

# Otokar Sustainability Strategy

Otokar continues its sustainability journey with a view that does not limit it to its own operations but extends it throughout the entire value chain. With its work carried out with this vision, since 2014 the company has been listed in the BIST Sustainability Index, which includes companies with the highest corporate sustainability performance. Through the Sustainability Index, Otokar shares its performance results and relevant targets of its activities under the headings of environmental, social and governance (ESG) management. As a company that is responsible in environmental-social-governance areas and observes stakeholder participation, Otokar is included in the Refinitiv ESG Score evaluation. Otokar shares its operations and results carried out within the scope of the United Nations 2030 Sustainable Development Goals with the public in every reporting period.

Otokar sustainability priorities are determined through workshops attended by Working Group members and senior management. The identified priority issues are reviewed annually by external experts and updated if necessary. The purpose of the Otokar Sustainability Model created within the scope of these studies is to determine a road map that will strengthen Otokar's business strategy and respect the environment, people and the future. Otokar Sustainability Model aims to reach the future with a holistic and inclusive perspective.



The activities carried out in 2023 included carbon footprint calculations for Scope 1 and Scope 2, target modeling, and target feasibility studies along with calculations for Scope 3 emissions. With 2021 taken as base year, Scope 1-2-3 emissions have been assured by BSI according to the ISO14064-1 standard. The Scope 1-2-3 emissions for 2022 have been accredited by BVQI (Bureau Veritas).

In 2023, Otokar conducted product life cycle assessments on two different electric buses.

Otokar also eliminated single-use plastics completely the same year.

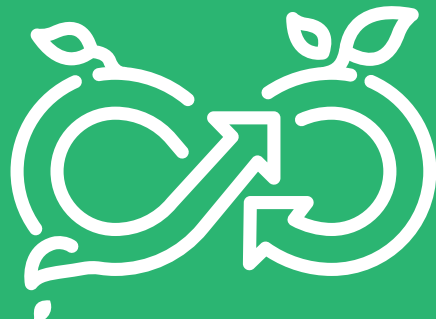
Otokar completed and commissioned a new solar power plant at the factory site in 2023, after starting to generate electricity from photovoltaic panels. Additionally, work is ongoing to build a Solar Power Plant in Malatya.

Otokar builds its digital transformation vision on four pillars: Customer Facing Digital Channels, Digitalized Production and Supply Chain, Analytical Decision and Marketing, and Digital Products and Services to develop projects.

## Sustainability Priorities



The company's sustainability model and strategies were reviewed in 2021, and 14 different stakeholder groups were included in the studies.



## Otokar Sustainability Model

### R&D and Innovation for Continuous and Sustainable Development

Product Quality  
Product Life Cycle  
Minimizing the Impact of Supply and Value Chains



### Sustainable and Quality Products

Application New Technologies  
Alternative Fuel Vehicles  
Sustainable Product Design  
Digitalization



### Innovative Solutions to Combating Climate Change

Energy Efficiency in Production  
Zero Waste  
Shift to Low Carbon Economy



### Brand Value and Customer Satisfaction

Accessibility  
Customer Satisfaction  
Brand Value and Reputation



### Employee Satisfaction

Employee Loyalty  
Occupational Health and Safety  
Diversity and Human Rights  
Talent Management



## Environmental Indicators



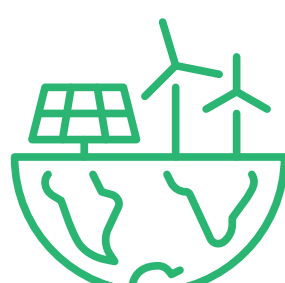
**17,76 GJ**  
ENERGY SAVING

**150,000 m<sup>3</sup>**  
RECOVERED  
**WATER**



**99%**

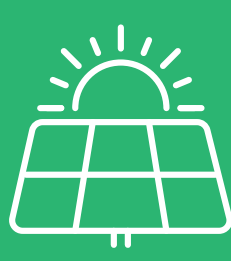
WASTE  
RECOVERY RATIO



**872 TONS CO<sub>2</sub>**



EMISSION  
REDUCTION



**2894 GJ**

RENEWABLE ENERGY  
CONSUMPTION

Environmental Key Performance Indicators	2019	2020	2021	2022	2023
Total Energy Consumption (GJ)	158.992	156.184	169.235	202.263	273.151
Direct Energy Consumption (GJ)	101.751	103.607	106.863	122.818	171.204
Direct Renewable Energy Consumption (GJ)	240	240	240	294	2.894,4
Indirect Energy (Electricity) Consumption (GJ)	57.241	52.577	62.132	79.152	99.053
Total Water Withdrawal (m <sup>3</sup> )	152.058	183.907	226.435	178.401	193.042
Underground Water (m <sup>3</sup> )	77.484	114.270	135.652	80.632	91.328
Municipal Water (m <sup>3</sup> )	73.154	68.537	90.783	97.769	101.714
Rain Water (m <sup>3</sup> )	1.420	1.100	0	0	30
Total Wastewater Discharge (m <sup>3</sup> )	119.000	140.000	150.000	92.000	106.042
Recovered Water (m <sup>3</sup> )	150.350	150.500	150.500	150.500	150.000
Ratio of Recovered Water in Water Consumption (%)	50	45	40	45	40
Total Waste (from production) (tons)	2.785	3.894	4.543	7.077	9.161
Recycled Waste (ton)	2.742	3.288	3.801	6.990	9.085
Scope 1 Greenhouse Gas Emissions (tons CO <sub>2</sub> e)	5.157	4.952	7.910	10.298	9.063
Scope 2 Greenhouse Gas Emissions (tons CO <sub>2</sub> e)	7.633	6.543	8.083	9.703	11.712