

OTOKAR OTOMOTİV ve SAVUNMA SANAYİ A.Ş.

Community Investment Policy

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1 PURPOSE and SCOPE

The purpose of this Community Investment Policy (the “**Policy**”) is to put forward the principles to adopt while developing community investment initiatives. Otokar Otomotiv ve Savunma Sanayi A.Ş. (“**Otokar**” or the “**Company**”) recognizes the impact of its operations on its stakeholders, the environment, and community at large and emphasizes significance of sustainable development.

This Policy, which is an integral part of the Otokar Code of Ethics¹, is developed to demonstrate Otokar’s commitment to making a positive impact on the welfare and sustainable development of related communities and the environment engaged with as a corporate citizen.

Otokar is committed to conducting business in conformity with the highest ethical standards. Otokar complies with 10 Principles of the UN Global Compact² which is signed by Koç Holding A.Ş..

This Policy reflects “*Lead. Together*” sustainability approach of Koç Holding A.Ş., of which Otokar is a subsidiary, as well as Otokar’s sustainability priorities.

2 DEFINITIONS

“**Community Investments**” means strategic involvement in, and partnership with organizations or individuals, to address a range of social and environmental issues defined by the Company to contribute to its long-term corporate interests and to enhance its reputation.

“**Koç Group**” means Koç Holding A.Ş., companies which are controlled directly or indirectly, jointly or individually by Koç Holding A.Ş. and the joint venture companies listed in its latest consolidated financial report.

“**Otokar**” means Otokar Otomotiv ve Savunma Sanayi A.Ş., companies which are controlled directly or indirectly, jointly or individually by Otokar Otomotiv ve Savunma Sanayi A.Ş. and the joint venture companies listed in its latest consolidated financial report.

“**The Sustainable Development Goals**” are the 17 goals³ adopted by all UN Member States, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals, addressing global challenges including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

“**The UN**” means the United Nations.

“**The UN Global Compact**” is a global pact initiated by the United Nations, to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating 10 principles in the areas of human rights, labour, the environment and anti-corruption.

3 GENERAL PRINCIPLES

Otokar conducts Due Diligence⁴ on organizations or individuals that are supported by the Company, in order to ensure that Community Investments are met by the reliable parties with sound purposes.

¹ Please refer to Otokar Code of Ethics for details.

² <https://www.unglobalcompact.org/what-is-gc/mission/principles>

³ <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

⁴ Please refer to the Sanctions and Export Controls Policy.

Otokar ensures that Community Investments, including those with organizations or individuals, abide by Otokar Code of Ethics, Human Rights Policy, Donations and Sponsorship Policy, Anti-Bribery and Corruption Policy and other relevant policies.

Applying to memberships of the regional, national, or international organizations, or being signatory to agreements related to Community Investments require ensuring compliance with the UN Global Compact Principles as it may affect Otokar’s reputation.

4 APPLICATION of the POLICY

While making Community Investments, in line with Otokar’s sustainability priorities, the Company considers the following:

- Whether the relevant Community Investment is compatible with the priorities and needs of the regions where business activities are carried out,
- Providing a clear connection between Community Investment activities and business strategy,
- Establishing strong partnerships with civil society organizations, international organizations, universities or individuals in order to put forward applicable solutions,
- Ensuring that the results of the Community Investments are measurable and scalable and the results have the potential to be disseminated across other businesses and regions, and
- Ensuring that they are aligned with the social and environmental goals, as mentioned in the UN Sustainable Development Goals.

5 AUTHORITY and RESPONSIBILITIES

This Policy is to provide guidance in developing Community Investment initiatives for all employees, directors and officers of Otokar. If you notice any action you believe to be inconsistent with this Policy, you are required to seek guidance from Otokar Sustainability Working Group, the responsible function.

All Otokar employees, directors and officers are obliged to comply with this Policy. Otokar also expect and take necessary steps to ensure that all of its business partners, to the extent applicable, comply with it.

6 REVISION INFORMATION

This Policy takes effect on **.../.../2021** as of the date approved by Otokar Board of Directors and is maintained by Otokar Sustainability Working Group.

Revision	Date	Comment