

**KARSAN OTOMOTİV SANAYİİ VE TİCARET A.Ş.**  
**STAKEHOLDERS POLICY**

**1. STAKEHOLDERS**

The stakeholders are the persons, institutions or interest groups who are influential in the Company reaching its targets and have an interest in its activities. Within this framework, our stakeholders are determined as our Company's shareholders, employees, customers, suppliers, public institutions, sector and non-governmental institutions and prospective investors

**2. PROTECTION OF STAKEHOLDERS**

The relationship between the stakeholders and our Company is governed by written contracts to the most possible extent.

The Company, in its transactions and operations, protects its stakeholders' rights regulated by the legislation and the mutual contracts. In case of detecting a violation of stakeholders' rights which are protected by legislation and contracts, our Company effectively and immediately takes corrective actions in order to ensure their rights. Our Company offers the necessary convenience to stakeholders regarding the use of compensation mechanisms which are provided by legislation.

In cases where stakeholders' rights are not regulated by legislation and/or contracts, stakeholders' interests are protected by good-faith principle by also taking the Company's rights, capabilities and reputation into consideration. Our Company plays a leading role in the resolution of disputes that may occur between our Company and the stakeholders. If a conflict of interest occurs between the stakeholders, or a stakeholder is involved in more than one interest group, a fair policy is employed with respect to protection of rights and with the aim of protecting each right independently of one another.

**3. DISCLOSURE TO STAKEHOLDERS**

During the process of disclosure to the shareholders and stakeholders, our Company adopts a policy within the scope of equality, impartiality, consistency and timing principles. Within this context the announcements and statements are made in a timely, accurate, complete, comprehensible and easily accessible manner, taking the Company's rights and interests into account.

Our stakeholders are informed by means of material event disclosures, minutes of General Assembly meetings, annual and interim reports and financial reports published on Public Disclosure Platform and the Company website. The employees are informed about the issues relating to Company's targets and activities via the assessment and information meetings that are made within the scope of an open communication understanding.

Karsan Deputy General Manager for Financial Affairs and Investor Relations Unit are responsible of disclosures to stakeholders with respect to our Company's disclosure policy which can be accessed through the Company's website. The tracking and development of the disclosure policy are under the authority and responsibility of the Board of Directors.

**4. PARTICIPATION OF STAKEHOLDERS IN MANAGEMENT**

There are no regulations in our Company's Articles of Association regarding the participation of stakeholders to management. On the other hand, there are independent members in the Board of Directors who serve in order to ensure that, minority shareholders' and other stakeholders' rights are considered equally when taking resolutions.

Via the Customer Satisfaction Survey, the expectations of the employees on the company and management are obtained, and their suggestions on the improvement of the working conditions are evaluated. Additionally, the suggestions of the employees are obtained during the internal communications and briefing meetings in relation to improving the working conditions.

In the weekly coordination meetings; the opinions of all mid-level and high-level managers are obtained and assessed during the decision making process of the company. With the simple management system that is applied throughout the Company, the employees are provided with the possibility to make and implement suggestions; and their advices on the improvement activities are obtained. Several meetings are held with customers, suppliers, unions, prospective and current investors.

The protection of our shareholders' participation in the management is effected with the relevant laws and articles of association.

## **5. POLICY ON HUMAN RESOURCES**

In every step of production and management our Company adopts a "People-Oriented Approach" and is committed to growing together with its employees, customers and shareholders and undertakes that;

- It will meet the workforce needs in accordance with the existing and future human resources planning
- It will create a transparent and reliable communication environment which supports teamwork and enhances corporate awareness
- It will invest in human resources, adopting practices aiming continuous development in line with Company strategies and objectives and monitor this development
- It will ensure adoption of a fair performance system where employees are recognized and rewarded
- It will continuously improve satisfaction levels in line with expectations of the employees and the organization, and measure satisfaction perceptions of employees and performance indicators
- It will assess all processes related to employees in an integrated manner, structure, report, and continuously develop process management
- It will launch and monitor innovative practices and systems with a solution- and result-oriented approach

.Accordingly, below are the basic competencies expected from our associates;

- Communication skills
- Stress management and Inner Motivation
- Being Result-Oriented
- Teamwork and Cooperation
- Time Management and Prioritization
- Taking Initiatives
- Corporate Awareness
- Cost and Efficiency Consciousness
- Analytical Thinking
- Process Knowledge
- Negotiation Skills

The representative appointed for employee relations is the Karsan Human Resources Manager.

## **6. RELATIONS WITH CUSTOMERS AND SUPPLIERS**

Our Company places importance on customer satisfaction when marketing and selling goods and services, and takes the necessary measures. The timely and complete fulfillment of the customer's requests in relation to the purchased goods and services is fundamental within the context of customer satisfaction; and in case of potential delays, it is the aim that they are informed without having to wait until the end of relevant period.

Karsan has chosen as its target, the continuous development of products in order to meet and exceed customer expectations, within the scope of the quality policy. When ensuring that everyone within the organization moves in harmony and as a whole, Karsan considers the quality system as the base of its operations. As required by the area of activity, all products are manufactured in accordance with the relevant laws.

Our Company pays attention to the confidentiality of the customers' and suppliers' trade secrets. The necessary measures have been taken to set up good relationships with the customers and suppliers avoiding unfair competition and to act in accordance with the contracts that are in place between the parties; and our sensitivity in this respect has been communicated to all our employees and a common company awareness has been created.