATIONS IN LINE WITH ITS VISION.

EXPORT ACTIVITIES

Export Activities

Anadolu Isuzu broke another export record in 2022. The Company's revenues from exports were EUR 124 million, EUR 117 million from vehicle sales and EUR 7 million from spare part sales.

As a result of the global impact of the Covid-19 pandemic, schools and workplaces closed all over the world from first quarter of 2020, thus disrupting public transportation activities and precipitating a record plunge in tourism revenues. During the pandemic and post-pandemic period, one of Anadolu Isuzu's major export areas, EU market, contracted by more than 30% between 2019 and 2022. Even though contraction vary for non-European markets from one country to another, in total contraction was realized in higher rates.

In 2021 and 2022, side effects of post-Covid and increasing tension in Ukraine were felt stronger in global markets on supply chain and cost increases. Despite negative factors affecting the sector, Anadolu Isuzu's export sales were realized at a record level as 1,078 units and EUR 124 million in 2022.

In 2022, sales to first 12 countries made up 90% of Anadolu Isuzu's total exports and the first three countries were France, Israel and Spain in terms of revenues.

90%

IN 2022, SALES TO FIRST 12 COUNTRIES MADE UP 90% OF ANADOLU ISUZU'S TOTAL EXPORTS AND THE FIRST THREE COUNTRIES WERE FRANCE, ISRAEL AND SPAIN BASED ON REVENUES.



ANADOLU ISUZU'S EXPORT MARKET SHARE IN DOMESTIC BRANDS OPERATING IN ITS SEGMENT WAS 27.8%.

Based on OSD data, Anadolu Isuzu recorded a 27.8% market share in 2022 in exports among domestic brands producing in the segments which Anadolu Isuzu operates in.

The company maintained its leading position in midibus segment exports among all domestic and foreign brands, thus capturing a leading position in Turkey's midibus exports for the 19th time and breaking a record, setting the bar high for the future.



IN 2022, THE HIGHEST CONTRIBUTION TO MIDIBUS AND BUS EXPORTS WERE FROM TURKUAZ AND KENDO/INTERLINER PRODUCTS.

Anadolu Isuzu continued its stable sales in the midibus and bus product group in 2022 as well. The Turkuaz and Kendo/Interliner models provided a particularly significant contribution to exports with the sale of a total of 337 vehicles.

According to OSD data, Anadolu Isuzu continued to hold the title of Turkey's leading midibus exporter, outperforming its competitors in 2022, while its share in the midibus export market was 43%.

NOVOCITI VOLT'S SUCCESSFUL ENTRY TO ELECTRICAL VEHICLE MARKET

During the first year of NovoCiti Volt's sales in electrical vehicles market number of vehicles sold was realized as 24. Out of these vehicles, 8 of them were exported to France and 8 to Lithuania, thus these two countries were at the position of countries that the Company sold electrical vehicles to.

STRONGER POSITION IN GEORGIA

Anadolu Isuzu strengthened its position in Georgia in 2022 by signing the contract for the procurement and service of 65 diesel fueled buses. The Company has been operating in Georgia since 2019.

MIDIBUS SALES CONTRACT WITH ISUBUS LTD. AT EUR 8,3 MILLION

Anadolu Isuzu strengthened its position in Bulgarian market in 2022 by signing a midibus sales contract with Bulgarian Distributor ISUBUS LTD. at EUR 8,3 million. The Company has been operating at this country since 2007.

AZERBAIJAN DELIVERIES

Environment-friendly Citiport CNG vehicles, with compressed natural gas engines, were delivered to Çınar Trans MMC, one of the largest private operators of Baku. While this delivery was the first CNG vehicle sales to Azerbaijan, additional 25 Novo Ultra vehicles were also delivered during the year.



NOVOCITI VOLT DEMO TOUR

NovoCiti Volt cruised around Europe with an introductory tour. Test and introduction tour organized in Romania, Serbia, Macedonia, Croatia, Spain, Germany, Lithuania, Czechia, Italy, Bosnia, Greece, Bulgaria and Poland attracted considerable attention.

Representatives of large bus operators, municipalities and local press had the opportunity to closely examine and get to know NovoCiti Volt.

HANNOVER IAA TRANSPORTATION FAIR

Anadolu Isuzu left its mark on IAA Transportation, the world's most prestigious fair of the automotive sector, with its innovative and environment-friendly models. The Company introduced its 100% electrical vehicle Big.e, which will change the rules of the game in 'last kilometer'

transportation, for the first time in Hannover. In addition to Big.e, 12 meter CitiVolt bus model was also launched at the fair.

Anadolu Isuzu was the focus of attention at IAA Hannover with fully electrical NovoCiti Volt, %100 biogas compatible Kendo/Interliner 13 CNG and ambitious Isuzu Grand Toro.



BERLIN BUS2BUS FAIR

At the Bus2Bus Fair organized in Berlin, Germany on 27-28 April 2022, Anadolu Isuzu exhibited its newest medium-sized bus models. NovoCiti Volt and Kendo/Interliner CNG models were there at the fair.

**POLAND TRANSEXPO
INTERNATIONAL PUBLIC
TRANSPORTATION FAIR**

Anadolu Isuzu attended TRANSEXPO International Public Transportation Fair organized in Poland at 12-14 October 2022. NovoCiti Life

promoted by Anadolu Isuzu attracted considerable attention and received the Distinction Award for Innovation In The Bus.

MADRID FIAA BUS AND COACH FAIR

Anadolu Isuzu introduced its environment-friendly and innovative bus and medium-sized bus models at the FIAA Bus and Passenger Bus Fair organized in Madrid at 18-21 October 2022. Fully electrical NovoCiti Volt, 100% biogas compatible Kendo CNG, Turkuaz and Grand Toro models were exhibited at the fair and attracted the attention of visitors.



ENGLAND EURO BUS EXPO FAIR

Anadolu Isuzu promoted its ecological and innovative bus and medium-sized bus model at the Euro Bus Expo Fair at Birmingham

NEC between 1-3 November 2022. Anadolu Isuzu stand received great admiration from the visitors of the fair.

“OUTSTANDING SUCCESS OF GREAT TARGETS” AWARD FROM ULUDAĞ AUTOMOTIVE INDUSTRY EXPORTERS ASSOCIATION

Anadolu Isuzu was granted an award by Uludağ Automotive Industry Exporters Association (OİB) for its outstanding production and export performance in 2021. Anadolu Isuzu received “Outstanding Success of Great Targets” award from OİB.



AUTOMOTIVE INDUSTRY ASSOCIATION'S (OSD) “OSD MEMBER THAT INCREASED ITS EXPORT MOST IN TERMS OF VALUE” AWARD

Achieving a record export amount in 2021, Anadolu Isuzu was granted an award by the Automotive Industry Association (OSD) within the scope of OSD Success Awards, becoming

the “OSD member that increased its exports in terms of value in 2021”. Anadolu Isuzu became the owner of this award with the 148% increase in exports in 2021.

NEW DISTRIBUTORS ADDED TO ANADOLU ISUZU'S EXPORT REGIONS IN 2022

- Dubai-GENAVCO
- Norway-Busco AS
- Portugal - Auto Sueco
- Ethiopia-Etiotrade
- Senegal-Caetano Formula Senegal
- Albania- Shegatrans
- TRNC-ARTESA
- England-EVM

MARKETING AND DEALER NETWORK DEVELOPMENT ACTIVITIES

ANADOLU ISUZU LISTENS TO ITS CUSTOMERS, DEALERS AND AUTHORIZED SERVICES

Anadolu Isuzu always prioritizes customer satisfaction and designs its new project and development activities accordingly. Satisfaction surveys are conducted regularly through call center and survey results are shared with the related departments. Requests and complaints from customers are forwarded to related departments and actions are taken for the solution of the subject. Results of the satisfaction surveys demonstrates that satisfaction level from service and products reached 90%.

Satisfaction surveys are also conducted with dealers and services to learn their expectations and requests; action plans are prepared accordingly.

Customers are contacted with their permission through an effective CRM structure and dealers and services reach their customers more effectively via this system.

ANADOLU ISUZU CARES ABOUT TRAINING OF EMPLOYEES OF DEALERS AND AUTHORIZED SERVICES.

In 2022, on site occupational trainings were organized for sales consultants and service consultants to strengthen the know-how and experience of the employees in sales process, service process, products and market.

Additionally, applied Efficient Driving techniques trainings were held for fleet customers.

At these trainings, users of vehicles were demonstrated possible fuel saving methods and 20% of improvement in comparison with previous driving style could be achieved. Important knowledge about safe driving were also shared at those trainings and satisfaction of customers were enhanced.

CONTINUITY OF SALES DEALER AUDITS STARTED TO GIVE POSITIVE RESULTS.

All vehicle sales dealers are being audited twice a year by an independent firm, areas of development are identified and this creates an opportunity to make improvements in these areas. During these regular open dealer audits, topics like corporate identity, facility, sales management, organization, sales process, web site, second hand operations are considered; reports prepared after these audits are sent separately to each dealer.

As a result of the 2022 process, success score of dealers exceeded 85 and a significant improvement was realized in general terms. In 2023, the Company will carry on working on this so that the effects of these activities continue.



SIGNIFICANT GAINS IN DEALER STANDARDIZATION

Different applications in appearance of vehicle sales dealers were eliminated, all dealers were made to design their exteriors in accordance with the new standards. Activities to arrange furniture and visual displays inside the facilities were accelerated to comply with the new standards.

Isuzu D-Max visuals were prepared for all authorized services, all old front signboards were renewed. A separate service standard was prepared for municipality type buses. The first service which met all the criteria was opened in Istanbul.

SATISFACTION

ANADOLU ISUZU CONTINUOUSLY DEVELOPS ITS DEALER AND AUTHORIZED SERVICE STANDARDS WITH THE OBJECTIVE OF SUSTAINING CUSTOMER SATISFACTION AND MAKES IMPROVEMENTS BASED ON CUSTOMERS' EXPECTATIONS AND REQUESTS.



Service standards for electrical vehicles were prepared and shared with dealers and authorized services. A separate service and dealer standard was prepared for D-Max vehicles with the purpose of reaching retail customers faster and providing better service.

ANADOLU ISUZU WAS SELECTED "THE BRAND THAT MANAGED CUSTOMER EXPERIENCE BEST" AT THE COMMERCIAL AUTOMOTIVE CATEGORY OF ALFA AWARDS 2022.

Anadolu Isuzu was selected as "The Brand That Managed Customer Experience Best" in Commercial Automotive category of the Alfa Awards 2022 which is organized for

the eighth time with the objective of selecting brands that establishes a connection with sustainability through their successes in customer experience management. Brands which sustain the best customer experience by taking ALFA points in almost 60 categories at the ALFA Awards organized by Marketing Türkiye received the "Customer Brand" awards.



CORPORATE BRAND AND PRODUCT MARKETING ACTIVITIES

Anadolu Isuzu manages its main brand with a marketing strategy that enhances the reputation of its products, services and brand recognition, that develops customer and brand-company loyalty, that is compatible with current consumer and technological trends and that includes the brand's milestones, in line with the business targets the Company aims to reach.

Anadolu Efes Sports Club Sponsorship

As a brand responsive to the needs of the society, Anadolu Isuzu develops projects and business partnerships with the goal of contributing to this country's values. With the objective of supporting Turkish sports and athletes, Anadolu Isuzu has a partnership agreement with Anadolu Efes Sports Club since 2014-2015 season to provide them safe and comfortable traveling opportunity with Visigo buses.



Dubai UITP Mena Transportation Fair

Anadolu Isuzu met with users of public transportation companies at the fair in Dubai World Trade Center organized between 6-8 February 2022.



İstanbul Busworld Fair

Anadolu Isuzu attended the Busworld Istanbul fair organized in İstanbul Fair Center between 26-28 May 2022 with Kendo/Interliner 13 CNG, Citiport, NovoCiti Volt, Grand Toro and Novo Lux vehicles.



Hatay Distributor Meeting

Anadolu Isuzu organized a 3-day event in Hatay, city of civilizations, between 6-8 June 2022, with the participation of distributors from 25 countries to review their annual business plans and strategies.



Cyprus Sales Dealer and Authorized Service Meeting

Anadolu Isuzu organized a 2-day event in Cyprus between 10-12 October 2022 with 88 authorized services and 31 sales dealers to review their annual business plans and strategies.



D-MAX MARKETING ACTIVITIES

4x4 Off-Road Snow Camp Event

Isuzu D-Max attended the event in Bolu Abant between 26-27 February 2022 with its pick-up vehicle 4 D-Max. At the event, promotion and test drives of the vehicles were realized.



Summer Movie Theater Road Show Event

Isuzu D-Max exhibited its D-MAX vehicles at the Summer Movie Theater event organized between 23-28 July 2022 in Bozcaada, Akçay, Foça, Didim, Göcek, Marmaris and Datça with the Route of the Wind motto.



Çeşme Test Drive Event

Isuzu D-Max exhibited its 4x4 vehicles and organized test drives at Çeşme Marina between 8-14 August 2022.



IFCA JYM Slalom World Championship Event

Isuzu D-Max sponsored the IFCA JYM Slalom World Championship Event between 14-21 August and promoted its vehicles.



29 October Republic Day Event

Isuzu D-Max organized a D-Max parade at Bağdat Street with the participation of sales dealers within the scope of 29 October Republic Day ceremonies.



Turkcell Offroad Park Event

Isuzu D-Max provided sponsorship to the Turkcell Off-Road challenge event organized at Turkcell Off-Road Park and promoted its vehicles to off-road liker customers. Vehicle promotions and events under this sponsorship agreement will continue in 2023.



AFTER-SALES SERVICES

Anadolu Isuzu is focused on meeting the after-sales demands and expectations of its domestic and international customers to the highest level and as rapidly as possible with its high-quality service network in all of the segments it serves.

CONTINUOUSLY IMPROVING CUSTOMER SATISFACTION

Anadolu Isuzu is focused on meeting the after-sales demands and expectations of its domestic and international customers to the highest level and as rapidly as possible with its high-quality service network in all of the segments it serves. Believing that the actual service begins after the sale and in the importance of maintaining customer satisfaction, Anadolu Isuzu

continued to expand its after-sales services structure in 2022.

Digital transformation activities continued, including remote technical training programs, a new online communication system for overseas distributors, domestic dealer online system developments, a vehicle notification system for malfunctions and spare parts, an online wholesale spare parts sales platform, tablet in service/distributor development and inspections. The

transition to check sheet and remote connections and technical support (PRO-EYE) systems were carried out effectively.

The activation of the Anadolu Isuzu After-Sales Services Technology Center in 2022 has paved the way for faster and more accurate technical repair when compared to methods used in the past. Remote technical support, remote training with active participation, technical solution videos and remote warranty parts inspection service was implemented.

THE ANADOLU ISUZU AFTER-SALES SERVICES TECHNOLOGY CENTER



Pro Eye System

Anadolu Isuzu prioritized digital transformation projects in After Sales Services functions and implemented a wide array of projects in 2022. In 2022, the Company continued to support distributors through ProEye and made some improvements for easier use of the application.

EV Workshop

In 2022, Anadolu Isuzu established a special workshop to increase the know-how of service personnel at its after-sales network, to analyze the operation of the system through simulations and continued to train the personnel at its network.

Our digital sales platformz <https://yedekparca.isuzu.com.tr>

A digital sales platform, which can be accessed from the link, <https://yedekparca.isuzu.com.tr>, was launched. The platform will serve the entire domestic market, except for Anadolu Isuzu authorized services. Through this sales platform, original and ANT spare parts were supplied to more than 350 points in the space of just three months.



POWER BI

WITH THE POWER BI PROJECT OF ANADOLU ISUZU, INSTANT SALES REPORTS, WAREHOUSE PERFORMANCE AND INVENTORY PERFORMANCE REPORTS WHICH ALLOW TO REACH INSTANTLY CHANGING DATA CAN BE MONITORED AND ANALYZED.

BI snapshot

With the Power BI project, instant sales reports, warehouse performance and stock performance reports which provide access to instantly changing data can be observed and analyzed. Spare part stocks were strengthened, resulting in 10% increase in availability and

90% rate of satisfaction in spare parts at domestic and international service points.

A foreign DMS system was established, and improvements carried out in the order process and observable stock tracking for Anadolu Isuzu distributors.



INTERNATIONAL DMS SYSTEM

Anadolu Isuzu, which has ensured sustainable customer satisfaction, has contributed greatly to the success of its after-sales service team, which is distinguished by its extensive service network and development-oriented and devoted employees.

The number of customer complaints reaching the complaint line decreased by 16% in 2022. As of the end of 2022, Anadolu Isuzu was delivering high value-added services through its authorized services at 90 points in 57 provinces in Turkey and 129 different points in 43 countries abroad. In addition, three wholesaler spare parts dealers continued to serve their domestic customers.

The integration of innovative solutions into processes without abatement, to manage import and export operations between continents and countries in a healthy manner.

Anadolu Isuzu enhanced its system through digital transformations in order to use its current resources rationally when responding to service and spare part needs of the customers under variable circumstances such as changing demand, price, supply period and production capacity of suppliers and managed to provide a steady service flow.

Within the framework of the digital transformation, stock and warehouse management tools have been developed, providing added value

in spare parts availability and the capacity to deliver to more than 300 different special points.

The developed MRP system strengthened stocks, ensured that optimal stock levels were maintained and services were put in place to enable the following up of cargo with the order tracking process.

Anadolu Isuzu has organized periodic service campaigns to further increase customer satisfaction, which has always been a top priority. The service campaigns have also attracted a great deal of interest on global service network.

Isuzu Japan campaign brochures were translated into English and shared with other distributors as examples.

Spare Part Exports Record

Anadolu Isuzu's spare part exports reached a record level in 2022 and increased by 68% when compared with 2021.

Fleet management platform benim.isuzum.com.tr

With the updated fleet system launched in 2022, benim.isuzu.com.tr started to be used effectively where fleet customers can update their information and view their vehicles' history.

SUPPLY CHAIN

Production of 5 different vehicle segments and hundreds of different models in Military and Electrical vehicle segments are realized in 2 factories and 4 different production lines with a responsive, meticulous and agile planning approach based on customer requests.

A KEY FUNCTION THAT CONTRIBUTES TO THE COMPETITIVENESS OF ANADOLU ISUZU

Anadolu Isuzu's supply chain activities cover five main functions.

- Production planning
- Domestic and overseas purchasing,
- Domestic and international logistics
- Internal logistics
- External logistics

The Company's Supply Chain Directorate aims to contribute to the competitiveness of the Company by meeting the changing and diversifying customer expectations and demands in the most affordable and fastest manner.

In line with customer demands, the production of hundreds of different models in five different vehicle segments along with military and electric vehicle segments, from two factories and four separate production lines on the same site is carried out with a sensitive, meticulous and agile planning approach.

In addition, Anadolu Isuzu organizes joint indirect procurement activities with both group companies and the Holding. The synergy generated through these studies is aimed to provide significant gains on the commercial and economic axes. On the other hand, the company closely follows legislation published on foreign trade, and Anadolu Isuzu is provided with exemptions from various taxation in accordance with the advantages from the incentives.

A SUPPLY APPROACH COMPATIBLE WITH PRODUCTION CONDITIONS

While Anadolu Isuzu sells mass-produced trucks, light trucks and pick-ups, its midibuses and buses are mostly sold with tailor-made production. The Company has restructured all of its material requirement planning, supply and integrated logistics systems to fully and optimally meet the requirements of this trend. For this purpose, in 2022, it integrated the Advanced Planning system, which covers the end-to-end process from demand to production planning.

Anadolu Isuzu is a company that sets its sight on exports and carries out the majority of its exports to Europe, which demands high quality. Accordingly, the Company establishes its entire supply network with suppliers that meet the high quality expectations of the European market.



MORE THAN 50,000 DIFFERENT INPUTS

While 35,000 items with different domestic and overseas requirements are used in production planning, 16,000 items are supplied to meet the requirements for spare parts.

The most digital solutions most appropriate for current needs are determined and integrated into the process, primarily involving Smart Shelf and Picking systems, Kit Delivery, Online Shipment Tracking, and Advanced planning systems.



AS OF THE
END OF 2022,
ANADOLU ISUZU
WAS WORKING
WITH MORE THAN
350 SUPPLIERS
FROM TURKEY
AND NEARLY
100 SUPPLIERS
ABROAD.

COLLABORATION WITH MORE THAN 400 SUPPLIERS

In order to operate in the relevant markets under the most competitive conditions, Anadolu Isuzu emphasizes optimum material supply in terms of costs, quality and logistics. As of the end of 2022, Anadolu Isuzu was working with more than 350 suppliers from Turkey and nearly 100 suppliers abroad.

Commercial relations with 20% of the suppliers have been ongoing for more than 30 years. Most of the

domestic suppliers are located in the Marmara Region. The Company also has strategically significant suppliers in other regions of Turkey, especially in the Aegean.

Our trade collaboration with both domestic and international suppliers of major product groups has been mutually expanded with long-term agreements. Under this value chain created with a win-win approach, our commercial relations with our suppliers have been transformed into strategic business partnerships.

PROPORTION OF LOCAL CONTENT

One of Anadolu Isuzu's main goals is to increase the proportion of local content in all products.

WORK ON DEFENCE PROJECTS

In addition to exports, Anadolu Isuzu has also started to take part in defence projects for the Turkish Armed Forces. Within the scope of its goal of developing domestic and national solutions suitable for these projects, the Company has directed its existing suppliers to this field and started joint R&D activities.

In addition to the existing facilities and capabilities of the supply portfolio, new sub-system manufacturers suitable for the requirements of defence projects have been included in the system and validation processes have been completed.

As the defense projects continue with full speed, part and vehicle allocation of defense group vehicles are done based on customer needs.

CONTRIBUTION OF OUR EMPLOYEES

The most important factor that makes Supply Chain a key function is the power it gets from employees. In this context, Supply Chain employees conducted more than 25 digital projects in 2022 and contributed to the process with more than 150 Kaizen and ERAF studies.

INCREASING END-TO-END EFFICIENCY

The Anadolu Isuzu Supply Chain Directorate closely follows technological innovations in order to optimize supply and logistics operations, and aims to increase efficiency with electronic monitoring and control systems.

THE DIGITAL TRANSFORMATION AND INDUSTRY 4.0

Anadolu Isuzu's Supply Chain Directorate has a structure that closely follows technological developments and aims to adapt them to the relevant processes. The most digital solutions most appropriate for current needs are determined and integrated into the process, primarily involving Smart Shelf and Picking systems, Kit Delivery, Online Shipment Tracking, and Advanced planning systems.



EXPORT VEHICLE LOGISTICS STUDIES TO **4 CONTINENTS, 26 COUNTRIES**

EFFICIENCY PROVIDED BY THE MILK-RUN SYSTEM

Anadolu Isuzu widely uses the Milk-Run system in the Marmara and the Aegean regions with the aim of maintaining its logistics performance at the highest level. With each passing period, the Milk-Run system becomes a more essential part of the Anadolu Isuzu supply chain, with management and reporting provided using the digital system.

THE INCREASING SIGNIFICANCE OF TRANSPORT

While most of imports arrive by sea from Japan and Thailand, the type and volume of supplies from different regions is increasing. Accordingly, the ratio and significance of road transportation among other modes of transportation is increasing for Anadolu Isuzu. Airlines have a small share in supply options. Additionally, in 2023, railway methods are also being studied in vehicle and raw material logistics.

SPARE PART LOGISTICS TO **3 CONTINENTS, 34 COUNTRIES**

Anadolu Isuzu provides full integration with its customers in product delivery, serving four continents and 26 countries in export vehicle logistics, and three continents and 34 countries in spare parts logistics. As a precaution against increasing transportation costs, the Company always seeks different transportation methods and aims to be an organization which carries out trailblazing practices in the industry.



**IN PRODUCT
DELIVERY
OPERATIONS,
ANADOLU
ISUZU PROVIDES
SERVICES IN FULL
INTEGRATION
WITH ITS
CUSTOMERS.**

R&D AT ANADOLU ISUZU

Within the scope of its corporate strategy, Anadolu Isuzu prioritizes and continuously invests in R&D activities.

R&D IS ONE OF THE BUILDING BLOCKS OF ANADOLU ISUZU'S STRATEGY.

Ever tougher national and international competition and changing market conditions are increasing the significance of R&D and innovation for all economic actors. By reducing companies' foreign dependence, R&D enables the development of innovative technologies and contributes to the national economy.

Increasing the competitiveness of companies in domestic and international markets, R&D studies

boost total performance in many areas such as cost management, efficiency and customer satisfaction, and especially sustainability. R&D centers, which allow companies to improve their competitive thresholds, are also essential for adapting to global technologies in product and production quality, and in sustainability practices.

Companies operating in the automotive industry, intertwined with technology, closely follow the rapidly developing and changing market trends and customer expectations and carry out studies accordingly.

ANADOLU ISUZU R&D CENTER

Within the scope of its corporate strategy, Anadolu Isuzu prioritizes and continuously invests in R&D activities.

As one of Turkey's first R&D centers to be registered by the Ministry of Industry and Technology of the Republic of Turkey, the foundations of Anadolu Isuzu's R&D Center date back to 2009. Prior to 2009, the center operated as an engineering department. With the investment made in 2015, the Anadolu Isuzu R&D Center attained a modern facility with a full array of technological equipment and was turned into a fully-equipped R&D center.



NEARLY 200

AS OF 2022 YEAR-END, APPROXIMATELY 200 PEOPLE WORK AT THE R&D CENTER.

WITH THE INVESTMENT COMPLETED IN 2015, ANADOLU ISUZU R&D CENTER BECAME A FULLY EQUIPPED TECHNOLOGICAL R&D CENTER.



The R&D Center Directorate, which directly reports to the CEO, consists of two directorates, 10 supervisors and 23 teams conducting activities in the following areas:

- **Vehicle Development**
 - Power Pack Systems
 - Moving Parts
 - Air Conditioning Systems
 - Armor Systems
 - Interior Trim
 - Exterior Trim
 - Defense Industry Project Management
 - Custom Vehicles Workshop
- **Product and Verification**
 - Testing, Virtual Analysis
 - Homologation
 - Method
 - Operational Documentation
 - System
 - P&D
 - Prototype Workshop
- **Electrical-Electronic Systems**
 - Software
 - Hardware
 - New Systems
- **Design Office**
- **Commercial Vehicles Project Management**
- **Intellectual Property Rights and Incentives**

A FUNCTION THAT CONTRIBUTES TO THE PROFITABILITY AND SUSTAINABLE FUTURE OF THE COMPANY

With 6,000 square meters of indoor space, the modern building of the R&D Center has one of the largest new test centers in Turkey and Europe, a prototype workshop and office & meeting spaces.

With nearly 200 employees at the end of 2022, the R&D Center continues to offer innovative commercial and military products and services on an international platform with its dynamic and expert human resources, and creates value for the customers. The Center's objective is to add increasing value to its customers and enhance Anadolu Isuzu's competitive edge.

INNOVATIONS WHICH HAVE BEEN BROUGHT TO LIFE WITH R&D SUPPORT

As in all sectors, the importance of smart systems and software in the automotive sector is increasing day by day.

In this context, many systemic and software elements, which had been carried out by outsourcing in the previous period, are increasingly

being solved internally thanks to the opportunities provided by developing R&D competence and increasing knowledge. Algorithms obtained as a result of consumption simulations and the analysis studies developed, and which have started to be applied within the body of R&D, have paved the way for reductions in fuel consumption.

In addition to advantages such as increased customer satisfaction and effective use of resources, results that will set us apart from the competition have been achieved. The Center's know-how will continue to create cost savings and added value, and to meet changing customer expectations by facilitating compliance with the targeted requirements and changing regulations in future commercial and military projects.

At the R&D Test Center, in addition to structural, functional and performance tests for Anadolu Isuzu projects, external services are also delivered for firms and institutions which request such tests. With the external test services, R&D Center contributes to development of the Turkish Automotive and Defense industry.

The need for energy, which is one of the most important factors in the economy and development, is growing in our country as well as in the whole world. Most of the energy needs of vehicles are met through fossil fuels. In parallel with this, the increase in exhaust emissions, one of the most important causes of air pollution, is leading to a rapid increase in demand for vehicles which run on alternative fuels. Anadolu Isuzu continues to develop and produce vehicles which can run on alternative fuels in line with its sustainability and environmental strategies.

The preliminary conceptual designs of the studies, which represent an important axis of Anadolu Isuzu's future strategy and are in the feasibility stage, were carried out in 2022.

Within the scope of the company's sustainability strategy, mitigation efforts continued to maximize the range and number of passengers in current and future vehicle projects. On the other hand, research studies on the use of bio composites and recycled materials are carried out in the R&D Center.

Supply chain problems that started with the pandemic in global scale continued in 2022. In this process, alternative solutions have been offered for parts which could not



RESEARCH STUDIES ON THE USE OF BIO COMPOSITES AND RECYCLED MATERIALS ARE CARRIED OUT IN THE **R&D CENTER.**



NOVOCITI VOLT AND BIG.E VEHICLES RE- CEIVED AWARDS AT THE **GERMAN DESIGN AWARDS**

be supplied, or which could not be supplied in the planned time.

Meetings were held with non-profit organizations such as OTEP, TAYSAD and TESİD and the Company worked on creating awareness among domestic producers in accordance with development and needs of the automotive industry. The resolution of the processes through domestic means has also contributed to the development of the automotive industry in Turkey.

At Anadolu Isuzu, successful projects which meet the needs and expectations of customers continue to be carried out by integrating the digital transformation process and technological developments into the work flow. The R&D Center continues to provide the necessary data and content to these ongoing studies and contributes to the optimization and efficiency of the system.

Climate change, which will reshape economies in the long term, along with the focus on excessive consumption of resources, is starting to render current functioning unsustainable. This situation has led to the development of climate change policies in the EU and USA and the harmonization of other public policies around the concept of sustainability. Against the backdrop of climate change, with the support of developing technology, regulatory transitions in the automotive sector in areas such as safety and emissions require the adaptation of products.

Thanks to expanding sales geography and network, the Company receives customer feedback which contribute to development of existing vehicles and those vehicles which are in progress. Based on these feedbacks and in line with the tailor-made design and production strategy, new functions, revisions and updates are implemented on vehicles in accordance with customer needs, thus added value is created and customer-oriented brand image is reinforced.

Continuous development activities provides opportunity for Anadolu Isuzu to enter into new markets and to strengthen its position in current markets. Within the scope of continuous development, required optimization values for the vehicles were sustained through virtual test, analysis and simulation activities, while regulation tests and transitions were made and approvals were obtained to keep the Company's presence in new and current markets and to increase its market share.

NovoCiti Volt and BIG.e Design Awards

International and national design awards are not limited to aesthetics or style, but are given to holistic designs that make a difference and include innovation by evaluating the product with all its features.

Thanks to the content created with great effort during the application, development areas are observed, and competition requirements shaped by trends have an important place in understanding the direction to be taken. In addition, each application creates know-how for the next vehicle.

NovoCiti Volt and Big.e vehicles received awards at the German Design Awards and ABC Design Awards, the world's most prestigious design award organizations.

The first model of the 100% electrical vehicles which has a second generation design language, NovoCiti Volt, received an award in "public transportation" category at the German Design Awards and ABC Design Awards.

The Big.e model which was designed focusing on last kilometer transportation was granted the "Gold Winner" award which is the highest design award level at the "service vehicle" category of the German Design Awards.

At these competitions, not only the aesthetic perception of the designs are examined, but with a holistic approach, integration of technical infrastructure with the design value is assessed. The success achieved in these competitions were reliable and effective references in increasing brand value and recognition globally.

ANADOLU ISUZU CONTINUES ITS SUCCESS IN THE AUTOMOTIVE INDUSTRY IN THE TURKISH PATENT LEAGUE.

Anadolu Isuzu continues its success in the automotive sector, having received patents as a result of its R&D activities. To date, Anadolu Isuzu has submitted applications for a total of 359 patents, including 56 utility models and 176 design registrations. The Company has a total of 108 patents registered by the TPI, with a total of 34 utility models and 176 industrial designs. In 2022, 8 patents, 7 utility models and 4 industrial designs were registered.

IMPROVED EXPORT PERFORMANCE WITH R&D SUPPORT

Industry 4.0 is a comprehensive approach which is focused on production processes and affects all business processes, in contrast with previous industrial revolutions which had significant effects.

This approach ensures that individual, customer-specific criteria are included in the design, configuration, ordering, planning, production and operation phases; it offers the potential to meet individual customer needs where even one-off products can be produced profitably. Promising to

transform existing business models with the technologies it provides, Industry 4.0 leads new opportunities for Anadolu Isuzu's export markets strategy. Thanks to the tailor-made boutique work, it is possible for the product configuration to be tailored more to customer preferences.

The tailor-made approach to product design allows customization with alternative components to meet various customer requirements. In this perspective, configuration supports increasing efficiency in R&D, export markets and entry into new markets, with the task of selecting a combination of parts or designing from scratch to find a viable and complete product structure within the overall architectural alternatives.

Anadolu Isuzu has played an active role in potential sales by examining the tender specifications coming from the markets as well as the R&D product designs specific to customer demands and preparing their feasibility, and provides all kinds of technical information and document support to the sales teams.

Within the scope of these studies, 2,250 vehicles were produced with 630 different designs and 140 tender specifications were examined.

COLLABORATIONS WITH UNIVERSITIES

Anadolu Isuzu R&D center continues its collaboration with Middle East Technical University (METU), Istanbul Technical University (ITU), Koç University, Sabancı University, Okan University, Gebze Technical University, Gazi University, Dokuz Eylül University, İzmir Institute of Technology, Yıldız Technical University ve Çukurova University, some of the best universities in Turkey. Within the scope of the projects developed with the aforementioned institutions, the Company focuses on collaboration between industry and academia, enabling work with specialist academics.

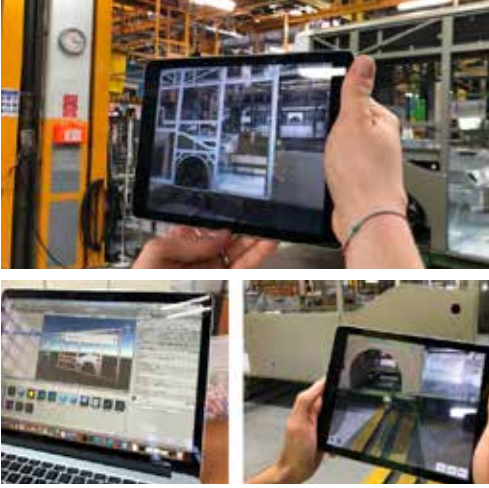
On the other hand, the Anadolu Isuzu employees continuing their master's and doctorate studies are provided with the support they need to realize their dissertations within the framework of the collaboration between the company and universities.

Having made 16 written and oral publications abroad and in the country in 2022, R&D Center representatives have contributed to Anadolu Isuzu's recognition on national and international platforms.



108 PATENTS

ANADOLU ISUZU HAS A TOTAL OF 108 PATENTS REGISTERED BY THE TPI, WITH A TOTAL OF 34 UTILITY MODELS AND 176 INDUSTRIAL DESIGNS.



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

FUTURE GOALS

The short, medium and long-term goal of Anadolu Isuzu R&D Center is to further improve its added value and its efforts carried out in synergistic cooperation with other departments in line with market needs and customer expectations.

Another goal for the center is to implement projects which will strengthen Anadolu Isuzu's position in existing markets and enable it to gain a presence in new markets. By following technological changes and global trends, the R&D center will continue to expand and develop its product range in line with customer requirements, safety needs and regulatory and legislative changes on emissions, mitigation, new materials, sustainability and efficiency. It will work both in-house and in collaboration with other organizations. The R&D Center is also focused on supporting Anadolu Isuzu's work in new segments such as alternative fuel vehicles.

As in the rest of the world, the automotive sector in Turkey is experiencing difficulties due to changing global conditions. The R&D Center offers new solutions to overcome and adapt to changing conditions. The Center will continue to develop its capabilities to meet the needs of the emerging conditions and to contribute to the development of the Turkish automotive industry by drawing up alternative scenarios.

The experience, knowledge and achievements gained through the activities carried out within the R&D body were presented in national and international scientific events, publications, university panels and workshops. Thanks to its pioneering and experienced staff in the industry, the R&D Unit receives invitations to attend relevant events as a speaker where it shares its experience. It also fulfils its responsibilities to dynamic generations which will create the future of the automotive industry, which is the driving force of Turkey's economy.

Anadolu Isuzu R&D Center conducts joint projects with start-ups, suppliers and SMEs within the scope of strategic collaborations to increase its know-how and follow the technological developments in the world more closely. Collaborations were made with more than 30 firms and mentorship activities were realized. Additionally, project development activities are also being conducted within the scope of TÜBİTAK projects.

New suppliers are being added to the Company's supply network which will develop business capability and the range of motion is increased. This points out to Anadolu Isuzu's contribution to Turkey's automotive ecosystem.

NUMBER OF NATIONAL AND INTERNATIONALLY SUPPORTED PROJECTS ARE INCREASING

The importance of supported projects is big in terms of monitoring and supporting the developing technology in both national and international platforms and improving corporate knowledge. Collaborating with start-ups, universities and large companies and taking part in national/international projects for creating outputs responding to global needs are a great contribution to development of both Anadolu Isuzu and our country and it enhances recognition.

In 2022, our 2 projects were approved within the scope of Technology Oriented Industry Move of the Ministry of Industry and Technology. Meetings were held with numerous local firms for priority technological areas and synergy was established.

Working on TEYDEB supported projects, Anadolu Isuzu encourages its suppliers and institutions it collaborates with. The Company provides opportunity for undergraduate, graduate and doctorate level students to gain experience at their R&D Center within the scope of industry-university partnership.

The project that started in 2019 within the scope of international Eureka was completed, whereas Ufuk2020 5GMed project that started in 2020 continue.

PRODUCTION

ISUZU LEAN PRODUCTION PROJECTS AND DELIVERY TIMES

At the bus factory, production efficiency of 6.3% was achieved at bus models and 5.3% was achieved at midibus models in comparison with 2021.

KAIZEN ACTIVITIES

Kaizen is a word formed by combining two Japanese words; Kai (change) and Zen (good). Kaizen is a philosophy of continuous improvement. With Kaizen (Continuous Improvement) work, which is one of the major steps for the IM (Isuzu Monozukuri) System, improvements are put in place and projects launched with a focus on efficiency, quality, ergonomics, cost reduction and process. In Kaizen project work, it is essential to seek the views of employees at all levels and involve them in the process in order to produce effective and permanent solutions and sustain the application. We proactively undertake worker- and environmentally- friendly technological investments within the scope our Kaizen work.

The Technical Directorate at Anadolu Isuzu has adopted the Kaizen philosophy since its establishment, and has contributed significantly to employee improvement projects. The 802 Kaizen applications in 2022 achieved efficiency, occupational safety, quality and cost gains.



At the bus factory production efficiency was achieved by 6.3% in bus models and 5.3% in midibus models when compared with 2021.

KAIZEN

KAIZEN IS A WORD FORMED BY COMBINING TWO JAPANESE WORDS; KAI (CHANGE) AND ZEN (GOOD). KAIZEN IS A PHILOSOPHY OF CONTINUOUS IMPROVEMENT.

MODERNIZATION PROJECTS

Automatization of Nitrogen Filling Tests of CNG Fueled Vehicles

Leakage control at the fuel system of models using CNG as alternative fuel during the process before fuel filling was being performed manually. In 2022, this test method was taken out of manual control and automatized. Test process at different pressure values and periods is conducted full automatically by the system, compliance tag is created by the system and test values are kept within the system. Thus, while accuracy of the test process is increased, observation has also become possible.

Increased use of electrical tightener

Activities to increase assembly quality of parts which are considered in safety class in the vehicles produced are being conducted. Within the scope of these activities, electrical tighteners that can perform torque and angle control during the assembly of tire nuts of the models in Truck, Pick-up and Midibus segments. Thanks to the error prevention system included in the equipment, operator-directed highly sensitive and high quality tightening is achieved and tightening results are recorded in the system.



ANADOLU ISUZU CARRIES ITS POWER AND QUALITY IN PRODUCTION TO THE FUTURE WITH “SMART FACTORY APPLICATION”

In accordance with the digital transformation and Industry 4.0 vision, Anadolu Isuzu is raising the bar in production quality with successfully implemented Smart Factory project.

Turkey's commercial vehicle production leader Anadolu Isuzu, completed the first phase of the Smart Factory project which was implemented in line with the vision of digital transformation. The smart factory project paves the way for the management of the complex production flow and large production areas due to the variability and diversity created by “tailor-made manufacturing” with the 3D digital twin, while providing all information for the production of personalized products to the operators with the support of the Internet of Things (IoT).

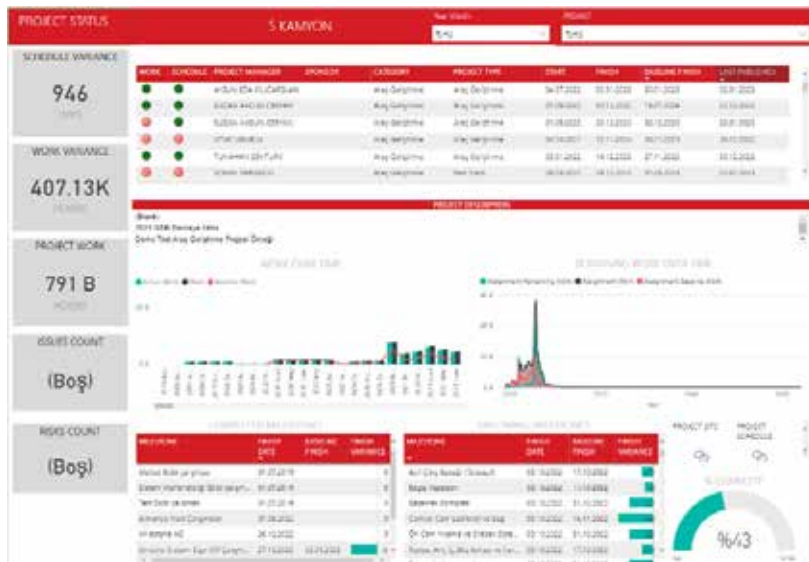
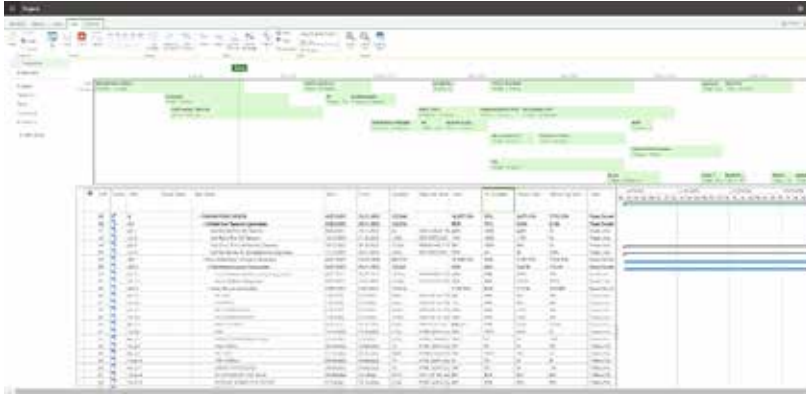
Smart Factory project, designed to be compatible with Anadolu Isuzu's production areas and business processes with every detail, was developed using advanced technology at every layer, from planning to implementation. The project goes beyond similar applications in the sector with its high level of visualization and the level of detail reached by the “digital twin” application, which offers a one-to-one projection of all production processes.

Thanks to the established IoT infrastructure, the Smart Factory project allows instantaneous and flawless vehicle and process tracking to the highest level of precision. Different departments such as logistics, production, quality, sales and export departments have instant access to all information they need about production and delivery. The advanced functions of the project significantly reduce paper consumption and help Anadolu Isuzu achieve its paperless production target.

INDUSTRY 4.0 AND DIGITAL TRANSFORMATION PROJECTS

Project and Portfolio Management Platform

A cloud-based project and portfolio management software was implemented to provide management of Anadolu Isuzu's R&D projects and resources in an integrated manner. Hence, not only communication was strengthened, but also scope, time and resource management has become more effective.

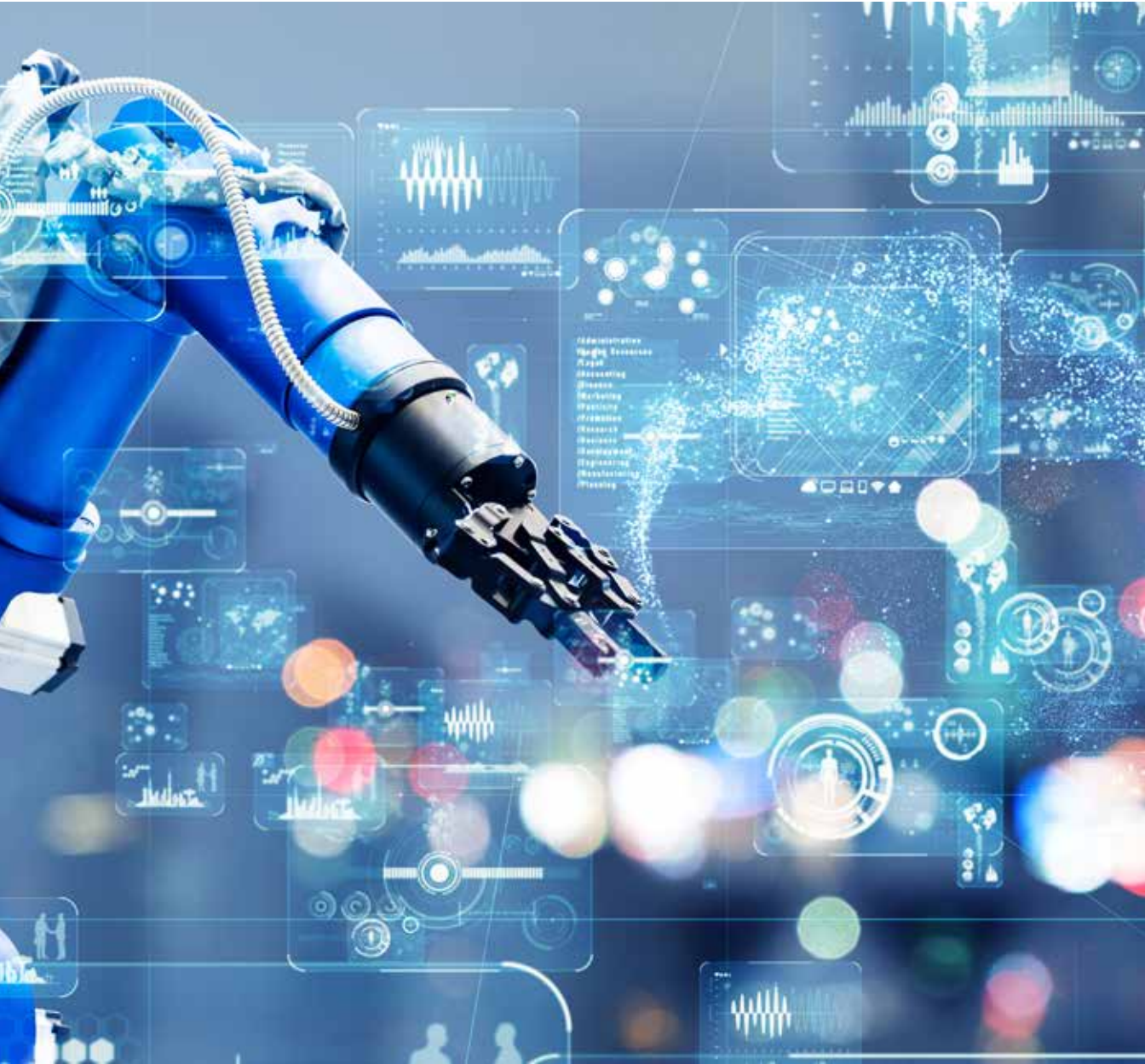


In 2022, Anadolu Isuzu moved on with confident steps at its digital transformation journey with many projects



R&D

A CLOUD-BASED PROJECT AND PORTFOLIO MANAGEMENT SOFTWARE WAS IMPLEMENTED TO PROVIDE MANAGEMENT OF ANADOLU ISUZU'S R&D PROJECTS AND RESOURCES IN AN INTEGRATED MANNER.



Filling System Automation at the Production Area

Differential oil filling system at the production area was automated to make chassis-based filling possible and it was integrated to the IoT platform. In this way, errors in filling are prevented and monitoring was possible via automatically generated daily reports. Similarly, nitrogen filling station is also being reported in the IoT platform

Dolum Adedi		Toplam Yapılan Dolum		Sanzıman Yağı Dolumu		Motor Yağı Dolumu	
7 Adet		39.7 Litre		11.2 Litre		28.5 Litre	
Tavan		Tavan		Tavan		Tavan	
Tarih	ÇALIŞAN ADI	ÖLÇÜM METRE	YÖNÜ	MOTOR YAĞI LİTRE	SANZİMAN YAĞI LİTRE	YERİ	
2022-10-27 06:55:25	ANILARSLAN0000041	10.057402	1	10.5	4.4	MOTOR	
2022-10-27 09:44:07	ANILARSLAN0000041	4.404199	2	10.5	4.4	SANZİMAN	
2022-10-27 09:56:37	MURATBAYRAM0000036	7.9	1	10	0	MOTOR	
2022-10-27 09:51:56	MURATBAYRAM0000036	4.00072	2	10	0	SANZİMAN	
2022-10-27 09:54:58	MURATBAYRAM0000036	8	1	8	2.8	MOTOR	
2022-10-27 09:52:58	MURATBAYRAM0000036	2.812207	2	8	2.8	SANZİMAN	
2022-10-27 09:11:10	MURATBAYRAM0000036	0	4	12	0	SANZİMAN	

Integration of Heating Systems to IoT platform

380 heating units around the factory were integrated to the IoT platform over 17 PLC and 1 gateway. They can now be opened/closed via tablets, telephones or computers. Opening and closing times of all units and for how long they worked are being reported by the IoT platform.



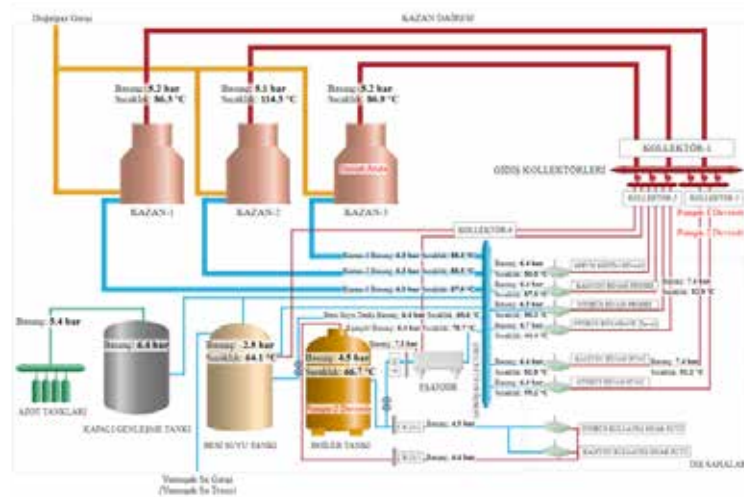


Heat Map Project

Internal area temperature information at the factory is being monitored momentarily with 50 sensors from the IoT platform. This data will be developed to operate heating systems automatically next year. Thus, energy savings will be achieved in terms of heating.

Boiler Scada Project

PLC automation investment was made to record information of all systems at the boiler room into the IoT platform such as temperature, pressure, amount of air produced, etc. Hence, instant control of the team working at boiler room became possible. Additionally, various alarms are set at the IoT platform to create notifications.



IM GLOBAL LEADER COMPANY

In-line control systems, provision of quality assurance of parts supplied, torque management and feedback meetings to make quality management effective at the factory are the critical pillars of the IM system.

IM (ISUZU MONOZUKURI) GLOBAL LEADER COMPANY

The IMM system built in 2000 was updated as the IM system in 2019. With the goal of Isuzu becoming a “global leader company” in the commercial vehicle segment, the IM system provides global quality assurance by producing ISUZU vehicles worldwide based on an equivalent production management and quality system, regardless of the production facility.

- Focus on the customer,
- Continuous improvement,
- Sustainability in production and quality,
- In-line control systems for effective quality management at the factory, quality assurance of the supplied parts, torque management and feedback meetings constitute the most critical pillars of the IM system.

Plants manufacturing with the Isuzu brand within the scope of the IM system are periodically audited by auditors from Isuzu-Japan. Production facilities which successfully pass the audit are awarded with an IM certificate which officially confirms the high quality of their production.

IM TRAINING

Within the scope of IM training, Anadolu Isuzu organizes workshop-based training sessions in accordance with the requirements, and offers technical training to improve the competencies and manual skills of its employees.

IM AUDITS

The 5S audits, the scope of which was developed and implemented at the end of 2017, continued in 2022.

72 5S audits were carried out in parallel with each other at the truck and bus production plants. In 2022, After-Sales Services Training Center and Spare Parts Warehouse were included in the scope of 5S.

IM CERTIFICATE

All Anadolu Isuzu facilities were awarded a new IM certificate for truck, pick-up and bus assembly plants in 2019. The certificate is valid until 2024.

Anadolu Isuzu’s truck and pick-up assembly plant is the only one in Europe, and its bus production facility is the only IM-certified Isuzu factory in the world.

ANADOLU ISUZU TECHNICAL TRAINING - COMPETENCE/SKILL ASSESSMENT AND DEVELOPMENT STUDIES

With the technical training and evaluation workshops established within Anadolu Isuzu, efforts to meet the training needs of employees continued in 2022.



Workshop-based technical training and activities were carried out to meet the needs of Anadolu Isuzu with a training staff of experts at the workshops, which were designed in consideration of the industry’s requirements and the expectations of export markets.

KEY COMPONENTS OF THE TRAINING

Training sessions on ergonomics, assembly, painting and welding were provided to improve operator skills and knowledge.

15,414

THE DEVELOPMENT ACTIVITIES OF THE OPERATORS CONTINUED WITH TRAINING PROGRAMS IN DIFFERENT FIELDS; WITHIN THE SCOPE OF THE TRAINING ON DISASTER, FIRE, FIRST AID, OHS AND ENVIRONMENTAL AREAS, A TOTAL OF 15,414 HOURS OF TRAINING WAS PROVIDED.



A DEVELOPMENT-
TRAINING
PROGRAM WAS
ORGANIZED
FOR ALL GROUP
LEADERS TO
INCREASE THEIR
TECHNICAL AND
LEADERSHIP
SKILLS.

On-the-job training was carried out in order to increase the efficiency of personnel planning in assembly lines. The vast majority of the workers at truck and bus assembly plants were rotated.

A development-training program was organized for all group leaders to increase their technical and leadership skills.

Operator-based improvement studies continue within the scope of the completed ergonomics training and evaluation.

The development activities of the operators continued with training programs in different fields; within the scope of the training on disaster, fire, first aid, OHS and environmental areas, a total of 15,414 hours of training was provided.



Sustainability

A RESPONSIBLE CORPORATE CITIZEN

Anadolu Isuzu, which internalizes sustainability in its strategy and business cycle, is a responsible corporate citizen which contributes to the Turkish economy, its stakeholders and the society of which it is a part by creating value. Accordingly, it has determined its short, medium and long-term strategies.

In this part of the 2022 Annual Report, information about our social and environmental activities, which constitute the cornerstones of our performance in the field of sustainability, is presented to our stakeholders.

Anadolu Isuzu also shares an annual sustainability report. For detailed information, visit <https://www.anadoluisuzu.com.tr/surduruletmelik/raporlar> link, where our reports are located.

YARINLA DÖNÜŞÜ

İŞİMİZİ DÖNÜŞTÜRÜYORUZ

Operasyonlarımızı, değer zincirimizi, iş yapış şeklimizi, net sıfır emisyon hedefiyle sürdürülebilir bir dünya için dönüştürüyoruz.

ANADOLU ISUZU

Material Issues:

- Vehicle Quality and Road Safety
- Climate Crisis and Environmental Impacts
- R&D and Innovation

ANADOLU ISUZU

LARA YORUZ

ÜRÜNLERİMİZİ DÖNÜŞTÜRÜYORUZ

Yeni nesil ulaşım çözümlerini benimseyen, iklim kriziyle mücadeleye katkı sağlayan ürünlerimizi, sürdürülebilir bir dünya için dönüştürüyoruz.

- Digitalization and Cyber Security
- Business Ethics and Human Rights
- Stakeholder Interaction and Collaborations

HUMAN RESOURCES

ANADOLU ISUZU HUMAN RESOURCES MISSION

In line with its reason for its existence and strategies, Anadolu Isuzu strives to improve the qualifications of its employees by increasing their motivation and loyalty, to contribute to the profitability of the Company and to add value to the future of the organization.

Anadolu Isuzu is managed with an approach that is innovative and dynamic, which invests in development and which respects social values and beliefs.

ANADOLU ISUZU HUMAN RESOURCES VISION

Serving as a strategic business partner that offers competitive advantage.

Anadolu Isuzu's Human Resources strategy is carried out within the framework of the following core policies:

- Providing the Company with human resources that offer a global perspective and the right skill set.
- Creating a work culture and human resources systems that strive to do better by working as a team and with knowledge in a business environment based on open communication and trust.
- Contributing to organizational efficiency and development.

- Strengthening the employee engagement culture.
- Creating a popular and people-oriented employer brand.

Anadolu Isuzu wants its employees to be people who think globally, remain open to teamwork and communication, emphasize development, who analyze and take the initiative, and act in accordance with a business and customer-oriented working principle. On the other hand, the Company prioritizes leadership, strategic thinking and managerial efficiency competencies in its executive candidates.

AN APPROACH WHICH IS AGAINST DISCRIMINATION AND SUPPORTS EQUAL OPPORTUNITY

In light of its values and corporate culture, Anadolu Isuzu embraces a "people first" approach, regardless of language, religion, race or gender.

Equality of opportunity, which is also included in the working principles of the Anadolu Group and implemented uncompromisingly, is supported throughout the organization. The Company ensures equality of opportunity and diversity in all HR practices, starting from the hiring process and proceeding with wages and careers.

AIMING TO BECOME A PREFERRED EMPLOYER

Anadolu Isuzu aims to become a preferred employer in the jobs market with its HR practices.

The company considers the management of human resources in which professionals provide high



added value in a way that supports sustainable growth, which work with a focus on employee satisfaction and are open to continuous development and mutual open communication to be among its corporate priorities

The number of Anadolu Isuzu employees stood at 983 in 2022, with 171 employees working in the company's R&D Center in the same period. Anadolu Isuzu recruited 166 new people in 2022.

AN APPROACH WHICH IS AGAINST DISCRIMINATION AND SUPPORTS EQUAL OPPORTUNITY

A “PEOPLE FIRST” APPROACH, REGARDLESS OF LANGUAGE, RELIGION, RACE OR GENDER.

AIMING TO BECOME A PREFERRED EMPLOYER



THE NUMBER OF ANADOLU ISUZU EMPLOYEES STOOD AT 983 IN 2022,

The basic principles guiding Anadolu Isuzu's human resources policies are equal opportunity for all, hiring and assigning the right person for the right job, equal pay for equal work, merit based on success, continuity and efficiency in working success, effective internal communication and sensitivity to society.

The selection and placement processes carried out in order to recruit qualified human resources to Anadolu Isuzu includes determining foreign language proficiency, numerical and verbal

tests, personality inventory applications and reference searches. Our candidates are evaluated on a role basis equally, regardless of equality, religion, language, race, ethnicity or gender, and are selected meticulously and sensitively.

Employees joining Anadolu Isuzu were given a welcome kit and included in the 1-month orientation process which started from the day they started working to support their process of adaptation to the corporate culture.

ANADOLU ISUZU SUPPORTS THE PARTICIPATION OF WOMEN IN THE WORKFORCE.

With Anadolu Isuzu's employment approach implemented in line with the goal of ensuring the equality between men and women, the number of women in the total number of employees increased by 35% in the space of five years.

Continuing to work on women's employment, Anadolu Isuzu's Human Resources Department also implements projects to increase the satisfaction and standards of current female employees in the work environment.

Anadolu Isuzu aims to hire 50% women each year to reach the target of increasing the number of women twice. Accordingly, woman candidate referral system was implemented. Referral award is given to employees who give reference for women candidates for open positions when referred candidate completes 6 months of working from the day she starts.

OPEN JOBS MODEL

The "Open Jobs Model" aims to open vacant positions to the entire Group and to allow employees to benefit from these opportunities in line with their competencies, experience and wishes. The model also enables

talented individuals working in other Anadolu Group companies to be aware of career opportunities in group companies.

With this platform Anadolu Isuzu aims

- To increase communication and transparency within the Company/ Group,
- To help its employees take the initiative regarding their career,
- To ensure more effective use of human resources (competence and skills),
- To increase employee motivation and their commitment to the institution.

ANADOLU ISUZU PERFORMANCE MANAGEMENT SYSTEM

The Anadolu Isuzu Performance Management System allows teams and individuals to boost their performance and improve their competencies. Contributing to Company success, the Performance Management System focuses on the development of employees in addition to business results, and provides feedback on the strengths and areas of development for all employees.

Performance criteria and annual performance targets for employees

are determined within the framework of the Company's strategies and goals.

Anadolu Isuzu aims to create sustainable targets with its performance management system, which focuses on objectively evaluating employee performance.

Employees may set their goals through the system and easily carry out approval processes from any location throughout the year. Evaluations are carried out twice a year with an "Interim Performance Evaluation" and a "Year-End Performance Evaluation".

CONTRIBUTIONS OF ORGANIZATIONAL DEVELOPMENT ACTIVITIES

Emphasizing organizational development activities at all times, Anadolu Isuzu continued to work on organizational designs that will serve the Company's strategic goals, and implemented new business models in 2022.

Anadolu Isuzu believes that one of the most critical factors in its vision of growth, change and the digital transformation in its vision is its human resources.



Employees joining Anadolu Isuzu are handed a Welcome Kit and included in the 1-month orientation process which starts from the day they start working to support their process of adaptation to the corporate culture.

Training in areas such as time management, emotional intelligence, stress management and customer experience management were conducted online in order to improve the competencies of employees.



sessions for managers was held in order to foresee the effects of the financial dimension in all decision processes at Anadolu Isuzu.

Anadolu Isuzu Occupational Development Program

Anadolu Isuzu aims to provide equal opportunity, diversity and inclusiveness at the highest level in all its business processes in line with Anadolu Group values. Anadolu Isuzu conducts its operations adopting this approach with "People first" motto.

Work force having technical know-how and skills is one of the most significant needs of the automotive sector both today and in the future. Based on 2021 data published by Automotive Industrialists Association, women's participation in work force in production areas of OSD member firms is 6.8%. Anadolu Isuzu conducts activities in accordance with the responsibility it has with an awareness to increase this ratio.

When Anadolu Isuzu Occupational Development Program was planned, the decision was taken to raise the young work force to have a command of current technology and sustainability principles. When doing that, half of the candidates to be trained to be a part of the industry were selected from women in accordance with social gender equality purposes.

With this project, young people who wish to make career in the areas which the automotive sector is in the most need of are being raised such as painting, electric operations, welding and assembly operations. At the first phase of the project which started as of July 2022, 35 youngsters will be trained to have an occupation by attending workshops in personal development and skills, Kaizen trainings and field applications for a period of 9 months. Selecting half of the participants from women candidates

Creating an inclusive and development-supporting culture in line with the Human Resources strategy is one of the top priorities. While building the future, Anadolu Isuzu aims to develop talent which can keep up with innovation, possesses vision, think strategically and is open to development in these areas.

HIGHLIGHTS FROM THE TRAINING SESSIONS IN 2022...

With the training and development activities carried out for continuous improvement and development, Anadolu Isuzu aims to strategically improve all employees in the relevant areas of focus.

Prioritizing continuous training and development in its human resources system, Anadolu Isuzu aims to expand the vision of its employees and support their technical skills, knowledge, and personal development.

Needs for development are determined within the scope of the competence assessment system in line with the feedback received from managers and colleagues, as well as the outputs of manager-employee interviews and HR planning meetings. Short-term and long-term training and development plans are drawn up accordingly.

Organizational development programs are carried out at Anadolu Isuzu in order to support young talent and raise new leaders.

Leadership Development Program with Sabanci University

The Leadership Development Program was designed together with Sabanci University in order to support First Level Managers and Team Leaders in their managerial competencies and their progress in creating a common management understanding and language unity, while enabling the review of their leadership skills and their views on the business and potential issues with an understanding of integrity. The Leadership Program consists of 5 main modules, 7 topics and a Business Simulation application and a total of 10 training days.

Developing executive financial literacy

The One-on-One Financial Coaching program was initiated with the goal of explaining how to interpret the statements with financial transactions, handle analysis and applications, improve the financial literacy of each manager, even if they are not directly involved in financial management, and to allow them to observe the effects of the actions of their own department on the Company results and financial statements with a holistic approach. The aim of the program is to gain a holistic financial perspective and to foresee the effects of the financial dimension in all decision processes at Anadolu Isuzu. In the same context, the Finance School program consisting of four separate training



992

A TOTAL OF 992 HOURS OF TRAINING WAS PROVIDED TO DIGITAL TRANSFORMATION AMBASSADORS ON THE SUBJECTS OF DIGITIZATION, AGILE APPROACH, POWER BI AND THE POWER APP.

not only contributes to women employment in production areas but also once again highlights the fact that women can work at all phases of production.

OHS, accident investigation and risk analysis training

Occupational health and safety, accident investigation and risk analysis training sessions were organized in order to provide a healthy and safe environment, reduce occupational accidents and diseases, provide information about the occupational risks faced by employees and the necessary measures to be taken against these risks, and raise awareness on occupational health and safety.

Digital Transformation Program

A Digital Transformation Program was offered to provide an understanding of digitalization in different dimensions, to use it as accurately and efficiently as possible in our business and in our lives, and to strengthen our new generation competencies.

The program continued with “Digital Transformation Ambassadors” from different departments, who put themselves forward as volunteers. A total of 992 hours of training was provided to Digital Transformation Ambassadors on the subjects of Digitization, Agile approach, Power BI and the Power App. The program continued with “Data Drivers Next” under the coaching of professional consultants with the aim of implementing and transforming the training into projects. The Digital Transformation Ambassadors were divided into eight groups who put their theoretical knowledge into practice with machine learning and power BI methods on various projects.

Skill Development Trainings

Trainings such as transactional analysis and communication, time and stress management, effective presentation techniques to improve employees’ skills were conducted in classroom setting.

Employees received 1,398 hours of “flexible online training” that enables employees to receive technical training within the budget defined for them through the online training platform of their choice.

English Language courses were offered to employees who use English in their daily business cycle, in order to improve their English proficiency. In 2022, employees received a total of 440 hours of tuition with these courses.

For group-wide synergy

With a focus on supporting the synergy between Anadolu Group Companies and the organizational development of the Group, a process was developed to bring together employees from different companies and contribute to their development. Having started with the inventory valuation carried out at the end of 2019, this process continues with a comprehensive Development Program.

15,414 hours of training

Operator development activities continued with training programs in different fields, with 3,008 employees receiving a total of 15,414 hours of training within the scope of kaizen, 5S, fire, OHS and environmental training sessions.

MESS and TISK Online academy platforms

Anadolu Isuzu Employees may participate in training on a range of topics including leadership, communication, personal productivity and IT through the MESS and TISK Online academy platforms.

Communication Sessions

Communication sessions were held where we got together with colleagues from different departments and got to know each other closer through interactive games and discussions.

Other trainings

Since Agile requires a cultural transformation, change needs have to be recognized at individual, team and organizational levels and desire for change need to be adapted. Agile Awareness Session was held with the objective of providing transparency required for individuals touched by the transformation process.

Anadolu Isuzu management team obtained a proficiency certificate in Disruptive Strategy within the scope of Harvard Business School Online training program.

Within the scope of orientation program for our colleagues who joined us in 2022, Transactional Analysis and Communication, Target Mapping and People Focus Collaboration trainings were delivered to help them adapt to our culture rapidly.

Within the scope of 8-week sign language training program which aims to help communication between hearing individuals and hearing impaired individuals, 16-hour training was realized.

Training on "Competition Law" was provided where employees gained theoretical and practical knowledge to evaluate the very different situations and problems they encounter in their business life from a competition law perspective.

THE AG ACADEMY - THE DISTANCE LEARNING PLATFORM

Anadolu Isuzu's Human Resources Department carries out pioneering work in digital transformation in order to create the infrastructure of a qualified workforce and to provide a working environment for technological development.

The AG ACADEMY is the Anadolu Group training and development platform which removes the barriers to accessing information, enables continuous learning, and directly affects business performance.

Employees may participate in training programs designed according to their needs at the AG ACADEMY.

THE IMPORTANCE OF INTERNAL COMMUNICATION AND EMPLOYEE SATISFACTION

Emphasizing internal communication, Anadolu Isuzu publishes its human resources policies and procedures on a portal that is accessible to employees.

The Company conducts employee satisfaction and loyalty surveys are conducted at regular intervals. Furthermore, employees are given the opportunity to share their innovative ideas on an e-platform with the goal of maintaining healthy communication between employees and the management team.

Surveys are conducted with an online application to receive the opinions and suggestions of employees on different issues. With this structure, which allows employees to respond to the survey both from their smartphones and their computers, it is possible to obtain views on the desired subject at any time. Employees may offer suggestions through the online platform. These suggestions are evaluated by the HR team and feedback is provided to the employee.

Motivational Activities

Anadolu Isuzu, is a company that succeeds in using a common language with its employees by prioritizing employee happiness and productivity with a desire to get a hold of the future.

Increasing productivity by sustaining the loyalty of skilled and experienced employees is one of the main targets. In accordance with this target, organizations and event plans for employees increased in 2022.

A Sailing Workshop was organized to get away from the intensity of daily life and to increase communication and synergy among departments.

Anadolu Isuzu rowing team competed at the Dragon Festival, which is a corporate sports organization bringing together different industries and participated by more than 55 thousand competitors since 2008. During this competition, employees competed with team spirit and had the opportunity to have fun.

Within the scope of 3 December World Disability Day, Anadolu Isuzu Knock down the Disabilities bowling tournament was held to spend time together with employees with disabilities and to contribute to motivation.

The Company's senior management regularly get together with employees with disabilities at breakfast organizations.

Traditional Circumcision Festival was organized for the children of employees between the ages of 4-12, a Bosphorus tour and a visit to Rahmi Koç museum was realized with 42 children and their families before the circumcision operation.

Within the scope of the Anadolu Group Employee and Family Support Program, employees may obtain information and support on any matter from experts by calling the support line at any time of their choosing. With the online dietician application, employees may ask their assigned dietician questions about their eating habits, and their online dietician them creates a special diet.

With the ISUZUM application that allows the management of all internal processes, all processes from payroll viewing to overtime and leave entries, lunch lists, and surveys are accessible to all employees anytime, anywhere. The digital assistant Digisu allows many transactions which are needed during the day to

be carried out in a matter of seconds over WhatsApp, thus speeding up work and simplifying processes. Within the scope of the Environment Day, informative content created in consideration of current and future needs was provided to employees with an emphasis on "where we do things matters just as much as what we do".

EMPLOYER BRAND - "OUR WAY WILL COME, YOU ARE OUR STRENGTH!"

In order to convey Anadolu Isuzu's fields of activity, working culture and vision to potential candidates, the banner of "Our Way Will Come, You are our Strength!" was used in 2022.

Under the banner of "Our Way Will Come, You are our Strength!", many practices for the development, future and working conditions of employees were sustained and strengthened.

Anadolu Isuzu's new employer brand offered an attractive and powerful tool to best demonstrate and explain success, the vision for the future, unity and power.

PROJECTS INVOLVING COLLABORATION BETWEEN INDUSTRY AND ACADEMIA

Talent Pick-Up

Processes have been redesigned in order to render Anadolu Isuzu's university-campus communication process more efficient, to provide students with the "Anadolu Isuzu employee experience" and to attract promising talented students to Anadolu Isuzu. In this context, all internship and youth communication applications were gathered under the "Talent Pick-Up" banner and our applications were renewed. The project is presented with three different options.

Talent Pick-Up is an internship program initiated in order to provide experience in Anadolu Isuzu to selected department and university students for a period of 10 weeks during the summer.

The Talent Pick-Up Experience, on the other hand, is an internship program which allows university students who can organize their course plans accordingly to gain real work experience at Anadolu Isuzu over a period of six months.



EMPLOYER BRAND

"OUR WAY WILL COME,
YOU ARE OUR STRENGTH!"



All internship and communication applications with youngsters at Anadolu Isuzu are combined under “Talent Pick-Up” brand and presented with three choices.



Talent Pick-Up Plus is an internship program initiated for university students seeking to complete one full-term internship during the academic year (Autumn and Spring).

Talent Pick-Up was launched in July 2022. In order to provide trainee candidates with a qualified recruitment experience in line with the requirements of the age, the stages of the process such as the interview, personality inventory and English test were carried out digitally.

The internship program which was designed with a rich content that involved a sensitive intern selection process (General Skill Test, Personality Inventory, English Test, Department Interview) and which is attentive about equality, the students were included in the process by meeting with their project coaches and learning about their project subjects before starting their internship.

Talent Pick Up interns worked on the subjects they were selected for with the mentors assigned to them during their internship periods.

While development was achieved in gaining experience and in projects, trainings about the following topics were also delivered to touch their personal development within the scope of the internship period:

- Importance of Networking in Business Life
- Communication through Transactional Analysis
- Target Mapping and Mind Mapping
- People-focused Collaboration and Negotiation at the Organization

Within the scope of Talent Pick Up Tech Tour, the factory was visited and examined in detail with the objective of better explaining Anadolu Isuzu production lines and to talk about processes at the premises. Additionally, to establish a different vision and to make interns see different areas, MEXT Digital Factory was visited online on 31 August 2022.

Talent Direct Talks was organized with the participation of Arif Özer, Aşkın İnci, Murat Sever, Hakan Kefoğlu, Hakan Özenç, Murat Dedeoğlu and Yusuf Teoman from Anadolu Isuzu executive management between 15-24 August 2022 to create an inspirational environment for Talent Pick Up interns and to make contribution to their career development plans.

A total of 20 university students participated in the Talent Pick Up Internship program and worked on 20 projects related with their areas.

One of the Most Admired Talent Programs of the Year

The Talent Pick-Up Internship Program, which set out with the aim of offering university students a full start to their careers with experience and success, was recognized as being among the Most Admired Talent Programs of the Year in 2022 by Toptalent.co's Top 100 Talent Program.

At the Best Talent Program organized by Toptalent.co, University Campus Communication Agency, Talent Pick Up program was selected as number 1 in Automotive (Commercial) area with the votes of 101,382 young talents in 2022.

Anadolu Isuzu employees organizes webinars in the areas of their expertise for university students within the scope of Talent Talks program.

Anadolu Isuzu production engineers hold digital trips of the Anadolu Isuzu factory in the context of Talent Tech Tour for university students, within the framework of the production line processes which they have expertise.

VOCATIONAL HIGH SCHOOL-INDUSTRY COLLABORATION PROJECTS

Within the scope of the collaboration between industry and vocational high schools, 40 final year students studying at industrial vocational high schools were offered internship opportunities at Anadolu Isuzu.

The Anadolu Isuzu Paint Technologies Workshop established at the Küçükyalı Vocational and Technical Anatolian High School provides significant support to vocational education. At the workshop, training is provided to qualified painting professionals who are willing to follow and implement innovation, who are familiar with practical applications as well as having theoretical knowledge, who adopt occupational health and safety rules and who act with environmental awareness. The project also contributes to the development of the qualified human resources required by the industrial sector.

As of 2022, a total of 71 students graduated from the Anadolu Isuzu Paint Technologies Workshop.

PROMOTIONAL ACTIVITIES AT UNIVERSITIES

Anadolu Isuzu sponsors case studies by participating in the career days of Turkey's leading universities. With Tech Tour, Anadolu Isuzu

is introduced to students and academicians from all over Turkey and abroad.

The explanation of the technologies utilized, the discovery of R&D and production areas, and the answers given by the expert and experienced staff allow visitors to find out about Anadolu Isuzu.

During the year, technical trips were organized for Middle East Technical University, Mimar Sinan University, Gazi University and Istanbul Technical University, Yıldız Technical University and Kocaeli University student clubs and Vocational High School students, sharing information about the activities and the experiences of the expert staff.

A Co-op Agreement was signed with Yıldız Technical University, Faculty of Mechanical Engineering and Faculty of Electrical and Electronics.

Key developments in interactive events

Anadolu Isuzu aims to bring students who are outstanding students in their subject to the Company by participating in the Interview



71

AS OF 2022, A TOTAL OF 71 STUDENTS GRADUATED FROM THE ANADOLU ISUZU PAINT TECHNOLOGIES WORKSHOP.

90.000

IN 2022, THE COMPANY INTERACTED WITH 80 UNIVERSITIES, ATTENDED 35 ACTIVITIES AND REACHED 90,000 STUDENTS.

Simulations days organized by Yıldız Technical University Business Administration Club.

- The Company participated the Otosem Event organized by Uludağ University IEEE Club.
- The Company took part in the YEA event which is participated by more than 10,000 people from various parts of Turkey.
- The Company provided information about intra-company career opportunities by participating in the Career Days event organized by Middle East Technical University.
- The Company participated in the KVK Academy event hosted by the Yıldız Technical University Quality Efficiency Club.
- The Company attended the Energy Summit event organized by Boğaziçi University Engineering Club and energy systems were discussed.

Anadolu Isuzu provided a talk about effective career paths at the Career-In event hosted by the Enterprise and Investment Community at Hacettepe University.

The Company met with Yıldız Technical University students who want to take a step towards their careers and future.

- The Company attended Boğaziçi University Management Study with Executives (MSE) Summit.
- In 2022, the Company interacted with 80 universities, attended 35 activities and reached 90,000 students.

OSD AUTOMOTIVE SUMMER CAMP

Organized between 24 June-1 July 2022 with the support of the Automotive Industry Exporters' Association (OIB), the online certified Automotive Summer Camp event continued to attract a considerable amount of attention in its second year.

More than 60,000 students were enrolled in the Automotive Summer Camp, which was developed and implemented by the OSD Human Resources Committee of the Education Working Group, in order to increase the internship opportunities for students, which had been curtailed during the pandemic, and to increase the awareness of the automotive industry. Anadolu Isuzu representatives shared their experience in "The Future of Automotive" with high school and university students.

UNION RIGHTS AND COLLECTIVE BARGAINING AGREEMENT AT ANADOLU ISUZU

Relations with blue-collar employees at Anadolu Isuzu are regulated within the scope of a collective bargaining agreement.

The Birleşik Metal İş Union is the bargaining agency at Anadolu Isuzu. There is one Head Representative and three Union Representatives elected from within the Company.

These representatives are obliged to follow the demands, complaints and problems of blue-collar workers, represent workers in committees such as the Disciplinary Board and the Occupational Health and Safety Board, and observe their legal rights within the limits set by law and the Collective Bargaining Agreement signed between Birleşik Metal İş Union and the Turkish Employers' Association of Metal Industries (MESS).

PROFESSIONAL COMPETENCY CERTIFICATION STUDIES

In accordance with the communiqué published by Ministry of Labor and Social Security of the Republic of Turkey, the Vocational Qualification Certification process is carried out at Anadolu Isuzu.

Workshop-based training was carried out in order to train qualified personnel for the automotive industry and grade employees based on their efforts.

Bİ-FİKİR APPLICATION AND Bİ-FİKİR FESTIVAL

The Bi-Fikir Application and Bi-Fikir Festival stand out as platforms where Anadolu Group employees present their innovative ideas, develop their creativity as individuals and teams, and provide added value to Group companies. These platforms aim to develop the creativity and innovative qualities of the employees as individuals and teams, and include these characteristics in the organizational culture.

It continues to provide Bi-Fikir with the creative and innovative ideas that Anadolu Isuzu started with the Quality Circle studies and transformed into corporate culture with active participation of employees from every field.

At the final organization of Anadolu Group's innovation program Bi-Fikir, where the best of 2022 projects were selected, "Big.e" project which represents Anadolu Isuzu's innovativeness and creativeness received the 1st project award at the Inventor Category.

With Bi-Fikir KAP, the target is to carry Anadolu Group's innovation approach outside of the Group, to strengthen the employer brand and to collect and implement project ideas from university students which are innovative, applicable and useful for Group companies.

At the final of Bi-Fikir KAP where innovative projects of university students were rewarded, the New Generation Carbon dioxide Technologies project supported by Anadolu Isuzu was the selected as the 1st project.

A POOL OF CREATIVE IDEAS AT KAIZEN DAYS

Kaizen is a Japanese word formed by combining the two words, Kai (meaning 'Change' in Japanese) and Zen ('Good'), creating a philosophy which refers to continuous improvement. In the long run, it represents the realization of improvements with small and firm steps. It is performed with little or no investment. By the end of the year, hundreds of Kaizens unite and create significant gains.

At Anadolu Isuzu, 802 Kaizen projects were completed in 2022. The Company always supports and encourages creative and innovative ideas which start with Quality Circle and Kaizen activities and in time transform into Company culture. Kaizen awards were presented to employees who made presentations at Kaizen Days.



At Anadolu Isuzu, 802 Kaizen projects were completed in 2022.

SATISFACTION TEAM AT WORK

Anadolu Isuzu Satisfaction Team, representing all departments, takes steps for satisfaction of employees.

Activities are organized in areas to be focused along with Human Resources. Playing an active role in the creation of employee engagement action plans, Satisfaction Team presents the outputs of the engagement action plans to senior management.

The "Satisfaction Team", which enables the realization of actions by evaluating development areas with a common mind, strengthened and developed the internal communication and social dialogue platforms. The Satisfaction Team and the Human Resources Department held periodic meetings throughout the year to evaluate the demands and suggestions of the departments to increase employee loyalty and to turn these suggestions into action. On the other hand, regular information was provided to the General Manager regarding the projects worked on, and action plans were shared.

Awards

Talent Pick up Internship program, which started to provide university students the opportunity to start their careers full of experience and success, won the 1st place at Top 100 Talent Program 2022 Automotive (Commercial) category.

Anadolu Isuzu received the Employer Brand of the Year Award given by Boğaziçi University Engineering Club at the Boğaziçi Business World Awards.

At the Common Future award ceremony organized by Turkish Employer Unions Confederation (TİSK), the Occupational Development Program project, which supports occupational development and qualified employment of women in automotive sector, was granted the award at the Making a Difference for Women category.

Anadolu Isuzu was among the companies providing employment to individuals with disabilities within the scope of Me too at the Work Force project of Kocaeli Municipality which brings together the disabled individuals and employers. The Company received its award from Deputy Mayor Yaşar Çakmak, District Governor Ahmet Önal and İşkur Gebze Service Center Manager Şener Palavar.

TALENT PICK UP

TALENT PICK UP
INTERNSHIP PROGRAM,
WON THE 1ST
PLACE AT TOP 100
TALENT PROGRAM
2022 AUTOMOTIVE
(COMMERCIAL)
CATEGORY.



EMPLOYER BRAND OF THE YEAR

ANADOLU ISUZU RECEIVED THE
EMPLOYER BRAND OF THE YEAR
AWARD GIVEN BY BOĞAZIÇI ÜNİVERSİTY
ENGINEERING CLUB AT THE BOĞAZIÇI
BUSINESS WORLD AWARDS.

OHS/EMPLOYEE SAFETY

Sustainability of safe workplaces and ensuring high employee awareness are the main pillars of Anadolu Isuzu's adoption of zero occupational accidents as a constant and unwavering target.

ANADOLU ISUZU OCCUPATIONAL HEALTH AND SAFETY POLICY

The Anadolu Isuzu Occupational Health and Safety Management System is based on the joint participation and support of all employees.

In addition to fulfilling the obligations and other requirements of the Occupational Health and Safety legislation, Anadolu Isuzu works to create a safe work environment, improve the health and safety awareness of employees, prevent and treat work accidents, injuries and occupational illness. The Company is aware that it is its responsibility to protect the health and safety of our subcontractors, suppliers, interns, visiting guests and all other stakeholders.

Anadolu Isuzu undertakes that it will follow and support the sustainability and continuous development of a healthy and safe working environment in line with its targets for occupational health and safety, ensure continuous improvement by eliminating hazards and reducing Occupational Health and Safety risks, and do everything necessary to prevent health problems for the employees.

OCCUPATIONAL HEALTH AND SAFETY TARGETS OF ANADOLU ISUZU

Anadolu Isuzu regards human health and safety as a top priority. The Company has adopted "zero occupational accidents" as a permanent goal with the maintenance of safe working areas and employee awareness.

Working with the goal of "zero occupational accidents," Anadolu Isuzu decreases the injury frequency rate (IFR) every passing year. Thanks to the focus on occupational safety and health targets, the injury incidence rate in 2022 marked a decline of 60% compared to 2015.

The near-miss notification system ensures that work environments are evaluated from the eyes of the employees and the areas open to improvement are determined on-site.



PUTTING SAFETY BEFORE ALL ELSE

PUTTING SAFETY BEFORE ALL ELSE

Anadolu Isuzu always emphasizes the importance of OHS practices for a safe and healthy working environment with a number of sketches and dramas performed during the Occupational Health and Safety Week.

One of Anadolu Isuzu's top priorities is to touch people's lives by carrying out activities that improve and support ergonomic conditions in the working environment.



WORKING WITH THE GOAL OF “ZERO OCCUPATIONAL ACCIDENTS,” ANADOLU ISUZU DECREASES THE INJURY FREQUENCY RATE (IFR) EVERY PASSING YEAR.

THANKS TO THE FOCUS ON OCCUPATIONAL SAFETY AND HEALTH TARGETS, THE INJURY INCIDENCE RATE IN 2022 MARKED A DECLINE OF 60% COMPARED TO 2015.

ANADOLU ISUZU AND THE ENVIRONMENT

Today, impacts of climate change increase day by day. Anadolu Isuzu prioritizes the climate crisis at all axes, conducts decarbonization activities required and investment decisions accordingly.

Besides reduction of emissions from production cycle, being a role model in increasing climate crisis awareness along the supply chain is among Anadolu Isuzu's targets.

Climate crisis is a candidate to creating significant and disruptive results in all axes of economic, environmental and social sustainability. Anadolu Isuzu is determinant to reduce its foot print in its production and commercial cycle and contribute to fight against climate crisis. Strategies of combat against climate change at Anadolu Isuzu are conducted in line with the Net Zero road map of Anadolu Isuzu Strategic Business Plan.

ENVIRONMENTAL POLICY

Anadolu Isuzu is committed to establishing a sustainable environmental management system by continuously improving the environmental performance of its manufacturing activities, products and services, not disturbing the natural balance of resources, complying with the necessary regulatory obligations and the expectations of the related parties, preventing environmental pollution at its source, achieving energy efficiency required to reduce greenhouse gas emissions by increasing the use of renewable energy sources, paying attention

to biodiversity topics to protect ecological balance, reducing the impacts of climate change, establishing a sustainable environmental management system and aims to continuously protect the environment in line with these objectives.

ENVIRONMENTAL MANAGEMENT SYSTEM

Anadolu Isuzu monitors all of its activities within the framework of ISO 14001 Environmental Management System.

Acting with the awareness of responsibility, Anadolu Isuzu conducts activities collaborating with stakeholders to reduce the environmental impacts of its production process in addition to its direct impacts on the environment. The foundation of the environmental management approach is the main principles defined in Anadolu Isuzu Environment Policy. In addition to greenhouse gas and emissions, these policies contribute to environmental sustainability with water, waste and chemical management activities.

Fight against climate crisis is a key topic standing out at the materiality analysis studies made with the participation of Company's stakeholders.

Within the scope of Anadolu Isuzu's strategy and actions, a road map for net zero is formed with Science Based Target initiative (SBTI) and Drive to Zero initiative. The Company became a member of the leading international platform



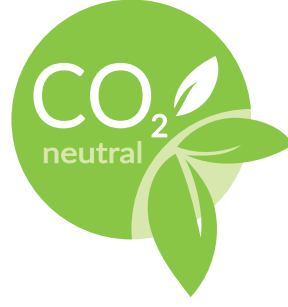
in sustainability area, UN Global Compact and a supporter of the Task Force on Climate-related Financial Disclosures.

Monitoring the national and international developments closely, Anadolu Isuzu took part in environmental working groups of OSD, TÜSİAD and Anadolu Group Holding.

SCIENCE BASED TARGET
INITIATIVE

SBTI

DRIVE TO ZERO
INITIATIVE



Küresel sıcaklık artışını 1.5°C'de tutmak için SBTi taahhüdü verdik.

Anadolu Isuzu olarak Science Based Target girişimine (SBTi) 1.5°C hedefi için taahhütte bulunduk. Paris Anlaşması'na göre küresel sıcaklık artışının sanayi öncesi seviyelerin 1.5°C üzerinde sınırlandırılmasını sağlamak için sera gazı emisyonlarımızı azaltmayı hedefliyoruz.

**Hedef
1.5°C**

SCIENCE
BASED
TARGETS



@anadoluisuzu



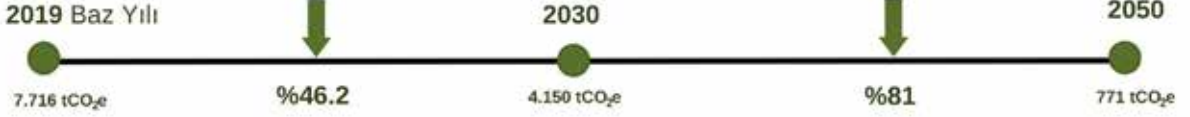
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ANADOLU ISUZU



TRANSITION TO LOW CARBON ECONOMY

Anadolu Isuzu is focused on reducing energy consumption and greenhouse gas emissions along the production processes.

In this context, the Company conducts activities to minimize the impacts of its processes and products on the environment.

On the road to decarbonization, Solar Energy Plant investment was launched with an installed capacity of 5,500 MWp with the objective of eliminating scope 2 emissions at the source. With the project launched in the last quarter of 2022, 450 tCO_{2e} of greenhouse gas emission was prevented.

In 2022, Corporate Carbon Footprint calculation for 2021 was performed. The Company's Scope 1, Scope 2 and Scope 3 emissions were verified by a third party independent assurance firm in accordance with ISO 14064-1:2018 Verification and Reporting of Greenhouse Gas Emissions Standard.

Within the scope of MRV, Anadolu Isuzu's production facility maintained its status as a low-emission facility in 2022 in the light of current process and energy consumption data. The course followed in the efforts to reduce greenhouse gas emissions is in parallel with the energy efficiency and savings projects. Planning is being carried out for projects to reduce the carbon footprint in the short and medium term.

Anadolu Isuzu made an official commitment within the scope of Science Based Target initiative (SBTi) 1.5°C target.

Anadolu Isuzu aims to reduce Scope 1, 2 and 3 greenhouse gas emissions to achieve the limitation of global warming increase at 1.5°C above pre-industrial levels based on Paris Agreement. The Company makes qualitative and quantitative scenario analyses compatible with SBTi.

According to a recent period scenario, in 10 years the target is to reduce Scope 1+2 emissions by 46.2% until 2030 in comparison with 2019.

Renewable energy investments are being launched for the reduction of Scope 1 and Scope 2 emissions.

Anadolu Isuzu reported within the scope of Carbon Disclosure Project (CDP) Climate Change Program voluntarily for the first time with its low carbon economy focused activities. As a result of assessments made by CDP, the Company was ranked at the first place among companies operating in commercial vehicle production area in Turkey with A- score.

Raising its targets in sustainability area, Anadolu Isuzu will continue to report its strategy on fight against climate change, risks and performance to CDP in the following years.



VOC EMISSIONS

Anadolu Isuzu continuously monitors and controls the amount of volatile organic compounds (VOCs) released into the atmosphere from its manufacturing activities. The company reports the cumulative VOC values to the Ministry of Environment and Urbanization of the Republic of Turkey on an annual basis and carries out short-term and medium-term projects to reduce these values.

In 2022, efficiency and savings projects were carried out for the use of chemical products, and solvent consumption amounts were kept under control with a tracking system. Chemical usage was optimized in trucks and buses, and transition to products with a lower VOC ratio has been achieved. As a result of all these efforts, the VOC values demonstrated a 10% year-on-year improvement in 2022.

WATER MANAGEMENT

With every passing day, environmental conditions such as climate change and global warming render it harder to access usable water resources. Striving for sustainability of water resources, which will become more crucial than all other resources in the future, Anadolu Isuzu conducts studies to reduce water consumption in its processes.

A 12% REDUCTION IN WATER CONSUMPTION PER VEHICLE

The major projects carried out in the cataphoresis section of the paint shop and the tracking system used in the garden irrigation system have yielded positive results in reducing water consumption. The work paved the way for a 12% reduction in the amount of water consumed per vehicle when compared to 2022.

The treatment facility, which has been in operation since the establishment of the Anadolu Isuzu factory, has two different wastewater treatment systems (i.e. industrial and domestic). The treatment of industrial wastewater is carried out in a continuous wastewater treatment plant based on chemical treatment processes. Chemical (continuous) wastewater comes from three different sources (the acid-alkali wastewater line, industrial oil water line and the paint shop wastewater line).

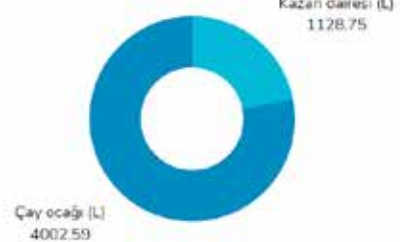
The discharge water quality of the wastewater treatment facility complies with the wastewater discharge standards specified for industrial wastewater resources within the scope of the Water Pollution Control Regulation applicable in Turkey. The control of pollution parameters is carried out with daily analysis at the laboratory inside the facility. With internalized technological and environmentally friendly practices, pollutant levels in Anadolu Isuzu's wastewater treatment plant remain well within the limits stipulated in the legislation in place in Turkey.

12%

THE WORK PAVED THE WAY FOR A 12% REDUCTION IN THE AMOUNT OF WATER CONSUMED PER VEHICLE WHEN COMPARED TO 2022.



Anadolu Isuzu Su Tüketim Raporu





WASTE MANAGEMENT

Anadolu Isuzu provides process checks to prevent production waste at the source, the first level of the waste hierarchy. In order to achieve this goal, targets have been expanded to ensure continuous monitoring of all processes. Waste tracking is carried out with a department-based waste inventory management system. In this context, the practice of line-based waste controllers continued in the production departments, and projects were carried out to reduce the amount of waste generated by each department's own process. In addition, targets were set for production based on the product life cycle principle.

All employees at the truck and bus assembly plants were provided with waste management training and activities were carried out to raise awareness. The waste sorting system was strengthened with a zero waste approach in offices and dining halls. With the new system, it is possible to inspect all waste bins.

ZERO WASTE PRINCIPLE

Having a Zero Waste Certificate, Anadolu Isuzu factory works on effective management of raw materials and natural resources and in line with its sustainable environment vision.

With the Sustainable and Digital Zero Waste Management System project implemented in 2022, Anadolu Isuzu received the 1st place award among large organizations at the Waste Management System and Applications category of Green Dot

Industrial Awards organization by ÇEVKO (Foundation of Environment Protection and Evaluation of Packaging Waste).

Within the scope of digital zero waste system at the sorting system in offices, QR codes were added to waste boxes and the system was digitalized. Thanks to this infrastructure, employees' recycling activities are monitored and proper sorting award systematics were implemented at Anadolu Isuzu.

Besides waste reduction projects at the production lines and offices, plastic packages were removed from the dining halls and single-use plastic consumption decreased.

Anadolu Isuzu pays attention to avoid creating a negative impact on biodiversity value of the natural receiving environment because of its operations. The Company commits to pay attention to biodiversity subjects to protect the ecological balance and reduce the impacts of climate change within the scope of its environmental policy.

ANADOLU ISUZU SHARES ITS ENVIRONMENTAL PERFORMANCE WITH ITS EMPLOYEES.

Anadolu Isuzu continuously improves its environmental performance through the numerous projects and studies it carries out. The company shares its environmental performance targets with its employees and publishes the results obtained through the Environment Bulletin, which it prepares using monthly data.

**Anlık Su Tüketim İzleme platformu



**Dijital Sıfır Atık Projesi

Ofislerdeki ayrıştırma sisteminde dijital sıfır atık sistemi kapsamında atık kutularına QR kodu eklenmiş ve sistem dijital hale getirilmiştir.

ENVIRONMENTAL AWARENESS SUPPORTED BY TRAINING AND INFORMATIVE ACTIVITIES

Anadolu Isuzu provides regular environmental training for its employees in order to increase their environmental awareness. In addition, the knowledge provided in training was reinforced with specific exercises.

A total of 2,325 person-hours of environmental training was provided in 2021.

Up-to-date informative notes on environmental issues are shared and announcements are made on digital screens installed in common areas of the Anadolu Isuzu facilities. In 2022, comprehensive efforts were carried out to raise the awareness of stakeholders, as well as factory employees.

Information on climate change was shared with all employees, suppliers and other stakeholders, and training on environmental obligations and 5S were organized with the participation of all dealers and services. In addition, Environment Committee meetings were organized in 2022 and seminars on environmental sustainability were held. Anadolu Isuzu also played an active role in the OSD Environment Committee and the TÜSİAD Environment and Climate Change working group.

Anadolu Isuzu Energy Policy

The main goal of the Anadolu Isuzu's energy policy is long-term environmental and economic sustainability.

Anadolu Isuzu aims to work to increase energy efficiency and savings in production activities, support the supply of energy-efficient and environment-friendly products, equipment and services,



recommend energy-efficient options for the design and revision of facilities and processes, increase awareness for all employees by providing information and training on the efficient use of energy and environmental awareness, and increase long-term environmental and economic sustainability through its efforts by reducing energy consumption and costs.

Focus point: Energy efficiency and renewable energy

Energy efficiency and use of renewable energy resources was made possible at the Anadolu Isuzu factory. Solar Energy Plant project that allows electrical production from the sun which is a completely renewable and clean energy source was implemented at the roofs of truck and bus production factories.

2.325

A TOTAL OF 2,325 PERSON-HOURS OF ENVIRONMENTAL TRAINING WAS PROVIDED IN 2021.



In 2022, total of 28,756 GJ savings in energy efficiency was achieved and 3,427 tons of CO2 greenhouse gas emission was prevented.

On the other hand, energy consumption was maintained at a level within its anticipated level by strictly implementing savings, so that the changes made to production plans during the pandemic would not adversely affect the amount of energy consumed per vehicle manufactured.

ANADOLU ISUZU IS FOCUSED ON CONTINUOUSLY IMPROVING ITS ENERGY PERFORMANCE.

Anadolu Isuzu continuously improves its energy performance with various projects and practices. Considering energy performance to be a major component in competition on a global scale, the Company takes important steps in the fight against climate change.

Energy saving efforts continued at Anadolu Isuzu in 2022. Actions were taken to effect improvements and 7 fast-return Quick-Win projects were carried out.

Anadolu Isuzu monitors the energy consumption of its various departments in real-time over the energy system. This cycle allows the Company to determine any problems in energy consumption or potential savings. The Company also designs and implements short-term, medium-term and long-term development/improvement activities.

The consumption data of the locations with high energy consumption are shared with departmental heads on a daily basis for immediate evaluation of the energy performance.

Anadolu Isuzu will continue its activities with the vision of being a pioneer in green transformation by making investments in sustainability area. Based on the following period projections, with GES second phase project, green energy ratio will increase to 75%.

PROJECTS TO IMPROVE ENERGY CONSUMPTION PER VEHICLE

In 2022, Anadolu Isuzu carried out electrical energy efficiency projects in various fields. Highlights from this work are provided below.

The Energy Management System established in global scale standards, was licensed with ISO 50001 certificate as a result of audits realized in 2022. Factory Energy Studies was performed and activities at the reports and activities that do not require investment were implemented as Quick Wins. Feasibility studies were made for projects requiring investments.

GES with 5,500 kWp installed capacity was implemented on the roofs of Truck and Bus Factories in the 3rd quarter of the year. Upon implementation of GES, a total of 1,088 MWh electrical production was achieved from solar energy. Hence, 30% of electrical consumption was

28.756 GJ
IN 2022, TOTAL OF 28,756 GJ SAVINGS IN ENERGY EFFICIENCY WAS ACHIEVED AND 3,427 TONS OF CO2 GREENHOUSE GAS EMISSION WAS PREVENTED.

GES project was implemented on the roofs of truck and bus factories.



SOCIAL AWARENESS PROJECTS AT ANADOLU ISUZU

Anadolu Isuzu reaches out to every segment of society and every point of trade with its vehicles, which assume different roles in the life and trade cycle. Based on this simple fact, Anadolu Isuzu regards social responsibility activities as a major part of its corporate identity.

Anadolu Isuzu carries out social responsibility activities in order to increase the welfare of individuals and create sustainable and permanent value for society. The Company fully supports social development through cooperation. The Company focuses on volunteering in its social responsibility activities.

Anadolu Isuzu is an active member of the Private Sector Volunteers Association (OSGD), which operates with the aim of spreading the sense of corporate volunteering in the private sector and carrying it out in a sustainable and systematic manner.

Travelling Library Project

Within the scope of the project developed with Cevdet İnci Foundation, has been providing books for primary school students in financially strained regions of Izmir since 2015 with a vehicle transformed into a library.

With the Travelling Library project, Anadolu Isuzu carries books to different schools and provides the opportunity to reach books for more than 130,000 people, particularly primary school students in the regions where access to education is limited. The Travelling Library is currently taking services to 13 schools in Karabağlar with the support of Karabağlar District Governor, Provincial Directorate of Culture and Tourism, Karabağlar District National Education Directorate and Karabağlar District Community Library.

Anadolu Isuzu employees participate in environmental and disability projects as volunteers.

Since 2014, Anadolu Isuzu carries its social responsibility activities with the contribution of its volunteer employees whose number increases each year.

130,000

WITH THE TRAVELLING LIBRARY PROJECT, ANADOLU ISUZU CARRIES BOOKS TO DIFFERENT SCHOOLS AND PROVIDES THE OPPORTUNITY TO REACH BOOKS FOR MORE THAN 130,000 PEOPLE, PARTICULARLY PRIMARY SCHOOL STUDENTS IN THE REGIONS WHERE ACCESS TO EDUCATION IS LIMITED.



Activities held under Social Awareness Projects focus primarily on education, environment and disabilities.

Unused clothes, unread books and unused toys are being left in the colorful favor boxes on the ground floor of Anadolu Isuzu Headquarters before they meet their new owners. With the wonderful feeling of producing and sharing, Company employees put all of their good intentions in boxes.

The clothes and toys collected in these boxes are sent to the Anadolu Foundation.

Mentors for a Million Women Project

Mentors for a Million Women Program, which aims to bring together young women who work in STEM areas (Science, Technology, Engineering and Mathematics) and industry leaders on a digital platform, was supported with the contribution of our 20 employees.

By supporting the Mentors for a Million Women program, our 20 employees who are experts and professionals in their areas casted light on the careers of 15 women students working in STEM areas by sharing their experiences.

Hence, the following opportunities were provided;

- Touching the lives of young women who study, work or plan to work in STEM areas, providing help and creating impact transformation on a larger scale
- Creating impact on STEM world by sharing expertise, know-how and experiences of mentors
- Strengthening mentorship, development and sharing culture by encouraging our employees to become mentors.

44th İstanbul Marathon: Koruncuk Foundation My Dream School Project

120 Anadolu Isuzu volunteers participated the 15K category of the 44th İstanbul Marathon. Through this event, by supporting Koruncuk Foundation's "My Dream School" project, a significant step was taken for girls so that they can go to universities of their dream and smile more.



STEM

OUR 20 EMPLOYEES SHARED THEIR EXPERIENCES WITH 15 FEMALE STUDENTS WORKING IN STEM.

CORPORATE GOVERNANCE AT ANADOLU ISUZU



BOARD OF DIRECTORS

Tuncay Özilhan Chairman

Tuncay Özilhan was born in Kayseri. Mr. Özilhan studied in Saint-Joseph high school then graduated from the Faculty of Economics of İstanbul University. He has received his MBA degree from Long Island University in the United States. He has undertaken responsibilities such as General Director of Erciyas Brewery, Coordinator of the Beer Group and General Coordinator of the Anadolu Group. Mr. Özilhan acted as the CEO of the Anadolu Group from 1984 to February 2017. He is the Chairman of the Anadolu Group since May 2007. He has also been serving as Chairman of Anadolu Foundation as well as various Group companies. Mr. Özilhan served as TÜSİAD's (Turkish Industrialist's and Businessmen's Association) Chairman from 2001 to 2003 and he is currently Chairman of its High Advisory Council. His other responsibilities include; Member of The Board and Chairman of the Turkish – Russian Business Council at the Foreign Economic Relations Board (DEİK), Honorary Consul for the Republic of Estonia and President of the Anadolu Efes Sports Club. Tuncay Özilhan holds Ministerial Medal by the Ministry Foreign Affairs of the Republic of Estonia and "The Order of the Rising Sun, Gold and Silver Star", constituting one of the most important orders awarded by Japanese government.

Kamilhan Süleyman Yazıcı Deputy Chairman

Kamil Yazıcı holds a bachelor's degree in business administration from Emory University in USA, an MBA degree from AIBEC (American Institute of Business and Economics) in Russia and has completed the GMP program at Harvard Business School. Starting his career in Anadolu Group Finance Department in 2000, Mr. Yazıcı later worked in Anadolu Efes Russia Marketing Department between 2003-2005 and was appointed New Product Development Manager in 2005. Continuing his career in Russia as Logistic Systems Manager during 2006-2008, Mr. Yazıcı was appointed as Supply Chain Director in 2008 and as Development Director in 2010. Mr. Yazıcı assumed the role of Anadolu Efes Moldova Managing Director between 2011-2014 and was later appointed as Market Development Director in Anadolu Efes Headquarters, a position held until April 2017. Mr. Yazıcı currently serves as Board Member and Vice Chairman in Anadolu Group companies.

Tuğban İzzet Aksoy Member

Tuğban İzzet Aksoy graduated from the Management and International Finance Department of the University of Oglethorpe in the USA, following his education at the Austrian High School. He began his professional career as an Assistant Expert in the Financial Affairs Directorate at Anadolu Endüstri Holding, in 1996. In December 1998 he was appointed as a Senior Broker at the Alternatifbank

Treasury Department. Following five years in this role, Aksoy took on the role of Corporate Finance and Risk Manager at the Treasury and Risk Management Department of Anadolu Endüstri Holding A.Ş. in June 2003. In April 2008, he became Assistant Coordinator at Business Development Directorate, and between 2009-April 2019, he worked as Anadolu Group Energy Sector Coordinator. He continues to serve as Board Member in various Anadolu Group companies. Aksoy, who has participated in professional training and seminars in his field, is member of energy groups of TÜSİAD, TOBB and DEİK. Aksoy has been serving as an honorary consul of Georgia since 2016 and also holds Georgian Government Medal of Honor

Mustafa Ali YAZICI Member

After graduating from Galatasaray High School in İstanbul, Mustafa Ali Yazıcı completed his undergraduate studies in finance at Georgetown University in Washington D.C. After working as a financial analyst at Morgan Stanley's London office for a while, he worked as a managing partner in a company operating in the e-commerce sector between 2005-2010. Between 2011 and 2017, he served as the managing partner of the company he founded, which operates in the fields of cloud computing and fintech under the Clouduro brand. He has been a Member of the Board of Directors of Anadolu Group and its subsidiaries since 2017.

Mehmet Hurşit ZORLU
Member

Hurşit Zorlu holds a BSc degree in Economics from Istanbul University. Prior to joining Anadolu Group as a Marketing Specialist at the Efes Beverage Group in 1984, he held various positions in Toz Metal and Turkish Airlines. During his career at Efes Beverage Group, he held various positions including Assistant Marketing Manager, Assistant Project Development Manager, Project Development Manager and Business Development & Investor Relations Director respectively. Zorlu held the position of Chief Financial Officer (CFO) at Efes Beverage Group between 2000-2008 and the position of CFO at Anadolu Group between 2008-2013. In January 2013, Zorlu was appointed as Deputy CEO and as of February 2017 he was appointed as CEO of Anadolu Group. Hurşit Zorlu, a Board Member of various Anadolu Group companies, is also the Chairman of the Sustainability Committee of the Group. Zorlu is a board member of DEİK Outbound Investment Business Council, Board Member of the Turkish Investor Relations Association (TÜYİD) and served as the 8th Term Chairman of the Corporate Governance Association of Turkey (TKYD) between 2015-2017.

Reo SAWADA
Member

Mr. Sawada, who was born in 1985, earned a Bachelor degree of Russian Studies from the University of Kobe. Mr. Sawada began his career in Itochu Corporation as Sales Representative in Russian Automotive Department in 2008. In 2012, he held the position of Assistant to General Director of Suzuki Motors Rus LLC in Moscow, Russia. One year later he assigned as Assistant to General Director Suzuki Motors Rus LLC in Almaty, Kazakhstan. For the last five years he worked as Project Leader in Isuzu Business Department. He is serving as the General Manager Consultant in Anadolu Isuzu Otomotiv Sanayii ve Ticaret A.Ş. since August 2019.

Toshihiro Nakanishi
Member

Toshihiro Nakanishi was born in 1969. He graduated from Osaka City University, bachelor of Business Administration. He started his career in the Plant Project Department at Itochu Corporation in 1992. Then, he continued in the legal department & the Infrastructure Project Department between 1997-2000. He worked as Project Manager at Enesol Inc., a subsidiary of Itochu Corporation, between 2000-2005. He worked as a Senior Researcher at the Policy Research Institute, Ministry of Finance between 2005-2007. He worked as Project Manager in the Infrastructure Project

Department at Itochu Corporation between 2007-2009. He worked as a Senior Analyst at UBS Global Asset Management between 2009-2010. He worked as Deputy Manager in the Infrastructure Project Department at Itochu Corporation between 2010-2011 and as Deputy Manager in the Power Project Department between 2011-2012. He worked as the Section Manager in the Power Project Department at Itochu Europe plc. between 2012-2015. He worked as a Manager in the Power Project Department at Itochu Corporation from 2015-2019, and as Deputy General Manager in the Power Project Department between 2019-2020. In April 2020, he became the Chief Corporate Development Officer for European operation in Itochu Europe plc.

Hidenao Hashimoto
Member

Mr. Hashimoto who was born in 1964, completed his undergraduate education at Nihon University in 1989. Starting his career at Isuzu Motors in 1994 as a cabin engineer, Mr. Hashimoto worked as cabin and vehicle Engineer between 1996-2009. He worked as a Global Vehicle Engineer in 2012-2014. He worked in the Bus Product Planning and Engineering Department between 2015-2022. He has been working as a European Regional Manager at the Regional Management Office since 2022.

Yasuhito Kondo
Member

Mr. Kondou graduated from Hitotsubashi University in 1995. Mr. Kondou started his career at Isuzu Motors in 1995 and he worked as a Cost Accounting Specialist between 1995-1998. He worked as an Corporate Planning Specialist between 1998-2003. Mr. Kondou worked as a Manager at Isuzu Motors America INC in 2004, and as a Manager at Isuzu North America Corporation between 2004 and 2009, and as a Senior Sales Specialist in the Sales Department between 2010 and 2014, and as a Senior Manager in 2014. He served as General Manager at Isuzu Astra Motor Indonesia between 2015-2018, Vice President at Isuzu Motors Asia (Thailand) between 2018-2019, General Manager between 2019-2022.

Ahmet Murat SELEK
Independent Member

Murat Selek, received his bachelor degree in mechanical engineering from Boğaziçi University and completed his master's degree in Mechanical Engineering department at Cornell University (USA), started his career in 1983 as a Purchasing Specialist at Enka İnşaat. Mr. Selek worked respectively as Planning and Commercial Activities Manager in Çukurova Ziraat between 1986-1987, Project Coordinator and Foreign Purchasing Manager at Otoyol Sanayi A.Ş. between 1987-1992, Assistant General Manager in Marketing, Sales

and After-Sales Services at Tofaş between 1992-2003. After serving as General Manager at Otoyol Sanayi A.Ş. between 2003-2007, at Karsan Otomotiv he served as CEO between 2008-2016 and as an advisor to BoD between 2016-2017. Mr. Selek continues to serve as a Strategy and Corporate Management Consultant. Mr. Selek complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.

Orhan ÖZER
Independent Member

Orhan Özer graduated from Middle East Technical University, Department of Business Administration in 1982. He worked as an executive in Oyak-Renault Otomobil A.Ş. between 1984-1986, as a manager at H.Ö. Sabancı Holding between 1986-1991 and Assistant General Manager at Goetze Istanbul Segman A.Ş. between 1991-1995. In 1995, he joined the Toyota family, worked as an Assistant General Manager from 1995 to 2002 at Toyota Otomobil Türkiye A.Ş. After serving as Vice-President at Toyota Motor Europe between 2002-2008, he continued to serve as Senior Assistant General Manager between 2008-2010 and as General Manager between 2010-2016 at Toyota Otomobil Türkiye A.Ş. Mr. Özer complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.

Prof. DR. Barış TAN
Independent Member

Barış Tan is a Professor of Operations Management and Industrial Engineering at Koç University, Istanbul, Turkey. His areas of expertise are in design and control of production systems, supply chain management, stochastic modelling, and business model innovation. Barış Tan is the recipient of Turkish Academy of Sciences Distinguished Young Scholar Award, TÜBİTAK fellowship, NATO Science Fellowship, and best paper awards for his publications. He received a BS degree in Electrical&Electronics Engineering from Bogazici University, and ME in Industrial and Systems Engineering, MSE in Manufacturing Systems, and PhD in Operations Research from the University of Florida. He has been working at Koç University since 1994 and previously served as the Vice President for Academic Affairs, Dean of College of Administrative Sciences and Economics and the Director of the Graduate School of Business. He held visiting positions at Harvard University - Division of Engineering and Applied Sciences, MIT - Operations Research Center, MIT - Laboratory for Manufacturing and Productivity, University of Cambridge - Judge Business School, University College London - School of Management, and Politecnico di Milano - Manufacturing and Production Systems.

Professor Tan is a member of the advisory boards of Kyoto University Graduate School of Management, EM Lyon and Nottingham Business School and the chairman of the ISM University of Management and Economics Senate. He is an independent board member of Anadolu Efes, Migros, and Anadolu Isuzu. He also served on the boards of CEMS Global Alliance in Management Education, European Foundation for Management Development, EQUIS, Turkish Quality Association, and Turkish Operations Research Society.

Lale DEVELİOĞLU **Independent Member**

Lale Saral Develioğlu was born in Istanbul in 1968. Develioğlu graduated from Boğaziçi University Industrial Engineering and completed her Master's degree at Rensselaer Polytechnic University. Lale Saral Develioğlu has 30 years of experience in marketing, strategy, business development and general management at multinational companies, mainly in B2C, Telecommunications and Consumer Goods markets. She spent 12 years at Unilever and 11 years at Turkcell as Chief Marketing Officer and Chief International Businesses Officer. During her period in Turkcell, she was responsible for the consumer business with full P&L responsibility, driving the brand and growth strategy and leading critical transition projects such as 3G launch, number portability and customer experience management. While she was in charge of International Businesses, she led Turkcell group companies in 8 countries as well as international expansion strategy and plans, with full P&L responsibility across telecoms and other industries including customer services and

gaming, delivering high double-digit growth every year. Lastly, she spent 3.5 years at Yıldız Holding and Pladis, playing an instrumental role in building the brand strategy during the formation of the global confectionery company based in the UK. She was elected "Best Marketing Person" of Turkey in 2009; won the "Women to Watch" award for Marketing in 2014 and is among "Top 100 Influencers" in global Creativepool Annual 2018. She has served as Executive Board Member of Advertisers' Association of Turkey (RVD) and Advertising Self-regulatory Body (RÖK). She has worked as an instructor at Bilgi University, teaching "Strategic Brand Management in executive master's program. She has held executive and independent board director roles in various companies (telecommunications, CPG, retail, customer service, gaming) across Turkey, Middle East, CIS countries and Europe. She is currently a board director at Anadolu Efes, Aksa Akriplik and Nobel Pharmacy. She is also a mentor at INSEAD University INSights Director Mentoring Program and YKKD Mentoring Program; strategy and brand consultant to various companies; and Mentoro Consulting business partner. She is an active member of women leadership organizations. She is one of the founders and board members of YKKD (Women on Board Association) and a member of IWF (International Women Forum). She is a technology enthusiast and a certified angel investor with 6 investments in technology companies in Turkey and USA. She is the author of a book titled 'Karar Verdim', a personal development book on effective decision making, published in 2015.

Yusuf Kamil SONER **Independent Member**

Dr. Yusuf Soner who was born in 1961 a graduated from METU Mechanical Engineering and a master's degree from ITU Nuclear Energy. Dr. Soner completed the Harvard Business School, Advanced Management Program in 2001. Dr. Soner completed his PhD in Business Administration at Yeditepe University. Between 1986-1987 Product Development Engineer at Lassa A.Ş. Yusuf Soner, who worked as Planning and Store Manager at Toyotasa A.Ş. between 1990-1994 and as Deputy Spare Parts Manager at Anadolu Honda A.Ş. . Soner, who joined Temsa Global in 2001, served as the General Manager of Automotive Activities at Temsa and the General Manager of TEMSA Motorlu Araçlar A.Ş between 2008-2013. Dr. Yusuf Soner opened classes at Sabancı University Faculty of Management; "Sales Management", "B2B Branding", "Business Management in Action" and "Career & Professional Development", "Fundamentals of Family Business", "Succession & Power Transfer in Family Business". Dr. Soner was responsible for the coordination of MBA, ExecMBA, PMBA and MIF programs. Dr. Soner taught "Sales Management" in Marmara University's English Business Master's program and "Trade Marketing and Sales Management" in Boğaziçi University's Executive MBA program.

SENIOR MANAGEMENT

Bora Koçak Automotive Group President

Bora Koçak was born in Ankara in 1969. He graduated from Ankara Atatürk Anatolian High School in 1985, the Mechanical Engineering Department of the Naval Academy in 1989 and the Advanced Management Program at Harvard Business School in 2007. He served as Chief Technical Officer in Technical Management Positions in the Turkish Navy between 1989 and 1996. He respectively served as Training Supervisor, After-Sales Services Supervisor and After-Sales Services Manager at Çelik Motor Ticaret A.Ş. between 1996 and 1999, and continued to serve at the same company as Kia Product Manager between 1999 and 2001, and Kia-Honda-Lada Product Director between 2001 and 2005. He served as the General Manager of Citroen Baylas Otomotiv A.Ş. between July 2005 and 2008, and General Manager of Mazda Motor Europe (Turkey) between 2008 and 2010. Having worked as the General Manager of Çelik Motor Ticaret A.Ş. from 2010 to July 2016, Bora Koçak was appointed the President of Anadolu Group Automotive Group on 1 August 2016. Koçak is also a Board Member at the Automotive Distributors' Association (ODD) and MESS.

Yusuf Tuğrul Arıkan General Manager

Born in Germany in 1963, Y. Tuğrul Arıkan graduated from Sankt Georg Austrian High School, and then from Boğaziçi University Department of Business Administration. Arıkan started his career in 1986 at Pfizer. He went on to serve as the General Manager of ÇBS Printaş and Deputy General Manager of Türk Ytong. In 2002, he started working as the Finance Director of Olmuksa A.Ş., a joint venture of Sabancı Holding and International Paper, and became the General Manager of Olmuksa in 2007. Having served as General Manager at Anadolu Isuzu since 18 March 2013, Arıkan is a member of the Turkish Society for Quality (KALDER), the European Federation of Corrugated Board Manufacturers (FEFCO), the Turkish Corrugated Cardboard Industrial Association (OMUD), the Turkish Marine Environment Protection Association (TURMEPA), the Private Sector Volunteers Association, and the Business Council for Sustainable Development Turkey.

Hakan Özenç Operational Functions Group Director

Hakan Özenç was born in 1968 in Gölcük. He graduated from Ankara Atatürk Anatolian High School in 1986, and METU Department of Mechanical Engineering in 1990. He completed the Marmara University Executive Development Program in 1999, and his Executive MBA at Sabancı University in 2006. Özenç worked at Anadolu Isuzu respectively as Quality Control Engineer, Quality Control Supervisor, Material Supply Supervisor, Bus Production Supervisor and Production Manager between 1994 and 2006, and as R&D Manager between 2007 and 2013. Having served as Technical Director in charge of Production, Quality Control, Production Planning and Stock Control from 2014, Özenç has held the position of Operational Functions Group Director since 1 January 2022.

Hakan Kefođlu
Commercial Functions Group
Director

Hakan Kefođlu was born in Istanbul in 1979. He graduated from Istanbul German High School in 1998 and Koç University Department of Business Administration in 2003. Before joining our Company, he worked as an Advisor at IBS between 2001 and 2004, and as Foreign Trade Specialist and Foreign Trade Supervisor at Mey İçki between 2005 and 2009. He served as the Export and National Chain Stores Manager of Doluca Şarapçılık between 2009 and 2010. Kefođlu, served at Anadolu Group as Export Development Manager and Export Manager between 2010-2015, and as Export Director between May 2015 - December 2021. He has been serving as Commercial Functions Group Director since 1 January 2022.

Neşet Fatih Vural
Financial Affairs Director

Born in Antakya in 1980, Neşet Fatih Vural graduated from the Department of Economics at Boğaziçi University in 2004, the Department of Justice at and Okan University in 2016. He is currently a student at the Faculty of Law at Erzincan University. Mr. Vural started his career as an Assistant Social Auditor at Intertek between July 2003 and December 2003. Between September 2004 - April 2007, he worked at as a Senior Auditor at PWC, as a Senior Auditor at KMPG between October 2007 - March 2008, as a Financial Controller at Anadolu Efes between March 2008 - March 2010, as a Financial Control Manager at Efes Kazakhstan between March 2010 - August 2013, as a Financial Control Manager at Anadolu Efes between August 2013 - April 2015, as a Financial Control Manager at Çelik Motor A.Ş. between May 2015 - December 2015. He worked as a Finance Manager at Çelik Motor A.Ş. between January 2016 - December 2020. Mr. Vural holds CIA, SMMM, CMA and CRMA certificates and licences for CMB Derivatives, CMB Capital Market Activities Level 3, CMB Credit Rating, CMB Corporate Governance Ratings, House Valuation and Informations Systems Independent Audit licences.

Mustafa Kemal Özer
Supply Chain Director

Mustafa Kemal Özer was born in 1966 in Ankara. He graduated from Yıldız Technical University Department of Industrial Engineering in 1987. Özer worked at Anadolu Isuzu as Production Planning Engineer, Production Planning Supervisor, Production Planning and Inventory Control Manager, Material Supply Manager and Purchasing Manager between 1990 and 2015, and was appointed as Purchasing Director in May 2015. Having served in this position until May 2017, he has been working as the Supply Chain Director of Anadolu Isuzu since May 2017.

Arif Özer R&D Director

Arif Özer was born in 1971 in Frankfurt. He graduated from Izmit Technical High School in 1989, and Yıldız University Department of Mechanical Engineering in 1993. In 1996, he did his master's degree on Advanced Manufacturing Techniques at the University of Salford. Özer worked at Anadolu Isuzu respectively as Material Supply Engineer, Quality Control Supervisor, Quality Control Manager, Material Supply Manager and After-Sales Services Manager between 1996 and 2013. Having served as R&D Manager between 2013 and 2015, he has been working as R&D Director since May 2015

Ali Salihi Strategy, Product, Project and Business Development Director

Ali Salihi received his bachelor's degree at Boğaziçi University Department of Psychology, and did his MBA at Bahçeşehir University. He worked at Doğuş Otomotiv Volkswagen Ticari Araç as Marketing Communications Specialist between 2005 and 2007, and Marketing Communications Manager between 2007 and 2009. Salihi then made the transition to the Audi brand under Doğuş Otomotiv, serving as Marketing Manager between 2009 and 2011, and Manager of the Product and Pricing Team between 2012 and 2015. Having worked as Marketing Manager in charge of Renault Passenger Cars and Commercial Vehicles at Renault MAİS between 2015 and 2018, Salihi started working as Marketing Manager for five countries at BASF Türk in November 2018. In February 2020, Ali Salihi was appointed as Marketing and Business Development Director at Anadolu Isuzu. He has been serving as Strategy, Product, Project and Business Development Director since 1 January 2022

Murat Sever Technical Director

Murat Sever was born in 1977 in İstanbul. He graduated from Hüseyin Avni Sözen Anatolian High School in 1994, received his bachelor's degree at Uludağ University Department of Industrial Engineering Department in 1998, and his master's degree at İstanbul University Department of Business Administration in 2007. Sever started his career in 1998 at Vepa Fırça San. Tic. A.Ş. as Product Manager. He served at our Company's Production Planning and Control Department as Stock Control Engineer between December 2000 and August 2006, Production Planning Engineer between August 2006 and January 2011, Production Planning Supervisor between January 2011 and January 2015, Truck & Pick-Up Production Manager between January 2015 and February 2018, and Bus Production Manager between February 2018 and January 2020. Since 2020, he has been working as Technical Director in charge of Quality Control, Bus Production, Truck Production and Utility Services.

Leyla Ayşegül Örs Bingöl
Human Resources Director

Leyla Ayşegül Örs Bingöl was born in Istanbul in 1981. She graduated from Italian High School in 2000 and England Middlesex University Department of Human Resources in 2004. She served as Assistant Personnel Manager at Sofra London between 2001 and 2004, Researcher at Nicholson International Consultancy between 2004 and 2005, Recruitment and Fundraising Manager at İzmir Tesco Kipa A.Ş. between 2005 and 2006, Human Resources Specialist and subsequently Human Resources Supervisor at Anadolu Endüstri Holding A.Ş. between 2007 and 2011, Human Resources Manager at Çelik Motor Ticaret A.Ş. between 2011 and 2015, and Human Resources Director at Anadolu Efes Türkiye between 2015 and 2018. Ayşegül Örs Bingöl has been serving as Human Resources Director at Anadolu Isuzu since August 2018.

Murat Dedeoğlu
International Sales Director

He graduated from Izmir University of Economics, Department of International Relations in 2010. He completed his master's degree in Management for Professionals at Sabancı University. He worked as Export Sales Officer at BMC Automotive between 2011-2012, Logistics Officer at Oyak Renault between 2012-2015, Overseas Regional Sales Manager at Anadolu Isuzu between 2015-2020, and International Sales Manager between 2020-2022. Mr. Murat Dedeoğlu has been working as International Sales Director at Anadolu Isuzu since July 1, 2022.

Hasan Yusuf Teoman
Sales Director

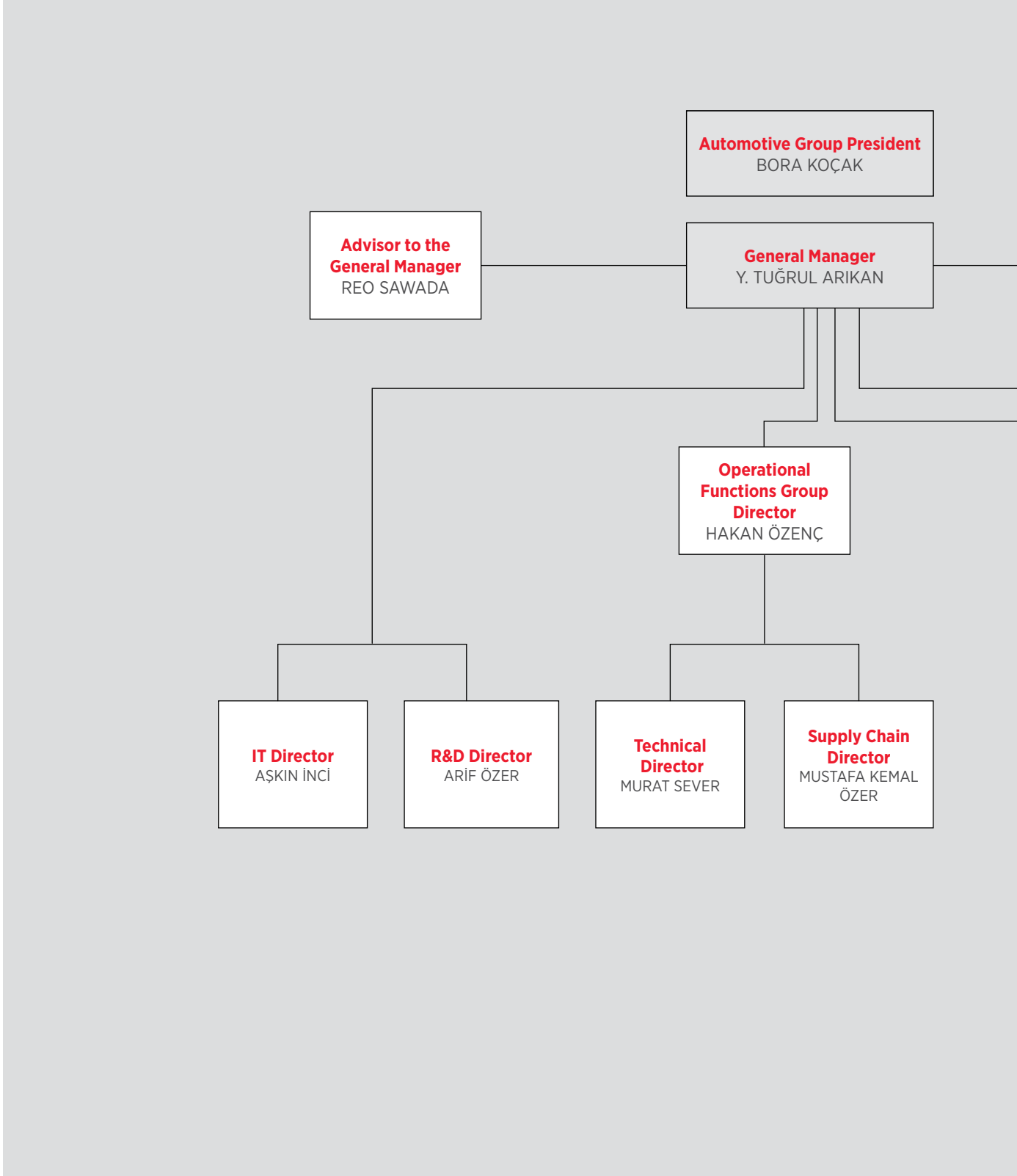
Born in 1965 in Istanbul, Yusuf Teoman graduated from Moda High School in 1982 and Istanbul Technical University Department of Mechanical Engineering in 1987. He completed the Marmara University Business Management Certificate Program in 1988, and did his MBA at Georgia College in 1990. He served respectively as Assistant Sales Coordinator and Regional Coordinator for Iran,

Israel, Syria, Jordan and Iraq at Ram Dış Ticaret A.Ş. between 1991 and 2002, as Industry Manager at DHL Express between 2002 and 2003, respectively as Export Manager, Project Coordinator and Sales & Marketing Director at Iveco Otayol Sanayi A.Ş. between 2003 and 2008, and respectively as Business Development Director, After-Sales Services Director and Sales Director at Iveco Araç Sanayi ve Ticaret A.Ş. between 2008 and 2017. Yusuf Teoman started working at Anadolu Isuzu in May 2017 as the Director of the Trucks and Pick-Ups Business Division, and has been continuing his duties as Sales Director since July 2018.

Aşkın İnci
IT Director

Aşkın İnci was born in 1979 in Dinar. He graduated from Ankara Alparslan Anatolian High School in 1997 and from METU Department of Mathematics in 2002. He earned his master's degree in Engineering Management at METU Department of Industrial Engineering in 2010. Having worked at MAN Türkiye between 2003 and 2010, İnci served as Business Solutions Manager at Hidromek A.Ş, and IT Manager at Eczacıbaşı Building Products Group. He began working at Anadolu Isuzu in 2017 as IT Manager, and has been working as the Company's IT Director since 2020. He also leads the Digital Transformation of our Company.

ORGANIZATION CHART



**Advisor to the
General Manager**
HİDENAO
HASHIMOTO

**Commercial
Functions Group
Director**
HAKAN KEFOĞLU

Sales Director
HASAN YUSUF
TEOMAN

**International
Sales Director**
MURAT DEDEOĞLU

**Chief Financial
Officer**
NEŞET FATİH VURAL

**Human Resources
Director**
LEYLA AYŞEGÜL ÖRS
BİNGÖL

**Strategy,
Product, Projects
and Business
Development
Director**
ALİ SALİHİ

YÖNETİM KURULUNUN YILLIK FAALİYET RAPORUNA İLİŞKİN BAĞIMSIZ DENETÇİ RAPORU



Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. Genel Kurulu'na

1. Görüş

Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş.'nin ("Şirket") 1 Ocak - 31 Aralık 2022 tarihli hesap dönemine ilişkin yıllık faaliyet raporunu denetlemiş bulunuyoruz.

Görüşümüze göre, Yönetim Kurulu'nun yıllık faaliyet raporu içinde yer alan finansal bilgiler ile Yönetim Kurulu'nun Şirket'in durumu hakkında denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemeler, tüm önemli yönleriyle, denetlenen tam set finansal tablolarla ve bağımsız denetim sırasında elde ettiğimiz bilgilerle tutarlıdır ve gerçeği yansıtmaktadır.

2. Görüşün Dayanağı

Yaptığımız bağımsız denetim, Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Denetim Standartlarının bir parçası olan Bağımsız Denetim Standartları'na ("BDS") uygun olarak yürütülmüştür. Bu standartlar kapsamındaki sorumluluklarımız, raporumuzun Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumlulukları bölümünde ayrıntılı bir şekilde açıklanmıştır. KGK tarafından yayımlanan Bağımsız Denetçiler için Etik Kurallar (Bağımsızlık Standartları Dâhil) ("Etik Kurallar") ve bağımsız denetimle ilgili mevzuatta yer alan etik hükümlere uygun olarak Şirket'ten bağımsız olduğumuzu beyan ederiz. Etik Kurallar ve mevzuat kapsamındaki etiğe ilişkin diğer sorumluluklar da tarafımızca yerine getirilmiştir. Bağımsız denetim sırasında elde ettiğimiz bağımsız denetim kanıtlarının, görüşümüzün oluşturulması için yeterli ve uygun bir dayanak oluşturduğuna inanıyoruz.

3. Tam Set Finansal Tablolara İlişkin Denetçi Görüşümüz

Şirket'in 1 Ocak - 31 Aralık 2022 hesap dönemine ilişkin tam set finansal tabloları hakkında 28 Şubat 2023 tarihli denetçi raporumuzda olumlu görüş bildirmiş bulunuyoruz.

4. Yönetim Kurulu'nun Yıllık Faaliyet Raporuna İlişkin Sorumluluğu

Şirket yönetimi, 6102 sayılı Türk Ticaret Kanunu'nun ("TTK") 514. ve 516. Maddelerine ve Sermaye Piyasası Kurulu'nun ("SPK") II-14.1 No'lu "Sermaye Piyasasında Finansal Raporlamaya İlişkin Esaslar Tebliği" ("Tebliğ") hükümlerine göre yıllık faaliyet raporuyla ilgili olarak aşağıdakilerden sorumludur:

- Yıllık faaliyet raporunu bilanço gününü izleyen ilk üç ay içinde hazırlar ve genel kurula sunar.
- Yıllık faaliyet raporunu; Şirket'in o yıla ait faaliyetlerinin akışı ile her yönüyle finansal durumunu doğru, eksiksiz, dolambaçsız, gerçeğe uygun ve dürüst bir şekilde yansıtabilecek şekilde hazırlar. Bu raporda finansal durum, finansal tablolara göre değerlendirilir. Raporda ayrıca, Şirket'in gelişmesine ve karşılaşması muhtemel risklere de açıkça işaret olunur. Bu konulara ilişkin yönetim kurulunun değerlendirmesi de raporda yer alır.



c) Faaliyet raporu ayrıca aşağıdaki hususları da içerir:

- Faaliyet yılının sona ermesinden sonra şirkette meydana gelen ve özel önem taşıyan olaylar,
- Şirketin araştırma ve geliştirme çalışmaları,
- Yönetim kurulu üyeleri ile üst düzey yöneticilere ödenen ücret, prim, ikramiye gibi mali menfaatler, ödenekler, yolculuk, konaklama ve temsil giderleri, aynı ve nakdi imkânlar, sigortalar ve benzeri teminatlar.

Yönetim kurulu, faaliyet raporunu hazırlarken Ticaret Bakanlığı'nın ve ilgili kurumların yaptığı ikincil mevzuat düzenlemelerini de dikkate alır.

5. Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumluluğu

Amacımız, TTK ve Tebliğ hükümleri çerçevesinde yıllık faaliyet raporu içinde yer alan finansal bilgiler ile Yönetim Kurulu'nun denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemelerin, Şirket'in denetlenen finansal tablolarıyla ve bağımsız denetim sırasında elde ettiğimiz bilgilerle tutarlı olup olmadığı ve gerçeği yansıtıp yansıtmadığı hakkında görüş vermek ve bu görüşümüzü içeren bir rapor düzenlemektir.

Yaptığımız bağımsız denetim, BDS'lere uygun olarak yürütülmüştür. Bu standartlar, etik hükümlere uygunluk sağlanması ile bağımsız denetimin, faaliyet raporunda yer alan finansal bilgiler ve Yönetim Kurulu'nun denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemelerin finansal tablolarda ve denetim sırasında elde edilen bilgilerle tutarlı olup olmadığına ve gerçeği yansıtıp yansıtmadığına dair makul güvence elde etmek üzere planlanarak yürütülmesini gerektirir.

PwC Bağımsız Denetim ve

Serbest Muhasebeci Mali Müşavirlik A.Ş.

Salim Alyanak, SMMM
Sorumlu Denetçi

İstanbul, 13 Mart 2023

OTHER INFORMATION ABOUT ACTIVITIES

ANADOLU ISUZU OTOMOTİV SANAYİİ VE TİCARET A.Ş.

1) GENERAL INFORMATION

Reporting Period:	01.01.2022-31.12.2022
Company Title:	Anadolu Isuzu Otomotiv Sanayii ve Ticaret A.Ş.
Trade Registration No:	173921-0
Mersis No:	0068006909500014
Head Office:	Fatih Sultan Mehmet Mahallesi Balkan Caddesi No: 58 Buyaka E Blok Tepeüstü 34771 Ümraniye/İstanbul
Factory Adres:	Şekerpınar Mah. Otomotiv Caddesi No:2 41435 Çayırova/Kocaeli
Tel:	(0850) 200 19 00
Fax:	(0262) 658 85 56
Website:	www.anadoluisuzu.com.tr

Capital Structure

As of 31 December 2022, the Company's capital is TL 84,000,000. There was no change in the capital amount in the current period.

As of 31 December 2021 and 31 December 2022, the shareholders' shares and their ratio in capital are as follows.

Shareholder	31.12.2022		31.12.2021	
	Share Amount	Share Ratio	Share Amount	Share Ratio
AG ANADOLU GRUBU HOLDİNG A.Ş.	46.535.401	%55,40	46.535.401	%55,40
ISUZU MOTORS LTD.	14.275.509	%16,99	14.275.509	%16,99
ITOCHE CORPORATION	10.706.534	%12,74	10.706.534	%12,74
OTHER	12.482.556	%14,87	12.482.556	%14,87
TOTAL	84.000.000	%100,00	84.000.000	%100,00

Direct or Indirect Subsidiaries of the Company and Their Share Ratios

The Company's subsidiary and partnership ratios are as follows.

Subsidiary	31.12.2022	31.12.2021
	Share Ratio (%)	Share Ratio (%)
Ant Sınai ve Tic. Ürünleri Paz. A.Ş.	%100,00	%100,00

2) MANAGEMENT AND ORGANIZATION

Board of Directors:

The Company's Board of Directors consists of a Chairman, a Vice Chairman and 12 members, adding up to a total of 14 members. All of the members of the Board of Directors were elected at the Ordinary General Assembly Meeting on 22 April 2022, to serve until a new Board of Directors is formed at the next Ordinary General Assembly Meeting..

Members of the Board of Directors and their job descriptions are as follows:

Name	Duty
Tuncay Özilhan	Chairman
Kamilhan Süleyman Yazıcı	Vice Chairman
Tuğban İzzet Aksoy	Member
Mustafa Ali Yazıcı	Member
Mehmet Hurşit Zorlu	Member
Reo Sawada	Member
Hidenao Hashimoto*	Member
Yasuhito Kondou*	Member
Toshihiro Nakanishi	Member
Barış TAN	Independent Member
Lale Develioğlu	Independent Member
Yusuf Kamil Soner	Independent Member
Orhan Özer	Independent Member
Ahmet Murat Selek	Independent Member

(*)With the decision of the Board of Directors dated August 29, 2022, it has been resolved to accept the resignations of Hiroko YAGUCHI and Kozo YAMAGUCHI, who have resigned from the Board of Directors of our company due to the change of duty within our shareholder Isuzu Motors Limited, and to appoint Yasuhito KONDO and Hidenao HASHIMOTO, who are Japanese nationals, as Board Members as of August 29, 2022, to be submitted to the approval of the first General Assembly, in accordance with Article 363 of the Turkish Commercial Code

Duties of Board Members and Executives Outside the Company

There are no rules established by the Company for the Board Members on assuming other duties outside the Company, but the regulations stipulated in the Corporate Governance Principles apply.

The Company's Board of Directors convened five times throughout the period.

Committees Established Within the Board of Directors

Pursuant to the provisions included in both the Turkish Commercial Code and the Communiqué on Determination and Implementation of the Principles of Corporate Governance issued by the Capital Markets Board, the Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee were established for the fulfillment of the duties and responsibilities of the Board of Directors. Regulations regarding the working principles of the committees are published on our corporate website (www.anadoluisuzu.com.tr).

Following the election of the new Board Members at the Ordinary General Assembly Meeting held on 22 April 2022 and in line with the Board of Directors resolution dated 25 April 2022, the following committee members were determined in line with the Corporate Governance Principles published by the Capital Markets Board.

Corporate Governance Committee

Ahmet Murat Selek	Chairman
Mehmet Hurşit Zorlu	Member
Lale Develioğlu	Member
Neşet Fatih Vural	Member

The duties of the Nomination Committee and the Remuneration Committee are carried out by the Corporate Governance Committee.

The Corporate Governance Committee convened four times throughout the year.

Audit Committee

Ahmet Murat Selek	Chairman
Orhan Özer	Member

The Audit Committee convened four times throughout the year.

Early Detection of Risk Committee

Orhan Özer	Chairman
Tuğban İzzet Aksoy	Member
Barış Tan	Member

The Early Detection of Risk Committee convened twice throughout the year, and provided the Board of Directors with reports containing information about their activities and the results of the meetings held throughout the year. The Early Detection of Risk Committee informed the Board of Directors about its activities with a total of six bimonthly reports throughout the year

Company Management

Senior management team and their job descriptions as of 31 December 2022:

Adı Soyadı	Görevi
Bora Koçak	Automotive Group President
Yusuf Tuğrul Arıkan	General Manager
Hakan Özenç	Operational Functions Group Director
Hakan Kefoğlu	Commercial Functions Group Director
Neşet Fatih Vural	Chief Financial Officer
Mustafa Kemal Özer	Supply Chain Director
Arif Özer	R&D Director
Ali Salihi	Marketing and Business Development Director
Murat Sever	Technical Director
Ayşegül Örs Bingöl	Human Resources Director
Hasan Yusuf Teoman	Sales Director
Murat Dedeoğlu	International Sales Director
Aşkın İnci	IT Director

Financial Benefits Offered to Senior Managers

The benefits (salaries, bonuses, social benefits, premium, severance pay, notice pay) provided to our senior managers in 2022 added up to TL 46,745,728.

Human Resources and Employment

As of 31 December 2022, our Company employs a total of 983 people, of which 404 are white collar and 579 are blue collar workers. (31 December 2021: 921 employees, of which 360 are white collar and 561 are blue collar workers).

Internal Audit Activities

The Internal Audit Manager answers to the Audit Committee at the functional level, and to the General Manager administratively. The effectiveness of the Company's internal control system is also monitored through internal audits. The findings and risks identified with the internal audit carried out in 2022 were communicated to the Company's senior management and the relevant departments together with suggestions for improvement.

Risk Management and Internal Control Mechanism

Risk Management and Internal Control System at Anadolu Isuzu is under the responsibility and control of Company management. The Corporate Risk Management function, which operates to provide assurance and consultancy to the management on these issues, reports directly to the Early Detection of Risk Committee.

Anadolu Isuzu Senior Management identifies critical opportunities and threats that may arise in terms of achieving the Company's targets within the frame of Corporate Risk Management and manages them in accordance with the risk appetite of our Company. Corporate Risk Management is a systematic and disciplined process that is established to determine Anadolu Isuzu's business strategies. It is influenced by all Company employees and covers all Company

practices.

With the coordination of the Corporate Risk Management function, the risks that may arise for the goals of the Company are submitted to management for their consideration, and priority risks are identified. Priority risks, and action plans aimed at reducing these risks, are shared with the Early Detection of Risk Committee to be submitted to the Board of Directors. The management and continuity of this process integrated with strategic business plans is supported by technological infrastructure.

Some of the methods we use to manage our risks are as follows:

Performance and risk indicators are used as an early warning system to monitor risks and take the necessary measures on time. The SAP system, which is integrated into all processes within the Company, is an effective technological decision support system used for this very purpose.

This allows for instantaneous monitoring of activity results, elimination of human errors, early detection of risks and increased efficiency of the internal control system. At the same time, the internal communication system with high-level technology provides the opportunity to quickly intervene in any problem and produce solutions.

Business continuity and crisis management studies are carried out and supported by effective insurance management in order to prevent and reduce losses arising from risks that may cause business and production interruptions, such as natural risks and supply chain problems.

Investments are made in backup systems to prevent system damage and data loss in case of any extraordinary situation.

In addition, the Company instantly monitors environmental factors and extraordinary situations and investigates their causes, and continuously takes measures to minimize any risks.

The Internal Audit Department regularly reviews the company's risk management and internal control system within the frame of its risk-based audit plan, and reports to the Audit Committee and Company Management:

- Accuracy and reliability of Financial and Operational Information
- Efficiency of operations
- Protection of company assets
- Ensuring compliance with laws, regulations and contracts

Selection of Independent Audit Firms

After the relevant evaluations and consulting the Audit Committee, the Board of Directors selected PWC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi as the independent audit firm for the fiscal year of 2022 in line with the Turkish Commercial Code and Capital Market regulations. This resolution by the Board of Directors was approved at the Ordinary General Assembly meeting dated 22 April 2022.

Forward-Looking Assessments

Anadolu Isuzu continues its efforts to strengthen its position in foreign markets, open up to new markets by leveraging the global sales network of its partner Isuzu Motors Ltd, and increase the number of export countries and export turnover. The most significant dynamic of the Company in 2022 is, yet again, its strong export structure.

Our company aims to expand its product portfolio and increase profitability with successful R&D projects. The Company also aims to expand testing services by opening testing activities at the R&D Center to various companies inside and outside the industry

Investments Made in 2022

Investments totaling TL 315.6 million were made during January-December 2022.

Tangible Fixed Asset Investments	
Description (TL)	2022
Land and Land Improvements	4.696.989
Buildings	924.754
Facility Machinery and Devices	104.579.754
Vehicles	3.513.654
Fixtures	2.212.272
Ongoing Investments	10.803.718
Total Tangible Fixed Assets Investments	126.731.141

Intangible Fixed Asset Investments	
Description (TL)	2022
Rights	217.413
Development Expenses	115.647.065
Other Intangible Fixed Assets	19.838.438
Ongoing Investments	53.208.872
Total Intangible Fixed Asset Investments	188.917.100

Financial Results

Independently audited financial statements showing the operating results of the year 2022 and the relevant footnotes are presented in the relevant sections of the Annual Report. The asset size of Anadolu Isuzu increased by 131% year-on-year and reached TL 8,335 million, while its revenue rose by 134% to net TL 6,270 million.

Gross profit increased by 152.1% year-on-year to TL 1,423 million, while income from main operations was TL 703 million and net profit was TL 617,4 million.

Our Company closely monitors financial risks and makes sure to keep such risks within the limits determined by the Board of Directors and the Audit Committee. The basic policies applied for certain risks are explained in the footnotes of the financial statements together with information on the nature and levels of the risks.

Financial Data (TL)	2022	2021
Sales Revenue	6.269.881.603	2.678.041.855
Gross Profit	1.423.222.069	564.599.132
Operating Profit	703.491.201	235.590.229
EBITDA	807.854.850	301.746.548
Profit Before Tax	491.890.866	203.149.977
Net Profit (Controlling Shares)	617.387.200	211.426.746

Profitability Ratios	2022	2021
Gross Profit Margin	22,7	21,1%
Operating Margin	11,2	8,8%
Net Profit Margin	9,8	7,9%
Return on Equity	18,2	15,2%
Operating Expenses/Net Sales	11,5	12,3%
Financial Expenses/Net Sales	3,7	1,2%
EBITDA Margin	12,9	11,3%

Current Ratios	2022	2021
Current Ratio	1,16	1,3
Cash Ratio	0,4	0,4
Liquidity Ratio	0,81	1,0

Solvency Ratio	2022	2021
Trade Debt-To-Equity Ratio	64,9	72,6
Financial Debt-To-Equity Ratio	8,5	21,1
(Total Trade Debt + Total Financial Debt)/ Equity	124,4	139,7
Debt-to-Asset Ratio	59,3	61,4
Equity-to-Asset Ratio	40,7	38,6

Market Value (TL)	2022	2021
ASUZU	19.437.600.000	2.899.680.000

There were no instances of the company's capital being unrequited or the company being insolvent.

Amendments to the Articles of Association in 2022

At the meeting of the Company's Board of Directors dated 13.12.2022, it was decided to amend Article 13 of the Company's Articles of Association titled "Board of Directors" and to apply to the Capital Markets Board and the relevant Ministry for the amendment, and to apply first to the Capital Markets Board and then to the Ministry of Trade

in order to obtain the necessary permissions and approvals in accordance with the relevant legislation before the amendments to the Articles of Association are submitted to the approval of the shareholders at the Ordinary General Assembly for the fiscal year 2022

Production

Anadolu Isuzu continues production in the truck, light truck, midibus, bus and pick-up segments. Production volume increased in 2022 by 27% year-on-year to 5,161 units.

Production	2022	2021
Trucks	3.090	2.637
Light-Trucks	603	439
Midibuses	995	602
Buses	473	388
Total Production	5.161	4.066

Domestic Sales - Export

Anadolu Isuzu continues its vehicle sales with 31 sales points spread throughout the country and distributors in more than 45 countries. In 2022, a total of 6,427 vehicles were sold; 5,349 to the domestic market, and 1,078 to international markets.

Domestic Sales	2022	2021
Truck	2.881	2.505
Light Trucks	549	455
Pick-Ups	1.373	806
Midibuses	445	264
Buses	101	21
Total Domestic Sales	5.349	4.051
Export	2022	2021
Number of Vehicles	1.078	1.006

During this period, efforts were continued to develop and diversify export regions to take advantage of the new opportunities that may arise due to the circumstances.

After-Sales Services

With a service network that covers all corners of Turkey, Anadolu Isuzu focuses on fulfilling the after-sales demands and expectations of customers in all segments in the best and fastest manner possible.

Improving customer satisfaction

With a service network that covers all corners of Turkey, Anadolu Isuzu focuses on fulfilling the after-sales demands and expectations of customers in all segments in the best and fastest manner possible.

With the belief that the actual service starts after the sale, Anadolu Isuzu continued to expand its after-sales services in 2022.

The Company further improved its high level of customer satisfaction in 2022. The results of the satisfaction survey conducted with customers showed that the domestic customer satisfaction rate for Anadolu Isuzu remained high in 2022.

Anadolu Isuzu owes a great deal of its sustainable customer satisfaction to its after-sales service team that stands out with their widespread service network and tireless efforts.

As of the end of 2022, Anadolu Isuzu's domestic service network consists of 90 points operating in 57 provinces. Anadolu Isuzu vehicles abroad are served with 129 authorized service points in 45 countries.

Other Activities and Information

There are no administrative or judicial sanctions imposed on the Company and its management body, as there are no practices contrary to the provisions of the legislation.

Our company held its 2021 Ordinary General Assembly Meeting on 22 April 2022. The resolutions made during the General Assembly and the meeting minutes are published on our website and the Public Disclosure Platform. No extraordinary general meeting was held throughout the year.

There is no lawsuit filed against the Company that could affect its financial status and activities. Provisions for lawsuits filed against the Company as of 31 December 2022 and not concluded as of the balance sheet date are disclosed in the footnotes of our financial statements.

There was no special audit conducted during the accounting period. There are no penalties arising from public audits.

There is no legal action taken for the benefit of our main partners and their affiliates, with the guidance of our partners. There is no taken or avoided measure for the benefit of our main partners or their affiliate companies (TCC Regulations Art. 11).

The Company did not acquire its own shares during this period.

3) EVENTS AFTER THE BALANCE SHEET DATE

Fzk Mühendislik ve Sınai Yatırımlar A.Ş (FZK) operates in the automotive sector. It manufactures construction serial parts, especially vehicle body manufacturing, for the automotive sector. By improving our ongoing commercial activities and cooperation between our company and FZK, a transfer agreement was signed on 03.02.2023 for the partial transfer of automotive activities of FZK by our company.

The machine park and fixtures for the production of metal sheets, semi-finished products and details, which are used in the production of FZK for the automotive industry and referred to as carcasses, the expert staff and stocks, and all documents constituting know-how will be transferred to our company.

Following the partial transfer process, FZK will continue its activities in other industries under its own title.

The total partial transfer fee to be paid to FZK is \$6.5 million + VAT, the payments are planned to be completed within 2 years.

The possible effects of the earthquake that took place in Kahramanmaraş on February 6, 2023 which affected many provinces of Turkey, on the Company's activities and business continuity were evaluated by the Company Management; It does not have a material impact on the financial statements.

4) DIVIDEND DISTRIBUTION POLICY

Our Company distributes dividends in accordance with the provisions of the Turkish Commercial Code, Capital Market Regulations, Tax Regulations and other relevant regulations and the article on dividend distribution of our Articles of Association

Our Company distributes at least 50 percent of its distributable dividends as cash and/or bonus shares every year.

Except for the investments and other fund needs required for the long-term growth of the Company, and the special cases required by extraordinary developments in economic conditions, maintaining this dividend policy is among the main objectives of our Company

Decisions for dividends are taken separately for each accounting period by the Board of Directors and submitted to the General Assembly for approval. Dividend distribution starts on the date determined by the General Assembly, provided that the date is before the end of the year in which the General Assembly Meeting was held. The Company may consider distributing advance dividends in accordance with the provisions of the current legislation or paying the dividends in equal or different installments.

Within the frame of our efforts for compliance with the Corporate Governance Principles, we decided to handle this as a written policy in 2005. In accordance with the Capital Market's Communiqué on Dividends (Series: II-19.1), the revised dividend policy approved with the Board of Directors Resolution dated 21 March 2014 and published in the Public Disclosure Platform on the same date was approved at the General Assembly Meeting dated 17 April 2014

In 2022, a total of TL 30 million gross dividend payment was realized in relation to 2021 profit.

ANADOLU ISUZU OTOMOTİV SANAYİİ VE TİCARET A.Ş. BOARD OF DIRECTORS 2022 AFFILIATED COMPANY REPORT PREPARED UNDER ARTICLE 199 OF THE TURKISH COMMERCIAL CODE

In accordance with Article 199 of the Turkish Commercial Code No. 6102 that entered into force on 1 July 2012, the Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. Board of Directors is obliged to prepare a report on the Company's relations with the controlling shareholder and its affiliates in the previous year of operation within the first three months of the year of operation, and include the conclusion of this report in the annual report.

The necessary explanations on the transactions carried out by Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. with the related parties are included in Footnote No. 28 of the financial reports.

"The report dated 28 February 2023 and prepared by the Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. Board of Directors, shows no transactions carried out by Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. with the controlling shareholders and their affiliates through the guidance of the controlling Company or with the intention of achieving results for the benefit of the controlling Company or its affiliates, and no measures taken or avoided for the benefit of the controlling Company or its affiliates. It shows that in all transactions carried out with the controlling shareholder and its affiliates in 2022, a counter act at arm's length was carried out in every transaction in accordance with the known terms and conditions to ensure that the operation is carried out in a competitive manner under the market conditions at the time of the transaction, there are no measures taken or avoided to cause damage to the Company in favor of our Company's controlling shareholder and its affiliates, and there are no actions or measures within this

CORPORATE GOVERNANCE

SECTION I - STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

1. Statement of Compliance with Corporate Governance Principles

All activities of our company are carried out in compliance with all legal regulations and the “Corporate Governance Principles” regulated by the CMB. In addition to the information on our Company’s practices for each of the subjects mentioned in the Corporate Governance Principles, this Statement of Compliance with Corporate Governance Principles includes justified explanations of cases where these principles have not been applied (if any), the conflicts of interest arising due to the failure to fully comply with these principles (if any), and explanations regarding whether there are plans to make changes in our Company’s management practices in the future within the frame of these principles.

Our Company deems it a strategic necessity to take all necessary measures in line with the requirements of the “Corporate Governance Principles” disclosed to the public by the Capital Markets Board. Our Company complied with the “Corporate Governance Principles” published by the CMB during the operation period of 1 January 2022 - 31 December 2022, except for certain principles outside of the ones we are obliged to comply with, as specified below. There is no conflict of interest arising from the non-applicable matters summarized below. In addition, the Corporate Governance Compliance Report (URF) and the Corporate Management Information Form (KYBF), prepared in line with the CMB’s Resolution No. 2/49 dated 10 January 2019, can be accessed through the Corporate Governance section on the Public Disclosure Platform.

(<https://www.kap.org.tr/sirket-bilgileri/ozet/861-anadolu-isuzu-otomotiv-sanayi-ve-ticaret-a-s>)

- In accordance with Article 4.6.5 of the Corporate Governance Principles, the remuneration and all other benefits provided to the members of the Board of Directors and managers with administrative responsibilities are disclosed to the public with the annual report. However, the statement was not prepared on an individual basis as in previous years, but in a manner that includes the distinction between the Board of Directors and the managers with administrative responsibilities.
- There is no written compensation policy for employees that is required in accordance with Article 3.1.2 of our Company’s “Corporate Governance Principles.” The Company takes the utmost care to protect the right to compensation of the employees within the frame of the principles in the Labor Law, as well as Anadolu Group Working Principles.
- Except for special cases and footnotes, financial statement notifications that need to be disclosed to the public in accordance with the capital market legislation are not currently disclosed simultaneously in English and Turkish on the Public Disclosure Platform. The plan is to include the aforementioned statements on the PDP in English in the upcoming period.

Ahmet Murat SELEK

Head of the Corporate Governance Committee

Hürşit ZORLU

Member of the Corporate Governance Committee

Lale Develioğlu

Member of the Corporate Governance Committee

Neşet Fatih VURAL

Member of the Corporate Governance Committee

SECTION II - SHAREHOLDERS

2.1. Investor Relations Department

The personnel with name, contact and license information provided below are responsible for the investor relations department of our Company established under the Chief Financial Officer.

Working under Fatma Aksoy Özek in 2019, the Investor Relations Department has been working under Neşet Fatih Vural, who was appointed as Chief Financial Officer, as of 4 January 2021.

Neşet Fatih Vural - Investor Relations Department Manager/CFO

Phone : +90 850 200 19 00

Email : investorrelations@isuzu.com.tr

License : Capital Market Activities Level 3 License

Corporate Governance Rating License

Fatih Terlemez - Member of Investor Relations Department/Financial Control and Reporting Special

Phone : +90 850 200 19 00

Email : investorrelations@isuzu.com.tr

The Investor Relations Department works primarily to ensure communication between the Board of Directors and shareholders, and to ensure the exercise of shareholder rights. In this context, issues such as making material disclosures on matters stipulated in accordance with the Capital Market legislation, preparing periodic information notes on the activities in order to inform investors, providing the content of the Company website, creating an annual report and meeting the written/verbal information requests of the shareholders are under the responsibility of the Investor Relations Department

During this period, the Investor Relations Department answered questions from investors and provided the necessary explanations. During this period, more than 100 applications were made to the department, and the number of questions asked increased upon the publishing of the financial statements, announcement of the date for the Ordinary General Assembly Meeting and other material disclosures.

The Corporate Governance Committee oversees the works of the Investor Relations Department. In this context, the committee determines the standards and basic principles of investor relations, annually reviews these standards and principles and compliance and makes the necessary suggestions to the Board of Directors. The report prepared by the Investor Relations Department regarding the activities and submitted to the Committee at each Corporate Governance Committee meeting is also submitted to the Board of Directors by the committee. Four committee meetings were held in 2022.

Improvement in our credit rating AA (tr)

Credit rating agency JCR Avrasya Rating Services A.Ş. has rated our Company in the "investment grade" category. and assigned a Long Term National Credit Rating is AA (Tr) (Stable Outlook), Short Term National Credit Rating J1+ (Tr) (Stable Outlook), Long Term International Credit Rating BBB- (Stable Outlook) and Short Term International Credit Rating as J2 (Stable Outlook).

2.2. Exercise of Shareholders' Right to Information

Information Requests of Shareholders from the Company

In line with its information policy, our Company ensures the complete and timely notification of all shareholders with all the information required for the proper exercise of their shareholding rights. Information requests from shareholders are evaluated within this frame. Transfer of information takes place within the scope of the content previously disclosed to the public.

Talks were held to ensure that domestic and foreign, corporate and individual investors, shareholders and analysts were informed about our Company's operating results, performance and other developments during the period, and all issues determined in accordance with the Capital Market legislation were announced to the public through material disclosures and press releases.

The questions answered within the scope of the information requests directly from the shareholders or intermediary institutions during the periods of financial statement announcements were about the Company's financial statements, the market structure, the change in the market, the development of the Company's market share and the new projects for the future and corresponding investments.

Assessment of Shareholder Information Requests and Announcement of Developments to Investors

Information requests from shareholders are answered immediately. The Company's website includes detailed information about the Company's capital structure, trade registry information, articles of association, organizational structure, periodic activities and financial statements, and the material disclosures made during the period.

In addition, our Company responds to the questions conveyed through the contact form on the website, one by one, in the shortest possible time and in line with the information disclosed to the public, especially to those asked by domestic individual investors.

Appointment of Special Auditors

Our Company's articles of association do not contain any provisions that make it difficult to conduct a special audit, and the Company management avoids any action that would make it difficult to conduct a special audit. Our Company acts in accordance with the relevant provisions of the TCC regarding the exercise of the right to request a special audit. There was no shareholder request for the appointment of a special auditor in 2022.

2.3. General Assembly Information

Our Company organizes its General Assembly meetings in accordance with all principles under the "General Assembly" heading of the Corporate Governance Principles

Our Company held its Ordinary General Assembly meeting for 2022 at 2 p.m. on 22 April 2022 at "Fatih Sultan Mehmet Mahallesi Balkan Caddesi No 58 Buyaka E Blok Tepeüstü 34771 Ümraniye / İstanbul" with the participation of 85 percent of the partners.

Shareholders were invited to the General Assembly meeting at least three weeks before the meeting date with an advertisement in the national newspaper. In addition, written invitations were sent out to the registered holders.

Information on the Company's operating results is made available to the shareholders at the Company headquarters and Company factory at least three weeks before the General Assembly Meeting. After the financial statements are disclosed to the public, the information regarding the financial statements is also announced on the Company website. During the Ordinary General Assembly meeting, the chairman made sure to convey the agenda items in an impartial, detailed, clear and understandable manner. The chairman ensured that every question asked by the shareholders at the General Assembly meeting outside of the scope of trade secrets was answered directly at the General Assembly meeting, and there were no questions not related to the agenda or too comprehensive to be answered immediately at the Ordinary General Assembly meeting.

In accordance with Article 1.3.7 of the Corporate Governance Principles, there were no transactions performed within the scope of the Company's field of operation by persons with privileged access to Company information on their own behalf and which must be communicated to the General Assembly.

The agenda of the General Assembly was prepared in a manner that each item would be under separate headings and agenda items would be clear to not cause different interpretations. Expressions such as "other" and "various" were

avoided in the agenda. The information provided before the General Assembly meeting was provided in reference to the relevant agenda items.

While the meeting agenda was being prepared, there were no issues that the shareholders conveyed to the Company's Investor Relations Department in writing for inclusion in the agenda. Likewise, the shareholders, CMB and/or other public institutions and organizations related to the Company did not make any requests for the inclusion of any items in the agenda.

The total number of shares and voting rights reflecting the Company's shareholding structure as of the date of the announcement of the General Assembly meeting were published on the Company's corporate website

(www.anadoluisuzu.com.tr).

Invitation to the General Assembly is made at least three weeks in advance in the national newspaper and trade registry gazette. In addition, the decision of the Board of Directors regarding the invitation of the General Assembly to the meeting and the meeting agenda are published on the Public Disclosure Platform, the Electronic General Meeting System and the Company's website. In order to increase the participation of the shareholders, the General Assembly meetings are held in a way that does not cause inequality among the shareholders and ensures the participation of the shareholders at the least cost possible. In addition information regarding the decisions taken in the General Assembly is published on the Public Disclosure Platform and the Company's website after the meeting.

Members of the Board of Directors, other relevant persons, officials and auditors responsible for the preparation of the financial statements were present at the General Assembly Meeting in order to provide the necessary information and answer questions.

Although there is no such provision in the articles of association, General Assembly meetings are open to the public, including the stakeholders and the media. Except for the Company officials mentioned in the previous paragraph, no stakeholders or media members attended the Ordinary General Assembly meeting held on 22 April 2022.

Although our Company does not have a policy dedicated to donations and aids, this issue is regulated in detail in the articles of association. A separate item was added to the General Assembly agenda regarding the donations and aids made during the period, and the shareholders were informed about this issue at the meeting.

During the period, there was no transaction seeking the majority vote of the independent Board members for decision by the Board of Directors and left to the General Assembly due to the failure to achieve the majority vote.

In line with the provision of the mandatory Corporate Governance Principle No. 1.3.6 in the CMB Communiqué No. II-17.1 stating that "if the controlling shareholders, board members, managers with administrative responsibilities and their spouses and seconddegree relatives by blood or marriage carry out a transaction that may cause a conflict of interest with the partnership or its subsidiaries and/or carry out a commercial transaction within the scope of the line of business of the partnership or its subsidiaries on their own or someone else's account or enter another partnership operating in the same line of business as an unlimited partner, these transactions are included in the General Assembly agenda as separate items for detailed information on the subject and recorded in the minutes of the General Assembly Meeting," the partners were informed that there were no major transactions in this context during the year. The minutes of the meeting and the list of attendees were announced to the public on the same day of the meeting via the Public Disclosure Platform.

The minutes of the General Assembly Meeting and the list of attendees are kept available for the information of shareholders on our corporate website

2.4. Voting Rights and Minority Rights

Privilege in Voting Rights

There is no practice in our Company that makes it difficult for shareholders to exercise their voting rights, and within the frame of the provisions of the Turkish Commercial Code regarding the electronic general meeting, the necessary mechanisms are established to provide every shareholder, including those outside the country, with the opportunity to exercise their voting rights in the easiest and most convenient way possible.

According to the Company's Articles of Association, there is one right to vote for each share in the General Assembly, and there is no privilege on voting.

There is a regulation in the current articles of association of the Company regarding the election of the board members;

The Company is managed by a Board of Directors consisting of 14 members elected by the General Assembly in accordance with the provisions of the Turkish Commercial Code and the Capital Market Legislation.

For the Board of Directors, the General Assembly elects four members from the candidates nominated by the Group B shareholders, eight members from the candidates nominated by the Group A shareholders, and the other members from the candidates nominated by any shareholder.

Anadolu Group signed a joint venture agreement between its foreign partners Isuzu Motors Limited, and Itochu Corporation in 1985 and Isuzu Motors Limited became a licensing partner. This cooperation, which includes technology transfer, was realized with the participation of foreign partners in the management in a non-majority partnership structure.

Mutual Participation

The Company does not have a mutual participation relationship with any organization.

Representation of Minority Interests in Management

Our Company takes the utmost care in the exercise of minority rights. In line with the Corporate Governance Principles, the independent members of the Company's Board of Directors are capable of performing their duties without being under any influence, and accordingly contribute to the objective management of the Company and ensure the protection of minority rights.

Although minority rights can also be granted to those who have an amount less than one-twentieth of the capital in accordance with the Corporate Governance Principles, there is no provision in our Company's Articles of Association that expands the scope of minority rights compared to the legally determined measures.

2.5. Dividend Rights

Privileges on Company Profit Participation

There is no privilege granted to shareholders regarding participation in the profits of the Company.

Company Dividend Distribution Policy

Our Company distributes dividends in accordance with the provisions of the Turkish Commercial Code, the Capital Market Regulations, Tax Regulations and other relevant regulations and the article on dividend distribution of our Articles of Association.

Our Company distributes at least 50 percent of its distributable dividends as cash and/or bonus shares every year.

Except for the investments and other fund needs required for the long-term growth of the Company, and the special cases required by extraordinary developments in economic conditions, maintaining this dividend policy is among the main objectives of our Company.

Decisions for dividends are taken separately for each accounting period by the Board of Directors and submitted to the General Assembly for approval. Dividend distribution starts on the date determined by the General Assembly, provided that the date is before the end of the year in which the General Assembly Meeting was held. The Company may consider distributing advance dividends in accordance with the provisions of the current legislation or paying the dividends in equal or different installments.

Within the frame of our efforts for compliance with the Corporate Governance Principles, we decided to handle this as a written policy in 2005. In accordance with the Capital Market's Communiqué on Dividends (Series: II-19.1), the revised dividend policy approved with the Board of Directors Resolution dated 21 March 2014 and published in the Public Disclosure Platform on the same date was approved at the General Assembly Meeting dated 17 April 2014.

The dividend distribution policy is included in the annual report. The dividend distribution policy is also published on the Company's corporate website

Within the framework of the principles set forth in the Capital Markets Board's (CMB) Dividend Communiqué (II-19.1), the provisions of our Company's Articles of Association and the dividend distribution policy publicly disclosed by our Company; our Company has realized a gross dividend payment of TL 30 million in 2022 from the consolidated financial statements of 2021 prepared in accordance with the Turkish Commercial Code and CMB regulations.

2.6. Transfer of Shares

There are no provisions restricting the transfer of shares in the Company's Articles of Association, and our Company does not have any practice in place that makes it difficult to transfer the shares freely.

SECTION III - PUBLIC DISCLOSURE AND TRANSPARENCY

3.1. Company Website and Its Content

The Company's corporate website is www.anadoluisuzu.com.tr. The website is available in both Turkish and English.

Information about privileged shares is not specified separately since it is included in the Articles of Association, and other issues specified in the Corporate Governance Principles are included in the website in a comprehensive manner. The information on our Company's website is consistent with the statements made in accordance with the provisions of the relevant legislation, and does not contain any conflicting or incomplete information.

Except for special cases and footnotes, financial statement notifications that need to be disclosed to the public in accordance with the capital market legislation are not currently disclosed simultaneously in English and Turkish on the Public Disclosure Platform. The plan is to include the aforementioned statements on the PDP in English in the upcoming periods.

3.2. Annual Report

Our Company's annual reports are prepared in a thorough manner that will enable the public to find complete and accurate information about the activities of the Company, and include the information under Article 2.2.2 of the Corporate Governance Principles in addition to the matters specified in the legislation and other sections of the Corporate Governance Principles.

SECTION IV - STAKEHOLDERS

4.1. Informing Stakeholders

Informing Stakeholders

Stakeholders are individuals, institutions or interest groups such as employees, creditors, customers, suppliers, trade unions, various nongovernmental organizations that have an interest in the Company's achievement of its goals or in its activities. Our Company protects the rights of the stakeholders in its procedures and activities, which are regulated by legislation and mutual agreements. In cases where these rights are not protected by legislation and mutual agreements, the Company shows utmost care to protect the interests of the stakeholders within the frame of goodwill and bounds of possibility. Our Company acts in accordance with the Corporate Governance Principles in its relations with stakeholders and has established all the relevant mechanisms.

If there is a conflict of interest between stakeholders or a stakeholder is involved in more than one interest group, a balanced policy is followed to protect the relevant rights with the goal of protecting each right separately.

Our Company implements the provisions of the relevant legislation in the use of mechanisms such as compensation of stakeholders. There is no written compensation policy for employees that is required in accordance with Article 3.1.2 of our Company's "Corporate Governance Principles." The Company takes the utmost care to protect the right to compensation of the employees within the frame of the principles in the Labor Law, as well as Anadolu Group Working Principles.

Ensuring the satisfaction of stakeholders by producing timely and applicable solutions to problems related to employees and other stakeholders is one of the most critical policies of the Company. Our employees, suppliers, customers and consumers are informed on the relevant issues in different ways.

Communication of Stakeholders with the Corporate Governance Committee and Audit Committee

Stakeholders can report the Company's transactions that are in violation of the legislation and not ethically appropriate to the Corporate Governance Committee or the Audit Committee through the office of the Chief Financial Officer and Internal Audit Directorate.

4.2. Stakeholders' Participation in Management

Studies on Stakeholders' Participation in Management

Models that support the participation of stakeholders in Company management, especially for the Company's employees, are developed in a manner that does not disrupt the activities of the Company. An open platform is provided for shareholders to state their positive or negative opinions about the Company at the General Assembly Meetings that are open to the participation of shareholders. In addition, the contact form on the Company website and the telephone line of the Investor Relations Department also provide an effective communication mechanism for shareholders.

Our employees can share their suggestions for adding value to our organization with the management through the Anadolu Group Innovation Portal "Bi-Fikir." The Human Resources Request and Improvement Line is actively used by our employees for general or improvement requests regarding the services offered by Human Resources. In addition, the Employee Satisfaction and Loyalty Survey, regularly conducted to support our employees' participation in management, is a channel where employees can express their general or improvement requests for the relevant institution.

Within the scope of Kaizen improvement studies and quality circles, the company carries out works aimed at improving the activities with employee participation.

Dealers and suppliers are asked for their opinions at annual meetings, and these opinions are considered in strategic plan studies.

Our Company takes all kinds of measures to ensure customer satisfaction in marketing and sales of goods and services. Requests for the goods and services purchased by the customer are rapidly evaluated, and our customers are informed about delays without waiting for the deadline. Quality standards are followed for all goods and services, as the Company emphasizes maintaining a certain level of standard in all its operations. Certain guarantees of quality are provided for this very purpose. The Company ensures the confidentiality of customer and supplier information and treats them as trade secrets. Stakeholders are asked for their opinions in critical decisions that may have consequences for them.

4.3. Human Resources Policy

Human Resources Policy

Our Company's Human Resources Policy was established in line with Anadolu Group Human Resources Quality Policies and announced to all employees

Anadolu Isuzu Human Resources Mission

In line with Anadolu Isuzu's reason for existence and strategies, to increase the motivation and commitment of employees and to improve their qualifications; To contribute to the profitability of the company and to add value to the future of the organization. Anadolu Isuzu is managed with an understanding that is innovative, dynamic, investing in development and respecting social values and beliefs.

Anadolu Isuzu Human Resources Vision

Serving as a strategic business partner that offers competitive advantage.

-Anadolu Isuzu's Human Resources strategy is carried out within the frame of the following core policies:

- Providing the Company with human resources that offer a global perspective and the right skill set.
- -Creating a work culture and human resources systems that strive to do better by working as a team and with knowledge in a business environment based on open communication and trust.
- Contributing to organizational efficiency and development.
- Strengthening the employee engagement culture.

Anadolu Isuzu wants its employees to be people who think globally, remain open to teamwork and communication, emphasize development, analyze and take initiative, and act in accordance with a business and customer-oriented working principle. On the other hand, the Company prioritizes leadership, strategic thinking and managerial efficiency competencies in its executive candidates.

An approach which is against discrimination and supports equal opportunity

In light of its values and corporate culture, Anadolu Isuzu embraces a "people first" approach, regardless of language, religion, race or gender.

Equality of opportunity, which is also included in the working principles of the Anadolu Group and implemented without compromise, is supported throughout the organization. The Company ensures equality of opportunity and diversity in all HR practices, starting from the hiring process and proceeding with salaries and careers. Anadolu Isuzu also values creativity and innovation, as the Company is managed with a dynamic, innovative and transparent approach.

Anadolu Isuzu aims to be a preferred employer under all circumstances with its human resources practices.

Anadolu Isuzu aims to be a preferred employer in the market with its human resources practices under all circumstances. It considers it among its corporate priorities to manage its human resources, in which professionals who provide high added value in a way that supports sustainable growth, work with a focus on employee satisfaction, continuous development and mutual open communication.

Anadolu Isuzu has a total of 983 employees in 2022. The total number of employees at the Company's R&D Center was 171 in the same period. Anadolu Isuzu employed 166 people in 2022.

The basic principles that guide Anadolu Isuzu's human resources policies are; equal opportunity for everyone, recruiting and assigning the right person to the right job, equal pay for equal work, merit based on success, continuity and efficiency in working success, effective internal communication and sensitivity to society.

Selection and placement processes carried out in order to recruit qualified human resources to Anadolu Isuzu; It includes foreign language level determination, numerical and verbal tests, personality inventory applications and reference researches. Our candidates are evaluated on a role-based basis, regardless of the concepts of competition equality, religion, language, race, ethnicity and gender, and are selected meticulously and sensitively.

Employees who join Anadolu Isuzu are greeted with a welcome kit, and they are included in the 1-month orientation process that starts from the day they start working to support the adaptation process to the corporate culture.

An approach that encourages the female workforce

As a result of the employment approach implemented within Anadolu Isuzu in line with the goal of ensuring equality between women and men, the number of women working in 5 years has increased by 35% in the total number of employees.

Continuing to work on women's employment, Anadolu Isuzu Human Resources also implements projects to increase the satisfaction and standards of existing female employees in the business environment.

In order to achieve our goal of doubling the number of our female employees, we aim for at least 50% of our recruits to be women each year. In this direction, we started our female candidate recommendation system. Our employees who propose female candidates for our vacant postings are given a recommendation award if the proposed candidate completes the 6th month from the date of employment.

Open Jobs Model

The "Open Jobs Model" aims to open vacant positions to the entire Group and to allow employees to benefit from these opportunities in line with their competencies, experience and wishes. The model also enables talented individuals working in other Anadolu Group companies to be aware of career opportunities in group companies.

With this platform Anadolu Isuzu aims

- To increase communication and transparency within the Company/Group,
- To help its employees take the initiative regarding their career,
- To ensure more effective use of human resources (competence and skills),
- To increase employee motivation and their commitment to the institution.

The contribution of the Performance Management System

The Anadolu Isuzu Performance Management System allows teams and individuals to boost their performance and improve their competencies. Contributing to Company success, the Performance Management System focuses on the development of employees in addition to business results, and provides feedback on the strengths and areas of development for all employees.

Performance criteria and annual performance targets for employees are determined within the framework of the Company's strategies and goals.

Anadolu Isuzu aims to create sustainable targets with its performance management system, which focuses on objectively evaluating employee performance.

Employees may set their goals through the system and easily carry out approval processes from any location throughout the year. Evaluations are carried out twice a year with an “Interim Performance Evaluation” and a “Year-End Performance Evaluation”.

Steps taken for organizational development

Emphasizing organizational development activities at all times, Anadolu Isuzu continued to work on organizational designs that will serve the Company’s strategic goals, and implemented new business models in 2022.

Contribution through training and development activities

With the training and development activities carried out for continuous improvement and development at Anadolu Isuzu, it is strategically aimed to develop all employees in their focus areas.

Considering continuous training and development as the focus of its human resources system, Anadolu Isuzu aims to expand the visions of its employees and to support their technical, knowledge, skill and personal development.

Development needs; In addition to the feedback received from their managers and colleagues within the scope of the competency evaluation system, the outputs of the manager-employee meetings held during the performance process and the human resources planning process meetings are determined, and short and long-term training and development plans are created accordingly.

Corporate development programs are organized within Anadolu Isuzu in order to support young talents and train new leaders.

Highlights from the Training Sessions in 2022...

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Corporate development programs are organized within Anadolu Isuzu in order to support young talents and train new leaders.

The Leadership Development Program was designed and implemented in collaboration with Sabancı University in order to support the managerial competencies of First-Level Managers and Team Leaders, as well as to support their development in creating a common management understanding and language unity, and to enable them to reconsider their leadership skills and view of work and problems with an understanding of integrity. has been passed. The Leadership Program consists of 5 main modules, 7 topics and a Business Simulation application and a total of 10 training days.

The One-to-One Financial Coaching program has been initiated with the aim of how to interpret the tables in which financial transactions are reflected, related analysis and applications are discussed, to improve the financial literacy of every manager, even if it is not directly related to financial management, and to observe holistically the place in the financial statements of the movements within their own field decisions that will be reflected in the Company’s results. The aim of the program is to gain a holistic financial perspective and to foresee the effects of the financial dimension in all decision processes of Anadolu Isuzu. In the same context, the Finance School program consisting of 4 separate training sessions for managers was held in order to foresee the effects of the financial dimension in all decision processes of Anadolu Isuzu.

Occupational health and safety, accident research and risk analysis trainings have been organized in order to provide a healthy and safe environment, reduce work accidents and occupational diseases, teach the occupational risks faced by employees and the measures to be taken against these risks, and raise awareness of occupational health and safety.

The Digital Transformation Program was carried out in order to understand digitalization in different dimensions, to use it in the most accurate and efficient way in our business and in our lives, and to strengthen our new generation competencies. The program continued with “Digital Transformation Ambassadors” who volunteered from different departments. 992 hours of training were provided to Digital Transformation Ambassadors on the topics of Digitalization, Agile approach, Power BI, Power App. The program continued with “Data Drivers Next” under the coaching of professional consultants with the aim of turning the trainings into practice and projects. Digital Transformation Ambassadors were divided into 8 groups and put their theoretical knowledge into practice with machine learning and power BI methods on various projects.

Trainings such as transactional analysis and communication, time and stress management, and effective presentation techniques were held in the classroom in order to improve the competencies of the employees.

Employees received 5,189.5 hours of training through the “flexible online training” application, where employees can receive technical training within the budget defined for them via the online training platform of their choice.

An English Training Program was offered to the employees in order to improve the English language level of employees who use English in their daily business cycle. In 2022, employees received a total of 440 hours of training under this program.

With the aim of supporting the synergy among Anadolu Group Companies and the organizational development of the Group, a process has been established that will bring together employees from different companies and contribute to their development. This process, which started with the inventory evaluation carried out at the end of 2019, continues with a comprehensive Development Program from now on.

The development activities of the operators continued with training programs in different fields; A total of 15,414 hours of training was provided to 3008 employees within the scope of kaizen, 5S, fire, OHS and environmental trainings.

Anadolu Isuzu Employees can participate in training on many topics from leadership, communication, personal productivity to information technologies through MESS and TISK Online academy platforms.

Since Agile requires a cultural transformation, it is necessary to understand the need for change at the individual, team and organizational level and to adapt the desire for change. Agile Awareness Session was held with the aim of providing the necessary transparency for all individuals touched by the transformation process.

Our management team received a certificate of expertise in “Disruptive Strategy” with the Harvard Business School Online training program.

Transactional Analysis and Communication, Target Mapping and Human-Focus Cooperation trainings were given to our colleagues who have just joined us in 2022, within the scope of orientation, so that they can adapt to our culture more quickly.

Within the scope of the 8-week sign language training program, 16 hours of training was provided to ensure communication between hearing and hearing impaired individuals.

The “Competition Law” training was offered, where employees will have theoretical and practical knowledge to evaluate the very different situations and problems they encounter in their business life from the perspective of competition law.

The AG ACADEMY - The Distance Learning Platform

Anadolu Isuzu’s Human Resources Department carries out pioneering work in digital transformation in order to create the infrastructure of a qualified workforce and to provide a working environment for technological development. The AG ACADEMY is the Anadolu Group training and development platform which removes the barriers to accessing information, enables continuous learning, and directly affects business performance. Employees may participate in training programs designed according to their needs at the AG ACADEMY.

The importance of internal communication and employee satisfaction

Anadolu Isuzu Human Resources, which attaches great importance to internal communication activities, publishes its human resources policies and procedures on a portal that is accessible to employees.

Employee satisfaction and loyalty surveys are conducted periodically within the company. On the other hand, employees were provided with the opportunity to share their innovative ideas via an e-platform with the aim of maintaining a healthy communication between the employee and the management team.

As part of an online application, surveys are held in order to get the opinions and suggestions of the employees on different subjects. With this structure, where employees can answer the survey by accessing both their smartphones and computers, it is possible to get opinions on any subject at any time. Employees can convey their suggestions and wishes via the online platform, and the relevant suggestion is evaluated by HR and the employee is returned.

It is to achieve the use of a common language with our employees by putting employee happiness and productivity among our priorities, who want to catch up with the future. Increasing productivity by ensuring the loyalty of our competent and experienced employees is among our biggest goals. In line with these goals; We have increased our special organization and event planning for our employees.

We came together with our colleagues at the Sailing Workshop to get away from the intensity of daily life and to increase communication and synergy between departments.

We took part with our rowing team at the Dragon Festival, a corporate sports organization that has brought together different sectors since 2008 and attended by more than 55 thousand competitors to date, we both struggled with team spirit and had a lot of fun!

As part of the 3 December International Day of Persons with Disabilities, we came together with our disabled colleagues by organizing the "Anatolian Isuzu Overturn the Barriers" bowling tournament.

Our senior management regularly meets with our disabled employees at our breakfast events.

A traditional Circumcision Festival was organized specifically for the children of our employees aged 4-12. Before the circumcision operation, first a Bosphorus tour and then a Rahmi Koç museum tour took place with our 42 children and their families.

Employer Brand

In order to convey Anadolu Isuzu's fields of activity, working culture and vision to potential candidates, Anadolu Isuzu was established in 2022 with the "Our Way Will Come, Our Power Is You!" motto is used.

"Our Way Will Come, Our Power Is You!" under its roof; Many practices for the development, future and working conditions of the employees were sustained and strengthened.

Anadolu Isuzu's new employer brand offered a beautiful and powerful tool to show and explain success, vision for the future, unity and strength in the best possible way.

Projects involving collaboration between industry and academia

Processes have been redesigned in order to make Anadolu Isuzu's university-campus communication process more efficient, to provide candidate students with the "Anadolu Isuzu employee experience" and to attract promising talented students to Anadolu Isuzu. In this context, all internship and youth communication applications were gathered under the "Talent Pick-Up" brand and our applications were renewed. The project is presented with 3 different options.

Talent Pick-Up; Talent Pick-Up Experience, on the other hand, is an internship program that allows university students who can organize a lesson program to have a real working experience at Anadolu Isuzu for 6 months. Up Plus is an internship program initiated for university students who want to do one full-term internship during the academic year (Fall and Spring). Talent Pick-Up was launched in July 2022. In order to provide trainee candidates with a qualified recruitment experience in line with the requirements of the age, stages of the process such as interview, personality inventory, and English test were carried out digitally. In our internship program, which is designed with a full content, we are sensitive in the selection process (General Aptitude Exam, Personality Inventory, English Exam, Department Interview) and we pay attention to the issue of equality, the students started their process by knowing the project coaches and project subjects before starting their internship.

During their internship, our Talent Pick Up Interns worked on the given topic with the mentors we assigned to them.

- The Importance of Networking in Business Life
- Communication with Transactional Analysis
- Target Mapping and Mind Mapping
- People-Oriented Collaboration and Internal Negotiation

In order to better explain our production lines and show the processes on site, they visited our factory and made detailed examinations within the scope of the “Talent Pick Up Tech Tour”. In addition, we toured the MEXT Digital Factory online on August 31 in order to create a different vision and enable them to see different areas.

We brought together Arif Özer, Aşkın İnci, Murat Sever, Hakan Kefoğlu, Hakan Özenç, Murat Dedeoğlu and Yusuf Teoman as part of “Talent Direct Talks” on August 15-24 in order to inspire our Talent Pick Up Interns and to benefit their career development plans. A total of 20 university students participated in the Talent Pick-Up Internship program and realized 20 projects related to their departments.

Talent Pick-Up Internship Program, which set out with the aim of making university students start their careers full of experience and success, was among the Most Admired Talent Programs of the Year in 2022 by Toptalent.co.

In the “Best Talent Program” competition held by the University Campus Communication Agency Toptalent.co in 2022, our “Talent Pick Up” Talent program was ranked 1st in the Automotive (Commercial) field as a result of the votes of 101,382 young talents.

Anadolu Isuzu employees organize webinars within the scope of the “Talent Talks” program for university students within the framework of their expertise.

Anadolu Isuzu production engineers organize a digital tour of the Anadolu Isuzu factory in the Talent Tech Tour program for university students, within the framework of the production line processes that constitute their expertise.

Vocational high school-industry collaboration projects

Within the scope of vocational high schools-industry cooperation, internship opportunities at Anadolu Isuzu were offered to 40 senior students studying at industrial vocational high schools.

Küçükyalı Vocational and Technical Anatolian High School has an Anatolian Isuzu Paint Technologies Workshop. The workshop provides an important support to vocational education. In the workshop, qualified paint professionals who are willing to follow innovations and put them into use, who know practical applications as well as theoretical knowledge, who have internalized the rules of occupational health and safety, who act with environmental awareness, are trained. The project also contributes to the creation of qualified human resources needed by the industrial sector.

As of 2022, a total of 71 students graduated from Anadolu Isuzu Paint Technologies Workshop.

Promotional activities at universities

Anadolu Isuzu participates in the career days of Turkey’s leading universities and sponsors case studies. Anadolu Isuzu is introduced to students and academicians from all over Turkey and abroad with a Tech Tour tour. The explanation of the technologies used, the discovery of R&D and production areas, and the answers given by the expert and experienced staff to the questions are provided for the visitors to discover Anadolu Isuzu.

During the year, technical trips were organized to Middle East Technical, Mimar Sinan, Gazi, Istanbul Technical, Yıldız Technical and Kocaeli University student clubs and Vocational High School students, and information was shared about the activities and the experiences of the expert employees.

- A Co-op Agreement was signed with Yıldız Technical University, Faculty of Mechanical Engineering and Faculty of Electrical and Electronics.
- It is aimed to bring outstanding students in their field to Anadolu Isuzu by participating in the Interview Simulations days organized by the Yıldız Technical University Business Club.
- Participation in the Otosem Event organized by Uludağ University IEEE Club.
- Participation in the YEA event, which was attended by more than 10,000 people from various parts of Turkey.
- Intra-company career opportunities were explained by participating in the Career Days event held by Middle East Technical University.
- Participation in the KVK Academy event held by Yıldız Technical University Quality Efficiency Club.
- Participation in the Energy Summit event, where Boğaziçi University Engineering Club was held, and a lecture on energy systems was provided.
- An effective career journey was explained at the Career-In event organized by Hacettepe University Entrepreneurship and Investment Group.

- Yıldız Technical University met with university students who want to take a step towards their careers and future.
- We participated in Boğaziçi University Management Study with Executives (MSE) Summit.
- In 2022, 80 universities were interacted with, and a total of 90,000 students were reached by participating in 35 activities.

OSD Automotive Summer Camp

Organized between June 24 and July 1, 2022 with the support of the Automotive Industry Exporters' Association (OIB), the online certified Automotive Summer Camp event continued with great interest in its second year.

More than 60 thousand students were enrolled in the Automotive Summer Camp, which was developed and implemented by the OSD Human Resources Committee, Education Working Group, in order to limit the internship opportunities of students during the pandemic period and to increase the awareness of the automotive industry. Anadolu Isuzu representatives shared their experiences on "The Future of Automotive" with university students.

Union rights and collective bargaining agreement at Anadolu Isuzu

At Anadolu Isuzu, relations with blue-collar employees are regulated within the scope of collective bargaining agreements.

United Metal İş Union is the authorized labor union in Anadolu Isuzu. There is 1 Chief Representative and 3 Union Representatives elected and appointed within the company.

The said representatives; In the Collective Bargaining Agreement signed between the United Metal Workers' Union and MESS (Turkish Metal Industrialists' Union) and within the limits determined by the laws; They are obliged to follow up the demands, complaints and problems of blue-collar employees, to represent the employees in committees such as the Disciplinary Board and the Occupational Health and Safety Board, and to observe their legal rights.

Professional competency certification studies

In accordance with the communiqué published by the Ministry of Labor and Social Security of the Republic of Turkey, the Vocational Qualification Certification process continues at Anadolu Isuzu.

Workshop-based trainings were held in order to train qualified personnel for the automotive industry and to rate the employees regarding the work they do.

BiFikir Application and BiFikir Festival

Bi-Fikir Application and Bi-Fikir Festival, where Anadolu Group employees present their innovative ideas; It stands out as a platform where they develop their creativity as individuals and as a team and provide added value to the Group companies. With this platform, it is aimed to develop the creativity and innovation of the employees individually and as a team and to place these features in the organizational culture.

The creative and innovative ideas that Anadolu Isuzu started with the Quality Circle studies and transformed into corporate culture over time continue to be conveyed in Bi-Fikir with the active participation of all employees in every field.

In the final organization of Anadolu Group's innovation program Bi-Fikir, where the best of 2022 projects were selected, our "Big-e" project, which represents our innovation and creativity, won the 1st Best Project award in the Inventor Category.

With Bi-Fikir KAP, it is aimed to carry the innovation approach of Anadolu Group out of the group, to strengthen the employer brand and to implement open innovation, useful, innovative and applicable project proposals for Group companies by collecting university students.

In the Bi-Fikir KAP Final, where innovative projects of university students are awarded, the New Generation Carbon Dioxide Technologies project supported by Anadolu Isuzu came first.

Creative Ideas Come Together in Kaizen Days

Kaizen is a Japanese word formed by combining two words.

Kai combined the words 'Change' and Zen 'Good' to form a philosophy that means continuous improvement. In the long run, it is the realization of improvements with small and firm steps. It is done with no or little investment. By the end of the year, hundreds of Kaizen are uniting and creating significant gains.

Anadolu Isuzu completed 802 Kaizen projects in 2022. Anadolu Isuzu always supports and encourages creative-innovative ideas that started with the Quality Circle and Kaizen studies and turned into a company culture over time. Kaizen awards were presented to the employees who made presentations on Kaizen days.

HAPPINESS TEAM AT WORK

Anadolu Isuzu Happiness Team, representing all departments, takes steps for the happiness of its employees;

Organizing studies related to areas to be focused, together with human resources,

Takes an active role in the creation of employee engagement action plans,

The realization of employee engagement action plans for the company and departments is presented to the senior management.

The “Happiness Team”, which enables the realization of actions by evaluating development areas with a common mind, strengthened and developed internal communication and social dialogue platforms. The Happiness Team and Human Resources held periodic meetings throughout the year in order to evaluate the demands and suggestions of the departments to increase employee loyalty and to turn them into action. On the other hand, regular information was provided to the General Manager about the projects worked on and action plans were shared.

Awards

Our Talent Pick Up Internship program, which we set out for university students to start their careers full of experience and success, was ranked 1st in the Top 100 Talent Program 2022 Automotive (Commercial) category.

We were deemed worthy of the Employer Brand of the Year Award at the Boğaziçi Business World Awards organized by Boğaziçi University Engineering Club.

In the “Common Futures” award organization organized by the Turkish Confederation of Employers’ Associations (TİSK), we were deemed worthy of an award in the category of “Changemakers for Women” with our “Professional Development Program” project, which supports the professional development and qualified employment of women in the automotive industry.

We received our award from Kocaeli Metropolitan Municipality Deputy Mayor Yaşar Çakmak, Çayırova District Governor Ahmet Önal and İşkur Gebze Service Center Manager Şener Palavar by being among the companies that employ the most disabled people within the scope of I Am in Employment Project of Kocaeli Metropolitan Municipality, which brings disabled individuals together with employers.

4.4. Codes of Conduct and Social Responsibility

Codes of Conduct

Since its foundation, Anadolu Group has had a consciously implemented, managed and maintained corporate culture. In addition to knowledge and experience, this corporate culture shared by all managers and employees also includes future expectations and strategies that are in line with today’s conditions. Providing the best services and products for everyone and passing on its reputation to future generations form the fundamental values of Anadolu Group.

Adhering to legal rules and ethical values in business and social life, working based on trust, producing quality, accurate and reliable results, acting in accordance with the established beliefs, rules and thoughts, and respecting nature and the environment are indispensable components of the Anadolu Isuzu corporate culture.

Our Company activities are carried out within the frame of Anadolu Group Working Principles available on our corporate website. Our Company is also a member of the Ethics and Reputation Society of Turkey. Our Company has an Ethics Committee chaired by the General Manager, and holds evaluation meetings at regular intervals.

On the other hand, in order to reinforce compliance with the capital market legislation and corporate governance practices at Anadolu Group, a group that is widely recognized and trusted in domestic and foreign capital markets, the Company employees are reminded of their obligations arising from the legislation in relation to insider trading within the scope of the Anadolu Group Working Principles prepared for Group companies. Since we are a public company, there is a “Blackout Period” prohibiting the trading of the relevant Company’s shares for those who have access to insider information.

Social Responsibility Activities

Anadolu Isuzu reaches out to every segment of society and every point of trade with its vehicles, which assume different roles in the life and trade cycle. Based on this simple fact, Anadolu Isuzu regards social responsibility activities as a major part of its corporate identity.

Anadolu Isuzu carries out social responsibility activities in order to increase the welfare of individuals and create sustainable and permanent value for society. The Company fully supports social development through cooperation. The Company focuses on volunteering in its social responsibility activities.

Anadolu Isuzu is an active member of the Private Sector Volunteers Association (OSGD), which operates with the aim of spreading the sense of corporate volunteering in the private sector and carrying it out in a sustainable and systematic manner.

Anadolu Isuzu employees volunteer in projects for education, environment and disabilities.

Anadolu Isuzu has been carrying out its social responsibility activities with the contribution of an increasing number of volunteer employees every year since 2014.

Efforts within the scope of Social Awareness Projects focus particularly on education, environment and disabilities.

Unused clothes, unread books and unused toys are left in colorful favor boxes on the ground floor of Anadolu Isuzu Headquarters before they meet their new owners. With the wonderful feeling of producing and sharing, Company employees put all of their good intentions in boxes.

The clothes and toys collected in these boxes are sent to the Anadolu Foundation.

Highlights from the Anadolu Isuzu social awareness projects in 2022

The Mentor to Million Women Program, which aims to bring together young women and industry leaders working in the fields of STEM (Science, Technology, Engineering and Mathematics) between the ages of 15-25, on a digital platform, was supported by the contributions of 20 of our employees.

By supporting the Mentor to Million Women program, our 20 employees, who are experts and professionals in their fields, shed light on their careers by sharing their experiences with 15 STEM female students. opportunity to make an impact. Our mentors; It provides the opportunity to make an impact in the STEM world by using its expertise, knowledge and experience.

By encouraging our employees to take part in the program as mentors, the opportunity to strengthen the culture of mentoring, development and sharing within the organization was provided.

44th Istanbul Marathon; We participated in the 15K category with 120 Anadolu Isuzu Volunteers. In this event we held, we took our steps to ensure that girls can go to the university of their dreams and that our children will smile more, with the Koruncuk Foundation "My Dream School" Project.

SECTION V - BOARD OF DIRECTORS

5.1. Structure and Formation of the Board of Directors

The Company's Board of Directors consists of a Chairman, a Vice Chairman and 12 members, adding up to a total of 14 members. In accordance with the Company's Articles of Association, the Board of Directors elects a Chairman and a Vice Chairman every year. Management and representation affairs can be distributed among the Board Members. The chairmen and members of the committees are determined. The Board of Directors is authorized to make decisions on this matter.

Currently, there is no executive Board member in the Company's Board of Directors.

The resumes of the Board Members, including their duties outside the Company, are available both in the 2022 annual report and on our Company's website.

Current Board Members and their job descriptions are as follows:

Name	Duty	Current Duties Outside the Company
Tuncay ÖZİLHAN	Chairman	Chairman of the Board at AG Anadolu Grubu Holding A.Ş., Chairman, Vice Chairman and Member of the Board at Anadolu Group Companies
Kamilhan Süleyman YAZICI	Vice Chairman	Vice Chairman at AG Anadolu Grubu Holding A.Ş., Board Member at Anadolu Group Companies
Tuğban İzzet AKSOY	Board Member	Board Member at Anadolu Group Companies
Mustafa Ali YAZICI	Board Member	Board Member at Anadolu Group Companies
Mehmet Hurşit ZORLU	Board Member	Anadolu Group Executive Chairman, Member of the Board of Directors in Anadolu Group companies, Member of the Board of Directors of Tüyid
Reo SAWADA	Board Member	Itochu Corporation - Managerial Position
Toshihiro NAKANISHI	Board Member	Head of Corporate Development, Itochu Europe
Hidenao HASHİMİTO*	Board Member	Isuzu Motors Limited - Managerial Position
Yasuhito KONDOU*	Board Member	Isuzu Motors Limited - Managerial Position
Lale DEVELİOĞLU	Independent Board Member	Board Member-Women's Association, Akxa Acrylic, Nobel ilaç
Bariş TAN	Independent Board Member	Koç University - Business and Industrial Engineering Faculty Member, Kyoto University Graduate School of Management - Advisory Board Member, E.M. Lyon - Member of the International Advisory Board, Nottingham Business School - Member of the International Advisory Board, ISM University of Management and Economics - President of the Senate
Yusuf Kamil SONER	Independent Board Member	
Ahmet Murat SELEK	Independent Board Member	Selek Stratejik ve Kurumsal Yönetim Danışmanlık Şirketi - Management
Orhan ÖZER	Independent Board Member	

(*) With the decision of the Board of Directors dated August 29, 2022, it has been resolved to accept the resignations of Hiroko YAGUCHI and Kozo YAMAGUCHI, who have resigned from the Board of Directors of our company due to the change of duty within our shareholder Isuzu Motors Limited, and to appoint Yasuhito KONDO and Hidenao HASHIMOTO, who are Japanese nationals, as Board Members as of August 29, 2022, to be submitted to the approval of the first General Assembly, in accordance with Article 363 of the Turkish Commercial Cod.

Independent Members and Independence Criteria

During the period, there was no development that prejudiced the independence of independent members. Individuals elected as independent members of the Board of Directors have not been registered and announced on behalf of a legal entity.

Duties of Board Members Outside the Company

There are no rules established by the Company for the Board Members on assuming other duties outside the Company, but the regulations stipulated in the Corporate Governance Principles apply.

5.2. Operating Principles of the Board of Directors

Our Company's Board of Directors carries out its activities in a transparent, accountable, fair and responsible manner in accordance with the Corporate Governance Principles. The Company's Board of Directors convened 5 times throughout the period. Out of all meetings, one was held with the participation of 14 members, four were held with 13 members..

The Board of Directors plays a leading role in maintaining effective communication between the Company and its shareholders and resolving any disputes, and continues to work in close cooperation with the Corporate Governance Committee and Investor Relations Department for this purpose.

In accordance with the Company's Articles of Association, the Board of Directors elects a Chairman and a Vice Chairman every year. The Chairman is responsible for managing the meetings of the Board of Directors, ensuring regular negotiations and having the meeting minutes recorded. While the powers of the Chairman/Board Members and Company executives are defined in the Company's Articles of Association, no single person in the Company has unlimited authority.

Determination of the Board of Directors Agenda and the Call

In accordance with Article 4.4.1 of the Corporate Governance Principles, the Board of Directors convenes as often as it can to efficiently fulfill its duties. The ordinary meeting dates of the Board of Directors are determined in the annual calendar and announced to the members. In accordance with our Company's Articles of Association, the majority of the total number of members is present at the Board of Directors meetings, and decisions are taken with the majority vote after hearing the opinions of the members

Informing the Board Members

Board Members are informed about Company activities by the General Manager.

Inclusion of the Justification for the Opposing Votes in the Record

As a requirement of the Corporate Governance Principles, the minutes of all Board meetings are recorded. In the meetings, the Board of Directors discusses not only the performance in the previous period or developments in the current period, but also matters regarding future growth plans, competition strategies, human resources and organizational structure. While not all of the relevant issues are resolved, the minutes are not disclosed to the public, as the disclosure of the resolved issues may lead to certain speculations. On the other hand, all critical issues resolved by the Board of Directors are announced to the public via material disclosure.

The method and frequency of the Board of Directors meetings, meeting and decision quorum, the method of objection to the Board resolutions and the issues regarding the validity of the Board resolutions are clearly stated in the Articles of Association.

The agenda of the Board meetings consists of the issues decided in the previous Board meeting for further discussion in the next board meeting, and the issues determined by senior management. Matters that need to be discussed by the Board are forwarded to the Chief Financial Officer and brought together to set the agenda of the next meeting. The ordinary meeting dates of the Board of Directors are determined in the annual calendar and announced to the members. Before each meeting, Board members are informed again about the issues included in the meeting agenda through formal information letters and reports.

If necessary, the Board of Directors may convene more than once in a single month. The Chairman, Vice Chairman and each Board member have the right to call a Board meeting and/or add certain issues to the agenda of the relevant meeting by notifying all other Board members at least fifteen (15) days in advance. Board meetings may be held at the Company's head office, or some other location inside or outside Turkey as decided at an ordinary meeting with the Board's quorum.

The opinions of the members who could not attend the meeting but have sent their opinions in writing are notified to other members. In accordance with the Turkish Commercial Code, the Board of Directors may also take decisions without holding a meeting. The meeting and decision quorum specified in the Company's Articles of Association are also valid for such decisions.

The secretary services of the Board of Directors are carried out by the Company's Chief Financial Officer. If there are reasonable and detailed grounds for opposing votes regarding the questions asked by the Board Members at the meetings and issues with different opinions, these are included in the record. In accordance with the Corporate Governance Principles, members must attend the Board of Directors meetings in person.

Board members do not have voting and/or veto powers in case of tied votes. Each Board member, including the Chairman, has one vote. None of the members has the power to break a tied voting.

The Company's Board of Directors evaluates its own performance at regular intervals. The self-evaluation of the Board of Directors is carried out once a year to reflect the individual performance of the Board members. Self-evaluation is also used to determine the competencies required by the Company's Board of Directors within the frame of the changing and developing global business conditions, and take action accordingly.

Related Party Procedures

In accordance with the Corporate Governance Principles, Board decisions regarding critical related party procedures are taken with the approval of the majority of the independent members.

Executive Liability Insurance

Damages caused to the Company due to the faults of the Board Members during their duties are insured with a policy of \$25,000,000 in coverage.

5.3. Number, Structure and Independence of the Committees Established by the Board of Directors

Kurumsal Yönetim Komitesi:

The Corporate Governance Committee, established in accordance with the Communiqué, consists of four members. Independent Board Member Ahmet Murat Selek was elected the Chairman of the Committee, while members elected were Mehmet Hürşit Zorlu, Lale Develioğlu, and Neşet Fatih Vural, who serves as the Investor Relations Manager of our Company, in accordance with the provision in Article 4.5.3 of the Corporate Governance Communiqué (Series: II-17.1) dated 3 January 2014 stating that “specialists who are not Board members may join committees other than the Audit Committee.”

The duties of the Nomination Committee and the Remuneration Committee are carried out by the Corporate Governance Committee.

The Corporate Governance Committee convened four times throughout the year.

In accordance with the Corporate Governance Communiqué, the Corporate Governance Committee regulation approved by the Board of Directors is published on our corporate website. (www.anadoluisuzu.com.tr)

Audit Committee:

The Audit Committee, established in accordance with the Communiqué, consists of two members. Independent Board Member Ahmet Murat Selek was elected the Chairman of the Committee, while Independent Board Member Orhan Özer was elected as a member.

The Audit Committee is responsible for taking all necessary measures to ensure that any internal and independent audit is performed adequately and transparently.

The Audit Committee convened four times throughout the year.

In accordance with the Corporate Governance Communiqué, the Audit Committee regulation approved by the Board of Directors is published on our corporate website. (www.anadoluisuzu.com.tr)

Early Detection of Risk Committee:

The Early Detection of Risk Committee, established in accordance with the Communiqué, consists of three members. Independent Board Member Orhan Özer was elected the Chairman of the Committee, while members elected were Tuğban İzzet Aksoy and Barış Tan.

The tasks of the Committee include early detection of risks that may endanger the existence, development and continuation of the Company, implementation of the necessary measures regarding the detected risks, and carrying out studies for risk management.

The Early Detection of Risk Committee convened twice throughout the year, and provided the Board of Directors with reports containing information about their activities and the results of the meetings held throughout the year. The Early Detection of Risk Committee informed the Board of Directors about its activities with a total of six bimonthly reports throughout the year.

The regulation on the working principles of the Early Detection of Risk Committee was determined by the Board Resolution No. 2013/28 dated 23 July 2013, and is published on our corporate website. (www.anadoluisuzu.com.tr)

Members Joining Multiple Committees

In accordance with the Communiqué Serial: IV No: 56 on the Determination and Implementation of Corporate Governance Principles by the CMB, all members of the Audit Committee, the chairman of the Early Detection of Risk Committee and the Corporate Governance Committee, have been selected from among the Independent Board members. There are five independent members on the Board of Directors of our company, and at least one of every five members takes part in all three committees. In addition, Lale DEVELİOĞLU, who will benefit from their knowledge and experience, is a member of the Corporate Governance Committee and Barış TAN is a member of the Early Detection of Risk Committee.

5.4. Risk Management and Internal Control Mechanism

The Company's financing resources and risk management policies

In addition to its cash and capital, Anadolu Isuzu also uses long-term Turkish lira and foreign currency (Euro) loans from Turkish and foreign banks to finance its investments.

The principles of Anadolu Isuzu risk management policies are included in the relevant article of the Corporate Governance Principles Compliance Report.

Explanations regarding the main components of the Group's internal audit and risk management systems for the preparation process of consolidated financial statements

The Internal Audit Department under Anadolu Isuzu audits all companies and units consolidated periodically every year. The business plan of the department is approved annually by the Audit Committee and revised depending on the developments experienced during the year. The internal audit, performed in all companies subject to consolidation, is carried out according to the standards published by the Global Institute of Internal Auditors.

Risk Management and Internal Control Mechanism

Risk Management and Internal Control System at Anadolu Isuzu is under the responsibility and control of Company management. The Corporate Risk Management function, which operates to provide assurance and consultancy to the management on these issues, reports directly to the Early Detection of Risk Committee.

Anadolu Isuzu Senior Management identifies critical opportunities and threats that may arise in terms of achieving the Company's targets within the frame of Corporate Risk Management and manages them in accordance with the risk appetite of our Company. Corporate Risk Management is a systematic and disciplined process that is established to determine Anadolu Isuzu's business strategies. It is influenced by all Company employees and covers all Company practices.

With the coordination of the Corporate Risk Management function, the risks that may arise for the goals of the Company are submitted to management for their consideration, and priority risks are identified. Priority risks, and action plans aimed at reducing these risks, are shared with the Early Detection of Risk Committee to be submitted to the Board of Directors. The management and continuity of this process integrated with strategic business plans is supported by technological infrastructure.

Some of the methods we use to manage our risks are as follows:

- Performance and risk indicators are used as an early warning system to monitor risks and take the necessary measures on time. The SAP system, which is integrated into all processes within the Company, is an effective technological decision support system used for this very purpose.
- This allows for instantaneous monitoring of activity results, elimination of human errors, early detection of risks and increased efficiency of the internal control system. At the same time, the internal communication system with high-level technology provides the opportunity to quickly intervene in any problem and produce solutions.
- Business continuity and crisis management studies are carried out and supported by effective insurance management in order to prevent and reduce losses arising from risks that may cause business and production interruptions, such as natural risks and supply chain problems.
- Investments are made in backup systems to prevent system damage and data loss in case of any extraordinary situation.
- In addition, the Company instantly monitors environmental factors and extraordinary situations and investigates their causes, and continuously takes measures to minimize any risks.
- The Internal Audit Department regularly reviews the company's risk management and internal control system within the frame of its risk-based audit plan, and reports to the Audit Committee and Company Management:

Accuracy and reliability of Financial and Operational Information

- Efficiency of operations
- Protection of company assets
- Ensuring compliance with laws, regulations and contracts

5.5. Strategic Targets of the Company

While the Board of Directors manages and represents the Company by keeping the risk, growth and income balance of the Company at the most appropriate level with a rational and cautious risk management approach, primarily considering the Company's long-term interests, it is also responsible with ensuring that the Company achieves its determined and publicly disclosed operational and financial performance targets. In this context, the relevant directorates create annual budgets and business plans each year and submit them to the Board of Directors through the office of the Chief Financial Officer. The results achieved by operating in accordance with these plans throughout the year are continuously compared with the budget approved by the Board of Directors, and the reasons for deviations are investigated.

In the process of establishing the annual strategic targets, the Company's Board of Directors firstly approves the basic assumptions and strategic targets established after the relevant studies.

During the implementation process, the Board of Directors monitors the comparative results of the Company's activities with its strategic targets in the light of the monthly activity reports and the information obtained directly at the Board meetings.

5.6. Financial Rights

Criteria Used in Determining the Rights of Board Members

In accordance with the Articles of Association, it is not possible to pay dividends to Board members.

As stated in the Articles of Association, the compensation of Board Members is determined by the General Assembly. The Board of Directors is authorized to elect the senior executives who will take part in the management of the Company, specify their powers, wages and other rights, and conclude/break agreements with them.

On the other hand, in accordance with the decision taken at the Ordinary General Assembly Meeting held on 22 April 2022, a net annual salary of TL 252,000 will be paid to each of the independent Board members to maintain their independence throughout their term of office.

There are no other compensation or benefits provided to the Board of Directors.

Compensation and Benefits Provided to the Company's Senior Employees

In accordance with Article 4.6.5 of the Corporate Governance Principles, the compensation and all other benefits provided to the members of the Board of Directors and senior managers are disclosed to the public with the annual report. However, the statement was not prepared on an individual basis, but in a manner that it would include the distinction between the Board of Directors and the managers with administrative responsibilities.

The Board of Directors carries out the studies necessary to ensure that senior managers receive reasonable wages according to market conditions. The compensation policy prepared for this purpose is included in ANNEX-2.

Loans to Board Members and Executives

The Company has not provided any Board member or executive with a loan or credit, has not extended the duration of any loans or credits, has not improved the terms of loans, has not extended credits under the name of personal loan through a third party and has not given guarantees such as sureties.

ANNEX: 1

Evaluation of the Working Principles and Effectiveness of the Board Committees

With the Board decision taken on 25 April 2022 in accordance with the Corporate Governance Principles after the election of the Board members at the Ordinary General Assembly Meeting held on 22 April 2022;

- Independent Board Member Ahmet Murat Selek was elected the Chairman of the Audit Committee, while Independent Board Member Orhan Özer was elected as a member
- The Early Detection of Risk Committee consists of three members. Independent Board Member Orhan Özer was elected the Chairman of the Committee, while members elected were Tuğban İzzet Aksoy and Barış Tan.
- The Corporate Governance Committee consists of four members. Independent Board Member Ahmet Murat Selek was elected the Chairman of the Committee, while members elected were Hurşit Zorlu, Lale Develioğlu, and Neşet Fatih Vural.

The duties of the Nomination Committee and the Remuneration Committee will be carried out by the Corporate Governance Committee. These matters were disclosed to the public on the Public Disclosure Platform and our Company's website.

In 2022, our Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee effectively performed the duties and responsibilities as required in their own regulations.

In accordance with the annual meeting plans determined and created in their own regulations, deemed necessary for the effectiveness of their efforts in 2022;

The Audit Committee convened four times and provided the Board of Directors with reports containing information about their activities and the results of the meetings held throughout the year. Accordingly;

Responsible for taking all necessary measures to ensure that any internal and independent audit is performed adequately and transparently and the internal control system is implemented effectively, the "Audit Committee" provided the Board of Directors with its suggestions regarding the issues under its responsibility, including its opinions and suggestions regarding the internal audit and internal control system.

The Corporate Governance Committee convened four times and provided the Board of Directors with reports containing information about their activities and the results of the meetings held throughout the year. Accordingly;

Established to monitor the Company's compliance with the Corporate Governance Principles, carry out studies to improve this compliance and provide the Board of Directors with suggestions, the "Corporate Governance Committee" determined whether the Corporate Governance Principles are applied in the Company; and if not, the justification for this non-compliance and the conflicts of interest arising due to the same non-compliance. The committee provided the Board of Directors with suggestions on how to improve corporate governance practices and oversaw the work of the Investor Relations Department.

The Early Detection of Risk Committee convened two times. The committee submitted six evaluation reports to the Board of Directors, including its works throughout the year. Accordingly;

Working on the early detection of risks that may endanger the existence, development and continuation of the Company, implementation of the necessary measures regarding the detected risks, and carrying out studies for risk management, the "Early Detection of Risk Committee" examined the Company's risk management systems in accordance with the Corporate Governance Principles and the Early Detection of Risk Committee Regulation.

ANNEX: 2

ANADOLU ISUZU OTOMOTİV SAN. VE TİC. A.Ş.

REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. compensation policy for the Board of Directors and senior executives was prepared in order to define the remuneration system and practices and other rights of Board members and senior executives.

Our Company's Chairman and Members of the Board may be paid a fixed monthly fee/attendance fee for their services in these positions. The amount to be paid is determined at the General Assembly meeting. In any case, the independent Board members are paid an amount that will maintain their independence, and the payment plans based on the Company's performance are not used in the remuneration of the independent Board members

Executive members of the Board of Directors are paid within the scope of the policy determined for senior executives, as detailed below.

The rights provided to the senior executives at our Company are defined within the frame below:

Monthly Salary: Determined depending on the market and/or industry conditions, inflation, the position of the manager, their level, qualifications and individual performance, and paid for the duration of the employment contract. Unless there are any changes in market conditions, the monthly salaries are reviewed once a year within the frame of the determined principles, while considering the criteria essential for determining the salaries.

Information about the market and/or industry conditions is collected through generally accepted consultancy organizations, as well as by using data obtained from other sources, while considering the status and future of the Company's goals.

The factors that come into play in determining the level of individual performance are the manager's approach, business style and behaviors, and the completion of the annual goals they have set with their managers.

Bonuses: Determined based on the monthly salary. Four months of monthly salary is divided into the periods determined by the Company, and paid for the duration of the employment contract.

Premium: Upon exceeding a certain lower limit defined according to certain weights in compliance with the Key Performance Indicators (KPI) determined for the Company's relevant calendar year and approved by the Board of Directors, a certain ratio of the annual total of the monthly salary and bonus payments made to the manager (depending on their position) may be calculated in line with the Company KPIs and individual performance realization rates and paid to the manager as a premium.

Other Rights: In line with the organization's defined policies and regulations, benefits such as Health Insurance, Private Pension and so on and other social benefits are provided generally and/or based on certain conditions such as position, qualifications and so on.

ANNEX: 3

BAĞIMSIZLIK BEYANI

- Anadolu Isuzu Otomotiv Sanayii ve Ticaret A.Ş. (Şirket), Şirketin yönetim kontrolü ya da önemli derecede etki sahibi olduğu ortaklıklar ile Şirketin yönetim kontrolünü elinde bulunduran veya Şirkette önemli derecede etki sahibi olan ortaklar ve bu ortakların yönetim kontrolüne sahip olduğu tüzel kişiler ile şahsım, eşim ve ikinci dereceye kadar kan ve sıhrî hısımlarım arasında; son beş yıl içinde önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda görev yapmadığımı, sermaye veya oy haklarının veya imtiyazlı payların %5'inden fazlasına birlikte veya tek başıma sahip olmadığımı ya da önemli nitelikte ticari ilişki kurmadığımı,
- Son beş yıl içerisinde, başta Şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde Şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, odak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışan veya yönetim kurulu üyesi olmadığımı,
- Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,
- Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyorum olduğumu,
- 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K)'na göre Türkiye'de yerleşmiş sayıldığımı,
- Şirket faaliyetlerine olumlu katkılarda bulunabilecek, şirket ile pay sahipleri arasındaki çıkar çatışmalarında tarafsızlığını koruyabilecek, menfaat sahiplerinin haklarını dikkate alarak özgürce karar verebilecek güçlü etik standartlara, mesleki itibara ve tecrübeye sahip olduğumu,
- Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiği görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabiliyor olduğumu,
- Şirketin yönetim kurulunda son on yıl içerisinde toplam 6 yıldan fazla yönetim kurulu üyeliği yapmamış olduğumu,
- Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyorum olduğumu,
- Yönetim kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu ve dolayısıyla şirket yönetim kurulu üyeliğimi, bağımsız üye olarak yerine getireceğimi beyan ederim.

Tarih: 01.02.2023

Adı-Soyadı: Ahmet Murat Selek

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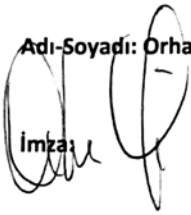
BAĞIMSIZLIK BEYANI

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- Son beş yıl içerisinde, başta Şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde Şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, odak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışan veya yönetim kurulu üyesi olmadığımı,
- Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,
- Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyor olduğumu,
- 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K)'na göre Türkiye'de yerleşmiş sayıldığımı,
- Şirket faaliyetlerine olumlu katkılarda bulunabilecek, şirket ile pay sahipleri arasındaki çıkar çatışmalarında tarafsızlığını koruyabilecek, menfaat sahiplerinin haklarını dikkate alarak özgürce karar verebilecek güçlü etik standartlara, mesleki itibara ve tecrübeye sahip olduğumu,
- Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiği görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabiliyor olduğumu,
- Şirketin yönetim kurulunda son on yıl içerisinde toplam 6 yıldan fazla yönetim kurulu üyeliği yapmamış olduğumu,
- Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyor olduğumu,
- Yönetim kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu ve dolayısıyla şirket yönetim kurulu üyeliğimi, bağımsız üye olarak yerine getireceğimi beyan ederim.

Tarih: 01.02.2023

Adı-Soyadı: Orhan Özer

İmza:



ANNEX: 3

BAĞIMSIZLIK BEYANI

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- Son beş yıl içerisinde, başta Şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde Şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, odak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışan veya yönetim kurulu üyesi olmadığımı,
- Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,
- Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyor olduğumu,
- 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K)'na göre Türkiye'de yerleşmiş sayıldığımı,
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- Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiği görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabiliyor olduğumu,
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- Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyor olduğumu,
- Yönetim kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu ve dolayısıyla şirket yönetim kurulu üyeliğimi, bağımsız üye olarak yerine getireceğimi beyan ederim.

Tarih: 01.02.2023

Adı-Soyadı: Lale Develioğlu

İmza:



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- Son beş yıl içerisinde, başta Şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde Şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, odak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışan veya yönetim kurulu üyesi olmadığımı,
- Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek meslekî eğitim, bilgi ve tecrübeye sahip olduğumu,
- Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyor olduğumu,
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- Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiği görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabiliyor olduğumu,
- Şirketin yönetim kurulunda son on yıl içerisinde toplam 6 yıldan fazla yönetim kurulu üyeliği yapmamış olduğumu,
- Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyor olduğumu,
- Yönetim kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu ve dolayısıyla şirket yönetim kurulu üyeliğimi, bağımsız üye olarak yerine getireceğimi beyan ederim.

Tarih: 01.02.2023

Adı-Soyadı: Barış Tan

İmza:



ANNEX: 3

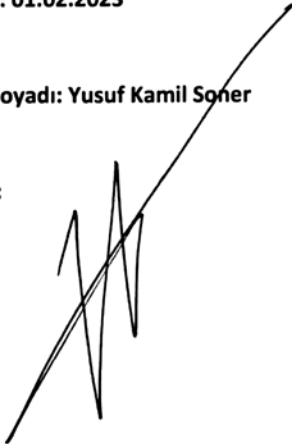
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- Son beş yıl içerisinde, başta Şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde Şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, odak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışan veya yönetim kurulu üyesi olmadığımı,
- Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,
- Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyorum olduğumu,
- 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K)'na göre Türkiye'de yerleşmiş sayıldığımı,
- Şirket faaliyetlerine olumlu katkılarda bulunabilecek, şirket ile pay sahipleri arasındaki çıkar çatışmalarında tarafsızlığını koruyabilecek, menfaat sahiplerinin haklarını dikkate alarak özgürce karar verebilecek güçlü etik standartlara, mesleki itibara ve tecrübeye sahip olduğumu,
- Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiği görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabiliyorum olduğumu,
- Şirketin yönetim kurulunda son on yıl içerisinde toplam 6 yıldan fazla yönetim kurulu üyeliği yapmamış olduğumu,
- Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyorum olduğumu,
- Yönetim kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu ve dolayısıyla şirket yönetim kurulu üyeliğimi, bağımsız üye olarak yerine getireceğimi beyan ederim.

Tarih: 01.02.2023

Adı-Soyadı: Yusuf Kamil Soher

İmza:



SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

If the compliance with the principles is determined as “Yes” or “Partially”, the report on the information disclosed to the public information/link should be included.

Explanations on compliance with the principles are included in the “Explanation” column.

Indication of the extent to which the requested information is presented on a consolidated or solo basis in the “Explanation” column Required.

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
A. General Principles							
A1. Strategy, Policy and Targets							
A1.1	Material environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company’s board of directors.	X				Anadolu Isuzu will continue its efforts to increase the effectiveness of its sustainability policies in 2023.	Sustainability Report 2021, page 38 https://www.anadoluisuzu.com.tr/en/sustainability/reports
	ESG Policies (i.e., Environmental Policy, Energy Policy, Human Rights and Labor Policy etc.) have been established and publicly disclosed by the Company’s board of directors.	X				Anadolu Isuzu is committed to putting these fundamental principles into practice and to improve the value it generates in three different axes of sustainability (economic, environmental and social), it carries out its activities within the framework defined in the link in the side tab	Sustainability Report 2021, page 30 - 33 https://www.anadoluisuzu.com.tr/en/sustainability/reports
A1.2	Short and long-term targets that have been defined under the ESG policies are disclosed to the public.			X		Anadolu Isuzu anticipates setting short-term and long-term targets in line with its sustainability policy and strategies. Efforts for this principle will continue in 2023.	Sustainability Report 2021, https://www.anadoluisuzu.com.tr/en/sustainability/reports
A2. Application/Monitoring							
A2.1	The committees and/or departments responsible for the execution of ESG policies and top-level executives in the Company related to ESG issues, their duties have been identified, and they are publicly disclosed.	X				At Anadolu Isuzu, top decisions on sustainability are taken by the Board of Directors. Activities and projects related with sustainability are executed by Commercial Functions Directorate which reports directly to the General Manager at the organizational structure	Sustainability Report 2021, page 22 https://www.anadoluisuzu.com.tr/en/sustainability/reports
	The responsible committee/unit reported the activities carried out within the scope of the policies to the Board of Directors at least once a year.	X				The Board of Directors is informed about Sustainability Principles Compliance activities by the Commercial Functions Directorate, which reports directly to the General Manager.	Sustainability Report 2021, page 22 https://www.anadoluisuzu.com.tr/en/sustainability/reports

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
A2.2	In line with ESG targets, implementation and action plans were developed and disclosed to the public.			X		Anadolu Isuzu will continue its efforts to fully comply with this principle in the upcoming period	Sustainability Report 2021, page 86 https://www.anadoluisuzu.com.tr/en/sustainability/reports
A2.3	ESG Key Performance Indicators (KPI) and the level of achievement of these indicators were disclosed to the public on a yearly basis.			X		Anadolu Isuzu will continue its efforts to present its KPIs together with national and international industry comparisons to fully comply with this principle.	Sustainability Report 2021, page 107-114 https://www.anadoluisuzu.com.tr/en/sustainability/reports
A2.4	performance of business processes or products and services have been disclosed to the public.	X				It is disclosed in the annual report and sustainability report.	Annual Report Environment Section Page 94-101 Sustainability Report 2021, page 24 https://www.anadoluisuzu.com.tr/en/sustainability/reports
A3. Reporting							
A3.1	In the Company's annual reports, information regarding sustainability performance, targets and actions should be disclosed in an understandable, accurate and sufficient manner.	X				Anadolu Isuzu shares information about its social and environmental activities, which constitute the cornerstones of its sustainability performance, with its stakeholders. In addition to the Sustainability Reports, information about Anadolu Isuzu's sustainability activities is shared through the Annual Report and the corporate website. All stakeholders, particularly Anadolu Isuzu employees, are informed about Anadolu Isuzu's policies and practices on environmental, social and governance issues.	Annual Report Environment Section Sustainability Report 2021, https://www.anadoluisuzu.com.tr/en/sustainability/reports
A3.2	Information on which of the Company's activities are related to the United Nations (UN) 2030 Sustainable Development Goals (SDGs) has been disclosed to the public by the Company.	X				Anadolu Isuzu contributes directly to 13 of these SDGs with the value it creates and shares within the scope of its sustainability priorities and social awareness projects.	Sustainability Report 2021, page 39-41 https://www.anadoluisuzu.com.tr/en/sustainability/reports
A3.3	Lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.	X				All material lawsuits filed against the Company are disclosed in the Other Operations and Information section of the Annual Reports and in the Consolidated Financial Statements.	Annual Report Other Activities and Information Section Page 123-124

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
A4. Verification							
A4.1	The Company's ESG Key Performance metrics have been verified by an independent third party and publicly disclosed.			X		Anadolu Isuzu will continue its efforts to expand the scope of external verification of the sustainability performance indicators included in its sustainability reports.	Sustainability Report 2021, https://www.anadoluisuzu.com.tr/en/sustainability/reports
B.Environmental Principles							
B1	The Company has publicly disclosed its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	X				Anadolu Isuzu Environmental Policy in the management of environmental issues reference document.The Environmental Policy aims to protect the environment, use natural resources efficiently, comply with legal regulations, and minimize environmental impacts. Implementation of improvement efforts and establishment of systems and processes for environmental audits are undertaken. Anadolu Isuzu's activities are documented with ISO 14001 Environmental Management System.	Annual Report Environment Section Page 94 Sustainability Report 2021, page 88 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B2	The scope of the report, reporting period, reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared regarding information on environmental management.	X				Information on the scope, date and limitations of environmental data reports is provided in the Sustainability Reports and CDP Report.	2022 CDP Report C0.2 https://www.anadoluisuzu.com.tr/en/sustainability/reports Sustainability Report 2021, page 88 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B3	Given in A2.1.						
B4	Environmental targets included in the reward criteria within the scope of performance incentive systems on the basis based on (such as members of the Board of Directors, managers, and employees) have been disclosed to the public.	X				As a result of Anadolu Isuzu's assessment of climate-related risks and opportunities, targets and KPIs are set by members of the Senior Management and approved by the General Manager. In this context, in addition to performance-based remuneration and promotion practices for employees at all levels, Anadolu Isuzu evaluates and rewards all achievements, inventions and suggestions that benefit the company's sustainable production approach on relevant platforms.	2022 CDP Report C3.1.a https://www.anadoluisuzu.com.tr/en/sustainability/reports

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
B5	It has been disclosed to the public that the way of material environmental issues integration into business objectives and strategies.	X				The Risk Committee, Sustainability Committee, Senior Management, Environment and Sustainability Directorate work for the early detection of risks that may jeopardize the existence, development and continuity of the Company, implementing the necessary measures regarding the risks identified and managing the risks. It makes strategic decisions and manages risks and opportunities by evaluating corporate risks and opportunities within the scope of sustainability principles and policies. Reviews and approves corporate risk policies for each risk type and annual limits for each risk type. Reviews and approves measures to mitigate the effects of identified risks in case they materialize.	2022 CDP Report C1.2.a https://www.anadoluisuzu.com.tr/en/sustainability/reports
B6	Given in A2.4.						
B7	It has been publicly disclosed how environmental issues are managed and integrated into business objectives and strategies throughout the Company's value chain; including the operational process, suppliers and customers.	X				Anadolu Isuzu requires its suppliers to comply with current environmental legislation and to continuously improve themselves in terms of environmental sustainability.	2022 CDP Report C12.2.a https://www.anadoluisuzu.com.tr/en/sustainability/reports Sustainability Report 2021, page 96 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B8	Whether relevant organizations and non-governmental organizations on the environment are involved in the policy-making processes and the collaborations with these institutions and organizations were disclosed to the public.	X				Anadolu Isuzu carries out innovative and sustainable efforts to minimize the environmental impact of its operations. Anadolu Isuzu engages in joint activities to create value with key stakeholders such as employees, customers, suppliers, dealers and business partners, shareholders and investors, public institutions and society. It also continues to work with other stakeholders such as universities, NGOs, financial institutions, sectoral associations and organizations, group companies and the media in social, economic and environmental areas.	2022 CDP Report C12.1.d https://www.anadoluisuzu.com.tr/en/sustainability/reports Sustainability Report 2021, https://www.anadoluisuzu.com.tr/en/sustainability/reports

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
B9	Environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) information about the impacts of the Company has been disclosed to the public on a comparable basis periodically.	X				In 2022, Scope 1 and Scope 2 and Scope 3 emissions for 2021 were calculated. Calculated data for 2021 Türk Loydu verified according to the ISO14064-1 Standard. Scope 1 and Scope 2 data are publicly disclosed. Scope 3 data is also publicly disclosed in the CDP report.	2022 CDP Report C4.1.a https://www.anadoluisuzu.com.tr/en/sustainability/reports Sustainability Report 2021, Page 108 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate data have been publicly disclosed.	X				The main standard used for data reporting on Environmental Management System issues is the GRI Standards.	Sustainability Report 2021, Page 2 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B11	In comparison with previous years, the increase or decrease of environmental indicators for the reporting year has been disclosed to the public.	X				Environmental performance is monitored through 22 key performance indicators (KPIs). While determining these indicators, GRI standards, environmental issues, sectoral norms and requirements are taken into account. Annual Sustainability Reports are the main medium through which environmental performance is transparently disclosed.	Sustainability Report 2021, Page 108-109 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B12	Short and long-term targets have been determined to reduce the Company's environmental impacts, and the progress of these targets and the targets determined in previous years has been disclosed to the public.			X		In order to minimize environmental impacts, short and long term targets such as waste generation per vehicle, water consumption, Scope 1-2-3 emissions were set within the company during strategic business plan meetings. However, they have not been shared with the public.	Annual Report 2022 Page 96 The heading of Transition to a Low Carbon Economy

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
B13	A strategy to combat the climate crisis has been created and the planned actions have been publicly announced.	X				Anadolu Isuzu prioritizes the climate crisis across all axes and continues its decarbonization efforts and investment decisions accordingly. To this end, it has officially committed to the Science Based Target initiative (SBTi) for the 1.5°C target and aims to reduce greenhouse gas emissions in Scope 1, 2 and 3. According to the near-term scenario, it is aimed to realize a 46.2% reduction in our Scope 1+2 emissions in 5-10 years by 2030 compared to the base year 2019, and an annual reduction of 4.2%. Within the scope of renewable energy investments, the solar energy project was disclosed to the public via social media and press releases.	Annual Report 2022 Page 96 The heading of Transition to a Low Carbon Economy
B14	Programs or procedures have been established and disclosed to the public in order to prevent or minimize the potential negative impact of products and/or services on the environment.	X				Information on vehicles with reduced environmental impact and alternative fuel vehicles and improvement activities in this area are included in the Sustainability Reports.	Sustainability Report 2021, Page 101-105 https://www.anadoluisuzu.com.tr/en/sustainability/reports
	Actions have been taken to reduce greenhouse gas emissions of third parties (i.e., suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.			X		Environmental performance and remedial actions, including greenhouse gas emissions, are among the audited issues included in supplier selection criteria. However, these activities and actions are not disclosed to the public.	Sustainability Report 2021, Page 98 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B15	The environmental benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	X				Environmental benefits from initiatives and projects to reduce environmental impacts are shared..	Sustainability Report 2021, Page 90-95 https://www.anadoluisuzu.com.tr/en/sustainability/reports

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are publicly disclosed as Scope-1 and Scope-2.	X				Direct Energy Consumption Natural gas and electricity consumption amounts are shared in Sustainability reports.	Sustainability Report 2021, Page 108 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B17	Public disclosure was made about the electricity, heat, steam and cooling produced in the reporting year.	X				In the 2021 Sustainability Report, the company has publicly disclosed the information on energy generated.	Sustainability Report 2021, Page 108 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B18	Actions on increasing the use of renewable energy and transition to zero or low carbon electricity have been made and publicly announced.	X				Anadolu Isuzu is focused on reducing the energy consumption and greenhouse gas emissions of its Şekerpınar production campus throughout its production processes. In this context, the company works to minimize the environmental impact of its processes and products.	Annual Report 2022 Page 96 The heading of Transition to a Low Carbon Economy
B19	Renewable energy production and consumption data is publicly disclosed.	X				The solar power plant project was realized in 2022. Renewable energy generation and utilization data will be shared in the 2022 sustainability report.	Annual Report 2022 Page 99
B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects has been disclosed to the public.	X				Energy efficiency projects and emission reduction amounts are shared in sustainability reports and CDP report	2022 CDP Report C3.2.b https://www.anadoluisuzu.com.tr/en/sustainability/reports Sustainability Report 2021, Page 92 https://www.anadoluisuzu.com.tr/en/sustainability/reports
B21	Water consumption, and if any amounts of water drawn, recycled and discharged from underground or above ground, sources and procedures are publicly disclosed.	X				Water consumption and the amount of wastewater discharged are shared in sustainability reports.	Sustainability Report 2021, Page 108 https://www.anadoluisuzu.com.tr/en/sustainability/reports

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
B22	It has been publicly disclosed whether the Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).		X			The Company is not involved in any carbon pricing system.	
B23	Information on carbon credits gained or purchased during the reporting period has been disclosed to the public.		X			No carbon credits have been purchased.	
B24	If carbon pricing is applied within the Company, the details are disclosed to the public.		X			Carbon pricing is not implemented.	
B25	The platforms where the Company discloses its environmental information are publicly disclosed.	X				The Sustainability Reports published annually are the main platform where environmental performance is transparently presented. Environmental indicators are also included in the Annual Report on the corporate website and in the CDP report.	2022 CDP Report C11.13.a https://www.anadoluisuzu.com.tr/en/sustainability/reports Sustainability Report 2021, Page 82 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C. Social Principles							
C1. Human Rights and Employees Rights							
C1.1	The Corporate Human Rights and Employee Rights Policy has been established in a way to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation, those responsible for the execution of the policy have been determined and both the policy and responsible departments from the policies have been disclosed to the public.	X				The relevant references are described in the Anadolu Isuzu Human Rights Policy.	https://www.anadoluisuzu.com.tr/en/about/hr-policy

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
C1.2	Considering the effects of supply and value chain; fair workforce, improvement of labor standards, women's employment, and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in the Company's policy on employee rights.	X				In light of its values and corporate culture, Anadolu Isuzu serves "people first" regardless of language, religion, race or gender. Equality of opportunity, which is also included in Anadolu Group's working principles and practiced without compromise, is supported, and equal opportunity and diversity are ensured in all human resources practices, including training, remuneration and career, starting with the recruitment process.	Sustainability Report 2021, Page 70 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C1.3	Measures taken along the value chain regarding the observance of certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights/equality of opportunity have been publicly disclosed.	X				In light of its values and corporate culture, Anadolu Isuzu serves "people first" regardless of language, religion, race or gender. Equality of opportunity, which is also included in Anadolu Group's working principles and practiced without compromise, is supported, and equal opportunity and diversity are ensured in all human resources practices, including training, remuneration and career, starting with the recruitment process.	Sustainability Report 2021, Page 70 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed publicly.	X				Anadolu Isuzu is objective in supplier identification criteria are applied.	Sustainability Report 2021, Page 94 https://www.anadoluisuzu.com.tr/en/sustainability/reports

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
C1.5	Investments in employees (training and development policies), compensation, recognized fringe benefits, unionization right, work/life balance solutions and talent management are included in the employee rights policy.	X				The relevant references are described in the Anadolu Isuzu Human Rights Policy.	Sustainability Report 2021, Page 80 https://www.anadoluisuzu.com.tr/en/sustainability/reports
		X				We monitor employee complaints and suggestions through our CBA and Wellbeing surveys conducted throughout the year.	Sustainability Report 2021, Page 80 https://www.anadoluisuzu.com.tr/en/sustainability/reports
	Activities conducted within the reported period to ensure employee satisfaction were disclosed publicly.	X				Within the company, at certain periods employee satisfaction and engagement surveys are conducted.	Sustainability Report 2021, Page 80 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C1.6	Occupational health and safety policies have been established and disclosed publicly.	X				Relevant references are described in the Anadolu Isuzu Occupational Health and Safety Policy.	Annual Report 2022 Page 92 Under the heading of OHS/Employee Safety https://www.anadoluisuzu.com.tr/en/about/occupational-health-and-safety
	Measures taken to prevent occupational incidents and protect health and incident statistics have been disclosed publicly.	X				Explained under the OHS/Employee Safety heading in the annual report.	Annual Report 2022 Page 92 Under the heading of OHS/Employee Safety
C1.7	Personal data protection and data security policies have been established and disclosed publicly.	X				Relevant references are explained in the Code of Business Ethics and Non-Compliance Notification Regulation and AG Anadolu Grubu Holding A.Ş. Code of Ethics	https://www.anadoluisuzu.com.tr/hakkimizda/kisisel-verilerin-korunmasi
C1.8	Ethics policy has been established and disclosed publicly.	X				Relevant references are explained in the Code of Business Ethics and Non-Compliance Notification Regulation and AG Anadolu Grubu Holding A.Ş. Code of Ethics	AG Anadolu Grubu Holding A.Ş. Code of Business Ethics and Non-Compliance Notification Regulation https://www.anadolugrubu.com.tr/Upload/Docs/ag_anadolu_group_holding_code_of_business_and_non_compliance_notification_regulation.pdf

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
C1.9	Should disclose initiatives focused on social investment, social responsibility, financial inclusion and access to finance.	X				Since 2014, Anadolu Isuzu has focused on education, environment and disability in the area of corporate social responsibility. In this context, the Company has organized its activities under the name of Social Awareness Projects and ensured the voluntary participation of its employees in these projects.	Sustainability Report 2021, Page 100 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C1.10	Informative meetings and training programs have been organized for employees on ESG policies and activities.		X			Subject-specific consultancy services are received.	
C2. Stakeholders, International Standards and Initiatives							
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed publicly.	X				Relevant references are described in the quality policy	https://www.anadoluisuzu.com.tr/en/about/quality-policy
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	X				Shareholder relations are carried out in accordance with the requirements of the relevant laws and regulations and capital markets legislation. Information about the Company is provided to the relevant parties through the annual ordinary General Assembly Meetings, Annual Report, Sustainability Report, annual and quarterly Financial Performance Reports, periodic analyses and information documents, website, press releases, material event disclosures, meetings and interviews is being transmitted.	Sustainability Report 2021, Page 36 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C2.3	International reporting standards adopted in reporting are explained.	X				The performance indicators and disclosures in the 2021 Sustainability Report are presented within the framework of GRI Standards-Comprehensive reporting	Sustainability Report 2021, Page 2 https://www.anadoluisuzu.com.tr/en/sustainability/reports
C2.4	Principles adopted in relation to sustainability, international organizations, committees and principles of which the Company is a signatory or member are disclosed publicly.		X			Anadolu Isuzu is not included in any sustainability index as of the reporting period.	

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
C2.5	Improvements were made and studies were carried out to be included in the sustainability indices of Borsa Istanbul and/ or international indices providers.		X			Anadolu Isuzu is not included in any sustainability index as of the reporting period.	
D. Corporate Governance Principles							
D1	Stakeholders' opinions were consulted in determining the measures and strategies on sustainability.	X				Anadolu Isuzu attaches great importance to maintaining a sustainable dialog with its stakeholders. The company uses the feedback obtained from the stakeholder communication process as input in many areas; - identification of strategic priorities, - policy formulation, - designing the business model, - development of social responsibility projects	Sustainability Report 2021, Page 36 https://www.anadoluisuzu.com.tr/en/sustainability/reports
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				Since 2014, Anadolu Isuzu has focused on education, environment and disability in the area of corporate social responsibility. In this context, the Company has organized its activities under the name of Social Awareness Projects and ensured the voluntary participation of its employees in these projects.	Sustainability Report 2021, Page 100 https://www.anadoluisuzu.com.tr/en/sustainability/reports

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED
FINANCIAL STATEMENTS AND NOTES FOR THE YEAR ENDED
DECEMBER 31, 2022 TOGETHER WITH INDEPENDENT AUDITOR'S
REPORT
(ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş.

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA").

Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
<p>Revenue recognition</p> <p>In the consolidated statement of profit or loss and other comprehensive for the –year ended</p> <p>31 December 2022, revenues amounting to 6,269,881,603 TRY were recognized by the Group. The Group’s revenues mainly consist of the sales of vehicle and spare part. Revenue is measured by the amount remaining after deducting discounts and returns from the amount received or to be received in exchange for the goods or services provided.</p> <p>Revenue is one of the most significant indicators in the performance evaluation of the Group. Revenue has been selected as a key audit matter because it is of great importance in terms of evaluating the results of the strategies implemented during the year and monitoring performance and it has significant, decisive impact on more than one financial statement item.</p> <p>Disclosures regarding the Group’s revenue-related accounting policies and amounts are included in Notes 2 and 20 of the attached financial statements.</p>	<p>During our audit, the following audit procedures were performed for the recognition of revenue:</p> <ul style="list-style-type: none"> - Evaluated the understanding of the controls and processes the Group applied in recording revenue and the appropriateness of its accounting policies in terms of TFRS - Performed the revenue testing using the sampling method and supporting documents such as invoices, sales orders, contracts and dispatch notes - Evaluated performance obligations by comparing with sales contracts - Tested the revenue items belong to period ending and the beginning of the following period with the sampling method regarding the cut-off of the revenue, - Tested the completeness and accuracy of the sales discount using the sampling method - Tested the balances of trade receivables using the sampling method by sending confirmation letters - Evaluated the accuracy and adequacy of the revenue related disclosures included in footnotes 2 and 20 of the attached financial statements in terms of TFRS.

INDEPENDENT AUDITOR'S REPORT

4. Other matters

The consolidated financial statements of the Group for the period of 1 January - 31 December 2021 were audited by another audit firm whose audit report dated 21 February 2022 expressed an unqualified opinion.

5. Responsibilities of management and those charged with governance for the consolidated financial statements

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

6. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2022 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 28 February 2023.

Additional explanation for convenience translation into English

Turkish Financial Reporting Standards differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies by 31 December 2022. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position and results of operations of the Group in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Salim Alyanak, SMMM Partner
Istanbul, 28 February 2023

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ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 DECEMBER 2022 AND 31 DECEMBER 2021**

(Currency expressed in Turkish Lira unless otherwise indicated.)

	Notes	Audited Current Period 31 December 2022	Audited Prior Period 31 December 2021
ASSETS			
Current Assets		4.937.764.188	2.102.108.159
Cash and Cash Equivalents	4	1.476.302.718	639.182.504
Financial Investments	5	251.671.891	-
Trade Receivables		1.095.951.611	754.433.641
<i>Trade Receivables from Related Parties</i>	7-28	114.976.064	298.393.667
<i>Trade Receivables from Third Parties</i>	7	980.975.547	456.039.974
Other Receivables		86.480.075	72.559.442
<i>Other Receivables from Third Parties</i>	8	86.480.075	72.559.442
Inventories	10	1.492.162.513	469.735.947
Derivative Instruments	9	4.840.568	105.351.238
Prepaid Expenses	18	421.211.839	37.262.001
Current Tax Assets	26	569.042	356.665
Other Current Assets	18	108.573.931	23.226.721
Non-Current Assets		3.396.785.871	1.505.138.953
Financial Investments	5	837.400	-
Other Receivables		4.892	3.642
<i>Other Receivables from Third Parties</i>	8	4.892	3.642
Property, Plant and Equipment	11	3.008.156.907	1.268.360.271
Right of Use Assets	13	16.607.141	5.829.849
Intangible Assets		369.954.053	227.585.132
<i>Goodwill</i>	14	2.340.995	2.340.995
<i>Other Intangible Assets</i>	12	367.613.058	225.244.137
Prepaid Expenses	18	1.225.478	3.360.059
TOTAL ASSETS		8.334.550.059	3.607.247.112

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 DECEMBER 2022 AND 31 DECEMBER 2021**

(Currency expressed in Turkish Lira unless otherwise indicated.)

	Notes	Audited Current Period 31 December 2022	Audited Prior Period 31 December 2021
LIABILITIES			
Current Liabilities		4.245.293.969	1.565.401.869
Current Borrowings		1.071.109.203	161.500.843
<i>Current Borrowings from Third Parties</i>	6	1.071.109.203	161.500.843
<i>Bank Loans</i>	6	1.071.109.203	161.500.843
Current Portions of Non-Current Borrowings		533.762.952	256.657.543
<i>Current Portions of Non-Current Borrowings from Third Parties</i>	6	533.762.952	256.657.543
<i>Bank Loans</i>	6	525.205.503	252.098.062
<i>Lease Liabilities</i>	6	8.557.449	4.559.481
Trade Payables		2.199.208.113	1.011.249.834
<i>Trade Payables to Related Parties</i>	7-28	1.169.241.865	639.836.656
<i>Trade Payables to Third Parties</i>	7	1.029.966.248	371.413.178
Other Payables		11.445.740	5.952.401
<i>Other Payables to Related Parties</i>	28	9.109	9.109
<i>Other Payables to Third Parties</i>	8	11.436.631	5.943.292
Derivative Instruments	9	40.269.448	2.675.660
Employee Benefits Obligations	8	38.577.623	14.666.030
Liabilities Arising from Contracts with Customers	18	4.160.229	10.863.604
Deferred Income	18	201.078.887	21.646.612
Current Provisions		145.681.774	80.189.342
<i>Current Provisions for Employee Benefits</i>	17	5.435.506	15.495.235
<i>Other Current Provisions</i>	16	140.246.268	64.694.107
Non-Current Liabilities		699.012.995	649.574.373
Non-Current Borrowings		412.719.029	515.289.683
<i>Non-Current Borrowings from Third Parties</i>		412.719.029	515.289.683
<i>Bank Loans</i>	6	402.652.819	509.576.183
<i>Lease Liabilities</i>	6	10.066.210	5.713.500
Liabilities Arising from Contracts with Customers	18	58.763.620	35.813.919
Deferred Income	18	2.466.936	5.386.275
Non-Current Provisions for Employee Benefits	17	125.769.433	47.235.042
Deferred Tax Liability	26	99.293.977	45.849.454
EQUITY		3.390.243.095	1.392.270.870
Equity Attributable to Equity Holders of the Parent	19	3.390.243.095	1.392.270.870
Issued Capital		84.000.000	84.000.000
Adjustments to Share Capital		30.149.426	30.149.426
Revaluation and Remeasurement Earnings/Losses that will not be Reclassified in Profit or Loss		2.420.462.240	1.009.877.215
<i>Gain on Revaluation of Property, Plant and Equipment</i>		2.475.663.739	1.022.267.501
<i>Gain/Loss on Remeasurement of Defined Benefit Plans</i>		(55.201.499)	(12.390.286)
Restricted Reserves Appropriated from Profits		26.784.678	23.784.678
Accumulated Profit		211.459.551	33.032.805
Current Period Net Profit		617.387.200	211.426.746
TOTAL LIABILITIES		8.334.550.059	3.607.247.112

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**AUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 DECEMBER 2022 AND 31 DECEMBER 2021**

(Currency expressed in Turkish Lira unless otherwise indicated.)

	Notes	Audited 1 January- Current Period 31 December 2022	Audited 1 January- Prior Period 31 December 2021
PROFIT			
Revenue	20	6.269.881.603	2.678.041.855
Cost of Sales (-)	20	(4.846.659.534)	(2.113.442.723)
GROSS PROFIT		1.423.222.069	564.599.132
General Administrative Expenses (-)	21	(164.595.575)	(86.660.344)
Marketing Expenses (-)	21	(331.873.974)	(156.133.363)
Research and Development Expenses (-)	21	(21.133.008)	(11.839.308)
Other Income from Operating Activities	23	109.223.850	228.029.648
Other Expenses from Operating Activities (-)	23	(311.352.161)	(302.405.536)
PROFIT FROM OPERATING ACTIVITIES		703.491.201	235.590.229
Income from Investing Activities	24	17.883.883	384.471
PROFIT BEFORE FINANCE EXPENSE		721.375.084	235.974.700
Finance Income	25	416.280.004	382.331.014
Finance Expenses (-)	25	(645.764.222)	(415.155.737)
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		491.890.866	203.149.977
Tax Income From Continuing Operations		125.496.334	8.276.769
Current Tax Expense	26	(1.412.587)	(1.102.061)
Deferred Tax Income	26	126.908.921	9.378.830
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		617.387.200	211.426.746
PROFIT FOR THE YEAR	27	617.387.200	211.426.746
Profit for the Year Attributable to:		617.387.200	211.426.746
Owners of The Parent		617.387.200	211.426.746
Earnings Per 100 Share from Continuing Operations	27	7,3498	2,5170
Items That Will Not Be Reclassified to Profit or Loss			
Gains on on Revaluation of Property, Plant and Equipment		1.644.452.485	687.694.389
Gains (Losses) on Remeasurement of Defined Benefit Plans		(53.514.016)	1.003.924
Losses on Revaluation of Property, Plant and Equipment, Tax Effect		(191.056.247)	(82.799.933)
Gains (Losses) on Remeasurement of Defined Benefit Plans, Tax Effect		10.702.803	(200.785)
OTHER COMPREHENSIVE INCOME		1.410.585.025	605.697.595
TOTAL COMPREHENSIVE INCOME		2.027.972.225	817.124.341
Owners of the Parent		2.027.972.225	817.124.341

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**AUDITED CONSOLIDATED STATEMENTS OF CASH FLOW****FOR THE PERIODS ENDED 31 DECEMBER 2022 AND 31 DECEMBER 2021**

(Currency expressed in Turkish Lira unless otherwise indicated.)

	Notes	Audited Current Period 31 December 2022	Audited Prior Period 31 December 2021
Cash Flows from Operating Activities		582.309.699	392.430.562
Current Period Net Profit	27	617.387.200	211.426.746
Adjustments to Reconcile Profit for The Year		442.175.796	199.554.133
Adjustments Related to Depreciation and Amortization Expenses	11-12-13	80.430.664	54.206.902
Adjustments Related to Provision for Employee Benefits (Released)	17	43.910.586	21.895.665
Adjustments Related to Tax (Income) Expense	26	(125.496.334)	(8.276.769)
Adjustments Related to Provisions for Litigations	16-23	28.192.450	3.468.562
Adjustments Related to Interest Income	23-25	(61.096.802)	(15.185.387)
Adjustments Related to Interest Expenses	25	192.499.041	71.830.775
Adjustments Related to Unrealized Currency Translation Differences of Financial Debts		115.864.458	147.978.446
Adjustments Related to Fair Value Losses (Gains)	9-24	120.345.146	(123.949.745)
Other Adjustments to Profit/(Loss) Reconciliation		(56.180.043)	(16.748.553)
Adjustments Related to Other Provisions (Released)	16	103.831.201	64.718.708
Adjustments Related to Loss (Gain) on Disposal of Property, Plant and Equipment	24	(124.571)	(384.471)
Changes in Working Capital		(401.738.312)	15.309.369
Adjustments Related to Decrease (Increase) in Trade Receivables	7	(339.805.404)	(330.778.587)
Adjustments Related to Decrease (Increase) in Inventories	10	(1.022.426.566)	(79.072.665)
Adjustments Related to Decrease (Increase) in Other Receivables from Operations		(483.430.058)	(66.609.926)
Adjustments Related to Increase (Decrease) in Trade Payables	7	1.190.351.049	490.220.560
Adjustments Related to Increase (Decrease) in Other Payables from Operations		453.770.152	58.499.939
Adjustments Related to Increase (Decrease) in Other Working Capital from Operations		(200.197.485)	(56.949.952)
Cash Generated from Operations		657.824.684	426.290.248
Income Tax Returns (Paid)	26	(1.981.629)	(1.458.726)
Payments Related to Other Provisions	16	(56.471.490)	(27.608.261)
Payments to Provision of Employee Benefits	17	(17.061.866)	(4.792.699)
Cash Flows from Investing Activities		(550.039.122)	(116.965.726)
Proceeds from Sale of Property, Plant and Equipment	11	359.100	653.024
Payments for Purchase of Property, Plant and Equipment	11	(126.731.141)	(31.520.386)
Payments for Purchase of Intangible Assets	12	(188.917.100)	(86.098.364)
Proceeds from Other Activities		(234.749.981)	-
Cash Flows from Financing Activities		798.973.459	96.944.540
Dividend Payments		(30.000.000)	-
Interest Received		55.220.624	15.185.387
Interest Paid	6	(166.473.003)	(69.477.974)
Proceeds from Borrowings	6	2.319.748.510	506.637.641
Cash Outflows from Repayment of Borrowings	6	(1.384.372.340)	(351.681.632)
Cash Outflows Related to Debt Payments arising from Lease Agreements	6	4.849.668	(3.718.882)
Net Increase (Decrease) in Cash and Cash Equivalents		831.244.036	372.409.376
Cash and Cash Equivalents at The Beginning of The Year		639.139.631	266.730.255
Cash and Cash Equivalents at The End of The Year	4	1.470.383.667	639.139.631

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(Currency expressed in Turkish Lira unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi (the "Company") was established in 1980. Principal activities of the Company are comprised mainly of manufacturing, assembling, import and sales of commercial vehicles and also procure and sales of related spare parts regarding to after sales service. The Company is registered to Capital Markets Board of Turkey and the percentage of 15 of the Company's shares have been traded on Borsa Istanbul A.Ş. since 1997.

The Company carries out its operations as a partnership formed by Isuzu Motors Ltd. Itochu Corporation and Anadolu Group Companies. The Company runs its manufacturing operations in a factory which is established in Çayırova/Kocaeli. The average number of employees as of 31 December 2022 is 970 (31 December 2021: 828).

The Company has been registered in Turkey, and the address of the Company is Fatih Sultan Mehmet Mahallesi Balkan Caddesi No: 58 Buyaka E Blok Tepeüstü Ümraniye, İstanbul.

The company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company. AG Anadolu Grubu Holding A.Ş. is controlled by AG Sınai Yatırım ve Yönetim A.Ş. and AG Sınai Yatırım ve Yönetim A.Ş. is a management company, which is ultimately managed by the Özilhan Family and Süleyman Kamil Yazıcı Family in accordance with equal representation and equal management principle and manages AG Anadolu Grubu Holding A.Ş.'s companies.

As of 31 December 2022 and 31 December 2021, details about the company's subsidiary, which is subject to consolidation, is below:

Company Name	Principal Activity	Capital	31 December 2022 Participation Rate (%)	31 December 2021 Participation Rate (%)
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	Trade of spare parts	716.000	100	100

Approval of Financial Statements

Consolidated financial statements for the period 1 January - 31 December 2022 approved by the Board of Directors on 28 February 2023 and signed by Independent Member of the Board of Director Ahmet Murat SELEK (Audit Committee Chairman) and Orhan ÖZER (Audit Committee Member), General Manager Yusuf Tuğrul ARIKAN and Finance Director Neşet Fatih VURAL.

The Company and its subsidiary will be referred as (the "Group") in the condensed consolidated financial statements and notes to the consolidated financial statements.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(Currency expressed in Turkish Lira unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**2.1 Basis of Presentation****2.1.1 Statement of Compliance TAS**

The enclosed consolidated financial statements have been prepared in line with Capital Markets Board (“CMB”), Communiqué Serial: II, No. 14.1 on “Principles on Financial Reporting in Capital Market”, promulgated in Official Gazette No. 28676 dated 13 June 2013. Pursuant to Article 5 of the Communiqué, Turkish Accounting Standards/ Turkish Financial Reporting Standards (“TAS/TFRS”) enforced by Public Oversight Accounting and Auditing Standards Authority (“POA”), and their relevant appendices and interpretations (“TAS/TFRS”) have been taken as basic.

In addition, the financial statements and disclosures are presented in accordance with the publication by CMB dated 15 October 2022.

The Company (and its Subsidiary registered in Turkey) takes the Turkish Commercial Code (“TCC”), tax legislation and Uniform Chart of Accounts introduced by Turkish Ministry of Finance as basic for book keeping and preparation of the statutory financial statements. Consolidated financial statements have been prepared in Turkish Lira based on the historical costs, as well as the financial assets and liabilities presented in their fair values. Historical costs are generally based on the fair value of the amount paid for the assets. Consolidated financial statements have been arranged by applying the required adjustments and classifications to the statutory records prepared on historical cost basis in order to provide accurate presentation in line with TAS/TFRS. The most important adjustment records are the application of consolidation accounting, deferred tax calculation, calculation of employee termination benefit and other provisions.

Currency Used

The financial statements of the Group’s each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of the each entity are expressed in TRY, which is the functional currency of the Company and the currency used for presenting consolidated financial statements.

2.1.2 Consolidation principles**Subsidiaries**

Subsidiaries, including structured entities, are companies in the Group’s control. The Group’s control is provides for exposure to variable returns from these companies, being eligible for these benefits, and the power to direct them. Subsidiaries are consolidated using the full consolidation method starting from the date when the control is transferred to the Group. They are excluded from the scope of consolidation as of the date when the control is lost.

The purchasing method is used in accounting for group business combinations. The cost of acquisition includes the fair value of the assets transferred at the acquisition date, the liabilities incurred by the former owner of the company, and costs, consisting of equity instruments issued by the Group. The acquisition cost includes the fair value of the assets and liabilities transferred as a result of the contingent acquisition agreement.

The identifiable assets, liabilities, and contingent liabilities taken over during a business combination are measured at their fair value on the acquisition date. For each purchase, non-controlling shares of the acquired company are recognised either at their fair value or according to their proportional share in the net assets of the acquired company.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(Currency expressed in Turkish Lira unless otherwise indicated.)

NOTE 2 -BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.1 Basis of Presentation (cont'd)****2.1.2 Consolidation principles (cont'd)****Subsidiaries (cont'd)**

The table below sets out the subsidiaries and their ownership interests as of 31 December 2022 and 31 December 2021.

Subsidiary	Voting power held by the Group (%)		Proportion of ownership interest (%)	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	100	100	100	100

2.1.3 Adjustment of Financial Statements during High Inflation Periods

In accordance with the CMB's decision dated 17 March 2005 and numbered 11/367, for companies operating in Turkey and preparing financial statements in accordance with Turkish Financial Reporting Standards, the application of inflation accounting has been terminated as of 1 January 2005. Accordingly, as of 1 January 2005, the Standard No. 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") has not been applied.

As per the announcement published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") on 20 January 2022, since the cumulative change in the general purchasing power of the last three years has been 74.41% according to the Consumer Price Index ("CPI") rates, it has been stated that entities applying the Turkish Financial Reporting Standards ("TFRS") are not required to make any restatements in their financial statements for 2022 within the scope of TAS 29 "Financial Reporting in High Inflation Economies".

2.1.4 Offsetting

The financial assets and liabilities in the consolidated financial statements are shown at their net value when a legal system that allows clarification of relevant values and there is an intention to demonstrate the values clearly or the realization of the asset and the settlement of the debt are at the same time.

2.1.5 Comparatives and Adjustment of Prior Periods' Financial Statements

The Group's consolidated financial statements for the current period are prepared in comparison with the previous periods in order to be able to determine the financial position and performance trends. The comparative information is reclassified when necessary with the aim of ensuring consistency with the presentation of the current period's consolidated financial statements and significant differences are disclosed.

Reclassifications and adjustments made in the Financial Statements dated 31 December 2021

Land amounting to TRY 292.361.554 included in the "Buildings" account in the financial statements dated 31 December 2021 has been reclassified to the "Lands" account. The said reclassification has no effect on previous year losses and net profits for the related period.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.1 Basis of Presentation (cont'd)****2.1.6 Amendments in Standards and Interpretations****a) Standards, amendments, and interpretations applicable as of 31 December 2022**

Amendment to IFRS 16, 'Leases' - Covid-19 related rent concessions Extension of the practical expedient (effective 1 April 2021); As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.

A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16; effective from annual periods beginning on or after 1 January 2022.

Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial Instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

2.1.6 Amendments in Standards and Interpretations (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2022:

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8; effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction; effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

Amendment to IFRS 16 - Leases on sale and leaseback; effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to IAS 1 - Non current liabilities with covenants; effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

IFRS 17, 'Insurance Contracts', as amended in December 2021; effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

2.2 Effect of Revised Accounting Policies

Accounting policy changes resulting from the first application of a new standard, if any, are applied retrospectively or prospectively in accordance with the transition terms. Changes without any transition requirement, optional significant changes in accounting policies or significant accounting errors are applied retrospectively and the previous period's consolidated financial statements are restated. Changes in accounting estimates are applied in the current period if the change is related to only one period, and if they are related to future periods, they are applied both in the period in which the change is made and prospectively.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.3 Summary of Significant Accounting Policies****2.3.1 Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents include cash on hand, deposits at banks and highly liquid short-term investments, with maturity periods of less than three months, which has insignificant risk of change in fair value.

2.3.2 Trade receivables and provision for allowance

Trade receivables as a result of providing goods or services by the Group directly to a debtor are carried at amortised cost using original effective interest rates.

Provision for impairment of trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the impairment amount decreases due to an event occurring after the write-down, the release of the provision is credited to other income in the current period.

The Group collects most of the receivables from domestic vehicles sales through the "Direct Debit System" (DDS). Within this system which is also named as Direct Collection System; the contracted banks warrant the collection of the receivables within the limits granted to the dealers. Trade receivables are transferred by the contracted banks to the Group's bank accounts at the due dates.

2.3.3 Inventories

Inventories are stated at the lower of cost or net realizable value. The inventories of the Group mainly composed of trucks, small trucks, midi buses, pickups and spare parts which belong to those vehicles. The cost of inventories is determined on the monthly weighted moving average method. Cost of the finished and work in process good include raw materials, direct labour cost, related general production expenses and exclude the cost of borrowing. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Idle time expenses arising from the ceases in production other than planned in the factory's annual production plan are not associated with inventories and are recognised as cost of finished goods.

2.3.4 Property, plant and equipment and related depreciation

While property, plant and equipment are presented on financial statement according to the adjusted values based on the effects of inflation as of 31 December 2004 for the assets acquired before 1 January 2005, they are presented on the financial statements by deducting accumulated depreciation from cost values for the assets acquired after 2005. As of 31 December 2017, lands and buildings have been monitored by revaluation method. Depreciation is calculated using the straight-line method based on their economic lives. The following rates, determined in accordance with the economic lives of the fixed assets, are used in calculation of depreciation:

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.3 Summary of Significant Accounting Policies (cont'd)****2.3.4 Property, plant and equipment and related depreciation (cont'd)**

Type	Useful Lives
Land Improvements	5-15
Buildings	2-50
Machinery and Equipment	10-15
Motor Vehicles	4-10
Furnitures and Fixtures	5-10
Other Property, Plant and Equipment	10-20

Revaluation Method

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.3 Summary of Significant Accounting Policies (cont'd)****2.3.4 Property, plant and equipment and related depreciation (cont'd)**Cost Method

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Except for land and investments in progress, cost or valued amounts of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Expected useful life, residual value and depreciation method are reviewed every year for the possible effects of the changes in estimates and accounted for prospectively if there is a change in the estimates.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.3.5 Intangible assets and related amortisation

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are comprised of software programme rights, brand and patent rights and development expenses.

Type	Useful Lives
Rights	5-15
Development Expenses	5
Other Intangible Assets	3-15

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.6 Impairment of assets

All assets are reviewed for impairment losses including property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, the recoverable amount of the asset is presumed. The recoverable amount is presumed in each year-end for unusable intangible assets. An impairment loss is recognised for the amount by which the carrying amount of the asset or a cash-generating unit related to the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. Impairment losses are recognised in the statement of income. Impairment losses on assets can be reversed, to the extent of previously recorded impairment losses, in cases where increases in the recoverable value of the asset can be associated with events that occur subsequent to the period when the impairment loss was recorded.

2.3.7 Bank loans and borrowing costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of income as financing cost over the period of the borrowings. When it comes to the assets which take long time to get ready to usage and sales, borrowing costs related to production or construction are integrated to the cost of the asset.

2.3.8 Taxes on income

Tax liability on current period's profit or loss includes current period tax and deferred tax. Current year tax liability consists of tax liability on the taxable income calculated according to currently enacted tax rates and to the effective tax legislation as of balance sheet date.

Deferred tax is provided, using the liability method, on the temporary differences between the carrying values of assets and liabilities and their carrying. The tax value of assets and liabilities represent the amounts that will affect the tax base in the future periods related to the assets and liabilities within the framework of tax legislation. Deferred tax is calculated over the tax rates that are expected to apply in the period when the tax asset or the liability will be realized by taking into consideration the tax rates and tax legislation in effect as of the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. Deferred tax assets and liabilities related to income taxes levied by the same taxation authority are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.3 Summary of Significant Accounting Policies (cont'd)****2.3.9 Provision for employee benefits**

The Group is obliged to pay termination indemnities to employees whose employment is terminated due to retirement or due to reasons other than resignation or behavior specified in the Labor Code, in accordance with the applicable law. The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation.

2.3.10 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the provision amount decreases, in the case of an event occurring after the provision is accounted for, the related amount is classified as other income in the current period.

2.3.11 Research and development expenses

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditures are recognised as expense as incurred. Subsidies received from Tübitak are accounted for as deferred income by Group and are offset with amortisation expenses in the income statements in line with the useful life of the completed projects. Development costs are directly recognised as expense. Development expenses recognised as expense in prior periods are not subject to capitalisation in subsequent periods.

2.3.12 Warranty provision expenses

Warranty expenses are recognised on an accrual basis for amounts estimated based on prior periods' realization.

2.3.13 Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and board members, in each case together with their families and companies controlled by/or affiliated with them and associated companies are considered and referred to as related parties. The transactions with related parties for operating activities are made with prices which are convenient with market prices.

2.3.14 Foreign currency transactions

Transactions in foreign currencies during the year have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into TRY at the Central Bank of Turkey's exchange rates prevailing at the balance sheet dates. Foreign currency exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognised in the statement of income.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.15 Earnings per share

Earnings per share disclosed in the statement of income are determined by dividing net earnings by the weighted average number of shares that have been outstanding during the related year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“no-par shares”) to existing shareholders from retained earnings and the revaluation surplus. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and for each earlier year.

2.3.16 Revenue recognition

Commercial vehicle and spare part sales

The Group recognizes income according to the accrual basis, when the Group reasonably determines the income and economic benefit is probable. Group’s revenues are comprised of sales of commercial vehicles and the spare parts of those commercial vehicles. Net sales is determined by reducing customer returns and sales discounts.

- Revenue from the sale of goods is recognized when all the following conditions are gratified:
- The significant risks and the ownership of the goods are transferred to the buyer,
- The Group refrains the managerial control over the goods and the effective control over the goods sold,
- The revenue can be measured reasonably,
- It is probable that the economic benefits related to transaction will flow to the entity,
- The costs incurred or will be incurred in conjunction with the transaction can be measured reliably.

Warranties given for sales cannot be purchased separately. These warranties are assured that the products sold are in compliance with the pre-determined conditions. In this respect, the Group will continue to recognize the warranty provisions in accordance with the provisions of the existing TAS 37 Provisions, Contingent Liabilities and Conditional Assets.

Revenue from extended warranty sales

For the products it sells, the Group sells extended warranty for the periods starting from the end of the legal warranty periods. The price of the additional commitments given is considered as a different service promised within the contract, apart from the products sold. Therefore, the Group accounts for the service to be provided due to extended warranty sales as a separate performance obligation.

Service rendering

When the revenue from services can be measured reliably, the revenue is recorded in accordance with its completion level. If the revenue cannot be measured reliably, revenues are recognized as much as the recoverable amount of expenses that are associated with these revenues.

Dividend income

Dividend income from investments is recognised when the shareholders’ rights to receive payment have been established.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.3 Summary of Significant Accounting Policies (cont'd)****2.3.17 Reporting of cash flows**

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from operating activities indicate cash flows due to the Group's operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid assets with less than three months to maturity.

2.3.18 Contingent assets and liabilities

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

2.3.19 Government Grants

Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received. Government grants are recognized as income over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis. Government grants and assistance received for R&D purposes of the Group are explained in Note 15.

2.3.20 TFRS 9 Financial Instruments

TFRS 9, Financial instruments; effective from annual periods beginning on or after 1 January 2018. This standard replaces the guidance in TAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. Group has carried out valuation studies to determine the cumulative effect of the first transition and concluded that no changes should be made to the consolidated financial statements.

Financial assets

At initial recognition, the Group measures a financial asset at its fair value, except for trade receivables that do not contain significant financing component. The Group measures trade receivables at their transaction price (as defined in TFRS 15) if the trade receivables do not contain a significant financing component in accordance with TFRS 15 (or when the entity applies the practical expedient) at initial recognition.

In the initial measurement of financial assets except at fair value through profit or loss, transaction costs directly attributable to the acquisition or export of such assets are added to or deducted from the fair value. Financial assets that are traded in the normal course are recognized at the date of the transaction (delivery date).

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.20 TFRS 9 Financial Instruments (cont'd)

Financial assets measured at amortized cost

The Group reclassifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both: (a) the Group's business model for managing the financial assets, and (b) the contractual cash flow characteristics of the financial asset. When, and only when, the Group changes its business model for managing financial assets, it reclassifies all affected financial assets. The Group applies the reclassification prospectively from the reclassification date. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

A financial asset is measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest revenue of financial assets measured at amortised cost is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- (a) purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.
- (b) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)**2.3 Summary of Significant Accounting Policies (cont'd)****2.3.20 TFRS 9 Financial Instruments (cont'd)***Financial assets measured at amortized cost (cont'd)*

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. If the financial asset is reclassified out of the fair value through other comprehensive income measurement category, the Company accounts for the cumulative gain or loss that was previously recognised in other comprehensive income in the financial statements. Interest calculated using the effective interest method is recognised in profit or loss.

At initial recognition, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

Financial assets measured at fair value through profit or loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

Financial assets that are not designated as an effective hedging instrument against financial risk are also classified as financial assets at fair value through profit or loss. The related financial assets are presented with their fair values and the gains and losses arising from the valuation are recognized in profit or loss.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortized cost or fair value through other comprehensive income.

The Group applies the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income. However, the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

At each reporting date, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses except for purchased or originated credit impaired financial assets. For purchased or originated credit-impaired financial assets, the Group only recognizes the cumulative changes in lifetime expected credit losses since initial recognition as a loss allowance at the reporting date.

The Group measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables, contract assets and lease receivables that do not contain a significant financing component, which is referred as simplified approach.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.20 TFRS 9 Financial Instruments (cont'd)

Financial liabilities

Financial liabilities are initially measured at fair value. During initial recognition of financial liabilities not designated fair value through profit or loss, all directly attributable transaction costs related to underwriting of financial liabilities, added to this fair value.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for:

- financial liabilities at fair value through profit or loss: Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. If a transfer does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. In subsequent periods, the Company recognises any income on the transferred asset and any expense incurred on the financial liability.
- contingent consideration recognised by an acquirer in a business combination to which TFRS 3 applies. Such contingent consideration is subsequently be measured at fair value with changes recognised in profit or loss.

The Group does not reclassify any financial liability.

Recognition and derecognition of financial assets

The Group recognises a financial asset or a financial liability in the statement of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. The Group only derecognizes the obligation if the obligation defined in the contract is lifted or canceled or if it expires on time.

2.3.21 Events after the reporting period

Subsequent events and announcements related to net profit or even declared after other selective financial information has been publicly announced, include all events that take place between the balance sheet date and the date when the balance sheet is authorised for issue.

In the case that events requiring an adjustment to the consolidated financial statements occur subsequent to the balance sheet date, the Group makes the necessary corrections on the consolidated financial statements.

2.4 Changes in Accounting Estimates and Errors

Accounting estimates are made based on reliable information and using appropriate estimation methods. However, if new or additional information becomes available or the circumstances, which the initial estimates based on, change, then the estimates are reviewed and revised, if necessary. If the change in the accounting estimates is only related to a sole period, then only that period's financial statements are adjusted. If the amendments are related to the current as well as the forthcoming periods, then both current and forthcoming periods' financial statements are adjusted.

Significant accounting errors are applied retrospectively and the consolidated financial statements of the previous period are restated. There has been no significant change in the accounting estimates of the Group in the current year.

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NOTE 2 -BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**2.5 Other Accounting Estimates**

In instances where the accounting estimates affect both current and forthcoming periods, then description and monetary value of the estimate is disclosed in the notes to the financial statements except instances where the estimation of the effect related to upcoming periods are not possible.

a) Deferred Tax

There are previous year losses, research and development expenditures and investment incentive certificates that the Group can gain tax advantage in the future. Deferred tax assets can only be recognized if it is probable that sufficient taxable profit will be generated in future periods. In each reporting period, the Group management evaluates the taxable profit that may occur in the future periods, and during its evaluations, future profit projections and unused losses are taken into account within the scope of tax legislation. For the year ended December 31, 2022, the Group has recorded deferred tax assets up to the part that it finds sufficient indications of taxable profit in the foreseeable future.

b) Warranty Cost Provisions

The Group determined the warranty provision based on warranty costs for each vehicle model in previous years and the remaining warranty periods for each vehicle.

c) Useful lives of property, plant and equipment:

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. The Company may shorten or prolong the useful lives and related depreciation of property, plant and equipment by taking into consideration the intended use of property, plant and equipment, technological progress according to their types and other factors.

d) Revaluation of land improvements and buildings:

Land improvements, evaluation of buildings and machinery have been made by taking into consideration the current market conditions. A significant increase/(decrease) in the market value of the lands and lands where the market approach (peer comparison) method is used will cause a significant increase/(decrease) in the fair value of the immovables in the relevant region and under similar conditions. As a result of the revaluation, provision for impairment of the fixed assets with fair value lower than the cost value is made.

The Group's land improvements and buildings have been revalued at 31 December 2022 by independent appraisals accredited by the Capital Markets Board. The Group's land improvements and buildings have been revalued by independent appraisals accredited by the Capital Markets Board. The revaluation fund which is composed of the difference between the book value and the fair value is offset with deferred tax and shown under the equity as revaluation fund. Revaluation is performed periodically.

e) Provision for Employment Termination Benefits

Provision for employment termination benefits is calculated by taking into account the severance pay ceiling and actuarial informations recognized into the consolidated financial statements. Provision for employment termination benefits represents the estimated present value of the amount of retirement pay liability that the Group is liable to pay in the future.

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NOTE 3 -SEGMENT REPORTING

The field of activity of the Group established in Turkey is the manufacture, assembly, import and sale of motor vehicles and spare parts. The field of activity of the Group, the nature and economic properties of products, production processes, classification according to customer risks and methods used in the distribution of products are similar. Moreover, the Group is structured on an activity basis rather than being managed under separate divisions including different activities. Thus, the operations of the Group are considered as a single activity division, and the outputs of the Group's activities, determination of the resources to be allocated to these activities, and review of the performance of these activities are evaluated accordingly.

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash and equivalent values as of the end of the period are presented below:

	31 December 2022	31 December 2021
Cash	-	1.471
Banks-Demand Deposits	416.606.154	19.562.954
Banks-Time Deposits	1.058.000.485	619.210.951
Other Liquid Assets ^(*)	1.696.079	407.128
Total	1.476.302.718	639.182.504

^(*) As of 31 December 2022 and 31 December 2021, the balance in "Other Liquid Assets" is consist of credit card receivables in bank of the group.

There are no restricted deposits as of 31 December 2022 and 31 December 2021.

Cash and cash equivalents presented in the consolidated cash flow statements as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Liquid Assets	1.476.302.718	639.182.504
Interest Accruals (-)	(5.919.051)	(42.873)
Total (Excluding interest accruals)	1.470.383.667	639.139.631

The details of time deposits are as follows:

	31 December 2022		31 December 2021	
	Amount (TRY Equivalent)	Annual Average Interest Rate (%)	Amount (TRY Equivalent)	Annual Average Interest Rate (%)
TRY	1.058.000.485	16,80	75.952.873	18,73
Euro	-	-	451.984.437	0,33
US Dollar	-	-	91.273.641	0,75
Total	1.058.000.485		619.210.951	

The Group does not have any time deposits with maturities longer than three months and the time deposits are composed of fixed interest rates.

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NOTE 5 - FINANCIAL INVESTMENTS

The details of short term financial investments as follows:

	31 December 2022			31 December 2021		
	Carrying Amount	Interest Accrual	Fair Value	Carrying Amount	Interest Accrual	Fair Value
Currency Protected Deposit	-	10.722.329	251.671.891	-	-	-
Total	-	10.722.329	251.671.891	-	-	-

The details of long term financial investments as follows:

	31 December 2022			31 December 2021		
	Carrying Amount	Interest Accrual	Fair Value	Carrying Amount	Interest Accrual	Fair Value
Investment Fund	-	-	837.400	-	-	-
Total	-	-	837.400	-	-	-

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NOTE 6 - FINANCIAL LIABILITIES

The details of bank loans as of 31 December 2022 and 31 December 2021 are as follows:

a) Short-term Borrowings**Bank Loans**

	Average Effective Interest Rate %		Original Currency		Amount in TRY Including Interest	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
TRY	17,21	16,38	1.071.109.203	161.500.843	1.071.109.203	161.500.843
Total					1.071.109.203	161.500.843

b) Short-term Portions of Long Term Borrowings**Bank Loans**

	Average Effective Interest Rate %		Original Currency		Amount in TRY Including Interest	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Euro	4,38	1,08	11.221.443	8.652.339	224.101.200	130.379.500
TRY	15,84	15,64	301.104.303	121.718.562	301.104.303	121.718.562
Total					525.205.503	252.098.062

Finance Lease Liabilities

	Average Effective Interest Rate %		Original Currency		Amount in TRY Including Interest	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Euro	3,20	4,35	49.253	91.935	981.855	1.385.341
TRY	28,05	20,00	7.575.594	3.174.140	7.575.594	3.174.140
Total					8.557.449	4.559.481

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NOTE 6- FINANCIAL LIABILITIES (cont'd)**a) Long-term Borrowings****Bank Loans**

	Average Effective Interest Rate %		Original Currency		Amount in TRY Including Interest	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Euro	5,45	3,26	8.645.973	19.153.591	172.666.990	288.619.714
TRY	12,29	18,82	229.985.829	220.956.468	229.985.829	220.956.469
Total					402.652.819	509.576.183

As of 31 December 2022 and 31 December 2021, the payment schedule of long-term loans is as follows:

	31 December 2022	31 December 2021
1 to 2 years	232.381.180	348.861.588
2 to 3 years	42.214.247	35.641.646
3 to 4 years	37.356.083	31.317.988
4 to 5 years	31.234.338	27.777.068
More than 5 years	59.466.971	65.977.893
Total	402.652.819	509.576.183

Finance Lease Liabilities

	Average Effective Interest Rate %		Original Currency		Amount in TRY Including Interest	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Euro	3,20	4,35	105.306	344.980	2.099.264	5.198.400
TRY	28,05	20,00	7.966.946	515.100	7.966.946	515.100
Total					10.066.210	5.713.500

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NOTE 6- FINANCIAL LIABILITIES (cont'd)**a) Long-term Borrowings (cont'd)**

Financial net debt reconciliation as of 31 December 2022 and 31 December 2021 is as follows:

	<u>31 December 2022</u>	<u>31 December 2021</u>
Opening balance	933.448.069	628.560.029
Interest expense	192.293.075	70.420.770
Cash outflows from debt payments arising from lease agreements	4.849.668	(3.718.882)
TFRS 16 changes in lease liabilities	2.232.747	4.729.671
Interest paid	(166.473.003)	(69.477.974)
Newly obtained credits	2.319.748.510	506.637.641
Loans repaid	(1.384.372.340)	(351.681.632)
Exchange difference	115.864.458	147.978.446
Closing balance	2.017.591.184	933.448.069

NOTE 7- TRADE RECEIVABLES AND PAYABLES

Trade receivables at period ends are as follows:

a) Short-term Trade Receivables

	<u>31 December 2022</u>	<u>31 December 2021</u>
Trade Receivables from Third Parties	983.067.273	459.844.266
Trade Receivables from Related Parties	114.976.064	298.393.667
Rediscount Expenses (-)	(2.091.726)	(3.804.292)
Doubtful Receivables	480.040	522.097
Allowance for Doubtful Receivables (-)	(480.040)	(522.097)
Total	1.095.951.611	754.433.641

As of 31 December 2022, the average term for trade receivables is 76 days (31 December 2021: 102 days).

Movements of provision for doubtful receivables are as follows:

	<u>31 December 2022</u>	<u>31 December 2021</u>
Opening Balance	522.097	762.710
Collections in the Period	(42.057)	(240.613)
Closing Balance	480.040	522.097

Disclosures on the nature and level of risks in trade receivables are given in Note 28.

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NOTE 7- TRADE RECEIVABLES AND PAYABLES (cont'd)

Trade payables at period ends are as follows:

b) Short-term Trade Payables

	<u>31 December 2022</u>	<u>31 December 2021</u>
Trade Payables to Third Parties	1.036.170.439	375.224.599
Trade Payables to Related Parties	1.169.241.865	639.836.656
Rediscount Incomes(-)	(6.204.191)	(3.811.421)
Total	2.199.208.113	1.011.249.834

As of 31 December 2022, the average term for trade payables is 115 days (31 December 2021: 127 days).

Disclosures on the nature and level of risks in trade payables are given in Note 28.

NOTE 8- OTHER RECEIVABLES AND PAYABLES**a) Other Short-term Receivables**

	<u>31 December 2022</u>	<u>31 December 2021</u>
Receivables from Tax Office ^(*)	84.644.136	71.505.661
Due from Personnel	1.805.193	1.016.446
Deposits and Guarantees Given	30.746	37.335
Total	86.480.075	72.559.442

^(*) As of 31 December 2022, the amount of Group's receivables was TRY 84.111.751 which consists of the receivables related to the VAT refund request (31 December 2021: TRY 71.505.661).**b) Other Long-term Receivables**

	<u>31 December 2022</u>	<u>31 December 2021</u>
Deposits and Guarantees Given	4.892	3.642
Total	4.892	3.642

Disclosures on the nature and level of risks in other receivables are given in Note 28.

c) Other Short-term Payables

	<u>31 December 2022</u>	<u>31 December 2021</u>
Payables Under Employee Benefit	38.577.623	14.666.030
Tax and Funds Payables	10.918.011	4.098.897
Other Miscellaneous Payables	518.620	1.844.395
Total	50.014.254	20.609.322

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NOTE 9- DERIVATIVE INSTRUMENTS

Derivative instruments at period ends are as follows:

Foreign Currency Forward Transactions

	31 December 2022			31 December 2021		
	Nominal Value	Fair Value		Nominal Value	Fair Value	
		Asset	Liability		Asset	Liability
Interest Rate Swap	75.000.000	-	(2.437.805)	75.000.000	-	1.458.151
Forward Contracts	1.202.378.578	4.840.568	(37.811.643)	703.181.296	105.351.238	(4.133.811)
Total	1.277.378.578	4.840.568	(40.269.448)	778.181.296	105.351.238	(2.675.660)

NOTE 10- INVENTORIES

Inventory balances as of period ends are as follows:

	31 December 2022	31 December 2021
Raw Materials	955.821.041	233.713.070
Work in Process Goods	1.701.708	930.633
Finished Goods	259.769.534	116.972.621
Trade Goods	138.181.970	66.439.881
Other Inventory	12.316.827	7.712.306
Goods in Transit	124.859.435	44.455.438
Impairment in Finished Goods and Trade Goods	(488.002)	(488.002)
Total Inventories	1.492.162.513	469.735.947

Movement of Provision for Inventory Impairment	31 December 2022	31 December 2021
Opening Balance	488.002	488.002
Current Period Provision (+)	-	-
Closing Balance	488.002	488.002

As at 31 December 2022, total cost of sales which recognized in statement of profit or loss is TRY 4.496.411.093 (31 December 2021: TRY 1.956.424.125)

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NOTE 11- PROPERTY, PLANT AND EQUIPMENT**31 December 2022**

Cost Value	Land	Land Improve- ments	Buildings	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Fixed Assets	Construction in Progress	Total
Opening Balance as at 1 January 2022	933.915.000	13.334.513	307.654.634	252.797.325	6.544.007	4.007.650	644.296	1.793.071	1.520.690.496
Additions	-	4.696.989	924.754	46.727.310	3.513.654	2.212.272	-	68.656.162	126.731.141
Transfers from Construction in Progress	-	-	-	57.852.444	-	-	-	(57.852.444)	-
Disposals	-	-	-	(522.864)	(97.726)	-	-	-	(620.590)
Revaluation Increases	1.378.342.500	-	266.109.985	-	-	-	-	-	1.644.452.485
Closing Balance as at 31 December 2022	2.312.257.500	18.031.502	574.689.373	356.854.215	9.959.935	6.219.922	644.296	12.596.789	3.291.253.532
Accumulated Depreciation									
Opening Balance as at 1 January 2022	-	(8.754.723)	(65.270.601)	(170.239.422)	(4.385.813)	(3.038.011)	(641.655)	-	(252.330.225)
Charge for the year	-	(719.782)	(10.571.913)	(18.586.357)	(857.316)	(416.443)	(650)	-	(31.152.461)
Disposals	-	-	-	288.681	97.380	-	-	-	386.061
Closing Balance as at 31 December 2022	-	(9.474.505)	(75.842.514)	(188.537.098)	(5.145.749)	(3.454.454)	(642.305)	-	(283.096.625)
Net Book Value									
Opening Balance as at 1 January 2022	933.915.000	4.579.790	242.384.033	82.557.903	2.158.194	969.639	2.641	1.793.071	1.268.360.271
Closing Balance as at 31 December 2022	2.312.257.500	8.556.997	498.846.859	168.317.117	4.814.186	2.765.468	1.991	12.596.789	3.008.156.907

TRY 21.104.804 of the depreciation expenses has been charged to cost of sales and TRY 594.851 to research and development expenses and TRY 1.416.489 to marketing expenses, TRY 3.184.201 to general administrative expenses and TRY 4.852.116 to development capitalization as of 31 December 2022.

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NOTE 11- PROPERTY, PLANT AND EQUIPMENT (cont'd)**31 December 2021**

Cost Value	Land	Land Improve- ments	Buildings	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Fixed Assets	Construction in Progress	Total
Opening Balance as at 1 January 2021	386.525.554	12.496.857	165.909.535	225.090.297	6.020.376	3.836.373	644.296	1.793.071	802.316.359
Additions	-	837.656	1.440.156	27.954.000	1.104.449	184.125	-	-	31.520.386
Transfers from Construction in Progress	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(246.972)	(580.818)	(12.848)	-	-	(840.638)
Revaluation Increases	547.389.446	-	140.304.943	-	-	-	-	-	687.694.389
Closing Balance as at 31 December 2021	933.915.000	13.334.513	307.654.634	252.797.325	6.544.007	4.007.650	644.296	1.793.071	1.520.690.496
Accumulated Depreciation									
Opening Balance as at 1 January 2021	-	(8.271.745)	(61.118.917)	(157.505.643)	(4.012.622)	(2.789.912)	(629.398)	-	(234.328.237)
Charge for the year	-	(482.978)	(4.151.684)	(12.976.435)	(704.056)	(258.077)	(843)	-	(18.574.073)
Disposals	-	-	-	242.656	330.865	9.978	(11.414)	-	572.085
Closing Balance as at 31 December 2021	-	(8.754.723)	(65.270.601)	(170.239.422)	(4.385.813)	(3.038.011)	(641.655)	-	(252.330.225)
Net Book Value									
Opening Balance as at 1 January 2021	386.525.554	4.225.112	104.790.618	67.584.654	2.007.754	1.046.461	14.898	1.793.071	567.988.122
Closing Balance as at 31 December 2021	933.915.000	4.579.790	242.384.033	82.557.903	2.158.194	969.639	2.641	1.793.071	1.268.360.271

TRY 11.504.622 of the depreciation expenses has been charged to cost of sales and TRY 830.207 to research and development expenses and TRY 921.589 to marketing expenses, TRY 1.776.847 to general administrative expenses and TRY 3.540.808 to development capitalization as of 31 December 2021.

An independent valuation on the Group's land and buildings was done as at 31 December 2022. Fair values of the Group's land and buildings were estimated based on valuation techniques which take into account comparable fair market value of land and buildings that share similar characteristics to the Group's assets. The gains/(loss) on revaluation of land and buildings in the amount of TRY 1.644.452.485, net of taxes of TRY 1.453.396.238 has been included as a component of other comprehensive income. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income. There are no restrictions on the distribution of the revaluation surplus to the equity holders of the Group.

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NOTE 12 - INTANGIBLE ASSETS**31 December 2022**

Cost Value	Rights	Development Expenses	Other Intangible Assets	Construction in Progress and Advances ⁽¹⁾	Total
Opening Balance as at 1 January 2022	963.008	239.932.131	42.941.246	83.976.818	367.813.203
Additions	-	-	18.025.314	170.891.786	188.917.100
Transfer from Construction in Progress	217.413	115.647.065	1.818.436	(117.682.914)	-
Closing balance as at 31 December 2022	1.180.421	355.579.196	62.784.996	137.185.690	556.730.303
Accumulated Amortization					
Opening Balance as at 1 January 2022	(312.081)	(112.519.289)	(29.737.696)	-	(142.569.066)
Charge for the period	(74.174)	(37.445.838)	(9.028.167)	-	(46.548.179)
Closing balance as at 31 December 2022	(386.255)	(149.965.127)	(38.765.863)	-	(189.117.245)
Net Book Value					
Opening Balance as at 1 January 2022	650.927	127.412.842	13.203.550	83.976.818	225.244.137
Closing balance as at 31 December 2022	794.166	205.614.069	24.019.133	137.185.690	367.613.058

⁽¹⁾ As of 31 December 2022, TRY 133.907.589 of the "Construction in Progress" amount is related to R&D projects and the remaining part is related to other intangible asset investments.

TRY 38.430.367 of the depreciation expenses of intangible assets has been charged to cost of sales and TRY 55.257 to research and development expenses and TRY 404.431 to marketing expenses, TRY 3.119.133 to general administrative expenses and TRY 4.538.991 to development capitalization as of 31 December 2022.

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NOTE 12 - INTANGIBLE ASSETS (cont'd)**31 December 2021**

Cost Value	Rights	Development Expenses	Other Intangible Assets	Construction in Progress and Advances (*)	Total
Opening Balance as at 1 January 2021	837.305	176.145.816	32.807.023	71.924.695	281.714.839
Additions	-	-	10.106.023	75.992.341	86.098.364
Transfer from Construction in Progress	125.703	63.786.315	28.200	(63.940.218)	-
Closing balance as at 31 December 2021	963.008	239.932.131	42.941.246	83.976.818	367.813.203
Accumulated Amortization					
Opening Balance as at 1 January 2021	(244.620)	(86.845.598)	(23.564.902)	-	(110.655.120)
Charge for the period	(67.461)	(25.673.691)	(6.172.794)	-	(31.913.946)
Closing balance as at 31 December 2021	(312.081)	(112.519.289)	(29.737.696)	-	(142.569.066)
Net Book Value					
Opening Balance as at 1 January 2021	592.685	89.300.218	9.242.121	71.924.695	171.059.719
Closing balance as at 31 December 2021	650.927	127.412.842	13.203.550	83.976.818	225.244.137

(*) As of 31 December 2021, TRY 79.114.463 of the "Construction in Progress" amount is related to R&D projects, TRY 167.220 is related to property, plant and equipments and the remaining part is related to other intangible asset investments.

TRY 26.802.870 of the depreciation expenses of intangible assets has been charged to cost of sales and TRY 72.570 to research and development expenses and TRY 351.982 to marketing expenses, TRY 2.631.437 to general administrative expenses and TRY 2.055.087 to development capitalization as of 31 December 2021.

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NOTE 13 - RIGHT OF USE ASSETS

As of 31 December 2022 and 31 December 2021, the right of use assets' balances of depreciation assets and depreciation expenses in the relevant period are as follows:

Cost Value	Total
Opening Balance as at 1 January 2022	13.852.693
Additions	13.507.316
Disposals	(6.781.933)
Closing balance as at 31 December 2022	20.578.076

Accumulated Amortization

Opening Balance as at 1 January 2022	(8.022.844)
Charge for the Period	(2.730.024)
Disposals	6.781.933
Closing balance as at 31 December 2022	(3.970.935)

Net Book Value

Opening Balance as at 1 January 2022	5.829.849
Closing balance as at 31 December 2022	16.607.141

TRY 691.449 of depreciation expenses has been charged to cost of sales, and TRY 2.038.575 to general administration expenses as of 31 December 2022.

Cost Value	Total
Opening Balance as at 1 January 2021	9.123.022
Additions	4.729.671
Closing balance as at 31 December 2021	13.852.693

Accumulated Amortization

Opening Balance as at 1 January 2021	(4.303.961)
Charge for the Period	(3.718.883)
Closing balance as at 31 December 2021	(8.022.844)

Net Book Value

Opening Balance as at 1 January 2021	4.819.061
Closing balance as at 31 December 2021	5.829.849

TRY 910.198 of depreciation expenses has been charged to cost of sales, and TRY 2.808.685 to general administration expenses as of 31 December 2021.

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NOTE 14 - GOODWILL

As of 31 December 2022, there is goodwill amounted to TRY 2.340.995 (31 December 2021: TRY 2.340.995). The Group has calculated the recoverable amount of goodwill and no impairment is recognized. In this calculation, a discount rate of 20% (2021: 20% per annum) was used with 5-year cash flows prepared based on the budgets approved by the management.

NOTE 15- GOVERNMENT GRANTS AND INCENTIVES

The cash support amount, which was collected from TUBITAK in relation to R&D activities in 2022 was the TRY 1.736.050. (TRY 272.521 as of 31 December 2021).

The Group has R&D expenses which can be utilized for tax calculations with an amount of TRY 484.005.500 as of 31 December 2022. As per amendment made in Article 35 of the Law on Supporting Research and Development No. 5746 which became effective on 1 April 2008. R&D deduction rate from which will be benefited for the expenses of R&D has been increased from 40% to 100% (TRY 390.303.320 as of 31 December 2021).

In order to benefit from the incentives and exemptions provided in line with the Law No. 5746, the Group applied to the Ministry of Industry and Commerce to become an R&D centre. On 3 June 2009, the Group was entitled to become an R&D centre.

The Group realizes fixed asset investments with incentives within the scope of the "Council of Ministers Decisions on State Aids in Investments" numbered 2009/15199 and 2012/3305, which regulates the investment legislation.

The investment projects in which the Group has completed the investment process and continue to benefit from the deserved investment contribution amounts are as follows;

Within the scope of the incentive certificate numbered 5487, TRY 51.670.512 was spent.(31 December 2021: TRY 51.670.512) The contribution rate to the investment is 20%.

The investment projects that the Group continues to invest in and continue to benefit from the investment contribution amounts are as follows;

Within the scope of the incentive certificate numbered 129788, TRY 87.752.164 was spent. (31 December 2021: TRY 13.666.518) The contribution rate to the investment is 45%.

Within the scope of the incentive certificate numbered 535509, TRY 57.822.404 was spent. (31 December 2021: None) The contribution rate to the investment is 30%.

Within the scope of the incentive certificate numbered 541650, incentive certificate's amount is TRY 1.008.119.769 and no expenditure was spent. (31 December 2021: None) The contribution rate to the investment is 55%.

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**a) Other Short-term Provisions**

	<u>31 December 2022</u>	<u>31 December 2021</u>
Warranty Provisions	44.979.730	21.418.335
Provision for Lawsuits	36.735.741	8.543.291
Provision for Premium and Commission	58.530.797	34.732.481
Total	140.246.268	64.694.107

Movements of provisions during the period are as follows:

	Warranty Provisions	Provision for Lawsuits	Provision for Premium and Commission	Total
Opening Balance as at 1 January 2022	21.418.335	8.543.291	34.732.481	64.694.107
Additions During The Period	54.840.056	28.192.450	48.991.145	132.023.651
Paid During The Period (-)	(31.278.661)	-	(25.192.829)	(56.471.490)
Closing Balance as at 31 December 2022	44.979.730	36.735.741	58.530.797	140.246.268
	Warranty Provisions	Provision for Lawsuits	Provision for Premium and Commission	Total
Opening Balance as at 1 January 2021	13.412.222	6.249.729	4.453.147	24.115.098
Additions During The Period	29.986.227	3.468.562	34.732.481	68.187.270
Paid During The Period (-)	(21.980.114)	(1.175.000)	(4.453.147)	(27.608.261)
Closing Balance as at 31 December 2021	21.418.335	8.543.291	34.732.481	64.694.107

Lawsuits against the Group:

As of 31 December 2022, there are 71 ongoing lawsuits filed against the Group due to the cancellation of employment termination and other claims for employment and other compensation. Based on these lawsuits, TRY 36.735.741, which is recognized based on assessments of the lawyers, was reserved as lawsuit provision (as of 31 December 2021, the lawsuit provisions amount is TRY 8.543.291).

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)**Mortgages and guarantees on assets:**

There are not any mortgages and guarantees on assets.

Contingent liabilities which are not shown in liabilities listed are as follows:

Type	31 December 2022	31 December 2021
Given Letters of Guarantee	649.576.356	544.273.486
Total	649.576.356	544.273.486
	31 December 2022	31 December 2021
A. CPMs given in the name of its own legal personality	649.576.356	544.273.486
i. Letter of Guarantee	649.576.356	544.273.486
B. CPMs given on behalf of fully consolidated companies		-
C. CPMs given in the normal course of business activities on behalf of third parties	-	-
D. Total amount of other CPMs	-	-
i. Total amount of CPMs given on behalf of the parent	-	-
ii. Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C	-	-
iii. Total amount of CPMs given on behalf of third parties which are not in scope of C	-	-
Total	649.576.356	544.273.486

The ratio of other CPM is given by the Group to the Group's equity is 0% as of 31 December 2022 (0% as of 31 December 2021).

The Group is exposed to foreign currency risk since its foreign currency denominated assets and liabilities are formed of different currencies. In order to hedge its foreign currency position due to the fluctuations in the foreign exchange parities, the Group enters into forward contracts.

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NOTE 17 - EMPLOYEE BENEFITS**a) Short-Term Provisions for Employee Benefits**

	<u>31 December 2022</u>	<u>31 December 2021</u>
Provision for Employee Rights and Salaries	276.247	12.164.321
Provision for Unused Vacation	5.159.259	3.330.914
Total	5.435.506	15.495.235

Short-term provisions for employee benefits consist of provisions that were calculated and unpaid as of the end of period.

Movements of the provision for unused vacation during the period are as follows:

	<u>31 December 2022</u>	<u>31 December 2021</u>
Opening Balance	3.330.914	2.332.644
Recognized provision during the period	12.208.872	3.951.480
Paid During The Period	(10.380.527)	(2.953.210)
Total	5.159.259	3.330.914

b) Long-Term Provisions for Employee Benefits

	<u>31 December 2022</u>	<u>31 December 2021</u>
Provision for Severance Payments to Employees	125.769.433	47.235.042
Total	125.769.433	47.235.042

Within the framework of current laws in Turkey, it is obligatory to make the severance pay of each employee who has completed one year service period, has been paid off regardless of any related reason, has been called-up for military service along with men who have completed 25-year service period, women who have completed 20-year service period or those who have completed age of retirement (58 for women, 60 for men). Because there is not any funding obligation for the severance pay provision in Turkey, any special fund is not allocated in the financial statements.

The severance payments are calculated over 30-days gross salary for each service year. Primary assumption is that ceiling liability set for each service year increases in proportion to inflation. In parallel with this, real discount rate which is cleared of the potential inflation impacts is considered at the implementation stage. The severance pay cap is revised in every six months, the ceiling amount of TRY 19.982,83 (1 January 2021: TRY 10.848,59) applicable as of 1 January 2023 has been regarded for the calculation of the Group's provision of severance pay.

Moreover, the severance payments are not made for those who leave the job with his/her wish; estimated rate related to these severance pay amounts that will remain in the Group's account is considered.

Considering the Liability of Severance Pay are related to the next periods as per TAS 19, current values of the severance payments which will be made as of the balance sheet date are calculated to determine an approximate inflation expectation whose net difference refers a real discount rate and find an appropriate discount rate.

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NOTE 17 - EMPLOYEE BENEFITS (cont'd)**Long-Term Provisions for Employee Benefits (cont'd)**

The actuarial assumptions considered in the calculation of the provision for employment termination benefits are as follows:

	<u>31 December 2022</u>	<u>31 December 2021</u>
Annual Net Discount Rate (%)	0,44	4,35
Turnover Rate to Estimate the Probability of Retirement (%)	8,99	5,10

The provision calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees is recognised to the consolidated financial statements.

Movements of the provision for employee termination benefit during the period are as follows:

	<u>31 December 2022</u>	<u>31 December 2021</u>
Opening Balance	47.235.042	32.134.270
Interest Cost	205.967	1.397.142
Gain/(Loss) on Remeasurement of Defined Benefit Plans	53.514.016	(1.003.924)
Paid Within the Period	(6.681.339)	(1.839.489)
Service Cost	31.495.747	16.547.043
Closing Balance	125.769.433	47.235.042

NOTE 18- OTHER ASSETS AND LIABILITIES**a) Prepaid Expenses**

	<u>31 December 2022</u>	<u>31 December 2021</u>
Advances Given For Inventory Purchase	407.124.173	32.816.898
Prepaid Extended Warranty Expenses	2.144.091	2.605.512
Prepaid Insurance Expenses	287.453	238.763
Prepaid Subscription Expenses	348.917	205.682
Prepaid Maintenance Expenses	217.241	369.619
Prepaid Other Expenses	11.089.964	1.025.527
Total	421.211.839	37.262.001

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NOTE 18- OTHER ASSETS AND LIABILITIES (cont'd)**b) Other Current Assets**

	<u>31 December 2022</u>	<u>31 December 2021</u>
Deferred VAT	99.683.871	18.617.567
Other Current Assets	8.890.060	4.609.154
Total	108.573.931	23.226.721

c) Prepaid Expenses (Long-Term)

	<u>31 December 2022</u>	<u>31 December 2021</u>
Prepaid Extended Warranty Expenses	152.887	2.296.978
Prepaid Expenses	1.072.591	1.063.081
Total	1.225.478	3.360.059

d) Deferred Income (Short-Term)

	<u>31 December 2022</u>	<u>31 December 2021</u>
Order Advances Received	186.914.907	20.225.035
Deferred Income ^(*)	14.163.980	1.421.577
Total	201.078.887	21.646.612

^(*) The amount of cash incentives received for the company's R&D activities and which should be transferred to the income statement for upcoming months as of 31 December 2022 is TRY 1.190.973 (31 December 2021: TRY 848.821).

e) Liabilities Arising from Contracts with Customers (Short-Term)

	<u>31 December 2022</u>	<u>31 December 2021</u>
Deferred Maintenance and Repair Income	4.160.229	10.863.604
Total	4.160.229	10.863.604

f) Deferred Income (Long-Term)

	<u>31 December 2022</u>	<u>31 December 2021</u>
Order Advances Received	-	3.368.213
Deferred Income ^(*)	2.466.936	2.018.062
Total	2.466.936	5.386.275

^(*) The amount of cash incentives received for the company's R&D activities and which should be transferred to the income statement for upcoming months as of 31 December 2022 is TRY 2.466.936 (31 December 2021: TRY 2.018.062).

f) Liabilities Arising from Customer Contracts (Long-Term)

	<u>31 December 2022</u>	<u>31 December 2021</u>
Deferred Maintenance and Repair Income	58.763.620	35.813.919
Total	58.763.620	35.813.919

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NOTE 19- SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS**a) Capital/Elimination Adjustments**

As of 31 December 2022, the share capital of the Company is TRY 84.000.000 (31 December 2021: TRY 84.000.000).

This share capital is divided into 8.400.000.000 in total, including 4.515.314.511 A Group registered shares, 2.498.204.373 B Group registered shares, 1.386.481.116 C Group bearer's shares, each with nominal value of 1 (one) Kr. The distribution of this share capital on the basis of share group is as follows:

31 December 2022

Shareholders	Group A	Group B	Group C	Total Share Amount	Share (%)
AG Anadolu Grubu Holding A.Ş.	44.844.772	-	1.690.629	46.535.401	55,40
Isuzu Motors Ltd.	-	14.275.510	-	14.275.509	16,99
Itochu Corporation Tokyo	-	7.948.322	-	7.948.322	9,46
Itochu Corporation İstanbul	-	2.758.212	-	2.758.212	3,28
Other	308.373	-	12.174.182	12.482.556	14,87
Total	45.153.145	24.982.044	13.864.811	84.000.000	100,00

31 December 2021

Shareholders	Group A	Group B	Group C	Total Share Amount	Share (%)
AG Anadolu Grubu Holding A.Ş.	44.844.772	-	1.690.629	46.535.401	55,40
Isuzu Motors Ltd.	-	14.275.510	-	14.275.509	16,99
Itochu Corporation Tokyo	-	7.948.322	-	7.948.322	9,46
Itochu Corporation İstanbul	-	2.758.212	-	2.758.212	3,28
Other	308.373	-	12.174.182	12.482.556	14,87
Total	45.153.145	24.982.044	13.864.811	84.000.000	100,00

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NOTE 19- SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont'd)**b) Privileges Granted to the Share Groups**

The Company is directed by the fourteen members of the Board of Directors elected among shareholders by General Assembly in accordance with the regulations of Turkish Commercial Code.

Four members of the Board of Directors are elected from the candidates nominated by the shareholders of Group B, the eight members of the Board of Directors are elected from the candidates nominated by the shareholders of Group A and Two members are elected by the General Assembly from among the candidates to be nominated as independent board members.

Equity	31 December 2022	31 December 2021
Paid-in Capital	84.000.000	84.000.000
Capital Inflation Adjustment Difference	30.149.426	30.149.426
Restricted Reserves Appropriated from profit	26.784.678	23.784.678
Previous Year Profits	211.459.551	33.032.805
Gain/(Loss) on Revaluation and Measurement	2.475.663.739	1.022.267.501
(Losses) on Remeasurement of Defined Benefit Plans	(55.201.499)	(12.390.286)
Net Profit/(Loss) for The Period	617.387.200	211.426.746
Shareholders' Equity Attributable to Equity Holders of the Group	3.390.243.095	1.392.270.870
Total Shareholders' Equity	3.390.243.095	1.392.270.870

c) Restricted Reserves Appropriated from Profit

Restricted reserves appropriated from profit are comprised of legal reserves and other reserves.

Restricted Reserves Appropriated from Profit	31 December 2022	31 December 2021
Legal Reserves	26.784.678	23.784.678
Total	23.784.678	23.784.678

According to the provisions of the Turkish Commercial Code, legal reserves consist of primary and secondary legal reserves. The first legal reserves are allocated at the rate of 5% of the legal period profit until it reaches 20% of the historical or registered Company capital. Secondary legal reserves are allocated at the rate of 10% of all dividend distributions exceeding 5% of the Company's capital. According to the Turkish Commercial Code, first and second legal reserves cannot be distributed unless they exceed 50% of the total capital. They can only be used to compensate the losses in case the voluntary reserves are exhausted.

Retained earnings is comprised of extraordinary reserves, miscellaneous inflation differences and other prior years' income.

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NOTE 19- SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont'd)**d) Retained Earnings/Losses**

The Group's prior years' income details as of period ends are as follows:

Retained Earnings/Losses	31 December 2022	31 December 2021
Extraordinary Reserves	120.577.593	153.577.593
Legal Reserves Inflation Difference	24.820.489	24.820.489
Retained Earnings/(Losses)	66.061.469	(145.365.277)
Total	211.459.551	33.032.805

Quoted companies make profit distributions as follows:

If the amount of profit distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the total amount of distributable profit should be distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts carrying net loss for the period. In accordance with the CMB's decision dated 27 January 2010, it is decided not to bring any obligation for any minimum profit distribution about dividend distribution which will be made for publicly owned companies.

Inflation adjustment on Equity; the carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses. However, equity inflation adjustment differences will be liable to corporate tax if it is used in cash profit distribution.

Group's retained earnings is TRY 211.459.551 based on the financial statements prepared in according with TAS/IFRS Financial Reporting Standard for the period ended 31 December 2022 (31 December 2021: TRY 33.032.805).

In accordance with the Communiqué No:XI-29 and related announcements of TAS/IFRS, effective from 1 January 2008, "Share Capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amount. The valuation differences (such as differences from inflation adjustment) shall be classified as follows:

- "the difference arising from the "Paid-in Capital" and not been transferred to capital yet, shall be classified under the "Capital Adjustment to Share Capital";
- the difference due to the inflation adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilised in dividend distribution or capital increase yet, shall be classified under "Retained Earnings". Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

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NOTE 20- REVENUE AND COST OF SALES

	1 January- 31 December 2022	1 January- 31 December 2021
Domestic Sales	4.317.778.010	1.701.689.766
Foreign Sales	2.222.058.141	1.165.242.132
Other Income	30.291.413	22.064.823
Sales Total (Gross)	6.570.127.564	2.888.996.721
Sales Discounts (-)	(300.245.961)	(210.954.866)
Sales (Net)	6.269.881.603	2.678.041.855
Cost of Sales	(4.846.659.534)	(2.113.442.723)
Gross Operating Profit	1.423.222.069	564.599.132

Cost of sales are summarised as follows;

Cost of Sales	1 January- 31 December 2022	1 January- 31 December 2021
Raw Materials and Supplies Expenses	(3.805.879.969)	(1.588.136.170)
Direct Labor Expenses	(200.841.736)	(86.970.941)
Depreciation and Amortization Expenses	(60.226.620)	(39.217.690)
Other Production Costs	(89.180.085)	(30.829.967)
Total Cost of Production	(4.156.128.410)	(1.745.154.768)
Change in Goods Inventory	143.567.988	(33.584.296)
Cost of Trade Goods Sold	(825.026.823)	(332.380.815)
Cost of Other Sales	(9.072.289)	(2.322.844)
Cost of Sales	(4.846.659.534)	(2.113.442.723)

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NOTE 21- ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES**a) Research and Development Expenses**

	1 January- 31 December 2022	1 January- 31 December 2021
Personnel Expenses	(15.864.011)	(9.882.436)
Outsourced Benefits and Services	(1.575.246)	(255.221)
Depreciation Expenses	(650.108)	(902.777)
Other	(3.043.643)	(798.874)
Total Research and Development Expenses	(21.133.008)	(11.839.308)

b) Marketing Expenses

	1 January- 31 December 2022	1 January- 31 December 2021
Personnel Expenses	(72.484.450)	(34.434.424)
Royalty Expenses ⁽¹⁾	(53.961.094)	(19.238.610)
Transportation, Freight Expenses	(53.046.342)	(27.691.005)
Domestic Sales Expense	(39.262.518)	(9.747.980)
Warranty Expense Provision	(23.561.395)	(8.006.113)
Travel Expenses	(18.760.035)	(3.085.707)
Business and Service Expenses	(17.061.748)	(9.772.139)
Export Expense	(14.156.092)	(22.107.671)
Advertisement Expenses	(7.444.871)	(7.417.755)
Insurance Expenses	(4.392.891)	(1.456.172)
Representation-Hospitality Expenses	(2.485.870)	(692.813)
Depreciation Expenses	(1.820.920)	(1.273.571)
Consulting, Audit Expenses	(1.365.603)	(882.969)
Maintenance and Repair Expenses	(1.180.441)	(369.806)
Tax, Duties and Fee Expenses	(329.575)	(1.518.178)
Other	(20.560.129)	(8.438.450)
Total General Administrative Expenses	(331.873.974)	(156.133.363)

⁽¹⁾ As of 31 December 2022, TRY 53.761.305 part of TRY 53.693.731 amounted royalty expenses is related to license agreements with Isuzu Motors Ltd. Tokyo, TRY 67.573 is related to license agreements with Isuzu Motors International Operation Thailand, TRY 199.789 is related to licence agreements with AG Anadolu Holding A.Ş.(As of 31 December 2021, TRY 19.238.610 part of TRY 18.878.743 amounted royalty expenses is related to license agreements with Isuzu Motors Ltd. Tokyo, TRY 30.670 is related to license agreements with Isuzu Motors International Operation Thailand, TRY 329.197 is related to licence agreements with AG Anadolu Holding A.Ş.).

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NOTE 21- ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (cont'd)

c) General Administrative Expenses	1 January- 31 December 2022	1 January- 31 December 2021
Personnel Expenses	(66.543.834)	(34.128.993)
Business and Service Expenses	(32.855.306)	(17.164.266)
Consulting, Audit Expenses	(22.969.468)	(13.865.831)
Depreciation Expenses	(8.341.909)	(7.216.969)
Insurance Expenses	(7.352.474)	(3.780.879)
Tax, Duties and Fee Expenses	(6.272.518)	(4.086.534)
Maintenance and Repair Expenses	(1.114.864)	(462.211)
Representation-Hospitality Expenses	(1.180.036)	(330.969)
Travel Expenses	(1.330.653)	(42.159)
Rent Expenses	(1.510.234)	(323.726)
Other	(15.124.279)	(5.257.807)
Total General Administrative Expenses	(164.595.575)	(86.660.344)

NOTE 22- EXPENSES BY NATURE

	1 January- 31 December 2022	1 January- 31 December 2021
Direct Raw Material and Supplies Costs	(3.805.879.969)	(1.588.136.170)
Cost of Trade Goods Sold	(825.026.823)	(332.380.815)
Change in Finished Goods and Semi-Finished Goods	143.567.988	(33.584.296)
Personnel Expenses	(355.734.031)	(165.416.794)
Depreciation And Amortisation Expenses	(71.039.557)	(48.611.007)
Other	(450.149.699)	(199.946.656)
Total Expenses	(5.364.262.091)	(2.368.075.738)

Expenses by nature include cost of goods sold, marketing, selling and distribution expenses, general administration expenses and research and development expenses.

Fees for Services Obtained from an Independent Auditor/Independent Audit Firm

The Group's explanation regarding the fees for the services rendered by the independent audit firms, which is based on the KGK's letter dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	2021	2020
Independent audit fee for the reporting period	229.500	152.475
Fees for services other than independent audit	0	8.000
Fee for other assurance services	206.000	1.750
Total	435.500	162.225

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NOTE 23- OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other Income from Operating Activities:	1 January- 31 December 2022	1 January- 31 December 2021
Foreign Exchange Income on Trade Receivables and Payables	73.589.802	207.963.127
Sale Support Income	7.663.141	8.635.432
Service Income	2.340.761	2.148.285
Export D.F.I.F Support	1.890.884	925.177
Delay Interest Income	299.552	1.251.239
Discount Income on Trade Payables	4.105.336	-
Incentive Income	1.345.079	978.828
Rent Income	683.706	558.275
Tubitak R&D Incentive	1.303.095	522.309
Provisions no longer required	42.057	240.613
Other Income	15.960.437	4.806.363
Total	109.223.850	228.029.648

Other Expense from Operating Activities:	1 January- 31 December 2022	1 January- 31 December 2021
Foreign Exchange Expense on Trade Receivables and Payables	(269.371.233)	(295.406.814)
Lawsuit Provisions	(28.192.450)	(2.293.562)
Discount Income on Trade Receivables	-	(500.383)
Donations and Contributions	(11.437.000)	(26.000)
Other Expenses	(2.351.478)	(4.178.777)
Total	(311.352.161)	(302.405.536)

NOTE 24- INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income From Investing Activities	1 January- 31 December 2022	1 January- 31 December 2021
Gain on Sale of Machinery and Equipment	124.571	384.471
Currency Protected Deposit Fair Value Changes	17.759.312	-
Total	17.883.883	384.471

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NOTE 25- FINANCE INCOME AND EXPENSES

Finance Income:	1 January- 31 December 2022	1 January- 31 December 2021
Foreign Exchange Gain	355.482.754	297.223.026
Income from Derivative Transactions	-	71.135.621
Interest Income	60.797.250	13.972.367
Total	416.280.004	382.331.014
Finance Expenses:	1 January- 31 December 2022	1 January- 31 December 2021
Foreign Exchange Losses	(365.259.934)	(303.170.569)
Interest Expense	(192.499.041)	(71.830.775)
Expense from Derivative Transactions	(13.792.009)	(24.457.022)
Letter of Guarantee Expenses	(4.548.878)	(4.769.160)
Forward Purchase Expense	(5.844.484)	(1.937.122)
Other Finance Expenses	(63.819.876)	(8.991.089)
Total	(645.764.222)	(415.155.737)

NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

The Group's tax expense (or income) is comprised of current period corporate tax expense and deferred tax expense (or income).

Account	1 January- 31 December 2022	1 January- 31 December 2021
Current Income Tax Provision (-)	(1.412.587)	(1.102.061)
Deferred Tax Income/(Expense) (Income Statement)	126.908.921	9.378.830
Tax Income/(Expense) - Income Statement	125.496.334	8.276.769
Tax Income/(Expense) (Comprehensive Income Statement)	(180.353.444)	(83.000.718)
Total Tax Income/(Expense)	(54.857.110)	(74.723.949)
	31 December 2022	31 December 2021
Current Corporate Tax Provision	1.412.587	1.102.061
Less: Prepaid Taxes	(1.981.629)	(1.458.726)
Tax Payable	(569.042)	(356.665)

As of 31 December 2022, the amount of corporate tax paid in advance is amounted to TRY 569.042 which is portion of exceeding the corporation tax amount to be paid and it is included in the Assets Related to Current Period Taxation (31 December 2021: TRY 356.665).

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NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

i) Provision for Current Period Tax

The Group is subjected to Corporate Tax in Turkey. Necessary provisions in supplementary financial statements have been made for estimated tax liabilities regarding Group's operations in the current period.

The corporate tax to be accrued over the taxable profit is calculated by adding non-deductible expenses to the accounting profit; deducting investment and research and development allowances, income that is not subjected to taxation and the dividends received, from companies located in Turkey, from the accounting profit.

Consolidation principle is not utilized to prepare financial statements related to tax that is effective in Turkey.

The effective tax rate in 2022 is 23% (2021: 25%).

Tax losses can be carried forward to offset against future taxable income for up to five years. However, tax losses cannot be carried back to offset profits from previous periods.

According to Corporate Tax Law's 24th article, the corporate tax is imposed by the taxpayer's tax returns. There is not an exact mutual agreement procedure with Tax Authorities in Turkey. Annual corporate tax returns are submitted to the relating tax offices until the 25th of April in the following year. Tax authorities have the right to audit tax declarations and accounting records for 5 years and may issue re-assessment based on their findings.

Income Withholding Tax:

In addition to corporate tax, companies should also calculate income withholding tax on any dividends and income distributed. The rate of income tax withholding is 15%.

ii) Deferred Tax

The deferred tax asset and tax liability are based on the temporary differences, which arise between the financial statements prepared according to TAS/TFRS's accounting standards and statutory tax financial statements. These differences are usually due to the recognition of revenue and expenses in different reporting periods for the TAS/TFRS standards and tax purposes.

Timing differences are result of recognizing certain income and expense items differently for accounting and tax purposes. Timing differences are calculated off of the tangible fixed assets (except land and buildings), intangible fixed assets, stocks, the revaluation of prepaid expenses, discount of receivables, provision for termination indemnities, and previous years' loss. Every accounting year, the Group reviews the deferred tax asset and liabilities, where the deferred tax assets cannot be used against the future taxable income, the Group writes-off the recorded deferred tax asset.

The investment projects in which the Group has completed the investment process and continue to benefit from the deserved investment contribution amounts are as follows;

Within the scope of the incentive certificate numbered 5487, 51.670.512 TRY was spent. The contribution rate to the investment is 20%.

The investment projects that the Group continues to invest in and continue to benefit from the investment contribution amounts are as follows;

Within the scope of the incentive certificate numbered 129788, TRY 87.752.164 was spent. The contribution rate to the investment is 45%.

Within the scope of the incentive certificate numbered 535509, TRY 57.822.404 was spent. The contribution rate to the investment is 30%.

Within the scope of the incentive certificate numbered 541650, incentive certificate's amount is TRY 1.008.119.769 and no expenditure was spent. (31 December 2021: None) The contribution rate to the investment is 55%.

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NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)*ii) Deferred Tax (cont'd)*

	31 December 2022		31 December 2021	
	Cumulative Temporary Differences	Deferred Tax Assets/ (Liabilities)	Cumulative Temporary Differences	Deferred Tax Assets/ (Liabilities)
Inventories	478.500	95.700	1.115.794	223.159
Fixed Assets (Net)	(2.912.984.817)	(350.259.710)	(1.224.500.986)	(151.508.697)
Provision for Employment Termination Benefits	125.769.433	25.153.887	47.235.042	9.447.008
Guarantee Provisions	44.979.730	8.995.946	21.418.335	4.283.667
R&D Discount and Investment Incentive	681.250.580	211.159.135	455.641.538	99.382.056
Derivative Instruments	35.428.880	8.148.642	(102.675.578)	(23.615.383)
Rediscount Expenses/Income (Net)	(4.112.465)	(945.867)	(7.129)	(1.640)
TFRS 15 Revenue from Contracts with Customers	(120.641.229)	(27.747.483)	(11.979.340)	(2.755.248)
Employee Benefits	5.435.506	1.250.166	3.205.155	737.186
Extended Warranty Income	62.923.849	12.584.770	46.677.523	9.335.505
Dealer Premium Provisions	58.603.104	13.478.714	29.299.728	6.738.937
Lawsuit Provisions	36.735.741	7.347.148	8.543.291	1.708.658
Other (Net)	(36.932.740)	(8.555.025)	1.196.807	175.338
Total		(99.293.977)		(45.849.454)
Movement of Deferred Tax Assets/ (Liabilities):		1 January- 31 December 2022		1 January- 31 December 2021
Opening Balance		(45.849.454)		27.772.434
Deferred Tax (Expense)/Income Charged to Profit or Loss		126.908.921		9.378.830
Deferred Tax Income Charged to Comprehensive Income		(180.353.444)		(83.000.718)
Closing Balance		(99.293.977)		(45.849.454)

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NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

The reconciliation of the current tax expense with the period profit/loss is as follows:

Reconciliation of Tax Provision:	1 January- 31 December 2022	1 January- 31 December 2021
Income/(Loss) from Continuing Operations	491.890.866	203.149.977
Corporate Tax Rate 23%	(113.134.899)	(46.724.495)
Tax Effects of:		
- Impact of change in tax rate on deferred tax amount	19.636.529	12.891.245
- R&D Incentive	127.596.175	18.210.330
- R&D Support Income	67.959	196.776
- Incentive Support	(14.880.668)	15.007.073
- Non-deductible expenses	8.320.601	8.320.601
- Income Not Subject to Tax	7.903.432	158.044
- Other	(1.043.156)	217.195
Income/(Expense) on Tax Provision Recognised in Profit or Loss	125.496.334	8.276.769

NOTE 27 - EARNINGS/(LOSS) PER SHARE

	1 January- 31 December 2022	1 January- 31 December 2021
Net Profit/(Loss) for The Period	617.387.200	211.426.746
Weighted Average Number of Shares with Nominal Value of 1 Piaster	8.400.000.000	8.400.000.000
Income Per 100 Share with Nominal Value of TRY 1 Each	7,3498	2,5170

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NOTE 28- RELATED PARTY DISCLOSURES**a) Related Party Payable and Receivable Balances:**

Group's receivables from related parties are mainly due to trade goods, service sales and rent income. Group's payables to related parties are mainly due to raw material, service purchases and rent expenses.

The Group does not charge interest on its trade receivables from related parties.

31 December 2022 Balances with Related Parties	Receivables		Payables	
	Trade	Non-Trade	Trade	Non-Trade
Itochu Corporation Tokyo ⁽²⁾	41.230	-	1.131.841.994	-
Isuzu Motors Ltd. Tokyo ⁽²⁾	12.010.008	-	33.500.753	-
Çelik Motor Ticaret A.Ş. ⁽¹⁾	2.394.437	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş. ⁽¹⁾	2.199.310	-	-	-
Isuzu Motors Europe NV ⁽¹⁾	76.514	-	-	-
AEH Sigorta Acenteliği A.Ş. ⁽¹⁾	-	-	260.536	-
Oyex-Handels GmbH ⁽¹⁾	98.006.188	-	-	-
AG Anadolu Grubu Holding A.Ş. ⁽²⁾	-	-	623.886	-
Migros Ticaret A.Ş. ⁽¹⁾	-	-	2.930.179	-
Adel Kalemcilik Tic. ve San. A.Ş. ⁽¹⁾	-	-	84.517	-
Ortaklara Borçlar ⁽¹⁾	-	-	-	9.109
Isuzu Motors International Operation Thailand ⁽¹⁾	248.377	-	-	-
Total	114.976.064	-	1.169.241.865	9.109

31 December 2021 Balances with Related Parties	Receivables		Payables	
	Trade	Non-Trade	Trade	Non-Trade
Itochu Corporation Tokyo ⁽²⁾	29.390	-	632.126.548	-
Isuzu Motors Ltd. Tokyo ⁽²⁾	1.464.103	-	6.187.633	-
Çelik Motor Ticaret A.Ş. ⁽¹⁾	616.018	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş. ⁽¹⁾	870.795	-	-	-
Isuzu Motors Europe NV ⁽¹⁾	98.421	-	-	-
Türkiye'nin Otomobil Girişimi Grubu ⁽¹⁾	168.740	-	-	-
AEH Sigorta Acenteliği A.Ş. ⁽¹⁾	-	-	345.049	-
Oyex-Handels GmbH ⁽¹⁾	295.146.200	-	-	-
AG Anadolu Grubu Holding A.Ş. ⁽²⁾	-	-	458.729	-
Migros Ticaret A.Ş. ⁽¹⁾	-	-	699.303	-
Adel Kalemcilik Tic. ve San. A.Ş. ⁽¹⁾	-	-	19.394	-
Payables to Shareholders ⁽¹⁾	-	-	-	9.109
Total	298.393.667	-	639.836.656	9.109

⁽¹⁾ Non-Trade Payables to Shareholders balance is classified under other payables in balance sheet.

⁽¹⁾ Related Parties of Shareholders

⁽²⁾ Shareholders

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NOTE 28- RELATED PARTY DISCLOSURES (cont'd)**b) Related Party Transactions:****1 January-31 December 2022**

Sales to Related Parties	Goods and Services Sales	Fixed Assets Sales	Other Income	Total Income/Sales
Isuzu Motors Ltd. Tokyo ⁽²⁾	98.406.470	-	-	98.406.470
Itochu Corporation Tokyo ⁽²⁾	19.989.501	-	-	19.989.501
Çelik Motor Ticaret A.Ş. ⁽¹⁾	5.833.528	-	-	5.833.528
Anadolu Motor Üretim ve Paz. A.Ş. ⁽¹⁾	4.937.276	-	-	4.937.276
Isuzu Motors International Operation Thailand ⁽¹⁾	2.552.435	-	-	2.552.435
Türkiye'nin Otomobil Girişimi Grubu ⁽¹⁾	677.298	-	-	677.298
Isuzu Motors Europe NV ⁽¹⁾	633.034	-	-	633.034
Oyex-Handels GmbH ⁽¹⁾	136.740.722	-	-	136.740.722
Total	269.770.264	-	-	269.770.264

1 January-31 December 2021

Sales to Related Parties	Goods and Services Sales	Fixed Assets Sales	Other Income	Total Income/Sales
Isuzu Motors Ltd. Tokyo ⁽²⁾	43.205.552	-	-	43.205.552
Itochu Corporation Tokyo ⁽²⁾	2.832.481	-	-	2.832.481
Çelik Motor Ticaret A.Ş. ⁽¹⁾	4.910.413	-	-	4.910.413
Anadolu Motor Üretim ve Paz. A.Ş. ⁽¹⁾	4.238.328	1.000	-	4.239.328
Isuzu Motors International Operation Thailand ⁽¹⁾	871.860	-	-	871.860
Türkiye'nin Otomobil Girişimi Grubu ⁽¹⁾	90.000	-	-	90.000
Isuzu Motors Europe NV ⁽¹⁾	593.090	-	-	593.090
IAG Anadolu Grubu Holding A.Ş. ⁽²⁾	11.058	212	-	11.270
Oyex-Handels GmbH ⁽¹⁾	295.516.096	-	-	295.516.096
Adel Kalemcilik Tic. ve San. A.Ş. ⁽¹⁾	4.153	-	-	4.153
Türkiye'nin Otomobil Girişimi Grubu ⁽¹⁾	208.000	-	-	208.000
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. ⁽¹⁾	2.116	1.212	-	2.116
Total	352.483.147	-	-	352.484.359

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NOTE 28- RELATED PARTY DISCLOSURES (cont'd)**b) Related Party Transactions: (cont'd)****1 January-31 December 2022**

Purchases from Related Parties	Goods and Services Sales	Fixed Assets Sales	Other Income	Total Income/Sales
Itochu Corporation Tokyo ⁽²⁾	1.349.027.873	-	-	1.349.027.873
Isuzu Motors International Operation Thailand ⁽¹⁾	651.433.314	-	-	651.433.314
AG Anadolu Grubu Holding A.Ş. ⁽²⁾	18.088.623	-	-	18.088.623
Isuzu Motors Ltd. Tokyo ⁽²⁾	52.862	-	65.501.938	65.554.800
Anadolu Efes Spor Kulübü ⁽¹⁾	9.000.000	-	-	9.000.000
Çelik Motor Ticaret A.Ş. ⁽¹⁾	456.315	-	-	456.315
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. ⁽¹⁾	64.077	-	-	64.077
Adel Kalemcilik Tic. ve San. A.Ş. ⁽¹⁾	131.817	-	-	131.817
Anadolu Bilişim Hizmetleri A.Ş. ⁽¹⁾	39.412	-	-	39.412
Migros Ticaret A.Ş. ⁽¹⁾	2.367.309	-	-	2.367.309
Oyex-Handels Gmbh ⁽¹⁾	11.334.112	-	-	11.334.112
Anadolu Motor Üretim ve Paz. A.Ş. ⁽¹⁾	19.095	-	-	19.095
Anadolu Eğitim Sosyal Yardım Vakfı ⁽¹⁾	11.027.150	-	-	11.027.150
Total	2.053.041.959	-	65.501.938	2.118.543.897

⁽¹⁾ Related Parties of Shareholders⁽²⁾ Shareholders**1 January-31 December 2021**

Purchases from Related Parties	Goods and Services Purchases	Fixed Assets Purchases	Other Expenses	Total Expense/Purchases
Itochu Corporation Tokyo ⁽²⁾	644.238.675	-	-	644.238.675
Isuzu Motors International Operation Thailand ⁽¹⁾	111.439.415	-	-	111.439.415
AG Anadolu Grubu Holding A.Ş. ⁽²⁾	10.605.294	-	-	10.605.294
Oyex-Handels Gmbh ⁽¹⁾	4.402.643	-	-	4.402.643
Efestur Turizm İşletmeleri A.Ş. ⁽¹⁾	403.941	-	-	403.941
Çelik Motor Ticaret A.Ş. ⁽¹⁾	236.930	-	-	236.930
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. ⁽¹⁾	1.022.715	-	-	1.022.715
Adel Kalemcilik Tic. ve San. A.Ş. ⁽¹⁾	46.292	-	-	46.292
Anadolu Bilişim Hizmetleri A.Ş. ⁽¹⁾	24.274	-	-	24.274
Migros Ticaret A.Ş. ⁽¹⁾	189.951	-	-	189.951
Total	772.610.130	-	-	772.610.130

⁽¹⁾ Related Parties of Shareholders⁽²⁾ Shareholders**c) Donations to Anadolu Eğitim ve Sosyal Yardım Vakfı:**

As per the Main Articles of Association of the Group, at least 2% - 5% of the Group's profit before tax following the distribution of 1st dividend shall be donated to Anadolu Eğitim ve Sosyal Yardım Vakfı as long as it is subject to tax exemption. 11.427.000 TRY of donation made to Anadolu Eğitim ve Sosyal Yardım Vakfı by the Group in 2022 (Donation was not made in 2021).

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NOTE 28- RELATED PARTY DISCLOSURES (cont'd)**d) Dividend Expense**

Dividend Expense	1 January- 31 December 2022	1 January- 31 December 2021
AG Anadolu Grubu Holding A.Ş. ⁽²⁾	16.015.990	-
Isuzu Motors Ltd. Tokyo ⁽²⁾	4.588.556	-
Itochu Corporation Tokyo ⁽²⁾	2.554.818	-
Itochu Corporation İstanbul ⁽²⁾	985.076	-
Total	24.144.440	-

e) Benefits to Top Management:

	1 January- 31 December 2022	1 January- 31 December 2021
Salaries and Other Short-Term Liabilities	46.745.728	19.756.859
Total	46.745.728	19.756.859

The benefits provided to top management (General managers and Directors) include salaries, bonuses, premiums, and the employer's share of social security. As of 31 December 2022, the Group has not provided any post-employment benefits to top management due to leaving the job. (December 31, 2021: Not available.)

NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**(a) Capital risk management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing its profit and market value through the optimization of the debt and equity balance.

The Group's equity comprised of cash and cash equivalents in Note 4 and equity items in Note 19.

Risks, associated with each capital class, and the capital cost are evaluated by the top management. It is aimed that the capital structure will be set in balance by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the top management evaluations.

The Group monitors capital by using debt to total capital ratio. This ratio is calculated by dividing the net debt by total capital. The net debt is calculated by excluding the cash and cash equivalent amounts from the total debt amount (including credits, leasing and commercial debts as indicated in the balance sheet).

	31 December 2022	31 December 2021
Net Debt	2.488.824.688	1.305.515.399
Total Equity	3.390.243.095	1.392.270.870
Net Debt/Total Equity	0,73	0,94

General strategy of the Group based on shareholders' equity is not different from previous periods.

The Group conducts hedging contracts (including derivative financial instruments) for the purpose of diversifying foreign currency fluctuation risks.

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(b) Price risk

The Group has no financial assets that will expose it to price risk.

(c) Market risk

The Group is subject to the financial risks related to the changes in the exchange rate (Please see (d) below) and interest rate (Please see (e) below) due to its operations and other (Please see (f) below). Also due to having financial instruments, the Group also bears the risk of other parties not meeting the requirements of agreements (Please see (g) below).

Market risks seen at the level of the Group are measured in accordance with sensitivity analyses.

The market risk of the Group incurred during the current year or the method of handling the encountered risks or the method of measuring those risks are not different from the previous year.

(d) Foreign exchange risk management

Foreign currency transactions may result in foreign currency risk.

The Group maintains foreign currency time deposit accounts in banks as the Group has receivables and payables in foreign currencies. As a consequence, the Group is exposed to foreign currency exchange risk due to the changes in exchange rates used for converting assets and liabilities into TRY. Foreign exchange risk arises from future trade operations and the differences between assets and liabilities.

Foreign Currency Position Sensitivity Analysis**31 December 2022**

	Profit/Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
In case of US Dollar increases/decreases in 10% against TRY;		
1 - USD denominated net asset/(liability)	(126.913)	126.913
2- USD denominated hedging instruments (-)	-	-
3- Net Effect of US Dollar (1 +2)	(126.913)	126.913
In case of Euro increases/decreases in 10% against TRY;		
4- EURO denominated net asset/(liability)	19.693.080	(19.693.080)
5- EURO denominated hedging instruments (-)	-	-
6- Net Effect of Euro (4+5)	19.693.080	(19.693.080)
Increase/decrease in other foreign currencies by 10%:		
7- Other foreign currency denominated net asset/(liability)	(21.243.931)	21.243.931
8- Other foreign currency hedging instruments (-)	-	-
9- Net Effect of Other Exchange Rates (4+5)	(21.243.931)	21.243.931
TOTAL (3+6+9)	(1.677.764)	1.677.764

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(d) Foreign exchange risk management (cont'd)

Statement of Foreign Exchange Rate Sensitivity Analysis

31 December 2021	Profit/Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
In case of US Dollar increases/decreases in 10% against TRY;		
1 - USD denominated net asset/(liability)	11.580.398	(11.580.398)
2- USD denominated hedging instruments (-)	-	-
3- Net Effect of US Dollar (1 +2)	11.580.398	(11.580.398)
In case of Euro increases/decreases in 10% against TRY;		
4- EURO denominated net asset/(liability)	29.957.541	(29.957.541)
5- EURO denominated hedging instruments (-)	-	-
6- Net Effect of Euro (4+5)	29.957.541	(29.957.541)
Increase/decrease in other foreign currencies by 10%:		
7- Other foreign currency denominated net asset/(liability)	(21.447.572)	21.447.572
8- Other foreign currency hedging instruments (-)	-	-
9- Net Effect of Other Exchange Rates (4+5)	(21.447.572)	21.447.572
TOTAL (3+6+9)	20.090.367	(20.090.367)

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(d) Foreign exchange risk management (cont'd)

	Statement of Foreign Currency Position				
	31 December 2022				
	TRY Amount	US Dollar	Euro	Yen	Other
1. Trade Receivables	485.378.844	344.461	23.328.107	81.093.010	608.059
2a. Monetary Financial Assets	143.543.759	2.019.682	3.581.552	242.626.628	4.352
2b. Non-monetary Financial Assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current Assets (1+2+3)	628.922.603	2.364.143	26.909.659	323.719.638	612.411
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current Assets (5+6+7)	-	-	-	-	-
9. Total Assets (4+8)	628.922.603	2.364.143	26.909.659	323.719.638	612.411
10. Trade Payables	1.466.507.524	4.932.017	55.803.103	1.825.504.968	1.505
11. Financial Liabilities	224.101.194	-	11.221.443	-	-
12a. Monetary Other Liabilities	12.800.041	-	11.586	88.364.203	-
12b. Non-Monetary Other Liabilities	58.708.640	-	2.939.724	-	-
13. Current Liabilities (10+11+12)	1.762.117.399	4.932.017	69.975.856	1.913.869.171	1.505
14. Trade Payable	-	-	-	-	-
15. Financial Liabilities	172.666.998	-	8.645.973	-	-
16a. Monetary Other Liabilities	-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-
17. Non-current Liabilities (14+15+16)	172.666.998	-	8.645.973	-	-
18. Total Liabilities (13+17)	1.934.784.397	4.932.017	78.621.829	1.913.869.171	1.505
19. Off-balance Sheet Derivative Instruments Net Asset/(Liability) Position (19a-19b)	1.276.386.072	2.500.000	61.590.865	-	-
19.a. Total Amount of Hedged Assets	256.978.112	-	12.890.865	-	-
19.b. Total Amount of Hedged Liabilities	(1.019.407.960)	(2.500.000)	(48.700.000)	-	-
20. Net Foreign Currency Assets/(Liabilities) Position (9-18+19)	(29.475.722)	(67.874)	9.878.695	(1.590.149.533)	610.906
21. Monetary Items Net Foreign Currency Assets/(Liabilities) (1+2a+5+6a-10-11-12a-14-15-16a)	(1.247.153.154)	(2.567.874)	(48.772.446)	(1.590.149.533)	610.906
22. Fair Value of Financial Instruments Used for Currency Hedge	(35.428.880)	-	(1.777.229)	-	-
23. Hedged Foreign Currency Assets	(1.276.386.072)	(2.500.000)	(61.590.865)	-	-
24. Hedged Foreign Currency Liabilities	-	-	-	-	-
25. Export	2.222.058.141	-	-	-	-
26. Import	2.877.536.476	-	-	-	-

Derivative contracts that explained in Note 9 and with nominal amount of JPY 2.490.066.347 are done for Euro risks and they aren't included into the foreign exchange risk.

Statement of Foreign Currency Position
31 December 2021

TRY Amount	US Dollar	Euro	Yen	Other
395.294.603	1.772.916	24.640.835	3.100.000	-
560.862.693	7.096.458	30.862.676	8.820.804	10.841
-	-	-	-	-
-	-	-	-	-
956.157.296	8.869.374	55.503.511	11.920.804	10.841
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
956.157.296	8.869.374	55.503.511	11.920.804	10.841
727.471.706	181.252	33.680.338	1.857.447.077	2.790
130.770.586	-	8.652.339	-	-
46.565	-	-	400.500	-
43.986.316	-	2.910.322	-	-
902.275.173	181.252	45.242.999	1.857.847.577	2.790
-	-	-	-	-
289.485.459	-	19.153.591	-	-
-	-	-	-	-
-	-	-	-	-
289.485.459	-	19.153.591	-	-
1.191.760.632	181.252	64.396.590	1.857.847.577	2.790
433.225.125	-	28.750.000	-	-
-	-	-	-	-
(433.225.125)	-	(28.750.000)	-	-
197.621.789	8.688.122	19.856.921	(1.845.926.773)	8.051
(191.617.020)	8.688.122	(5.982.757)	(1.845.926.773)	8.051
102.675.578	-	6.813.831	-	-
(433.225.125)	-	(28.750.000)	-	-
-	-	-	-	-
1.165.242.132	-	-	-	-
1.201.538.178	-	-	-	-

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(e) Interest rate risk management

The Group is exposed to interest rate risk due to variable and fixed interest rates. Group's financial liabilities and assets with fixed and variable interest rates (guarantee etc.) are respectively shown at Note 5.

	<u>31 December 2022</u>	<u>31 December 2021</u>
Financial Assets with Fixed Rates		
Financial Assets	1.058.000.485	619.210.951
Financial Liabilities	(1.212.081.366)	(621.839.760)
Financial Liabilities With Variable Rates		
Financial Liabilities	(786.886.159)	(301.335.328)

As of 31 December 2022, if the market interest rate had increased/decreased by 100 basis point with all other variables held constant, period income before tax and consolidated equity of participations of the Group would have been higher/lower by TRY 7.868.862 (31 December 2021: higher/lower by TRY 3.013.353).

(f) Funding risk

The ability to fund the existing and prospective debt requirements is managed as necessary by obtaining adequate committed funding lines from high quality lenders.

(g) Credit risk management

Holding financial instruments also carries the risk of the other party's not meeting the requirements of the agreement. The Group's collection risk is mainly derived from trade receivables. Trade receivables are evaluated by the management of the Group depending on their past experiences and current economic conditions and are presented in financial statements when necessary allowances for doubtful receivables are provided.

Most of trade receivables are comprised of receivables from costumers who has given an adequate amount of guarantees. An effective control system was established to collect the receivables. Credit risk arising from transactions is followed and these risks are taken into account when assessing each debtor. Because there are so many costumers. The Group's credit risk is dispersed and there is no important credit risk concentration. Receivables from foreign customers as of 31 December 2022 are TRY 522.411.574 and there is no geographical concentration (31 December 2021: TRY 421.667.544).

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

CURRENT PERIOD	Receivables				Note	Deposit	Note
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	114.976.064	980.975.547	-	86.484.967	7-8	1.474.606.639	4
- Secured portion of the maximum credit risk by guarantees etc.	-	972.458.439	-	-	-	-	-
A. Net book value of financial assets which are undue or which is not impaired	114.976.064	907.031.951	-	86.484.967	7-8	1.474.606.639	4
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or impaired	-	-	-	-	-	-	-
C. Net book value of assets, overdue but not impaired	-	73.943.596	-	-	-	-	-
- Secured by Guarantee, etc.	-	8.517.108	-	-	-	-	-
D. Net book value of assets decrease in value	-	-	-	-	-	-	-
- Overdue (gross book value)	-	(480.040)	-	-	7-8	-	-
- Impairment (-)	-	480.040	-	-	7-8	-	-
- The part of net value secured by guarantee etc.	-	-	-	-	-	-	-
- Undue (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- The part of net value secured by guarantee etc.	-	-	-	-	-	-	-
E. Elements containing credit risk off the balance sheet	-	-	-	-	-	-	-

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(g) Credit risk management (cont'd)

PRIOR PERIOD	Receivables				Note	Deposit	Note
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	298.393.667	455.473.763	-	72.563.084	7-8	638.773.905	4
- Secured portion of the maximum credit risk by guarantees etc.	-	453.235.843	-	-		-	
A. Net book value of financial assets which are undue or which is not impaired	298.393.667	433.130.374	-	72.563.084	7-8	638.773.905	4
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or impaired	-	-	-	-		-	
C. Net book value of assets, overdue but not impaired	-	22.343.389	-	-		-	
- Secured by Guarantee, etc.	-	2.237.920	-	-		-	
D. Net book value of assets decrease in value	-	-	-	-		-	
- Overdue (gross book value)	-	(522.097)	-	-	7-8	-	
- Impairment (-)	-	522.097	-	-	7-8	-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
- Undue (gross book value)	-	-	-	-		-	
- Impairment (-)	-	-	-	-		-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
E. Elements containing credit risk off the balance sheet	-	-	-	-		-	

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

The ageing of trade receivables, overdue but not impaired, is as follows:

31 December 2022	Receivables		Deposits at Banks	Derivatives	Other
	Trade Receivables	Other Receivables			
Past due up to 30 days	8.111.059	-	-	-	-
Past due 1 - 3 months	406.049	-	-	-	-
Past due 3 - 12 months	-	-	-	-	-
Past due 1 - 5 year	-	-	-	-	-
Past due over 5 years	-	-	-	-	-
Assets covered portion with guarantee letter etc.	8.517.108				

31 December 2021	Receivables		Deposits at Banks	Derivatives	Other
	Trade Receivables	Other Receivables			
Past due up to 30 days	264.816	-	-	-	-
Past due 1 - 3 months	1.973.104	-	-	-	-
Past due 3 - 12 months	-	-	-	-	-
Past due 1 - 5 year	-	-	-	-	-
Past due over 5 years	-	-	-	-	-
Assets covered portion with guarantee letter etc.	2.237.920				

Liquidity risk tables

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and having the availability and flexibility of funding through an adequate amount of (committed) credit facilities.

The risk of meeting existing and probable future liabilities is managed only by means of having access to sufficient number of trustable creditors.

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)Liquidity risk tables (cont'd)

The table below indicates derivative and non-derivative financial liabilities of the Group in terms of TRY and maturity term.

Non-Derivative Financial Liabilities**31 December 2022**

Contract Terms	Carrying Value	Total Contracted Cash Outflows	Less than 3 Months	3 to 12 Months	1 to 5 Years	5 Years +
Bank Loans	1.998.967.525	2.467.805.325	1.009.701.617	1.028.556.814	364.252.450	65.294.444
Other Financial Liabilities	18.623.659	21.113.600	2.040.350	5.852.550	13.220.700	-
Trade Payables	2.199.208.113	2.205.237.185	1.868.260.231	336.976.954	-	-
Other Payables	50.014.254	50.014.254	50.014.254	-	-	-
Total	4.266.813.551	4.744.170.364	2.930.016.452	1.371.386.318	377.473.150	65.294.444

31 December 2021

Contract Terms	Carrying Value	Total Contracted Cash Outflows	Less than 3 Months	3 to 12 Months	1 to 5 Years	5 Years +
Bank Loans	923.175.088	1.082.468.272	134.030.340	308.454.864	540.369.184	99.613.884
Other Financial Liabilities	10.272.981	10.257.627	2.098.670	4.689.130	3.469.827	-
Trade Payables	1.011.249.834	1.015.044.036	1.011.822.757	3.221.279	-	-
Other Payables	20.609.322	22.001.406	20.609.322	1.392.084	-	-
Total	1.965.307.225	2.129.771.341	1.168.561.089	317.757.357	543.839.011	99.613.884

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Liquidity risk tables (cont'd)

Derivative Financial Liabilities**31 December 2022**

Contract Terms	Carrying Value	Total Contracted Cash Outflows	Less than 3 Months	3 to 12 Months	1 to 5 Years	5 Years +
Derivative Cash Outflow	4.840.568	4.840.568	3.611.868	1.228.700	-	-
Derivative Cash Inflows	40.269.448	40.269.448	6.244.184	34.025.264	-	-
Total	45.110.016	45.110.016	9.856.052	35.253.964	-	-

31 December 2021

Contract Terms	Carrying Value	Total Contracted Cash Outflows	Less than 3 Months	3 to 12 Months	1 to 5 Years	5 Years +
Derivative Cash Outflow	2.675.660	2.675.660	2.110.238	565.422	-	-
Total	2.675.660	2.675.660	2.110.238	565.422	-	-

Fair Value and Hedging Disclosures

Determination of the fair value of financial assets and liabilities are explained below:

Level 1: Valuation of the financial assets and liabilities over the stock exchange prices of similar assets and liabilities resulting from the transactions in active markets.

Level 2: Valuation of the financial assets and liabilities over the price calculated on the basis of the data that is directly or indirectly observable in the market other than the stock exchange price of the relevant asset or liability determined on the first level.

Level 3: Valuation of the financial assets and liabilities carried out in the absence of observable data in the market for determining the fair value of the relevant asset or liability.

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**Derivative Financial Instruments**

In order to hedge these risks, the Group enters into forward foreign currency transaction agreements as a financial instrument where necessary.

As of 31 December 2022, the Group's foreign currency transaction agreement, which is a derivative financial instrument, is as follows:

Financial assets carried at fair value	Level 1	Level 2	Level 3	Total
Derivative assets (Note 9)	-	4.840.568	-	4.840.568
Buildings (Note 11)		574.689.373	-	574.689.373
Land (Note 11)		2.312.257.500	-	2.312.257.500
Total	-	2.891.787.441	-	2.891.787.441

Financial liabilities carried at fair value	Level 1	Level 2	Level 3	Total
Derivative liabilities (Note 9)	-	40.269.448	-	40.269.448
Total	-	40.269.448	-	40.269.448

As of 31 December 2021, the Group's foreign currency transaction agreement, which is a derivative financial instrument, is as follows:

Financial assets carried at fair value	Level 1	Level 2	Level 3	Total
Derivative assets (Note 9)	-	105.351.238	-	105.351.238
Buildings (Note 11)	-	307.654.634	-	307.654.634
Land (Note 11)	-	933.915.000	-	933.915.000
Total	-	1.346.920.872	-	1.346.920.872

Financial liabilities carried at fair value	Level 1	Level 2	Level 3	Total
Derivative liabilities (Note 9)	-	2.675.660	-	2.675.660
Total	-	2.675.660	-	2.675.660

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NOTE 30- EVENTS AFTER REPORTING PERIOD

Fzk Mühendislik ve Sınai Yatırımlar A.Ş (FZK) operates in the automotive sector. It manufactures construction serial parts, especially vehicle body manufacturing, for the automotive sector. By improving our ongoing commercial activities and cooperation between our company and FZK, a transfer agreement was signed on 03.02.2023 for the partial transfer of automotive activities of FZK by our company.

The machine park and fixtures for the production of metal sheets, semi-finished products and details, which are used in the production of FZK for the automotive industry and referred to as carcasses, the expert staff and stocks, and all documents constituting know-how will be transferred to our company.

Following the partial transfer process, FZK will continue its activities in other industries under its own title.

The total partial transfer fee to be paid to FZK is \$6.5 million + VAT, the payments are planned to be completed within 2 years.

The possible effects of the earthquake that took place in Kahramanmaraş on February 6, 2023 which affected many provinces of Turkey, on the Company's activities and business continuity were evaluated by the Company Management; It does not have a material impact on the financial statements.

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