Remuneration

Policy

PART 1: VALUES of REMUNERATION POLICY

**Fair and Transparent Sharing**

Garanti Fleet applies an equal pay for equal work policy. All remuneration information and rewards are transparently shared with employees and their managers. Remuneration notifications are made individually through the Human Resources system.

**Remuneration Policy Principles**

All of our employees are remunerated for in line with the profession value of their duty. With our equal pay for equal work policy, those in similar positions are paid similarly, while external balance (market sensitivity) and market dynamics are taken into account through remuneration studies. Performance and market conditions are evaluated in determining the salaries and remuneration amounts of the employees.

**Management by Goals and Performance Evaluation**

The performance process at Garanti Fleet is very objective as it is based on concrete and measurable targets. In line with the targets set at the beginning of the term, employees together with their managers determine targets suitable for their duties. These targets are followed throughout the year, necessary changes and directions are made. Performance levels are determined once a year by comparing with the targets realized. All employees have the right to receive verbal feedback regarding the performance evaluation and not participate in the performance provided.

**Career Opportunities**

Intercompany promotion is Garanti Fleet's basic approach. In return for their performance, Garanti Fleet employees can move on to the required positions within the company with the "Career Maps" and "Career Opportunities" programs. In parallel with their increasing responsibilities, they have remuneration increases and fringe benefits considering the sector and internal balance.

PART 2: REMUNERATION

**Compensation Package**

Garanti Fleet Compensation Package consists of 3 components.

1- Fixed Income: They are fixed payments paid regularly on a monthly basis.

2- Performance-dependent variable payments: Payments determined by the General Directorate to reward the performance of the relevant period.

3- Fringe Payments: Refers to the payments decided to be given by the General Directorate to all or some of the employees due to their duties or special circumstances.

The remuneration package at Garanti Fleet consists of 12 salaries, 3-months premium payment in field teams based on performance, once a year premium payment in headquarters teams based on performance and fringe payments.

**Timing**

The remuneration increases, which are made once a year, are made in the month of May considering the inflation development and sector remuneration data.

**Remuneration and Premium Budgeting**

There is no Open Budget application. The budget related to premium and remuneration payments is determined by analyzing possible remuneration market data, general performance of the company, changes in the number of employees while preparing the personnel budget for the relevant year. The budget is finalized by submitting to the approval of the Board of Directors. The Board of Directors may change the Budget depending on the performance of the company.

**Premium Models**

Performance-based remuneration and rewarding is essential at Garanti Fleet. In return for the success achieved, as a basic principle, there is a 3-month premium payment for the field/sales teams and a performance bonus once a year for the other Headquarters staff depending on their performance. Depending on their job descriptions, the General Directorate determines and implements that which job can be awarded with which premium model and the award criteria in line with the general budget approved by the Board of Directors.

**Disciplinary Penalties and Termination of Employment Contract**

According to the Labor Law, employees whose employment contract is terminated are not paid premiums for the relevant period. For those from existing employees, who receive Disciplinary Penalties, different levels of discounts can be applied depending on the type of disciplinary action.

**Communication**

Remuneration practices for all employees and the criteria that form the basis of these practices are announced on the intranet like all other Human Resources applications. The changes made are shared with internal announcements. All our employees can access their remuneration information through the system. All our managers are informed about both the content of periodic practices and all parameters of the payment related to them and their teams during periods such as remuneration increase and premium payment.

**Personnel Designated**

Managers or directors, who can have an impact on the general performance, are designated by the Human Resources Management. These personnel will be entitled to a remuneration package consisting of fixed and variable income. The remuneration package is determined by the Human Resources Management and submitted to the General Manager for approval.