

DISCLOSURE POLICY

1. Purpose and Scope

Tofaş Türk Otomobil Fabrikası A.Ş. (hereinafter to be referred to as “Tofaş” or “the Company”) has adapted this Disclosure Policy to inform the relevant authorities, shareholders, investors and other stakeholders on the Company's activities and disclose material information which are not trade secrets fully, completely, accurately, clearly, transparently, equally, simultaneously and timely.

Tofaş will make the public disclosures on the Company's financial performance, operational and commercial activities, past performance, future expectations and other developments which may effect the share price apprehensibly, continuously, effectively, with a clear communication and in accordance with this Disclosure Policy, Capital Markets Board (SPK) regulations, SPK Corporate Governance Principles, Borsa İstanbul A.Ş. (BIST) regulations and other relevant legislation.

2. Authority and Responsibilities

Board of Directors is responsible for drafting, audit and development of the Disclosure Policy and the CEO, Finance Directorate, Corporate Communication Directorate and External Affairs Directorate are assigned for the coordination of the information function. These Units work in close cooperation with the Corporate Governance Committee of the Board of Directors. The Information Policy approved by the Board of Directors is publicly disclosed through Public Disclosure Platform (KAP) and the Company's web site. In case of any amendment of the Disclosure Policy, the new text approved by the Board of Directors is publicly disclosed through KAP and the Company's web site. The Information Policy is periodically updated due to the amendments in the applicable legislation or as deemed required and the final update was in November 2016.

3. Investor Communication Tools

In accordance with the Turkish Commercial Code and the Capital Markets Law as well as the regulations by the Capital Markets Law (SPKn) and Borsa İstanbul (BIST), the following procedures, communication methods and tools are established for public disclosure within the frame of Tofaş Disclosure Policy.

3.1. Company Spokespersons

The Company Spokespersons within the scope of this Information Policy are the Members of the Board of Directors, Company CEO, Company CFO and Company Directors authorized by the CEO. Tofaş managers, consultants or employees other than these are not authorized to respond to questions or speak on the Company's financial or operational activities unless approved by the Company's CEO or Directors. The Company spokespersons listed above may assign others to speak on behalf of the Company or respond to specific questions from the investors or the media from time to time or as and when necessary.

Company employees except for the authorized spokespersons will not respond to any question from investors, analysts, media or public unless specifically requested by an authorized spokesperson.

All information requests within this frame should be transferred to the Company's authorized spokespersons.

3.2. Methods and Instruments

The Company's Finance Directorate or Corporate Communication Directorate are responsible for organization, scheduling and development of the communication with or presentation for investors, analysts, stakeholders or media. Disclosure to investors and analysts will be made by the CEO or CFO or Managers or Directors assigned by them.

Every initiative regarding the discussion or presentation of financial and operational information out of the Company will be initially reviewed and approved by the Financial Directorate and the Corporate Communication Directorate is informed. Disclosures regarding the specific domains of other units and departments will be made by the relevant Director or the person assigned by him/her in accordance with this procedure and with prior notification of the Corporate Communication and Finance Directorate Units. This will ensure that any disclosure will be made within the scope of public disclosures and any first disclosure will be in accordance with the applicable legal requirements.

Within the frame of SPK and BİST regulations and Turkish Commercial Code, methods and tools used by Tofaş for public disclosure in accordance with the Disclosure Policy are as follows:

- Material Event Disclosures on Public Disclosure Platform (KAP) and Company General Information Form,
- Financial Reports (annual and quarterly Financial Tables and footnotes, Activity Reports),
- Corporate web site (www.tofas.com.tr),
- Representations and information and presentation documents for investors and analysts,
- Meetings with analysts and investors,
- Press releases to printed and visual media,
- Interviews and press conferences with the media,
- Announcements and disclosures through Turkish Trade Registry Gazette or daily newspapers when necessary,
- Statements, circulars, information texts and other information and documents in accordance with SPK regulations.

3.3. Information and Presentation Documents for Investors and Analysts

Tofaş Finance Directorate works to ensure proper relations with investors and analysts, effective responses to problems and increasing the value of the company. An Investor Relations Department was established under the Finance Directorate in accordance with the Corporate Governance Principles.

The Finance Directorate ensures that the investors and analysts are properly informed through the Investor Relations Department and the relevant units of the Directorate by presentation, bulletins, Q&A tables, teleconferences, investor and analyst meetings and other tools including the web site and activity reports and all these tools are prepared, issued and updated in accordance with the applicable legislation.

The Investor Relations personnel meet the meeting requests made throughout the year, regularly attend the local and international conferences and organize individual information meetings with investors and analysts. The Company's CEO and CFO attend these meetings from time to time for a more effective communication between the top management and the investors and analysts.

Financial results are quarterly reported to ensure an effective financial communication and analyst meetings and teleconferences are organized by the Investor Relations Department with the attendance of CEO and/or CFO to respond to the questions by investors and analysts.

Regularly updated web site and information notes distributed via internet ensure that investors and analysts are properly informed on the developments regarding the Turkish economy and the Company and have access to investor relations tools. Detailed information on Activity Reports and the contents of the web site is provided below.

4. Material Event Disclosure Policies

4.1. Responsibility

If an event is considered as a material event which can effect the investment decisions of the stakeholders or the prices of the capital markets tools and such event is not specifically prohibited to be disclosed by the applicable legislation, such event will be publicly disclosed on basic principle.

Tofaş makes public disclosures on Public Disclosure Platform (KAP) in Turkish and in English and issues them on its web site as required by the applicable legislation. A material event which is not publicly disclosed on KAP will not be privately disclosed to investors or other stakeholders. KAP disclosures are made in accordance with the applicable legislation. The Company's CEO and CFO are responsible to meet this obligation.

Material Event Disclosures will be made on KAP and in digital format in accordance with the applicable legislation.

4.2. List of Employees with Administrative Responsibilities

The list of Tofaş employees with administrative responsibilities consists of the Company's Board Members and employees who have direct or indirect access to Tofaş's confidential information and are authorized to make decisions which may effect the future development and commercial objectives of Tofaş.

The employees who have regular access to information and are authorized to make administrative decisions are Tofaş Board Members, CEO, Directors, Unit Managers directly reporting to the CEO, and representatives of the main shareholder Koç Holding (Board Members, CEO, President, Directors, Chief Legal Consultant and Secretary General). The list of employees with access to confidential information is updated as required and notified to the Central Registration Agency (MKK). Information on the Company employees with administrative responsibilities are announced on the Company's up-to-date web site.

4.3. Procedure Applicable for News in Media Outlets

Follow-up Mechanism

Tofaş follows-up the news on the Company in major national media outlets through contracted local media monitoring agencies. Corporate Communication Directorate informs the CEO on such news on a daily basis and Tofaş managers and Investor Relations Department are notified. News on the company are monitored on the subscribed news broadcast channel.

Meeting the Liability of Confirmation

In case of any news on Tofaş which can effect the investment decisions of the stakeholders or the prices of the capital markets tools, publicly disclosed for the first time by the press or other communication channels, not previously publicly disclosed or with contents different from those , previously publicly disclosed, an announcement will be made regarding the accuracy or integrity of such news.

The following basic principles will be applicable for meeting the obligation of confirmation by Tofaş:

- If the news cannot be considered as internal information, no statement will be made as a basic principle. Nevertheless, Corporate Communication Department will determine whether or not it will be useful to issue a press release for such news which do not require a Material Event Disclosure as per SPK regulations.
- If the news can be considered as internal information, no action will be taken if a Material Event Disclosure or any other statement has been made using other public disclosure tools as per the SPK regulations.
- As a basic principle, no comment will be made for news which are clearly not sourced by Tofaş or are definitely unfounded, untrue or rumor. However, material event disclosures can be made for such unfounded news if deemed useful to protect the interests of Tofaş or its investors. Independently of material event disclosures, a press release can be issued if deemed necessary by the Corporate Communication Directorate.
- A Material Event Disclosure will be made in case of untrue news which may be considered as internal information which may effect the value of Tofaş shares or the investors' decisions.
- If the news is inclusive of significant details regarding the delayed information, sourced from the Company or true, it is considered that the reasons for delay are no longer applicable and a disclosure will be made. If the news regarding the delayed information is untrue, no action will be taken since there is no possibility of an information leak. However, a Material Event Disclosure will be made regarding the untrue news if deemed necessary to protect the interests of Tofaş and its investors.
- The circulation and recognition of the news outlet will also be considered in the evaluation.

4.4. Precautions to Maintain Confidentiality Until Public Disclosure of Internal Information

To maintain a stability between transparency and protection of Company interests, maximum care should be taken to ensure that Company employees use internal information in compliance with the applicable rules. All precautions should be taken to prevent misuse of internal information. "Tofaş Ethics Rules and Implementation Principles" which are documented and Company-wide distributed and issued on the corporate web site regulate the administrative aspects of professional behavioral code of Tofaş employees.

Tofaş employees who possess internal information are informed that they are liable to maintain the confidentiality of such information during the emergence of a material event and during the process until disclosure on KAP.

As a basic principle, Tofaş and those who work on behalf of Tofaş will not share undisclosed information which can be considered as a material event with third parties. If it is determined that

such internal information is shared unintentionally with third parties and that its confidentiality cannot be maintained within the scope of SPK regulations, a Material Event Disclosure is made.

If the disclosure of the information is delayed, the people who possess such information are immediately informed on such decision along with the liabilities set forth by the regulations and the sanctions applicable in case of breach of such liabilities.

The contracts with parties other than those who work on behalf of Tofaş will be inclusive of a “confidentiality” clause to take every possible measure.

5. Public Disclosure of Financial Tables

Tofaş financial tables are drafted in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards as required by the Capital Markets Board. Annual and semiannual tables are subjected to independent audit and publicly disclosed.

The financial tables and footnotes are sent to KAP along with other documents after approval by the Audit Committee and the Board of Directors as required by SPK regulations. Financial tables and annexes issued on KAP will be issued on the Company's web site in maximum one business day.

Financial tables as well as the investor presentations drafted in a financial period to ensure that the investors and analysts are capable of making proper analyses will be inclusive of the company's financial ratios, FX position, monthly market shares, annual capacity use ratios, market sizes, investments, new projects, employment and other periodical data.

6. Activity Report

The layout and contents of Annual Activity Reports will be determined by the Finance Directorate with assistance of the relevant Units of the Directorate in accordance with international best practices, Capital Markets legislation, Turkish Commercial Code and SPK Corporate Governance Principles and approved by the Board of Directors. The Report will be publicly disclosed along with the financial tables via KAP. Annual activity reports are accessible on the Company's web site in Turkish and English and printed for the shareholders, institutions and others who request it.

Intermediary activity reports drafted in quarterly periods are publicly disclosed via KAP and made available for investors and analysts on the Company's web site in Turkish and English.

7. Web Site

Corporate Communication Directorate is responsible for coordination of Tofaş web site. The Company intends to use its corporate web site at www.tofas.com.tr as a most effective communication tool. Therefore, the contents of the corporate web site is arranged to ensure that all stakeholders can make use of it. Information and documents relevant to the shareholders and investors are collected under the title “Investor Relations” and made easily accessible. These documents include activity reports, financial tables and footnotes, quarterly financial results, number and total amount of exports quarterly notified to OSD, monthly market shares, annual capacity use ratios, market size, investments, new projects and employment as well as investment presentations, material event disclosures, General Assembly documents, Corporate Governance documents and similar information. Most of the information on the web site are provided in Turkish and English; up-to-date information, statistics, evaluations and historical data and statistics are available on the web site.

8. Forward-Looking Evaluations

Tofaş provides forward-looking information which are not overly exaggerated or misleading, compliant with the Company's financial situation and activity reports to help investors and analysts make a reasonable evaluation of the Company's performance expectation in the relevant year. Forward-looking expectations will be inclusive of but not limited to the sales figures in the Turkish automotive industry, Tofaş sales and manufacturing figures for the local markets and exports, investments, revenues and profitability.

Forward-looking estimations on Tofaş will be based on the following principles:

- In basic principle, forward-looking evaluations and basic assumptions which these evaluations will be a part of financial reports issued quarterly within the frame of activity reports and they will be declared maximum four times a year in accordance with the applicable legislation. Investor presentations are also updated.
- After the disclosure via an activity on KAP or a material event disclosure as necessary, the relevant MED and the presentation are issued on the Company's web site.
- In case of a significant change in publicly-disclosed evaluations, in other words if the estimations or grounds which form the basis of forward-looking evaluations previously disclosed of are not realized or it is understood that they will not be realized to a considerable extent, a Material Event Disclosure will be made regardless of the limitation of the number of declarations and any change in the estimations will be shared with investors.
- In case of a significant difference between the previously declared expectations and the actual situation, the declarations regarding the forward-looking evaluations will be inclusive of the reasons of such difference.

9. Declarations On Use of Partnership Rights

Shareholders will be informed on General Assembly meetings, capital increase, dividend payments, mergers and demergers in accordance with SPK regulations through decelerations and statements on KAP (Public Disclosure Platform).

These documents will be announced on legally-required platforms as well as the corporate web site of Tofaş and the investors will be provided with access to them.

SPK (Capital Markets Board) Corporate Governance Principles will be applicable regarding the use of shareholding rights.