

# Driving Value Together

**FORD OTOSAN**

2025 Sustainability Report



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# About The Report

As Ford Otomotiv Sanayi A.Ş. (Ford Otosan), we present our sustainability performance for the period between 1 January and 31 December 2025, along with the activities carried out in this context, to our stakeholders in line with our long-term targets and our “Future Now” sustainability strategy. This sustainability report is prepared in accordance with the Core option of GRI Standards. The TSRS-compliant Sustainability Report (Turkish Sustainability Reporting Standards) section, presented at the end of this report, provides relevant data and disclosures under TSRS 1 and TSRS 2 for the 2025 fiscal year and outlines our climate-related risks and opportunities. This section of the report has been prepared in the same scope and for the same period as the year-end consolidated financial statements of Ford Otomotiv Sanayi A.Ş. and its subsidiaries as of December 31, 2025.

At Ford Otosan, our sustainability efforts have always been shaped by a fair, transparent, and accountable management approach. As a signatory and member of the United Nations Global Compact (UNGC), we manage all our processes in a manner that contributes to the Sustainable Development Goals. Our commitment extends to global standards, including the UN Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Ford Otosan is included in Borsa Istanbul (BIST) Sustainability Index, FTSE4Good Emerging Markets, and DIAL Global Indices, actively participating in international platforms and transparently disclosing its sustainability performance. We regularly respond to CDP's climate and water programs. We are also included in S&P Global's The Sustainability Yearbook 2026 as a result of our strong performance in the Corporate Sustainability Assessment (CSA). We are proud to be ranked within the top 15% of our industry and to be the only automotive company from Türkiye included.

In line with our emission reduction targets verified by the Science-Based Targets initiative (SBTi) in 2025, we follow a roadmap aligned with our 2050 Net Zero commitment and incorporate climate-related risks and opportunities into our strategic planning and risk management processes. Accordingly, we have updated our climate and water scenario analyses and strengthened physical and transition risk assessments.

## Compliance and Content

At Ford Otosan, we aim to provide all stakeholders with a clear understanding of our value creation efforts from short-, medium-, and long-term perspectives through our Sustainability Report. The report aligns with national and international standards, frameworks, and ESG assessment criteria, meeting the minimum requirements of the Capital Markets Law for annual reports. Accordingly, we present

our disclosures related to our environmental, social and governance approach and performance in a transparent and comparable manner. Unless otherwise stated, the information and disclosures included in this report cover Ford Otosan's global operations.

## Audit

The non-financial data included in this report was audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (EY), resulting in an assurance statement, which is provided under the [relevant section](#) of this report.

In addition, the sustainability-related disclosures within the scope of TSRS 1 and TSRS 2 for the fiscal year 2025, presented in the [TSRS-compliant Sustainability Report](#) section on page 280, have also been subject to a sustainability assurance engagement conducted by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (EY), and a corresponding assurance statement has been issued.



United Nations  
Global Compact

In support of

WOMEN'S  
EMPOWERMENT  
PRINCIPLES

Established by UN Women and the  
UN Global Compact Office



SASB  
STANDARDS  
Now part of IFRS Foundation



FTSE4Good

S&P Dow Jones  
Indices

A Division of S&P Global



BORSA  
İSTANBUL

Borsa İstanbul (BIST) Sustainability | Borsa İstanbul (BIST) Corporate Governance



For questions, comments, and  
suggestions regarding the  
report;

[esg@ford.com.tr](mailto:esg@ford.com.tr)

# Chairman's Message

## Esteemed Stakeholders,

We left behind a year marked by accelerated economic, technological, and environmental transformations across the globe, as geopolitical risks, regulatory changes, and fluctuating demand exerted increasing pressure on businesses. In such an environment, strengthening corporate resilience and placing long-term responsibility at the core of strategy have become more critical than ever.

At Ford Otosan, we enhanced the visibility of the results of our transformation investments in 2025, strengthened our operational performance, and continued to progress decisively toward the goals set out in our roadmap. Our technology-driven and sustainability-focused transformation approach was embodied in an integrated structure encompassing all processes, from our governance model to our value chain.

In the automotive industry, transformation driven by electrification, artificial intelligence technologies, software-based solutions, and sustainability-focused regulations continued despite fluctuations in electric vehicle demand in the European market. At Ford Otosan, we advanced in line with our strategic priorities while effectively maintaining the operational agility required to adapt to evolving market conditions and regulatory developments.

The long-standing partnership between Ford Motor Company and Koç Holding has further strengthened Ford Otosan's global role. In 2025, 79% of the commercial vehicles Ford sold in Europe were produced by Ford Otosan, clear evidence of our product development capabilities, flexible production structure, and operational excellence.

This performance reflects strong and sustainable value creation, as demonstrated by Ford's 11-year leadership and 17.2% market share in the European commercial vehicle market.

In line with our electrification strategy, we commenced serial production of the E-Transit Courier, E-Tourneo Courier, and Puma Gen-E in 2025. With the addition of the E-Transit, E-Transit Custom, and E-Tourneo Custom, our product portfolio evolved into a more balanced and comprehensive lineup. We plan to initiate electrification investments in the heavy commercial vehicle segment in 2026. Our ability to manufacture internal combustion and electric models on the same production lines at our Kocaeli and Craiova facilities remains one of the strongest indicators of our flexible, multi-energy production capability and our capacity to respond swiftly to changing demand patterns.

The integration between our operations in Türkiye and Romania continues to strengthen our global production capabilities. The addition of the Romanian plant to our operational footprint has enabled us to produce a broad range of products, from passenger vehicles to heavy commercial vehicles. Today, 41% of passenger vehicles sold in Europe are produced by Ford Otosan, demonstrating the depth of integration we have achieved.

During the 2021–2025 investment period, we invested a total of Euro 3 billion in Türkiye and Romania. Within this scope, the restructuring of the Yeniköy Plant, one of the largest investments undertaken by the Turkish private sector, represented a significant milestone. The facility, which has become the sole production center for the Transit Custom family and next-generation 1-ton vans under the Ford-Volkswagen alliance, was included in the World Economic Forum's Global Lighthouse Network thanks to the digitalization and sustainability practices implemented under the "Factory of the Future" vision.

Looking at our financial performance, we reached USD 19.4 billion in total revenues in 2025. Exports from Türkiye totaled 400,330 units, generating USD 11.5 billion in revenue. With the contribution of our Romanian operations, total international sales reached 602,842 units, generating USD 15.4 billion in revenue. Our export leadership was reaffirmed, accounting for 38% of Türkiye's total vehicle exports and 87% of commercial vehicle exports. In 2025, we also distributed a total of TL 27 billion in dividends to our shareholders in two installments.

Sustainability has become an integral component of our business model. Activities carried out in alignment with Ford Motor Company and Koç Holding have enabled us to lead the sustainability transformation of the Turkish automotive supply chain. Reducing environmental impact, strengthening our social impact capacity, and maximizing compliance across all processes remain our core priorities.

In all our social investments, we uphold the legacy of the late Vehbi Koç, founder of the Koç Group, who said, "I exist if my country exists." In 2025, the support extended to the Vehbi Koç Foundation in the amount of TL 500 million contributed significantly to the fields of education, culture, and health. With the new school investments in Kocaeli, the number of educational institutions established in the region will reach five. Our long-term social support programs for the earthquake-affected region have reached more than 25,000 people, and the "My Future Dream" program has engaged with 115,000 women in technology and innovation.

The year 2026 holds special significance for us as it marks the 100th anniversary of the founding of the Koç Group. Growing alongside the Republic, Koç Group has played a pioneering role in Türkiye's economic development through its investments in industry and services, and in societal development through its social and cultural initiatives. Koç Group companies have achieved numerous milestones in Türkiye, including the establishment of the first joint-stock company, the first industrial venture, the first international partnership, the first initial public offering, and the first holding company. They have also formed partnerships and made joint investments with international companies, including Ford Motor Company. In this context, the successful partnership between the Koç Family and Ford Motor Company, beginning with Vehbi Koç 's acquisition of the Ford dealership in Ankara in 1928, is also approaching its centennial. Built on mutual trust and long-term value creation, this enduring partnership has established a stable model that combines Türkiye's manufacturing strength with global technological, engineering, and industrial capabilities. Ford Otosan's current international position stands as a solid reflection of this unique and long-standing collaboration.

All these developments demonstrate that Ford Otosan is not only a company that manages the present, but one that plans for the future and advances confidently toward its long-term objectives. Drawing strength from its disciplined management approach, long-standing partnerships, and people-centric corporate culture, Ford Otosan will continue its journey of creating sustainable value with determination in the period ahead. I extend my sincere thanks to all our colleagues and stakeholders who have contributed to this progress.

Sincerely,

**Ali Y. KOÇ**

Chairman



# Ford Otosan Leader's Message

## Esteemed Stakeholders,

The automotive industry today represents far more than vehicle design and manufacturing; it has evolved into a comprehensive mobility ecosystem shaping freedom of movement, urban dynamics, and business efficiency. Digitalization, electrification, and sustainability continue to transform not only the quality of our products but also the speed of our processes and the structure of our value chain. This transformation is not merely changing the rules of the game; it is redefining them.

For Ford Otosan, 2025 was not a transitional year, but one in which the results of our strategic decisions became clearly visible. Following our "Future. Now." vision, we strengthened our operational flexibility, maintained discipline in commercial negotiations, deepened customer loyalty, and reinforced stakeholder trust. Rather than adapting to change, we continued to lead it through execution.

The Turkish automotive market required careful consideration throughout the year. Cautious sentiment at the beginning of the year shifted toward dynamic demand, driven by rising inflation and exchange rate expectations, as well as the impact of Special Consumption Tax (SCT) regulations. The total market reached approximately 1.4 million units across all segments. Despite limited loan availability and a higher tax burden compared to Europe, this performance once again demonstrated the vitality and potential of the Turkish automotive industry.

In Europe, however, a different environment prevailed. Intensified global competition, slower-than-expected progress in electrification, and evolving regulatory frameworks weakened demand. These developments underscored that competition is no longer defined solely by volume, but increasingly by flexibility, cost discipline, quality, and the ability to manage multiple technologies simultaneously.

In this environment, our flexibility and multi-technology, multi-energy production capability became a decisive strategic advantage in 2025. We managed our total capacity of 934,500 units across Türkiye and Romania efficiently and in a balanced manner despite market volatility. Our ability to manufacture internal combustion, hybrid, and electric vehicles on the same production lines enabled us to build a resilient operational model capable of adapting rapidly to shifting demand. As a result, we maintained our leadership in Türkiye's commercial vehicle market and contributed significantly to Ford's strong position in Europe.

Driven by our high-performance manufacturing structure, we produced 700,000 vehicles in 2025 and reached a total sales volume of 725,000 units, including 122,000 domestic and 603,000 international sales. Our focus on flexibility, quality, and speed enabled us to preserve competitiveness under changing market conditions.

We supported our operational performance with disciplined financial management centered on long-term value creation. In 2025, our revenues reached USD 19.4 billion. Our transparent capital markets approach and strong corporate governance were reaffirmed with BB+ and BB- credit ratings by Fitch Ratings and S&P Global, respectively. These outcomes reflect our financial resilience amid heightened global uncertainty.

As we monitored sustainability-related regulations closely, we treated this framework not merely as a compliance requirement but as a strategic compass guiding our competitiveness. We proactively transformed both our operations and our broader ecosystem accordingly.

In 2025, we published our first report compliant with the Turkish Sustainability Reporting Standards (TSRS).

Prepared in alignment with International Financial Reporting Standards (IFRS) developed by the International Sustainability Standards Board (ISSB), the report enables us to present climate- and sustainability-related risks and opportunities within a structured financial reporting framework.

We also finalized our 2050 net-zero roadmap following approval of our targets by the Science Based Targets initiative (SBTi). Through updated climate and water scenario analyses, we assessed transition and physical risks comprehensively. We sourced 100% of our electricity from renewable energy across all facilities in Türkiye and Romania and continued our solar energy investments. Our AI-based energy management project marked an important step in advancing energy efficiency and reducing emissions.

This integrated approach was reflected in our corporate reputation and stakeholder recognition. In 2025, our efforts were acknowledged by the Kocaeli Chamber of Industry, KalDer, TKSD, and the Sustainable Business Awards. We were recognized as an Industry Low Carbon Leader by Sustainalytics. We maintained our position as Türkiye's first automotive company in the Bloomberg Gender-Equality Index and continued to be listed in the LSEG Global Diversity and Inclusion Index Top 100. Additionally, we ranked among the top 50 companies worldwide in the Global Inclusion Index 2025.

Our Yeniköy Plant further strengthened its role as a strategic hub within Ford Otosan and Ford's transformation journey in Europe. We successfully launched next-generation 1-ton van models developed in collaboration with Ford and Volkswagen. At our Craiova Plant, we advanced our electrification strategy by commencing serial production of the all-electric Puma and Courier models. The inclusion of our Yeniköy Plant in the World Economic Forum's Global Lighthouse Network at the beginning of 2026 further validated our leadership in digital transformation.

Our Ford Trucks business continued to expand internationally, entering the Senegalese market and strengthening its presence in West Africa. We expanded our after-sales service network in the United Kingdom and Ireland, reinforcing our European footprint. Under the Joint Cab Development Agreement signed with IVECO, we initiated an engineering and investment program of approximately Euro 343 million for a next-generation heavy commercial vehicle cab, scheduled for completion by 2028.

By deepening our R&D capabilities in connected vehicles and artificial intelligence technologies, we integrated quantum computing into our production planning processes and became the first automotive manufacturer to be accepted into the World Economic Forum's Quantum Application Hub.

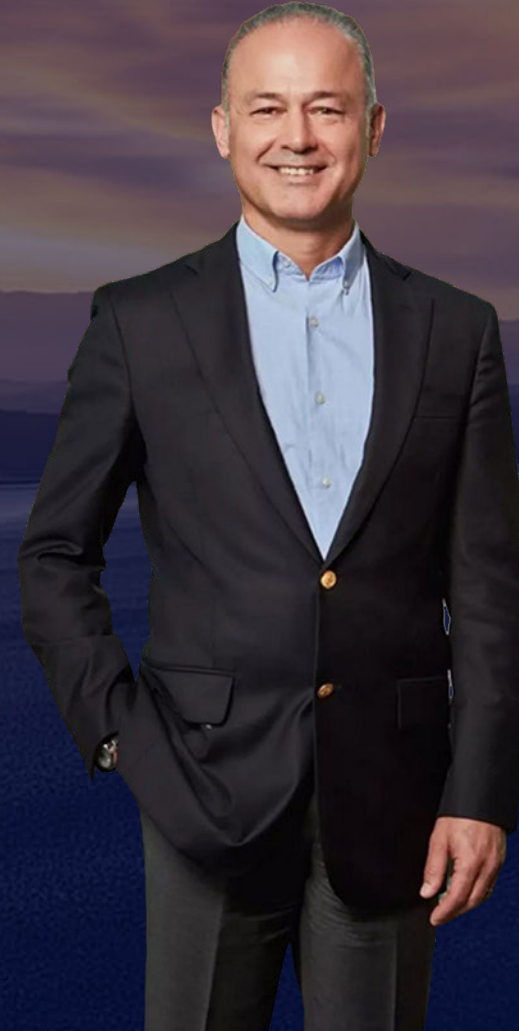
In 2025, we also identified supply chain transformation as a strategic priority. Guided by our ethical principles, we integrated performance and sustainability criteria more systematically into our processes. We delivered a total of 7,405.79 person-hours of sustainability and technical development training to our suppliers. In addition, we assessed the performance of 286 suppliers and conducted on-site audits at 24 suppliers. We continue to advance steadily toward our 2026 goal of increasing the ratio of female employees in STEM fields to 29,49%.

We remained committed to generating long-term social value. Through the "My Future Dream" project, we continued to promote STEM awareness from an early age including girls in the target group. With the science initiatives implemented in schools, we aim to reach 40,000 girls across Türkiye by the first half of 2026. Through employment practices supporting neurodiverse and disabled individuals, we continued to foster an inclusive and accessible workplace for all employees.

These results demonstrate Ford Otosan's consistent ability to create value under evolving conditions. I extend my sincere thanks to all our colleagues and stakeholders whose dedication made these achievements possible.

## Güven ÖZYURT

Ford Otosan Leader



# About Ford Otosan



# About Ford Otosan

## Vision

Being the most valuable and most preferred industrial company where we operate.

### Business Areas

#### Commercial Vehicles



We aim to drive our growth and expand Ford’s global multi-brand leadership in commercial vehicles. Our focus remains on the shift from internal combustion engines (ICE) to electric vehicles (EV), highly efficient production, superior quality, and flexible manufacturing.

#### Ford Türkiye Sales and After-Sales Services



Our mission is to position our company as a leading brand in mobility and set new standards in customer satisfaction. We strive to maintain our leadership in electric commercial vehicles, while redesigning the customer experience to appeal to premium passenger vehicle users.

#### Ford Trucks



Our mission is to focus on market expansion and elevating customer satisfaction. We are committed to maintaining our growth trajectory by placing great importance on effective supply chain management, leveraging partnerships, and delivering the highest quality standards. At Ford Trucks, we are dedicated to supporting zero-emission efforts by prioritizing environmental sustainability in our operations.

#### Engineering Services and Technology Development



Our goal is to design the most preferred and valuable transportation solutions and experiences by focusing on the efficient use of the R&D system, working with the best talent, user-experience driven customer engagement, and building an innovation culture.

#### Growth and Smart Mobility



We focus on developing Net New Growth projects, business models, partnerships, and smart mobility vehicles. We aim to reshape the mobility landscape by prioritizing innovation and collaborations, and delivering impactful and valuable solutions.

# Ford Otosan Milestones





Technology licensing agreement signed with **JMC China**.

2013



Production of **13-lt EU 6 Ecotorq engines**, 100% engineered by Ford Otosan, commenced.

2016



Ford Custom Plug-in Hybrid (PHEV) named 2020 **"International Van of the Year."**

Gölcük Plant included in the **Global Lighthouse Network**.

2019



**All-electric E-Transit** production started in Gölcük Plant.

Ford Motor Company's **Craiova Plant** was acquired.

Passenger vehicle production resumed with **Puma**.

2022



Production of the New Ford Custom's **all-electric and plug-in hybrid** variants started.

Production of **Ford Puma** with a new face started.

Ford Otosan issued its first **Eurobond**.

**Production of 1-ton VW van started** as part of the **Ford-VW** strategic alliance.

2024

2014

**Yeniköy Plant** opened and production of **Ford Courier** commenced.

Sancaktepe **R&D Center** opened.



2018

F-MAX named **"International Truck of the Year."**

Capacity increase in Gölcük Plant.



2021

Production of **Ecotorq transmission**, 100% engineered by Ford Otosan, commenced.

Electric **Rakun Motorcycles** with 2- and 3-wheel versions launched.



2023

**New Ford Custom** production started, named 2024 **"International Van of the Year."**

**New Ford Courier** production started in the Craiova Plant.

Yeniköy Plant reopened, with **2.5x expanded area and production capacity**.



2025

Production of the **all-electric** version of the **new Ford Courier** commenced.

Production of the all-electric New Ford **Puma Gen-E** commenced.

**Ford Otosan and Iveco** signed Joint Development Agreement.



# Facilities and Products

 <b>Production Capacity</b>	<b>934,500</b> Vehicles	<b>430,000</b> Engines	<b>112,000</b> Rear axles	<b>18,500</b> Transmissions	<b>75%</b> Total Capacity Utilization Rate	 <b>Türkiye and Romania</b>	<b>25,002</b> Employees
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### GÖLCÜK PLANT

Opened in: **2001**  
Covered Area: **340 thousand m<sup>2</sup>**  
Included in WEF Global Lighthouse Network



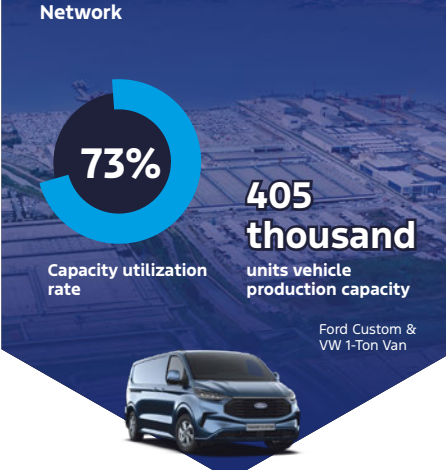
**71%** Capacity utilization rate

**207 thousand** units vehicle production capacity



### YENİKÖY PLANT


Opened in: **2014 (Reopened in: 2023)**  
Covered Area: **255 thousand m<sup>2</sup>**  
Included in WEF Global Lighthouse Network



**73%** Capacity utilization rate

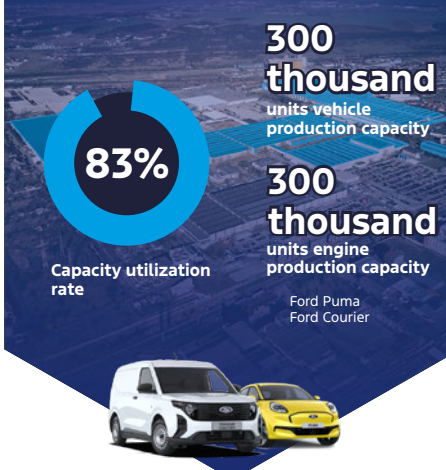
**405 thousand** units vehicle production capacity

Ford Custom & VW 1-Ton Van



### CRAIOVA PLANT

Opened in: **1976**  
Covered Area: **600 thousand m<sup>2</sup>**



**83%** Capacity utilization rate

**300 thousand** units vehicle production capacity


**300 thousand** units engine production capacity

Ford Puma  
Ford Courier



### ESKİŞEHİR PLANT

Opened in: **1982**  
Covered Area: **119 thousand m<sup>2</sup>**




**46%** Capacity utilization rate

**22.5 thousand** units truck production capacity


**80 thousand** units motor production capacity

**112 thousand** rear axle (Transit) production capacity

**18.5 thousand** transmission production capacity



### R&D Centers



Sancaktepe R&D Center  
Gölcük R&D Center  
Eskişehir R&D Center  
METU R&D Center

Total **2,238** R&D employees

### Spare Parts Centers



Sancaktepe Spare Parts Center  
Germany Ford Trucks Spare Parts Center  
Poland Ford Trucks Spare Parts Center  
Gebze Pelitli Spare Parts Center  
Ankara Akyurt Spare Parts Center

# Highlights of 2025

## Governance

**Largest R&D Center** in a single location and **Industrial Company to receive the highest EU funding** in Türkiye.

Gölcük and Yeniköy Plants (Kocaeli Plants) are among the 17 automotive factories worldwide, the first in Türkiye and the only Ford plant to be included World Economic Forum's (WEF) Global Lighthouse Network as a result of its **Industry 4.0 activities and smart factory applications.**

Accounting for **46% of automotive production** in Romania.

First TSRS compliant sustainability report published.

**Türkiye's most valuable automotive company** with **USD 7.6 billion** market cap.

**Export champion** of Türkiye for **10** consecutive years and of the Turkish automotive industry for **14** consecutive years.

**Turkish commercial vehicle market leader** with **28.6%** market share.

3rd place in the total automotive market with **8.3%** share.

Accounting for **83%** of commercial vehicle production, **87%** of commercial vehicle exports, and **32%** of total vehicle production in Türkiye.

Included in the S&P Global Sustainability Yearbook 2026, ranking in the top 15% of the automotive industry.

Ford's **largest commercial vehicle production hub in Europe** with an annual production capacity of **934,500 units** (2 countries and 4 sites).

**Kocaeli Plants: The leading facility in Türkiye** with the capability to manufacture both ICE and electric vehicles on the same line.

Türkiye's **2<sup>nd</sup> largest enterprise.**

**USD 15 billion** in export revenues in 2025.

**9.6 out of 10** in Corporate Governance Rating conducted in 2025.

Participated in 23 roadshows and conferences, hosted numerous online/physical meetings, and held 4 quarterly earnings calls, engaging with 930 institutional investors and analysts throughout 2025.

Sustainalytics "Low Carbon Leader"

## Environmental

**"B"** score in CDP's Climate Change Program and **"A-"** in Water Security Program.

Turkish automotive industry's **most competent R&D with 2,238** employees.

**Responsible supply chain** roadmap created with critical suppliers.

2050 Net Zero targets verified by SBTi.

100% renewable electricity procurement in Türkiye and Romania operations.

MegaAI AI-powered energy management.

Climate and water scenario analysis updated.

**R&D spending** in 2025 on various product development projects amounted to TL **12,107 million** (2024: TL 12,091 million) before capitalization and TL **8,300 million** (2024: TL 8,076 million) after capitalization.

As of 2025, Ford Otosan ranks as the second-highest funded industrial company with 24 projects within the Horizon Europe program. Ford Otosan completed the Horizon 2020 program with 20 projects, becoming this program's highest funded industrial company in Türkiye.

LCA on **97% of products.**

**16.1 MWe solar power plant** investment.

## Social

**Highest employment** in the Turkish automotive industry: total **25,002 employees** in Türkiye and Romania.

**Full integration of "agile" ways of working** across all roles and teams.

A total of **2,615,735 hours of training were delivered, including OHS,** across Türkiye and Romania.

Ratio of women **in all management roles across all sites** in Türkiye: **26.08%\***

TL **559.9** million (nominal) allocated for **donations and project activities.**

35-classroom Semahat Arsel Primary School investment.

**Training expenditure** totaled **TL 132.69 million.**

**The first and only automotive company** from Türkiye to be included in the **Bloomberg Gender-Equality Index.**

**Highest female employment ratio** among Turkish automotive manufacturers: 4,607 female employees.

As of 2025, the Gelecek Hayalim project has successfully exceeded its target of reaching 100,000 individuals, with a total outreach of 115,079 women and girls.

**"Contributions to Industry"** and **"Investment Project of the Year"** awards presented by the Romanian Automotive Industry to Ford Otosan's Romania Plant in 2023 in recognition of the electrification and digitalization investments.

\*Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş." and "Gembox Teknoloji Girişimleri Anonim Şirketi" are also included.

# Industry Overview and Trends



# Industry Overview

## Automotive Industry Overview

### Global Developments

Globally, light vehicle sales are expected to reach approximately 91.7 million units in 2025. This performance marks the first time in the post-pandemic period that sales have exceeded the 89.9 million units recorded in 2019, indicating that the global market has entered a phase of gradual normalization following the disruptions caused by the pandemic and the supply chain constraints that persisted from 2020 through early 2024.<sup>1</sup> Within this broader recovery, global electric vehicle sales also reached a new record, with sales estimated at around 20.7 million units, representing approximately 20% year-on-year growth.

China maintained its position as the world's largest new electric vehicle market for the 11th consecutive year in 2025<sup>3</sup>, while in Europe, high cost pressures, strict CO<sub>2</sub> targets, and new tariff measures were among the key factors shaping production and demand balances. Despite initial pressures from high vehicle prices and elevated credit costs, the North American (US) market closed the year with modest growth of 2.3%, reaching 16.3 million units, while the Japanese market recorded growth of 3.26%. Looking ahead, the overall outlook suggests that global sales will remain broadly stable at around 91.86 million units in 2026, reflecting limited growth of approximately 0.2%, with market dynamics increasingly shaped by regional policy frameworks, cost pressures, and the pace of electrification.<sup>1</sup>

### The EU and the UK - Developments

In 2025, the European automotive market displayed diverging dynamics across vehicle segments. Across the European Union, new passenger vehicle registrations increased by 1.8% to 10.8 million units, while registrations of light commercial vehicles declined by 8.8% and heavy commercial vehicles by 6.2%. In France, one of the region's largest markets, passenger vehicle registrations decreased by 5.0%, while light commercial vehicle registrations fell by 5.6% and heavy commercial vehicles by 9.0%. In Germany, passenger vehicle registrations increased slightly by 1.4% to 2.9 million units, whereas light commercial vehicle registrations declined by 5.4% and heavy commercial vehicles by 12.2%. In the United Kingdom, passenger vehicle registrations increased by 3.5% to 2,020,523 units,<sup>4</sup> while light commercial vehicle registrations declined by 10.3% to 315,846 units.<sup>5</sup>

<sup>1</sup> S&P Global, 2025 automotive sales data highlights mixed global trends

<sup>2</sup> Benchmark Mineral Intelligence, Global EV sales reach 20.7 million units in 2025, growing by 20%

<sup>3</sup> Nasdaq, China Auto Market Boomed in 2025: Why Growth May Be Softer in 2026 (press release)

<sup>4</sup> European Automobile Manufacturers' Association (ACEA) – 2025 PC Report

Heavy commercial vehicle registrations recorded modest growth of 0.6%.<sup>5</sup>

Persistently high interest rates, combined with weaker industrial activity in major economies such as Germany and France, have been among the key structural factors shaping segment-specific market dynamics and overall demand. The slowdown in industrial production across the euro area has particularly affected fleet renewal cycles and investment decisions in commercial transport, contributing to the contraction observed in the commercial vehicle segment.<sup>6</sup> More broadly, weak growth expectations, elevated energy costs, and ongoing geopolitical risks continued to weigh on the European automotive industry. At the same time, the slower-than-expected pace of electric vehicle adoption and the rising cost of regulatory compliance placed additional pressure on manufacturers, particularly during model transition cycles.

Public procurement preferences for environmentally friendly production standards also reshaped demand, particularly for product groups that are not fully compliant with regulations or are in the technological transition phase. These factors have influenced both production planning and inventory management, ultimately shaping overall vehicle registration volumes across the region.<sup>7</sup>

### China - Developments

In 2025, China's automotive industry reached a new record level, with production totaling 34.5 million units and sales reaching 34.4 million units. Sales increased by 9.4% year-on-year, allowing China to maintain its position as the world's largest automobile market for the 17<sup>th</sup> consecutive year, while production and sales volumes remained above the 30-million-unit threshold for the third consecutive year. The acceleration of new model launches by manufacturers, combined with government incentives supporting vehicle replacement, stimulated domestic demand and led to year-end results that exceeded expectations. Exports also emerged as one of the strongest growth drivers for China's automotive industry in 2025. Total vehicle exports reached a record 7.09 million units, representing an increase of 21.1%. As Chinese manufacturers expanded their global presence and strengthened their competitiveness in international markets, exports of new energy vehicles (NEVs) doubled year-on-year to 2.6 million units. Industry concentration also remained notable: the top 15 automotive groups accounted for 92.3% of total sales, highlighting the importance of economies of scale and consolidation in shaping competition within the sector.<sup>8</sup>

<sup>5</sup> European Automobile Manufacturers' Association (ACEA) – 2025 CV Report

<sup>6</sup> Eurostat, Industrial production down by 1.2% in the euro area and by 1.0% in the EU

<sup>7</sup> European Commission, A plan for EU competitiveness and decarbonisation

<sup>8</sup> Gasgoo, China's 2025 auto market hits new highs in both annual sales, output

In terms of technology adoption, the market has undergone a strategic shift influenced by charging infrastructure limitations and consumer concerns regarding driving range. Alongside fully electric vehicles, plug-in hybrid (PHEV) and extended-range electric vehicle (EREV) technologies, which offer greater flexibility through hybrid refueling solutions, have gained increasing traction. At the same time, the rapid expansion of autonomous driving features, connectivity technologies, and intelligent cockpit systems has accelerated the diffusion of advanced vehicle technologies across price segments. As consumers become more familiar with these capabilities, manufacturers increasingly differentiate their products through scenario-based digital features and user-experience-focused mobility services, intensifying competition in the Chinese market.<sup>9</sup>

## Türkiye - Developments

The Turkish automotive market reached a historic record level in 2025, with total sales of 1,408,135\* units, representing approximately 10% growth compared to the previous year. The combined market for passenger vehicles and light commercial vehicles increased by 10.49% to 1,368,400 units. An analysis of the key drivers behind this performance indicates that intense price competition among brands seeking to maintain market share, combined with aggressive sales campaigns, played a decisive role in supporting demand. In addition, expectations regarding inflation and exchange rate volatility, together with anticipated increases in Special Consumption Tax (SCT) rates, led consumers to bring forward purchasing decisions, contributing significantly to the strong sales performance.<sup>10</sup>

In passenger vehicles, sales increased by 10.62% to 1,084,496 units, with imports accounting for 70% of this segment. A notable shift was observed in fuel preferences: gasoline vehicles held the largest share at 47%, while hybrid vehicles reached 27.2% and fully electric vehicles accounted for 17.7% of the market. During this period, the combined share of electric and hybrid vehicles significantly exceeded that of diesel vehicles, which declined to 7.4%.<sup>10</sup> In the commercial vehicle segment, performance varied across subsegments. The light commercial vehicle market reached 283,904 units in 2025, representing a 10% increase, with imports accounting for 78% of the segment. By contrast, the heavy commercial vehicle market declined by 4%, falling to 45,503 units. This contraction was primarily driven by decreases of 4% in the truck market and 3% in the midibus market, while the bus segment recorded modest growth of 2%.<sup>11</sup>

Meanwhile, the industry's total production increased by 4% in 2025, reaching 1,419,464 units. A significant distinction was observed between segments. Commercial vehicle production increased by 19% overall, while passenger vehicle production decreased by 3.5% to 872,538 units. This strong performance in the commercial vehicle group was particularly supported by increases in minibus (66%) and light commercial vehicle (13%) production. On the foreign trade side, total automotive exports increased by 4% in volume, reaching 1,057,920 units, with passenger vehicles accounting for 75% of exports.

\*Total volume consists of passenger vehicles and light commercial vehicles, excluding buses and midibuses. / Sources: ODMD, TAID, and TURKSTAT.

<sup>9</sup> McKinsey & Company, China Auto Consumer Insights 2025: Gaining momentum

<sup>10</sup> Automotive Distributors and Mobility Association (ODMD), Press Release, January 2026

<sup>11</sup> OSD – Automotive Industry Monthly Review Report December 2025

The commercial vehicle segment stood out with 28% growth in export volumes, while passenger vehicle exports declined by 8% compared to the previous year. In monetary terms, total automotive exports increased by 11% to USD 40.8 billion, enabling the automotive industry to maintain its position as Türkiye's leading export sector.<sup>11</sup>



## Developments Impacting the Industry

The year 2025 marked a strategic transition period for the global automotive ecosystem, characterized by both increasing regulatory requirements and growing calls from industry stakeholders for greater implementation flexibility. The European Green Deal, which aims to transform the European Union into a modern, resource-efficient, and competitive economy, mandates a reduction of at least 55% in greenhouse gas emissions by 2030, alongside longer-term targets of 90% by 2040 and climate neutrality by 2050, as established under the European Climate Law. Within this framework, the Carbon Border Adjustment Mechanism (CBAM), designed to encourage lower-carbon production globally, is expected to become fully operational in 2026.<sup>12</sup> However, this ambitious transformation is unfolding during a period of heightened geopolitical and economic uncertainty. The World Economic Forum (WEF) Global Risks Report 2026 identifies an “Age of Competition” defined by intense geopolitical, geo-economic, and technological rivalry, in which trade, finance, and technology increasingly function as strategic policy instruments. In this context, maintaining industrial competitiveness and supply chain resilience while advancing sustainability goals has emerged as a key priority for policymakers and industry alike.<sup>13</sup> Reflecting this need for balance, the European Commission’s “Omnibus I” package seeks to simplify certain regulatory requirements related to the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The proposed adjustments aim to reduce administrative complexity, improve the practicality of reporting obligations, and provide greater clarity regarding implementation timelines. Among the proposed changes are a narrowing of the reporting scope, more flexible implementation schedules for certain companies, and a stronger emphasis on standardized and data-driven reporting frameworks. At the same time, discussions around the CSDDD have increasingly focused on concentrating obligations on the largest global companies in order to ensure proportional implementation.<sup>14</sup>

The European Commission has also introduced additional flexibility in the implementation of CO<sub>2</sub> emission standards for passenger vehicles and light commercial vehicles. Instead of assessing compliance solely on an annual basis beginning in 2025, the Commission has proposed evaluating compliance over a three-year average covering the period 2025–2027. Under the current regulatory framework, in order to avoid the risk of penalties, at least one-fifth (approximately 20%) of car sales is expected to consist of fully electric vehicles.<sup>15</sup> However, a joint statement by ACEA and CLEPA highlights that several structural challenges continue to affect the pace of electrification in Europe. These include the region’s dependence on external suppliers for key battery value-chain components, the uneven expansion of charging infrastructure, and relatively high electricity prices. As a result, electric vehicle market shares in Europe remain below levels required for rapid decarbonization, with approximately 15% for passenger vehicles, 9% for light commercial vehicles, and 3.5% for heavy commercial vehicles. Industry organizations therefore argue that the transition should incorporate a technology-neutral approach, considering a broader range of solutions, including hybrids, range extenders, hydrogen technologies, and low-carbon fuels, alongside battery electric vehicles.<sup>16</sup>



Despite these calls for flexibility, global climate policy momentum continues to intensify. Discussions at the COP30 summit in Belém highlighted the role of climate finance and alternative fuel pathways in accelerating decarbonization in the transportation sector. The concept of technology neutrality was again emphasized in policy discussions, encouraging the consideration of multiple low-emission technologies, including electric, hydrogen, and sustainable fuels, as complementary pathways toward emission reduction targets.<sup>17</sup> Within the European regulatory landscape, additional legislation is also shaping the industry’s transition toward more transparent and sustainable supply chains. The EU Deforestation Regulation (EUDR), whose implementation timeline has been extended to December 2026 for large companies in order to allow additional time for compliance systems and digital traceability infrastructure, introduces new due diligence requirements for companies operating in global commodity supply chains.<sup>18</sup> Meanwhile, the EU Battery Regulation establishes a framework for battery sustainability, recycling, and traceability, including due diligence requirements that are expected to be phased in gradually over the coming years.<sup>19</sup>

In Türkiye, regulatory developments are also supporting the automotive industry’s environmental transition. With Presidential Decree No. 10115, published in the Official Gazette on July 24, 2025, the Special Consumption Tax (SCT) system for passenger vehicles was restructured, introducing a tiered taxation structure based on engine power and the vehicle’s tax-exclusive price.<sup>20</sup> At the same time, industrial policies aligned with the Medium Term Program (2026–2028) aim to support technological transformation and environmental compliance across key sectors. The HIT-30 High Technology Investment Program encourages domestic production of critical technologies, while the Net Zero Emission Strategy and Action Plan in Transportation supports investments in high-capacity charging infrastructure and the development of a hydrogen value chain within logistics networks.<sup>21</sup>

<sup>12</sup> COP30 Brasil, “Brazil Pledges to Quadruple Production of Sustainable Fuels”, Oct 2025.

<sup>13</sup> European Commission, Implementation of the EU Deforestation Regulation

<sup>14</sup> Regulation (EU) 2025/1561 of the European Parliament and of the Council of 18 July 2025 amending Regulation (EU) 2023/1542 as regards obligations of economic operators concerning battery due diligence policies

<sup>15</sup> Decree on Re-adjusting Special Consumption Tax Rates and Special Consumption Tax Bases for Specific Goods Listed in Schedule (II) annexed to the Special Consumption Tax Law No. 4760 (Decree No: 10115)

<sup>16</sup> ACEA & CLEPA, The EU risks missing the turn on its automotive transition – September’s Strategic Dialogue is the chance to correct course, 2025

<sup>17</sup> Republic of Türkiye Presidency of Strategy and Budget, Medium Term Program (2026-2028)

<sup>12</sup> European Commission, The European Green Deal Striving to be the first climate-neutral continent

<sup>13</sup> World Economic Forum, Global Risks Report 2026

<sup>14</sup> European Parliament, Omnibus I - sustainability reporting - proposal amending CSRD and CSDDD

<sup>15</sup> European Commission, 2025 Automotive Package – Proposed revision of the Regulation on CO<sub>2</sub> standards for cars and vans

<sup>16</sup> ACEA & CLEPA, The EU risks missing the turn on its automotive transition – September’s Strategic Dialogue is the chance to correct course, 2025

## Deepening Tariff and Resource Tensions in Global Competition

China's vehicle exports reached a record level of 7.09 million units in 2025, increasing by 21.1% compared to the previous year. Electric vehicles accounted for 1.76 million units of these exports, already surpassing the total figures recorded in the previous year.<sup>22</sup> At the same time, the adoption of electric vehicles in China's domestic market has accelerated significantly. Electric vehicles accounted for approximately half of new vehicle sales in certain months of 2025, reflecting the rapid expansion of the country's new energy vehicle ecosystem.<sup>23</sup> China's share of global automotive production capacity has also increased markedly, rising from around 10% in 2010 to approximately 40% today, highlighting the structural shift of manufacturing capacity toward Asia. According to the International Energy Agency, the production cost of a Chinese-made electric vehicle can be around 30% lower than comparable models produced in Europe or the United States, largely due to strong vertical integration across the battery and supply chain ecosystem.<sup>24</sup>

In response to these developments, the European Union launched an investigation in 2024 to determine whether electric vehicles imported from China benefited from unfair price advantages linked to state subsidies.<sup>25</sup> Following this investigation, the EU introduced countervailing duties ranging from 8% to 35.3%, in addition to the existing 10% customs duty applied to imported vehicles. On the consumer side, the pace of electrification continues to vary considerably across regions. Norway remains the global leader, with electric vehicles accounting for more than 80% of new vehicle sales, while adoption in the United States remains relatively limited at around 7-8% of the market. Survey data also suggests that vehicle affordability and charging infrastructure availability remain key barriers to wider adoption. Approximately 60% of consumers consider battery electric vehicles too expensive, while 54% cite insufficient charging infrastructure as a major obstacle.<sup>22</sup>

In Türkiye, several policy measures have been introduced in recent years to protect domestic production and address current account balance. A Presidential Decree issued in June 2024 imposed an additional 40% customs duty on passenger vehicles of Chinese origin.<sup>25</sup> This protectionist framework was further expanded with a Presidential Decree published in September 2025, introducing additional financial obligations on passenger vehicle imports from the European Union and other countries without Free Trade Agreements, with rates varying according to engine type. Under the new regulation, an additional financial obligation of 25% applies to conventional and hybrid vehicles, while electric and plug-in hybrid vehicles are subject to a 30% rate.<sup>26</sup> These regulatory developments reflect Türkiye's efforts to protect domestic automotive production and safeguard ongoing investment in the national automotive ecosystem amid an increasingly competitive global trade environment.<sup>27</sup>

<sup>22</sup> Automobility Ltd., State of China's Auto Market Report, October 2025.

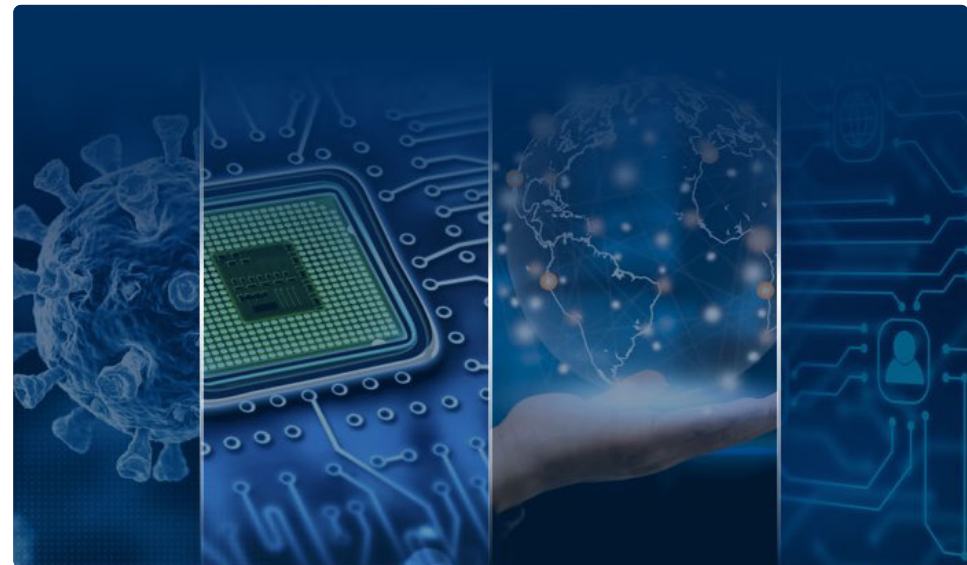
<sup>23</sup> S&P Global, EV Adoption Rates: How the US and Other Markets Compare, 2025.

<sup>24</sup> IEA, What Next for the Global Car Industry?, November 2025.

<sup>25</sup> Turkish Official Gazette - Decree No. 8639 - Imposition of Additional Customs Duties on Imports, June 8, 2024.

## Global Chip Crisis

In the global automotive industry, geopolitical uncertainties surrounding the supply of semiconductor components have emerged as a strategic risk area. While the industry has increasingly focused on advanced semiconductors, supply constraints in legacy chips used in vehicle control systems and power electronics continue to pose challenges. Combined with trade restrictions and limited supplier diversification, these factors have heightened concerns regarding supply security. At the same time, the industry's reliance on just-in-time inventory practices has increased the vulnerability of production networks to concentrated supply disruptions.<sup>28</sup> As a result, capacity constraints in critical components can rapidly affect production lines and lead to temporary assembly stoppages. For the European automotive industry in particular, uncertainties in semiconductor supply continue to affect short-term production planning. In response, manufacturers are increasingly seeking to diversify supplier networks, strengthen strategic partnerships, and support new semiconductor manufacturing capacity, particularly for essential automotive-grade components.<sup>29</sup>



<sup>26</sup> Turkish Official Gazette - Decree No. 10436 - Imposition of Additional Financial Obligations on Imports, September 22, 2025.

<sup>27</sup> Stiftung Wissenschaft und Politik, Geopolitics on Wheels: The Repositioning of the Turkish Automotive Industry

<sup>28</sup> Reuters, How the Nexperia chip crisis upended auto supply chains – again (press release)

<sup>29</sup> ACEA, Critical chip shortage worsens by the day (press release)

## For Technology and Innovation - Trends

### Autonomous Driving and Remote Control Systems

Autonomous vehicle technologies are increasingly being complemented by remote driving solutions that expand operational flexibility as Level 3 and higher automation systems continue to develop. These technologies can enhance efficiency and operational control for both private and commercial users. In sectors characterized by intensive vehicle movement, such as logistics, warehousing, agriculture, and defense, remote driving capabilities offer the potential to reduce operational costs while improving response speed and vehicle utilization.<sup>30</sup> Market forecasts suggest that the remote driving systems market could reach approximately USD 12 billion by 2030, and continue to grow at a compound annual growth rate of 5.5% through 2040.

### Artificial Intelligence and Software-Defined Vehicle (SDV) Ecosystem

Artificial intelligence is playing an increasingly transformative role across the automotive industry, particularly in battery development, energy management, and drivetrain optimization in electric vehicles. At the same time, the transition from 400-volt electrical architectures to 800-volt systems is accelerating as manufacturers prioritize faster charging capabilities and improved thermal performance.<sup>31</sup> This technological evolution is closely linked with the rise of connected vehicles, which increasingly function as integrated digital platforms. Within this context, Software-Defined Vehicles (SDVs) are expected to account for a substantial share of future vehicle production, with some industry forecasts suggesting that SDVs could represent up to 90% of vehicles produced by 2029.<sup>32</sup> As vehicle systems become more complex, the Model-Based Systems Engineering (MBSE) approach is gaining prominence in automotive development processes. By enabling the integrated analysis of functional, logical, and physical system architectures, MBSE supports scalability, performance optimization, and more efficient management of increasingly sophisticated vehicle platforms.<sup>33</sup>

### ADAS and Industry Standards in Safety Technologies

Advanced Driver Assistance Systems (ADAS) have become an increasingly standard feature in modern vehicles as safety regulations tighten and consumer expectations evolve. Technologies such as adaptive cruise control, lane-keeping assistance, and automated emergency braking contribute to improving road safety and enhancing the overall driving experience. The adoption of ADAS technologies is also expanding beyond passenger vehicles, supporting operational safety and efficiency in sectors such as logistics and fleet management.<sup>34</sup>

<sup>30</sup> McKinsey & Company, Remote-driving services: The next disruption in mobility innovation

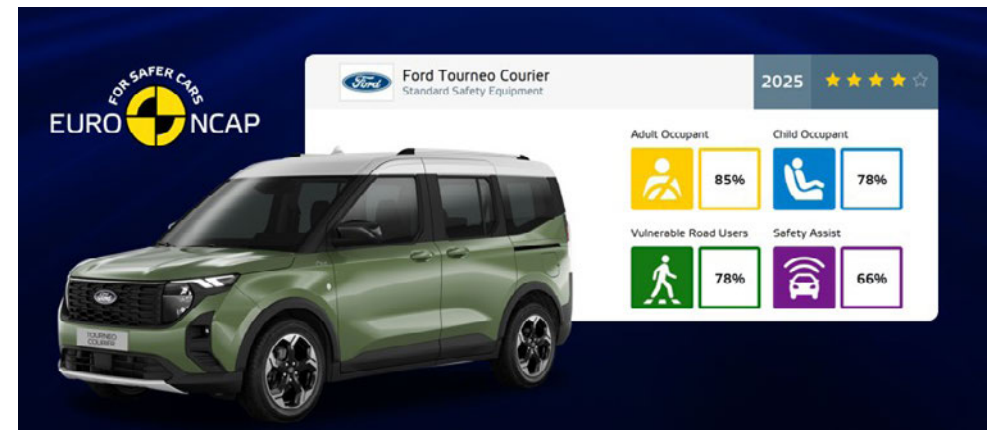
<sup>31</sup> S&P Global, AI in the automotive industry: Trends, benefits & use cases 2025

<sup>32</sup> Morgan Stanley, The Future of Cars

### Materials and Chassis Technologies

Amid a temporary slowdown in the pace of electrification driven by cost pressures and infrastructure constraints, the global automotive industry is increasingly adopting a more pragmatic technology transition, with growing attention to hybrid and extended-range electric vehicle (EREV) architectures. Technologies such as by-wire systems, which reduce vehicle weight and simplify chassis design, together with advanced manufacturing techniques and material innovations (hot stamping and magnesium casting, etc.) are enabling lighter and more efficient vehicle structures. However, the global supply chain remains exposed to strategic risks, particularly due to the concentration of battery production capacity and critical mineral processing in China, which continues to play a dominant role in the global battery ecosystem.<sup>35</sup>

In this transformation process, where autonomous driving, connected vehicles, and advanced driver assistance systems (ADAS) are becoming increasingly prominent, we focus on developing safe, scalable, and engineering-driven solutions. Within the scope of the HAL4SDV project, we address increasing system complexity through hardware-independent software architectures and Model-Based Systems Engineering (MBSE) approaches. In our heavy commercial vehicle portfolio, we support driving safety and operational efficiency through the integration of Level 1 and Level 2 ADAS technologies. In addition, we leverage artificial intelligence technologies across our R&D and operational processes, particularly in areas such as battery technologies, energy management, production optimization, and data analytics. For more information, please see the [Future Now For Technology and Innovation](#) section.



<sup>33</sup> MBSE for SDV: A Framework for Efficient Resource Allocation and System Behavior in Software Defined Vehicle, 2024

<sup>34</sup> Verified Market Reports, Global ADAS Market: Technology, Application, Vehicle Type, and Forecast

<sup>35</sup> S&P Global, Automotive market trends 2026: Navigating volatility, innovation and opportunity

## For Environment - Trends

### A New Era in Global and National Regulations

Recent regulatory developments in Europe have initiated a new phase of policy adjustment aimed at improving the clarity, competitiveness, and practical implementation of sustainability regulations. The European Commission's Omnibus packages, introduced in 2025, seek to simplify certain regulatory obligations while maintaining the overall objectives of the European sustainability framework.

These initiatives include proposals to raise the reporting thresholds under the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD), as well as battery state-of-health determination measures and administrative updates to the Carbon Border Adjustment Mechanism (CBAM). While several elements of the framework have been adopted, ongoing discussions, particularly regarding areas such as Artificial Intelligence governance and Sustainable Finance regulations, indicate that parts of the regulatory architecture are still evolving in response to industry feedback and implementation challenges.<sup>36</sup> These developments, together with flexibility mechanisms incorporated into existing regulations, aim to enable companies to manage compliance processes more effectively while maintaining long-term sustainability commitments.<sup>37</sup>

In Türkiye, Climate Law No. 7552, which entered into force in July 2025, established the legal framework for a national Emissions Trading System (ETS).<sup>38</sup> The spot transaction unit fee for 2026 has been set at 4 TL/tCO<sub>2</sub>e, while the annual participation fee has been determined as TL 100,000.<sup>39</sup> These financial parameters, together with green industry initiatives and hydrogen value chain investments supported under the Medium Term Program (2026–2028), provide a clearer roadmap for Türkiye's transition toward a low-carbon economy.<sup>40</sup> From a transparency perspective, the sector-specific guidance provided under TSRS 2 continues to offer a framework for reporting climate-related risks and opportunities for automotive companies in alignment with international sustainability reporting standards.<sup>41</sup>

### Electrification, Smart Infrastructure and Efficiency

The electric vehicle (EV) market continues to expand rapidly. Electric vehicles accounted for around 20% of global vehicle sales in 2024, corresponding to approximately 17 million units sold worldwide. This share is expected to increase further in 2025 as the availability of electric vehicle models continues to grow, with the number of EV models projected to exceed 1,000 globally by 2026.<sup>42</sup> Declining battery costs are also improving the economic competitiveness of electric vehicles. A reduction of nearly 25% in battery prices has contributed to lowering total ownership costs for EVs. In parallel, smart charging systems and Vehicle-to-Grid (V2G) technologies "offer a potential annual savings of EUR 4 billion for energy systems."<sup>43</sup>

<sup>36</sup> European Commission, Prosperity and Competitiveness Implementation Tracker, Dec 2025

<sup>37</sup> Regulation (EU) 2025/1214 (Amending Regulation (EU) 2019/631).

<sup>38</sup> Climate Law No. 7552

<sup>39</sup> EMRA Board Decision No. 12984 dated November 27, 2025

<sup>40</sup> Medium Term Program (2026-2028)

<sup>41</sup> POA, TSRS 2 Sector-Specific Guidance, Volume 63 – Automobiles

<sup>42</sup> IEA Global EV Outlook 2025

Within the broader sustainability framework, the EU Battery Regulation introduces new requirements such as a 50% recycling efficiency for lithium-ion batteries and the transition to a digital battery passport by the end of 2025.<sup>44,45</sup>

### Decarbonization in the Value Chain: Green Steel and Sustainable Fuels

The steel industry, which accounts for approximately 7% of global greenhouse gas emissions, is undergoing a transformation toward lower-carbon production pathways. Initiatives such as green steel hubs, supported by alternative raw materials, renewable energy integration, and carbon capture technologies, are gaining momentum.<sup>46</sup> At the same time, the use of sustainable fuels is expected to expand significantly in the coming decades, particularly in sectors that are difficult to electrify, such as aviation and maritime transport. In this shift, low-emission hydrogen and hydrogen-derived fuels are expected to account for a substantial share of growth in sustainable fuel production between 2030 and 2035.<sup>47</sup>

### Alternative Battery Raw Materials

As the global electrification transition faces short-term challenges related to cost pressures, infrastructure development, and policy uncertainties, the automotive industry is increasingly adopting a more pragmatic technology pathway, including greater emphasis on hybrid and extended-range electric vehicle (EREV) solutions. At the same time, China's dominant position in battery production and critical mineral processing continues to create strategic supply chain dependencies for global manufacturers. Technological improvements in Lithium Iron Phosphate (LFP) batteries, which offer lower costs and greater durability, are strengthening their position in the market and delaying the widespread commercialization of next-generation technologies such as sodium-ion and solid-state batteries. These structural developments are placing increasing financial pressure on parts of the supplier ecosystem, particularly in Europe, and are contributing to consolidation trends within the global battery and automotive supply chains.<sup>48</sup>

In response to evolving global and national regulatory frameworks, we closely monitor developments related to EU sustainability regulations, as well as Türkiye's Climate Law and the emerging Emissions Trading System (ETS) framework. We manage our compliance processes through a structured and phased approach, ensuring alignment with both regulatory requirements and long-term sustainability objectives. Through initiatives focused on electrification, battery management, and energy efficiency, we continue to adapt both our product portfolio and operational structure to changing market dynamics. Within the scope of value chain decarbonization, we address emission reduction from a holistic perspective, advancing initiatives related to the circular economy, sustainable fuels, and low-carbon materials. For more information, please see the [Future. Now for Environment](#) section.

<sup>43</sup> EY, Smart-charging and V2G critical for cost savings, grid stability and renewables integration

<sup>44</sup> EU, Circular economy: New law on more sustainable, circular and safe batteries enters into force

<sup>45</sup> REGULATION (EU) 2023/1542 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 July 2023, concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC

<sup>46</sup> McKinsey & Company, Green-steel hubs: A pathway to decarbonize the steel industry

<sup>47</sup> IEA Delivering Sustainable Fuels, 2025

<sup>48</sup> S&P Global, Automotive market trends 2026: Navigating volatility, innovation and opportunity

## For People – Trends

### Social Policies in the Medium Term Program

To support this broader societal transformation, the scope of active labor market policies targeting women, youth, and people with disabilities is being expanded within the framework of Türkiye's Medium Term Program (2026–2028). According to the program, increasing the accessibility and availability of childcare, elderly care, and disability care services is a key priority. These measures aim to strengthen work–life balance and workforce participation.<sup>21</sup>

### STEM Workforce and Gender Balance

Gender representation in the global STEM (Science, Technology, Engineering, and Mathematics) workforce has gradually improved in recent years. According to data from UNESCO and the OECD, women account for approximately one-third of researchers globally, although representation remains significantly lower in technical disciplines such as engineering and computer science. Recent estimates suggest that women represent around 28% of the global STEM workforce, while in certain advanced economies, such as the United Kingdom, the share is estimated at approximately 27%.<sup>49</sup>

### Employee Safety, Well-being, and AI Culture

Transformation in the world of work is driving a broader understanding of employee safety that extends beyond physical workplace risks to include mental well-being and psychological health. Recent studies indicate that 32% of employees identify stress and mental health as their most significant workplace concern, while 36% report that work-related stress directly affects their personal lives. In this context, organizations are increasingly recognizing the importance of fostering supportive workplace cultures, emphasizing leadership quality, open communication, and effective mechanisms for addressing employee concerns, rather than focusing solely on traditional occupational safety risks.<sup>50</sup> The growing integration of artificial intelligence into business processes is reshaping employees' expectations regarding the future of work. While 53% of employees express optimism about the future of their roles, adoption rates remain particularly high in sectors such as technology and financial services. The use of AI tools to enhance department-level productivity and decision-making is therefore becoming an increasingly important element of human resources strategies.<sup>51</sup>

<sup>49</sup> The Women In Stem Network - Women In STEM Statistics 2025: Global And Regional Trends

<sup>50</sup> Pie Insurance 2025 State of Small Business Workplace Safety Report

<sup>51</sup> PwC Global Workforce Hopes and Fears Survey 2025

## AI and Evolution of Young Skills

Employment dynamics in the technology sector are evolving toward a more specialized, expertise-driven skills model as AI-enabled business models become more widespread. Although hiring activity for experienced professionals has shown signs of recovery since 2024, the number of entry-level roles has declined by 25% in large technology companies and by 11% in startups in recent years. This reflects a broader shift toward smaller, more highly skilled teams.<sup>52</sup> As organizations shift toward a more specialized workforce model, they are also increasingly investing in AI literacy and digital skills development programs for young talent.

### Cultural Dimension of Climate Action

The growing recognition of culture as a component of climate action has gained increased attention in global climate policy discussions. At COP30, culture was incorporated into the climate action agenda for the first time, emphasizing the importance of community participation in climate resilience strategies. This approach seeks to broaden climate action beyond purely technical solutions into social engagement.<sup>53</sup> Similarly, draft frameworks under National Adaptation Plans (NAPs) highlight the role of local communities and traditional knowledge in strengthening long-term climate resilience at the regional and local levels.<sup>54</sup>

We are shaping the future of our workforce around the principles of inclusion, well-being, and digital competence. To support the development of AI and digital capabilities, which are becoming increasingly important in technological transformation, we prioritize internship programs, training initiatives, and skills development opportunities for young talent. At the same time, we promote initiatives that support the mental and physical well-being of our employees, strengthen work–life balance, and extend gender equality practices across our dealer networks. Through this integrated human resources approach, we aim to align our workforce development strategy with national development priorities and broader social sustainability objectives. For more information, please see the **Future. Now For People** section.

<sup>52</sup> The SignalFire State of Tech Talent Report - 2025

<sup>53</sup> COP 30, At COP30, culture becomes part of the climate action agenda for the first time (Action Agenda)

<sup>54</sup> UNFCCC, National Adaptation Plans, Nov 2025

# Value Creation Journey



# Value Creation Journey

Achieving economic success is only one dimension of a company's broader ambitions in today's dynamic world. We believe that lasting success is also defined by the value created for society, the environment, and our people. As sustainability and technological transformation have evolved globally from a strategic choice into an operational necessity, we have continued to place technology, innovation, and sustainability at the core of our business model.

In 2025, a year marked by challenging dynamics in the global automotive industry—particularly in Europe, our largest export market—intensifying competition, a slower-than-expected pace of electrification, and regulatory changes directly affected demand and investment decisions. In this context, competition is increasingly shaped by flexible production capabilities, cost discipline, a strong commitment to quality, and the ability to manage multiple technologies simultaneously.

Within this environment, we reinforced our role not only as a production hub but also as a technology and engineering center shaping the future of Europe within the Ford ecosystem. We are advancing our R&D strategy across the full value chain—from core research and knowledge generation to product development for emerging technologies—while expanding our engineering exports into new technology domains and strengthening our intellectual capital through continued investment in our people.

With 2,238 R&D employees across four R&D Centers licensed by the Turkish Ministry of Industry and Technology, we continue to develop the mobility solutions of the future. In 2025, we strengthened our innovation focus with 125 ongoing projects and launched 52 new initiatives. We also became the second-highest funded industrial company under the European Union's Horizon Europe program, with 24 projects. In addition, our Yeniköy Plant was included in the World Economic Forum's Global Lighthouse Network, reflecting our leadership in advanced production technologies and digital transformation.

In our product and production transformation, our flexible structure—capable of managing multiple technologies simultaneously—has been a key differentiator. In 2025, we introduced an electric version of each nameplate in our product portfolio, excluding trucks, while the all-electric variant of Puma was produced at our Craiova plant and offered to both Turkish and European markets.

As part of our environmental transformation, we focused on reducing energy consumption and meeting our energy needs from renewable sources. We procure all electricity used at our facilities in Türkiye from 100% renewable sources with I-REC certification and meet all electricity demand at our Craiova plant through renewable energy. We also reduced our Scope 1 and Scope 2 emissions by 46% compared to our 2017 baseline.

We commissioned an 83 kWe Photovoltaic Glass Wall system at the Yeniköy Plant, a first both in Türkiye and within Ford globally. In addition, with a rooftop solar PV installation with an installed capacity of 2,897 kWe, approximately 3% of the plant's total energy demand has started to be met through on-site solar energy generation.

We made a strong start to our energy transformation journey with 10 MW of capacity commissioned last year. In January, the Hasandede (2.5 MW) and, in February, the Çiçektepe (3.6 MW) solar power plants became operational. With the addition of 6.1 MW of new capacity in 2025, 16.1 MW of our total installed capacity of 22 MW is now in operation.

At our Eskişehir plant, 45.8% of energy needs were met directly from solar energy in 2025. With newly commissioned capacity, we aim to meet 72.3% of our energy needs from solar power plants by the end of 2026 and to further increase our share of renewable energy each year.

As part of expanding renewable energy investments, land-based solar power projects are planned for completion by 2028. As of 2026, our total installed solar power capacity has reached 16.1 MW.

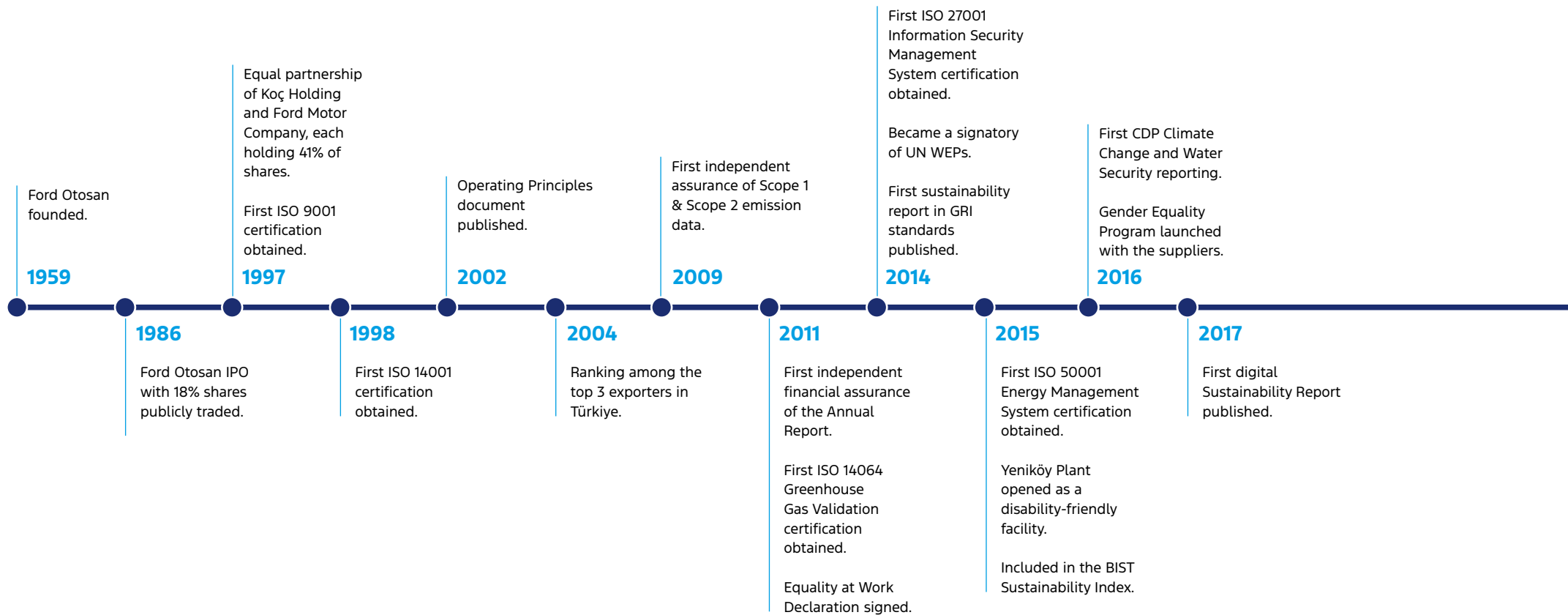
At Ford Otosan, we prioritize fostering a safe, inclusive, and equitable work environment, and we aim to extend our diversity and inclusion approach across our entire value chain. In line with our target to increase female representation in STEM roles to 30% by 2026, we reached 29.5% in 2025, while the share of women in leadership positions rose to reached 26.08%\*

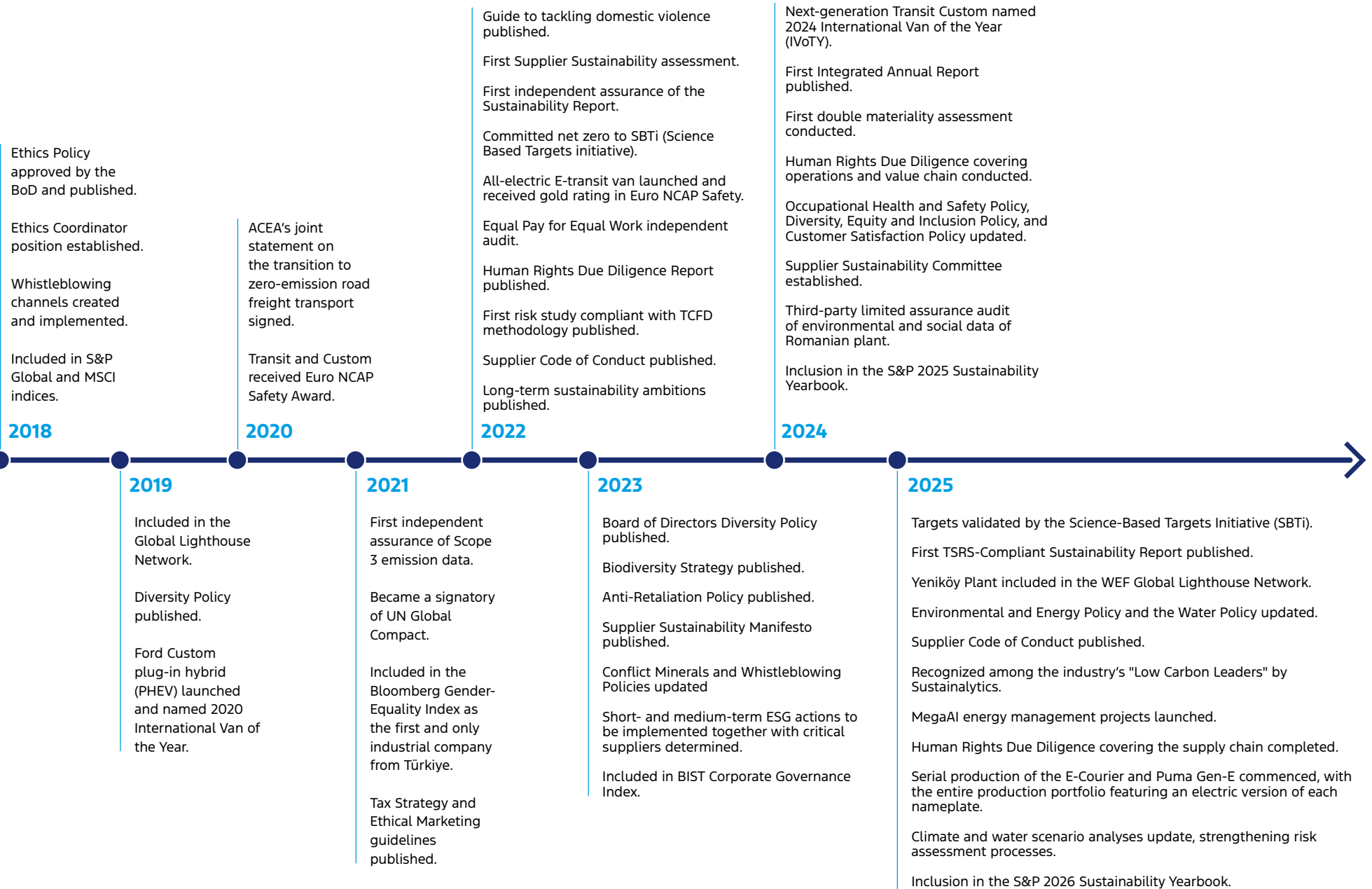
In line with our social value creation approach, we allocated more than TL 550 million to donations, grants, and projects in 2025, continuing to support education, the environment, healthcare, culture, and equal access to opportunities. Through our efforts in the earthquake-affected region, we reached more than 25,000 people. In addition, through our "My Future Dream" project, we surpassed our 2022 target of reaching 100,000 women in STEM, reaching a total of 115,079 women.

As one of the most tangible steps aligned with our commitment to become carbon neutral in our logistics operations by 2035 and our 2050 Net Zero vision, we launched vehicle transport services on the railway line we established between our Romania Craiova plant and our Kocaeli facilities in Türkiye as of January 2026. By shifting Europe-Türkiye vehicle logistics to rail through this route, we are transitioning to a more efficient and lower-carbon logistics model. Leveraging the Marmaray crossing, we enable uninterrupted intercontinental transportation, and with train sets capable of transporting 216 vehicles in a single trip, we aim to dispatch vehicles produced at our Craiova plant through this line.

\*Includes Bluepath Robotics Technology Trade and Industry Inc. and Gembox Technology Ventures Inc.

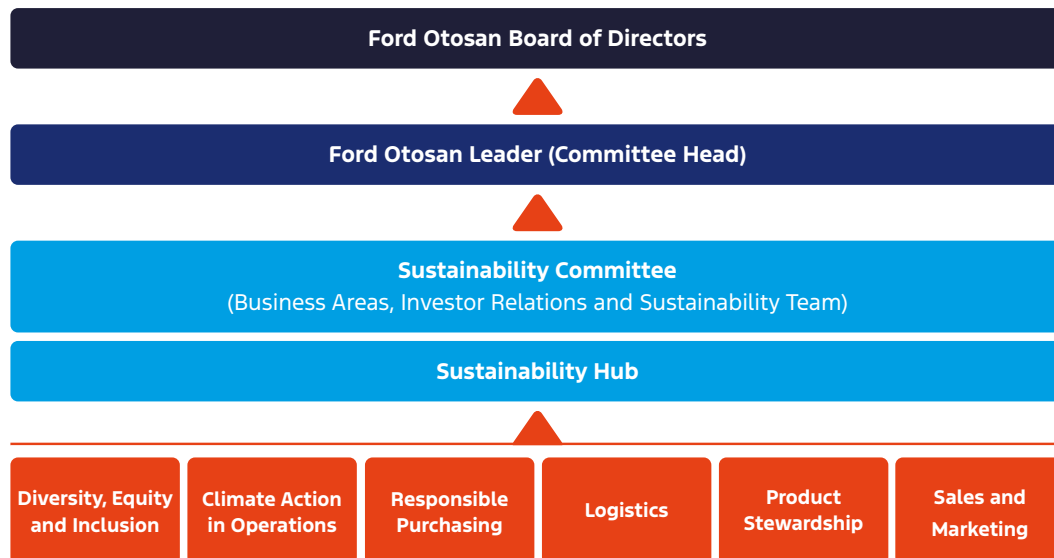
# Ford Otosan Sustainability Milestones





# Sustainability Management

At Ford Otosan, sustainability management across Türkiye and Romania (Craiova) operations is carried out through a multi-layered and integrated governance model, overseen at the highest level by the Board of Directors through a joint Board of Directors and Sustainability Committee structure. Strategic directions and targets set by the Board are disseminated across the organization by the Sustainability Committee, composed of senior management members. The Committee serves as the key decision-making body, monitoring sustainability performance, defining annual priorities, and guiding relevant business units. Operating under the Committee, the Sustainability Hub is responsible for the day-to-day management of sustainability processes; it monitors progress against targets, ensures alignment between policies and operations, and leads reporting activities. The Sustainability Hub is supported by the Sustainability Area Team, composed of employees with expertise across environmental, social, and governance areas. This team provides technical input within their respective fields, manages data collection processes, coordinates implementation, and supports the achievement of sustainability targets across business units. This multi-layered structure enables strategic decisions to be taken at the highest level, roadmaps to be developed and effectively executed at the operational level, sustainability considerations to be embedded across all processes, and performance to be regularly monitored and reported to the Board of Directors.



## Board of Directors' Role

At Ford Otosan, the Board of Directors holds ultimate responsibility for sustainability governance. The Board defines the core elements of the sustainability strategy, approves long-term targets, and regularly evaluates progress through updates provided by the Committee.

The Board sets the company's strategic direction not only on environmental and social matters but across all transformation areas linked to sustainability, and is responsible for ensuring the allocation of the necessary resources.

It also oversees the continuous improvement of the company's environmental, social, and governance performance alongside its financial performance. In this context, the Board ensures that R&D activities are evaluated in terms of energy, environmental impact, and product development, and that these are aligned with the overall strategic plan. Sustainability and climate considerations are incorporated into resource allocation decisions. In line with the Committee's recommendations, the Board serves as the final approval authority for policies and strategic investments.

## Sustainability Committee

The Sustainability Committee serves as the executive decision-making body for all sustainability-related matters at the company level. It is composed of the Ford Otosan Leaders (General Manager and Deputy General Manager), Corporate Communications and Sustainability Leader, Product Development Leader, Investor Relations Leader, Supply Chain Leader, Human Resources and Transformation Leader, New Projects and Investments Leader, Finance and Accounting Leader (CFO), Legal and Compliance Leader, Corporate Risk Management Leader, Public Affairs Coordinator, Ford Trucks Business Area Leader, and Commercial Vehicles Leader. The Committee is coordinated by the Corporate Communications and Sustainability leadership.

Chaired by the Ford Otosan Leader, the Committee is responsible for coordinating sustainability efforts across the organization and evaluating inputs from relevant working groups. It is regularly informed by the Sustainability Hub and Sustainability Area Teams on global sustainability developments, as well as related risks and opportunities. In addition, sustainability regulations and emerging trends are reviewed on a monthly basis with the participation of Türkiye and Craiova business leaders, along with environment, compliance, and regulatory teams. The outcomes of these evaluations are incorporated into the Sustainability Committee's agenda.

## Sustainability Committee's Primary Duties

The Committee is responsible for:

- Defining Ford Otosan's sustainability strategy, objectives and actions.
- Regularly reviewing sustainability strategy and roadmap and monitoring progress toward sustainability targets and actions defined in this strategy.
- Monitoring the management of risks with potential negative impact on Ford Otosan's reputation and operations in environmental, social and governance (ESG) areas.
- Providing the necessary strategic guidance, sharing expertise, and ensuring that the best practices to achieve the company's sustainability goals are spread across the organization.
- Following the international developments, new regulations and global industry trends, and offering improvement recommendations to the working groups as needed.
- Offering suggestions regarding the issues raised by the working groups and gives and approvals when needed.

The Sustainability Committee meets regularly throughout the year to evaluate the objectives of the sustainability teams and to address high- and very high-priority risks and opportunities, regulatory developments, planned strategic investments, and ongoing projects. Decisions taken are documented by the Sustainability Hub and communicated to all relevant stakeholders.

The Sustainability Hub coordinates and oversees the process through which Sustainability Teams develop their business plans and senior management objectives in line with the Committee's decisions and Ford Otosan's sustainability strategy. Relevant teams then take the necessary actions and execute their plans accordingly.

In 2025, key topics evaluated within this framework included updates to the long-term target for women's representation in management, initiatives to increase the employment of individuals with disabilities, continued investments in the "My Future Dream" project, and investments in solar power plants. The Committee also reviewed updates to the SBTi target, the publication of the Supplier Code of Conduct, the implementation of internal carbon pricing for suppliers, and the ISU water recovery investment. In addition, regulatory developments to which the company will be subject—such as the EU Deforestation Regulation and CBAM—were assessed. These matters were regularly reported to the Board of Directors.

## Sustainability Hub

Operating under the guidance of the Sustainability Committee, the Sustainability Hub ensures the development of annual work plans and investment priorities by working groups to support the implementation of the sustainability strategy approved by the Board of Directors. It monitors progress throughout the year, regularly informs senior management and the Ford Otosan Leader on target achievement, and ensures that progress updates, project proposals supporting target attainment, and high- and very high-impact/probability sustainability risks and opportunities are presented to the Sustainability Committee on a quarterly basis. As part of this role, the Sustainability Hub also develops

policies aimed at enhancing the company's performance across environmental, social, economic, and corporate governance areas and oversees their implementation by the relevant functions. Sustainability reporting, index analysis, and the identification of risks and opportunities are coordinated by the Sustainability Hub, drawing on inputs from working groups with sectoral and regulatory expertise.

## Sustainability Working Groups

The Sustainability Working Groups provides the technical expertise underpinning the implementation of the sustainability strategy. These teams operate across key focus areas, including Logistics, Responsible Sourcing, Climate Action in Operations, Community Investments, Diversity, Equity and Inclusion, Product Sustainability, and Sales and Marketing.

Each team collects and analyzes data within its area of responsibility, monitors performance, coordinates sustainability-related practices across relevant processes, tracks progress against strategic targets, and supports the execution of defined actions. The teams regularly report their findings and performance outcomes to the Sustainability Hub, which consolidates the data flow and presents it to the Sustainability Committee.

## Senior Management's Participation

Senior executives serving on the Sustainability Committee play a key role in bringing strategic and operational sustainability issues from their respective fields to the committee's work.

## Ford Otosan Leader and Deputy General Manager

All sustainability-related matters are the responsibility of the Sustainability Committee, which is chaired by the Ford Otosan Leader. The Ford Otosan Deputy General Manager acts as a reviewer for the decisions made by the sustainability committee.

- The Committee reports on progress toward objectives and areas for improvement, ensuring relevant investments are implemented with approval from the Board of Directors.
- Assesses and manages climate- and water-related risks and opportunities.
- Communicates evolving global sustainability trends to the Board of Directors.
- Defines long-term sustainability targets and submits them to the Board of Directors for approval.
- Ensures that identified risks, performance progress, and challenges are discussed with the Early Detection and Management of Risk Committee, and obtains approval from the Board of Directors for relevant actions.
- Updates the company strategy as needed by comparing it to the current situation.
- Guides the assignment of appropriate leaders to each working group.
- Identifies the investment and financing requirements for projects and initiatives aimed at improving sustainability performance and submits them to the Board of Directors.
- Provides guidance on the auditing of the corporate water strategy, covering company-wide operations and supply chain activities.
- Ensures the provision of human resource, technological investments, and financial resources for efficient use of natural resources.

## Corporate Communications and Sustainability Leader

- Monitors progress toward targets and manages reporting and auditing processes by reporting to the General Manager four times a year and to the Board of Directors twice a year.
- Contributes to the development of the company's sustainability strategies and plans together with the Sustainability Hub Team, the Ford Otosan Leader, and the Sustainability Area Teams.
- Plays a role in developing the structure of the Sustainability Hub and the Sustainability Area Team and improving business processes.
- Provides leadership in ensuring compliance with sustainability regulations.

**Product Development Leader:** Responsible for the sustainability performance of Ford Otosan products throughout their lifecycle and the development of climate-friendly technologies.

**Commercial Vehicles Leader:** Leads investments in low-carbon technologies to reduce and prevent the impact of climate change on production.

**Supply Chain Leader:** Manages the decarbonization transformation of the supply chain; measures, categorizes, and coordinates improvement steps for suppliers' sustainability performance.

**Human Resources and Transformation Leader:** Reviews, monitors, and takes action on Diversity, Equity and Inclusion and Occupational Health and Safety programs and targets implemented company-wide.

**New Projects and Investments Leader:** Responsible for the management and evaluation of sustainability- and climate-related investments.

**Finance and Accounting Leader (CFO):** Plays an active role in evaluating the financial impact of sustainability, communicating investor and creditor expectations to the committee, and sustainability content to the Corporate Governance Committee.

For Sustainability Competencies and Leadership Experiences, please refer to the [2025 TSRS-Compliant Sustainability Report](#).

## Managing Sustainability Risks and Opportunities

At Ford Otosan, sustainability risks and opportunities are managed in an integrated manner within the company's corporate risk management framework. Risk Management Leadership incorporates sustainability-related risk information into enterprise risk management processes and reports high- and very high-level sustainability risks to the Board of Directors through the Early Detection and Management of Risk Committee. The Committee reviews sustainability risks holistically alongside the company's strategic, operational, and financial risks through reports submitted six times a year, and provides its assessments to the Board of Directors. Based on these evaluations, necessary actions are determined and submitted for Board approval.

Within this structure, the Sustainability Committee maintains its advisory and coordination role for senior management, while the Early Detection and Management of Risk Committee ensures that sustainability risks are formally monitored at the Board level and integrated into decision-making processes. This approach enables the consistent management of sustainability risks and opportunities across both operational and strategic levels.

Detailed explanations about this section are provided in the [TSRS-Compliant Sustainability Report](#).

## Employee Engagement Programs

### Leader Orientation Training Program

Since 2022, Ford Otosan has delivered the "Leader Orientation Training Program," providing leaders with training across 24 core topics, including compliance policies, sustainability, and corporate practices. The program was conducted quarterly throughout 2025. Sustainability-related content covers the history of sustainability, current regulatory developments, corporate sustainability management, and Ford Otosan's sustainability priorities, strategy, and targets.

## Sustainability Ambassadors Program

Launched in 2023, the Sustainability Ambassadors Program aims to enhance employees' knowledge and competencies in sustainability, while fostering individual awareness and encouraging the adoption of more sustainable lifestyles. In April 2025, the third phase of the program was implemented under the theme of **Responsible Production and Consumption**, aligned with the United Nations Sustainable Development Goal 12. This phase attracted strong employee engagement and was supported throughout the year through training sessions, email communications, company TV content, challenges, and behavior-focused initiatives.

Throughout 2025, the program was further strengthened through the **"Hero Ambassadors"** approach, introducing a structure that promotes both knowledge building and everyday behavioral change. Within this scope, employees were offered training on **waste management, energy efficiency, and responsible consumption practices**.

### Hero Ambassadors Themes

In 2025, we implemented four themes to make sustainable behaviors visible and increase employee engagement:

**Waste Detective:** Encourages the identification of unnecessary equipment, reporting of energy and water leaks, monitoring machine efficiency, and sharing ideas to reduce waste.

**Recycling Pioneer:** Increases awareness of proper waste separation, active use of recycling areas, and paper-metal-glass-plastic recycling.

**Second Chance Guide:** Evaluates the reusability of equipment such as gloves, work clothes, and glasses, and emphasizing the contribution of recycling to waste and carbon reduction.

**Conscious Consumer:** Supports water conservation, preference for sustainable/bio-based materials, reduction of single-use products, and adoption of digital work habits.

For more information on other trainings and programs for employees and suppliers, please see the **Future Now for People** section.

## Sustainability Policies and Indices

Our sustainability approach is shaped in alignment with leading national and international initiatives. We are a signatory to the United Nations Global Compact (UNGC) and the UN Women's Empowerment Principles (UN WEPs), a member of the Automotive Supply Manufacturers Association (TAYSAD), and a partner of the People Management Association of Türkiye (PERYÖN). These frameworks guide the setting and prioritization of our sustainability targets. We also adopt the principles of the European Automobile Manufacturers Association (ACEA) in our transition toward zero-emission vehicle production.

Under the leadership of the Sustainability Hub, Ford Otosan's environmental, social, and governance performance is regularly reviewed throughout the year in line with the requirements of major sustainability indices. Relevant actions are identified and carried out in coordination with the Sustainability Area Teams and related functions.

Our sustainability performance is transparently disclosed on international platforms, and we continuously work to strengthen our ratings across leading indices, including S&P Global, MSCI, FTSE4Good, LSEG, and Sustainalytics. We are included in the BIST Sustainability Index, reflecting our strong performance. We are also listed on the BIST Corporate Governance Index and the FTSE4Good Emerging Markets Index.

Through our efforts in diversity and inclusion, we were ranked among the top 50 companies globally in the DIAL Global Inclusion Index 2025, which marked Türkiye's first participation, with nearly 100 companies assessed. Our commitment in this area is further recognized through our inclusion in LSEG's Global Diversity and Inclusion Index Top 100. In Sustainalytics' 2025 assessment, we were classified as a "Low Carbon Leader." Since 2018, we have reported our performance under CDP's Climate Change and Water programs, using data-driven insights to monitor and continuously enhance our sustainability strategy.

We publicly disclose all of our Sustainability Policies with the approval of the Board of Directors and review them at regular intervals. In 2025, we updated our Environmental and Energy, Water, and Information Security Policies and published our Supplier Code of Conduct.

## Sustainability Policies and Indices (Continued)

<b>1</b> Guide to Fighting Domestic Violence and Abuse	<b>2</b> Donation and Sponsorship Policy	<b>3</b> Information Security Policy
<b>4</b> Disclosure Policy	<b>5</b> United Nations Global Compact	<b>6</b> Biodiversity Strategy
<b>7</b> Code of Conduct and Ethical Rules	<b>8</b> Conflict Minerals Policy	<b>9</b> Diversity, Equity and Inclusion Policy
<b>10</b> Environmental and Energy Policy	<b>11</b> Disciplinary Policy	<b>12</b> Ethical Marketing Guide
<b>13</b> Ethics and Whistleblowing Policy	<b>14</b> Gifts and Entertainment Policy	<b>15</b> Protection of Inside Information and Prevention of Insider Trading Policy
<b>16</b> Human Rights Policy	<b>17</b> Occupational Health and Safety Policy	<b>18</b> Declaration of Equality at Work
<b>19</b> Quality Policy	<b>20</b> Dividend Distribution Policy	<b>21</b> Personal Data Protection and Processing Policy
<b>22</b> Prevention of Retaliation Policy	<b>23</b> Customer Satisfaction Policy	<b>24</b> Competition Law Compliance Policy
<b>25</b> Anti-Bribery and Corruption Policy	<b>26</b> Water Policy	<b>27</b> Prevention of Laundering the Proceeds of Crime Policy
<b>28</b> Compensation Policy	<b>29</b> Supply Chain Compliance Policy	<b>30</b> Prevention of Financing of Terrorism And Weapons of Mass Destruction Policy
<b>31</b> Community Investment Policy	<b>32</b> Material Community Investment Topics and Key Issues to Address	<b>33</b> Compliance Policy
<b>34</b> Remuneration Policy	<b>35</b> Tax Strategy	<b>36</b> Sanctions and Export Controls Policy

# Future. Now

As global dynamics evolve rapidly, sustainable approaches and decisive action are becoming the defining elements of transformation shaping the future. At Ford Otosan, we are committed to leading the sustainability transformation of the Turkish automotive and mobility industry during this period of change. In this context, we continue to align our strategy with this transformation, guided by the European Green Deal.

Recognizing that this transformation extends beyond our own operations, we prioritize creating sustainable impact across our entire value chain, including our employees, suppliers, dealer network, and business partners. We reinforce our long-term value creation vision through innovative solutions and collaborations, while integrating environmental, social, and governance (ESG) considerations into our corporate strategy. As a leading force and technology leader in the Turkish automotive industry, we have, since our inception, aimed to deliver products and services that contribute positively to the environment and society. Through our "Future. Now" vision, introduced in 2022, we shape our sustainability approach in line with climate change, sectoral requirements, global trends, and best practices, supported by comprehensive risk and opportunity analyses. We review and update our short-, medium-, and long-term targets on an annual basis, and adopt a holistic approach focused on reducing environmental impact, strengthening corporate citizenship, leading the ecosystem, and enhancing transparency and accountability. Within our "Future. Now" strategy, we address transformation across four focus areas: Future. Now for Environment, People, Community, and Technology & Innovation.

## Future. Now For Technology And Innovation

By closely tracking rapid developments in the global automotive and mobility industry, we position innovation as a key driver of value creation. Through our innovative and agile approach, we aim to respond effectively to evolving customer expectations, expand our market share, and sustainably strengthen our competitiveness.

## Future. Now For People

We place diversity, equity, and inclusion at the core of our work ethos. We foster a respectful and fair working environment for all employees, while continuously enhancing the employee experience with a focus on health, safety, and development. We embed sustainability across our governance mechanisms, starting from senior management, and advance with systems and practices that prepare our human capital for the future.

## Future. Now For Environment

We take firm steps and actions across our operations to achieve our targets in carbon transition, waste management, circular economy, and water stewardship. As part of our journey toward carbon-neutral factories, we are accelerating emissions reduction and resource efficiency efforts, while systematically expanding practices that minimize our environmental impact.

## Future. Now For Community

With a strong sense of responsibility to shape the future of our industry and society, we prioritize creating social value. We develop initiatives that enhance social impact in the regions where we operate and aim to generate shared value through strong collaboration with our stakeholders.

# Value Creation Model

## Intellectual Capital

### Inputs

2,238 qualified R&D and innovation employees  
 4 R&D Centers  
 TL 8,300 million R&D budget  
 Supported by the Ford Otosan Innovation Program (intrapreneurship):  
 33 intrapreneurs - 11 projects  
 3 projects implemented within the company  
 125 R&D projects in total, including 52 new projects

## Natural Capital

100% renewable energy procurement (Türkiye + Romania)  
 Life cycle assessments on 97% of products  
 Net Zero target validated by SBTi  
 Sustainable production practices  
 1,756,428 m<sup>3</sup> water withdrawal  
 16.1 MW total active GES capacity  
 TL 695 million in environmental investments and spending expenditures

## Social Capital

722 employees volunteering for activities  
 Total amount allocated for social and community investments: TL 559,9 million  
 50+ NGOs/stakeholders  
 3,116 suppliers  
 Strong engaging relationship with suppliers

## Produced Capital

4 manufacturing sites in Türkiye and Romania  
 Spare parts warehouses and assembly plants  
 Industry 4.0 manufacturing practices  
 89 dealers and distributors

## Financial Capital

TL 410 million CAPEX  
 Effective debt management  
 Total shareholders' equity of TL 156,021 million  
 Broad financing pool

## Human Capital

25,002 employees  
 TL 132.69 million invested in employee development and training  
 Female employment rates 29.81%  
 Female manager rate 25.76%  
 Female employee rate in STEM roles 29.49%  
 2,604 hours of ethics training in Türkiye provided to 8,347 employees

### Value Areas

**We shape the future of mobility.** We base the development of comprehensive mobility solutions on the Design for Sustainability principle and maintain our leadership in engineering exports. We foster a culture of innovation-driven collaboration that involves our stakeholders. We create designs that consider vehicles and components along with all types of transportation needs, available infrastructures and people's mobility habits. As a result, we develop a diversified and renewed product range of next-generation electric and connected vehicles, while working on hydrogen technologies.

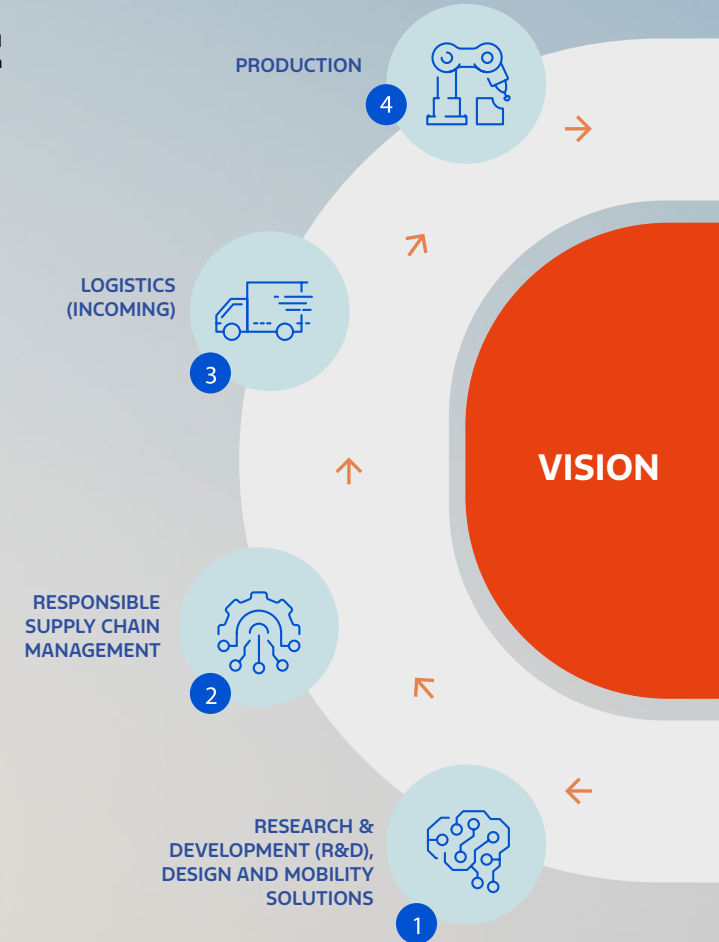
**We minimize our environmental impact to zero.** We focus on minimizing the environmental impact of our products by offering zero-emission vehicles and related vehicle technologies along with all types of complementary services that the mobility world will require. We introduce practices to enhance water and energy efficiency, while preventing waste generation at the source in all our operational processes.

**We expand our sphere of impact.** We collaborate with our dealers and suppliers to systematically manage and control each step of our multistage and complex value chain and to expand our sphere of impact every day, while embracing a holistic approach to customer experience. We guide all our stakeholders within the Ford Otosan ecosystem in their transformation.

**We spearhead transformation in the industry.** We continue to develop public transportation technologies for the smart cities of the future by offering innovative mobility products and services as our production capacity increases every year at our four manufacturing sites in Türkiye and Romania. We spearhead the electric transformation in our industry and believe in the power of the collaborations.

**We create added value through robust growth plans and strategic investments.** As the export champion of Türkiye for 10 consecutive years and of the automotive industry for the last 14 years, we create high added value for the automotive ecosystems and our shareholders through sustainable mobility solutions by developing products, services and advanced technologies, driven by our robust financial management.

**We embrace people-centric transformation.** We embrace a people-centric transformation strategy and focus on aligning the work experience with our corporate culture. As we strive to reflect the value we create through agile transformation to our stakeholders more quickly, we address several aspects like leadership, customer experience, corporate culture and organization in our business processes with a holistic approach.



To be the most valued and preferred automotive company where we operate



### Outputs

Sales of 102,958 sustainable products  
 203,508 connected vehicles in the product portfolio  
 MegaAI AI-powered energy management project  
 3 Horizon Europe + 1 EIT project (total 4 projects) launched in 2025  
 Second highest funded industrial company with 24 projects in the Horizon Europe programs

Emission reduction through energy savings: 36,381 tons CO<sub>2</sub>  
 Greenhouse gas emission reduction (Scope 1-Scope 2): 46% (vs. 2017 baseline)  
 Number of energy efficiency projects: 194  
 Total recovered water: 72,964 m<sup>3</sup>  
 Zero waste sent to landfill at the Eskişehir and Craiova plants  
 Ranked among "Low Carbon Leaders" by Sustainalytics "  
 GHG emissions per vehicle produced: 0.19 tons CO<sub>2</sub>e  
 All facilities hold zero waste certification

115,079 women and girls reached through the My Future Dream program  
 Social support for the earthquake-affected region extended to +25,000 people  
 Investment in the 35-classroom Semahat Arsel Primary School in Gölçük  
 3 My Future Dream Centers in Hope Cities  
 Scholarships totaling approximately TL 22.9 million provided to 185 scholarship recipients  
 71.4% local supplier ratio  
 15 logistics providers included in sustainability assessment  
 Total of 7,405 person-hours of training about sustainability for suppliers  
 935 students from vocational junior colleges and high schools interned at Ford Otosan; 111 of the interns hired as employees.

Total annual production capacity: 934,500 units  
 1-ton van production capacity: 405 thousand units/year  
 Serial production of E-Courier and Puma Gen-E  
 Two Ford Otosan Plants included in WEF Global Lighthouse Network  
 700,174 vehicles produced  
 Net Promoter Score (NPS) of 55.5% in Heavy Commercial Vehicles, 81.2% in Passenger and Commercial Vehicles  
 15% decrease in customer complaints

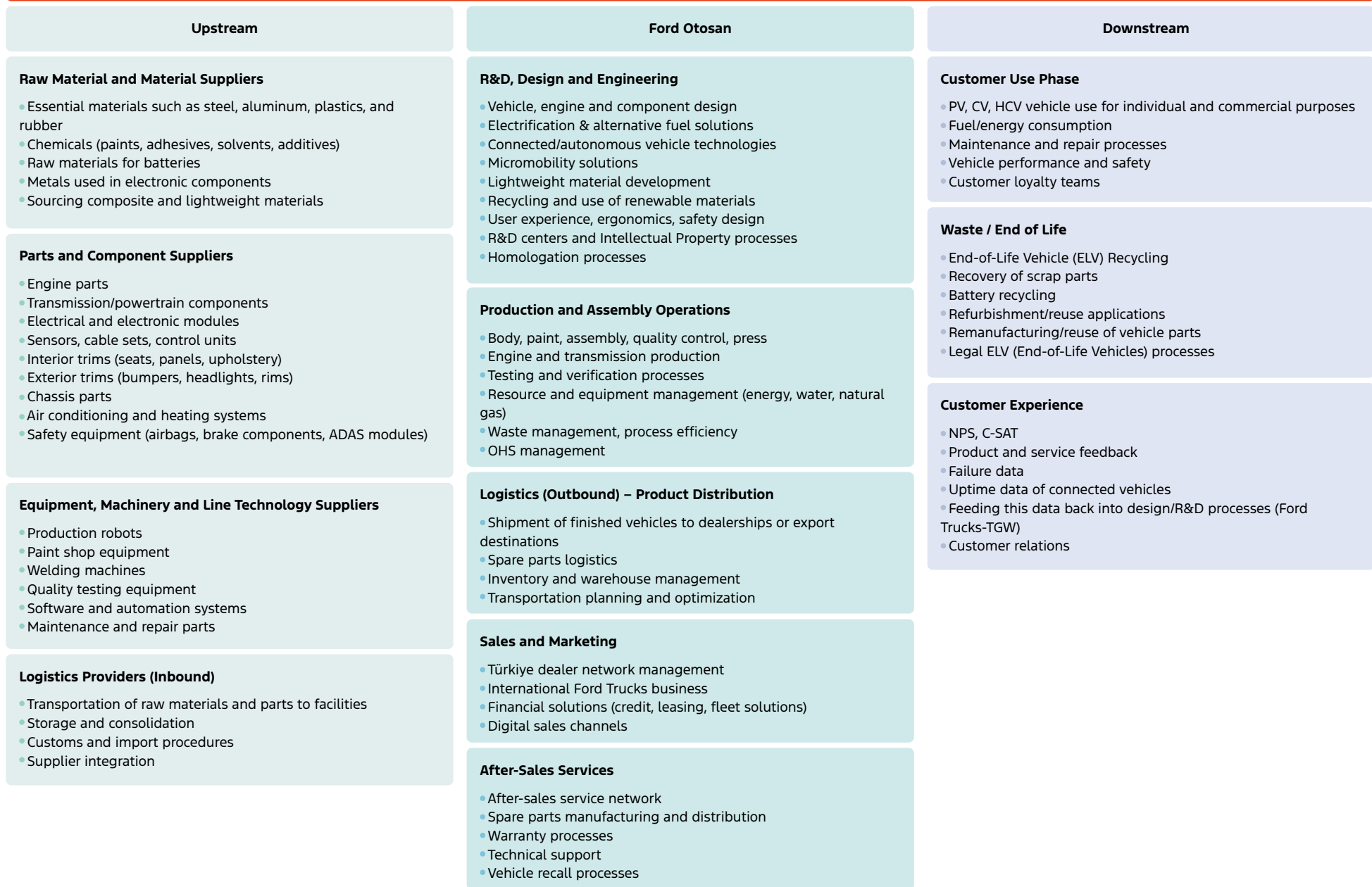
TL 830,8 billion total sales revenues  
 TL 33,986 million net profit  
 4.1% net profit margin  
 TL 66,566 million Adjusted EBITDA  
 8.0% Adjusted EBITDA margin  
 TL 28,555 million distributed in dividends

81.8% of the workforce in Türkiye and Romania covered by collective labor agreements  
 13.04% employee turnover rate  
 56.9% employee engagement rate (Türkiye and Romania)  
 81 ethics incidents confirmed and actions taken

### SDGs



## Ford Otosan Value Chain



# Stakeholder Communications

We focus on creating value for—and leading—the entire Ford Otosan ecosystem. We believe that maintaining **close, transparent, and two-way communication** with our stakeholders is essential. By actively seeking the views of diverse stakeholder groups, we aim to strengthen our relationships, enhance our processes, and deliver greater value. Accordingly, we build relationships grounded in mutual trust and integrity, in line with our corporate policies and principles, particularly the **Ford Otosan Code of Conduct and Ethical Rules**.

## Key Developments in Stakeholder Engagement in 2025

The **validation of our net-zero target** by the Science Based Targets initiative (SBTi) marked a significant milestone, reaffirming our climate strategy and strengthening our long-term carbon reduction commitment to stakeholders. This achievement also supported the transformation steps we are advancing across our supply chain, production, product portfolio, and energy management.

**In 2025, we published our first TSRS-compliant Sustainability Report**, presenting sustainability-related risks and opportunities in a holistic manner, supported by financial reporting discipline.

We also expanded our sustainability engagement across the supply chain. The scope of **Supplier Sustainability Committee** meetings was broadened to include sustainability performance, CBAM requirements, financing opportunities such as Horizon Europe and the Credit Guarantee Fund, and the sharing of new methodologies. In addition, **Sustainability Assessment Questionnaires** were introduced, initiating a comprehensive evaluation process covering areas such as human rights, working conditions, responsible supply chain management, and compliance with ethical standards. The **inaugural sustainability awards** presented at the **14<sup>th</sup> Supplier Summit** further encouraged long-term transformation among our suppliers. We also strengthened knowledge-sharing through engagement with industry stakeholders at **Supplier Sustainability Day**.

We took further steps to enhance employee experience and strengthen our employer brand. The new **Employer Brand Strategic Roadmap** was implemented to reinforce our employee value proposition and support talent attraction. The launch of **the third phase of the Sustainability Ambassadors Program** further increased employee awareness and engagement in sustainability. As part of our diversity and inclusion efforts, #EqualityAtEveryStep events were organized, and initiatives to empower women in STEM fields continued. Through participation in the **Sendeyiz Dealer Conferences in Istanbul and Ankara**, we strengthened communication with our dealers, with a focus on increasing women's employment and promoting Ford Otosan's DEI vision across the network. The **My Future Dream Mentoring Program**, supporting both employees and young people, continued throughout the year, alongside mentoring activities.

In addition, we shared updates on our recent developments and future plans with all employees through live broadcasts with Ford Otosan Leaders.

In line with our commitment to contributing to society, we made a significant investment in Gölçük. We held the groundbreaking ceremony for the **35-classroom Semahat Arsel Primary School**, supported by the **Vehbi Koç Foundation**, contributing to the development of a modern and accessible education environment in the region.

We also advanced our governance and performance transparency. We published our double materiality assessment, providing stakeholders with a comprehensive view of our financial and sustainability performance. In addition, **Ford Trucks' joint development agreement with IVECO** stood out as a strategic collaboration in the commercial vehicle segment.



## Investors and Analysts

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Transparently sharing developments about the company's strategic, financial, operational and sustainability performance, receiving feedback and questions.	<ul style="list-style-type: none"> <li>• Investor meetings</li> <li>• General Assembly meetings</li> <li>• Investor presentations</li> <li>• Analyst meetings</li> <li>• Analyst presentations</li> <li>• Quarterly earnings meetings</li> <li>• Website</li> <li>• Public Disclosure Platform (PDP)</li> <li>• Conferences and roadshows</li> <li>• Factory visits</li> <li>• Financial statements and footnotes</li> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report Annual</li> </ul>	<p>Plans for green and sustainable financing tools</p> <p>Dividend expectations during high investment periods</p> <p>The place of ESG targets and market performance metrics in senior management's performance indicators</p> <p>Efforts to improve ESG rating results, particularly governance performance</p> <p>Expectations regarding updating and progress of long-term ESG targets</p> <p>SBTi roadmap; greater participation of senior executives in investor communication; continuity in dividend/bonus share issues.</p>	<p>Supplier Sustainability Roadmap and Supplier Sustainability Committee were launched and implemented; Supplier Sustainability Manifesto was published and Conflict Minerals Policy was updated.</p> <p>Biodiversity Strategy and Human Rights Due Diligence approach were published and integrated into the decarbonization targets of the supply chain.</p> <p>First double materiality assessment was conducted and published in the Annual Report, increasing target transparency and aligning with leading indices (BIST, international ESG indices).</p>	<p>Risk Management and Regulatory Compliance</p> <p>Low-Carbon Products and Services</p> <p>R&amp;D Capacity</p> <p>Corporate Governance</p> <p>Ethics and Transparency</p> <p>Equal Opportunity, Diversity, and Inclusion</p> <p>Responsible Supply Chain</p>

**Employees**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Information sharing, training, and feedback mechanisms to enhance employee experience and promote a safe working environment.	<ul style="list-style-type: none"> <li>• Ford Otosan Code of Conduct and Ethical Rules</li> <li>• Human rights Due Diligence study</li> <li>• Internal platforms</li> <li>• Suggestion, appreciation and reward system</li> <li>• Working groups and committees</li> <li>• Social events</li> <li>• Performance management system</li> <li>• Integrated annual report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Employee engagement research and surveys</li> <li>• Open door and leadership meetings</li> </ul>	<p>Advancing career progression processes and increasing the number of technical leadership positions within talent management.</p> <p>Stronger, more open communication between employees and senior management.</p>	<p>“You Are the Experience” process was initiated with a structured action-monitoring-audit cycle to systematically address employee experience feedback.</p> <p>The FOCEP Spot Survey and feedback channels were expanded; frequency of leadership communication was increased.</p> <p>Vocational Training Academy and Vocational Training Model (Skills Development Ecosystem) support large-scale vocational and leadership programs (e.g., Leaders Shaping the Future, Mastering Leadership), long-term development, and critical skills.</p>	<p>Risk Management and Regulatory Compliance</p> <p>Occupational Health, Safety and Employee Well-being</p> <p>Talent Acquisition, Development and Retention</p> <p>Human Rights</p> <p>Equal Opportunity, Diversity, and Inclusion</p> <p>Cultural and Agile Transformation</p>

**Customers**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Measuring customer satisfaction, strengthening product/service communication, and meeting their requests.	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Surveys</li> <li>• Customer Net Promoter Score Measurement</li> <li>• Launches</li> <li>• Social Media</li> <li>• Customer Communication Channels</li> </ul>	<p>Demand for safer, more efficient, low-emission vehicles and smart/connected solutions.</p> <p>Expectation of seamless, digital, end-to-end customer journeys and strong after-sales service.</p>	<p>An expanded portfolio of electric and connected products launched; investments in smart and innovative mobility and Ford Pro solutions; continuous improvement of vehicle safety.</p> <p>Customer experience programs, digitalization of customer interfaces, and systematic satisfaction measurement and improvement.</p>	<p>Smart and Innovative Mobility</p> <p>Vehicle Quality and Safety</p> <p>Clean Technology Opportunities and Alternative Fuels</p> <p>Customer Experience</p> <p>Data Privacy and Cybersecurity</p>

## Suppliers

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
<p>We collaborate with our suppliers to raise awareness of sustainability, supporting performance improvement, and providing information about company strategy.</p>	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Ford Otosan Code of Conduct and Ethical Rules</li> <li>• Supplier Sustainability Trainings</li> <li>• Supplier Summit</li> <li>• One-on-one meetings</li> <li>• Supplier Sustainability Committee</li> <li>• FOSN (Ford Otosan Supplier Network)</li> <li>• Audits</li> <li>• OHS Committees</li> <li>• Supplier Code of Conduct and Supplier Compliance Policy</li> </ul>	<p>More frequent two-way meetings and structured communication.</p> <p>Sharing more information and best practices on topics such as sustainability, compliance, ethics, and human rights.</p> <p>Putting expectations from suppliers in writing.</p>	<p>Supplier Sustainability Committee, roadmap and manifesto; systematic supplier evaluations, audits and capacity building</p> <p>Publication of Supplier Code of Conduct including expectations from suppliers</p> <p>Adding sustainability to supplier selection criteria</p> <p>Regular supplier seminars and summits on sustainability, human rights, ethics, environment, occupational health and safety and governance; sharing best practices and financial support mechanisms.</p> <p>Suppliers sharing their own best practices</p> <p>Suppliers sharing their best practices. Hosted Supplier Sustainability Day in 2025 to strengthen engagement with suppliers and logistics providers around sustainability</p> <p>The ESG performance of priority suppliers and logistics service providers is assessed, and due diligence processes are conducted through surveys.</p>	<p>Responsible Supply Chain</p>

**Dealers**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
<p>We maintain communication with our dealers</p> <p>Raising awareness, improving communication, monitoring performance, and supporting development.</p>	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Dealer meetings, Dealer Council and one-on-one meetings</li> <li>• Dealer pulse surveys</li> <li>• Dealer portal</li> <li>• Dealer trainings</li> <li>• Dealer Sustainability Summit</li> </ul>	<p>Programs to increase female employment in dealerships and address skills gaps.</p> <p>Support for dealership-level financing needs and sustainability-focused transformation (e.g., sustainability governance, digitalization).</p>	<p>Long-term target to increase women's representation at dealerships; dealership-focused recruitment and incentive projects.</p> <p>Dealer Sustainability Council and sustainability awareness survey; recommendations shared within the Dealer Council.</p> <p>Comprehensive training and sustainability-focused training through the Ford Development Academy; regular internal and third-party audits for dealers.</p>	<p>Climate Action and Resilience</p> <p>Vehicle Quality and Safety</p> <p>Circular Economy and Waste</p> <p>Equal Opportunity, Diversity and Inclusion</p> <p>Water and Wastewater</p> <p>Customer Experience</p>

**NGOs, academia, and international organizations**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
<p>Developing projects for social benefit, providing feedback on regulations, and sharing knowledge and experience.</p>	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Meetings and Discussions</li> <li>• CDP Report</li> <li>• Policies</li> <li>• Joint Projects</li> <li>• Regular Reporting</li> <li>• Social Media</li> <li>• Various Events such as Conferences, Webinars, Workshops, Trade Fairs, etc.</li> <li>• Working Groups, Committee and Board Memberships</li> </ul>	<p>Expectations for more programs aimed at empowering women in STEM roles and developing more joint projects with other organizations.</p> <p>Expectations for regular data and practice sharing regarding supplier evaluation processes by industry associations and international platforms.</p> <p>Feedback suggesting increased collaboration with local stakeholders in projects for social benefit, and expanding scope of training and social support programs to reach a wider audience.</p>	<p>Actively contributing to draft legislation through industry platforms (OSD, ODD, TÜSİAD, etc.) and direct consultations; strengthening compliance and reporting (e.g., TSRS preparation, CSRD/ESRS compliance).</p> <p>Comprehensive local training and community projects in cooperation with ministries and municipalities (vocational laboratories, school renovations, scholarships).</p>	<p>Climate Action and Resilience</p> <p>Low-Carbon Products and Services</p> <p>Responsible Supply Chain</p> <p>Human Rights</p> <p>Equal Opportunity, Diversity and Inclusion</p> <p>Circular Economy</p> <p>R&amp;D Capacity</p> <p>Smart and Innovative Mobility</p> <p>Vehicle Quality and Safety</p>

## Financial Institutions

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Sharing progress on the company's strategic and sustainability performance, gathering feedback, and supporting access to appropriate financing sources.	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• CDP Report</li> <li>• Meetings and Discussions</li> <li>• Press Releases</li> <li>• Website</li> <li>• Public Disclosure Platform (KAP)</li> <li>• Financial Statements and Earnings Meetings</li> <li>• Investor/Analyst Presentations</li> <li>• Conferences and Roadshows</li> <li>• Factory Visits</li> </ul>	<p>Expectations for clearer explanations of targets aligned with climate action, risk management, and sustainable financing criteria.</p> <p>Demand for more holistic, consistent, and regular reporting on sustainability performance and scenario analysis.</p> <p>Expectations for more information on supply chain management, regulatory compliance, and low-carbon product development, which are becoming increasingly important in ESG assessments by financial institutions.</p>	<p>Climate and ESG information expanded through CDP, Integrated Annual Report, and sustainability indices.</p> <p>Scenario analysis, risk management, and SBTi-aligned targets, supports aligned with sustainable financing expectations, ongoing engagement to secure appropriate financing.</p>	<p>Climate Action and Resilience</p> <p>Responsible Supply Chain</p> <p>Occupational Health and Safety</p> <p>Clean Technology Opportunities and Alternative Fuels</p> <p>Human Rights</p> <p>Equal Opportunity, Diversity and Inclusion</p> <p>Ethics and Transparency</p> <p>Corporate Governance</p>

## Board of Directors

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Determining strategy, evaluating financial and sustainability performance results, decision-making/ approval processes, and clarifying action plans.	<ul style="list-style-type: none"> <li>• Board meetings</li> <li>• Early Detection and Management of Risk Committee</li> <li>• Corporate Governance Committee (Nomination Committee)</li> <li>• Audit Committee</li> <li>• Remuneration Committee</li> </ul>	<p>Launching renewable energy investments and water strategy projects</p> <p>Setting goals to lead the regions in which the company operates and creating carbon transition and emission reduction roadmaps for areas of operation.</p>	<p>Solar power plant (SPP) investments, ISU investments</p> <p>Emission reduction targets aligned with the Science Based Targets initiative (SBTi) methodology and SBTi validation for the company's long-term targets</p> <p>Launch of the Supplier Sustainability Capacity Development Program</p> <p>Publication of the Supplier Code of Conduct</p> <p>Use of block train shipments as part of low-carbon logistics solutions</p> <p>Expansion of human rights due diligence processes to include suppliers</p>	<p>Ford Otosan's all material sustainability topics</p>

**Senior Management**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Evaluating financial, operational, and sustainability performance results, supporting decision-making processes, and spreading actions across the organization.	<ul style="list-style-type: none"> <li>• Sustainability Committee</li> <li>• Senior Management Review Meetings</li> </ul>	<p>Implementing a sustainability capacity-building program for logistics providers in addition to suppliers, in line with the goal of leading the regions in which it operates</p> <p>Considering carbon tax in sourcing processes</p> <p>Regular monitoring of all sustainability risks and follow-up through senior management meetings</p>	<p>Monthly reporting to Senior Management on targets, implementation of Sustainbooks for digital tracking</p> <p>Embedding emission and potential carbon tax comparisons into sourcing systems when purchasing energy-consuming equipment for plants</p> <p>Updating water and physical climate change scenario analyses</p>	Ford Otosan's all material sustainability topics

**Unions**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Receiving employee requests and maintaining regular dialogue on labor-related issues.	<ul style="list-style-type: none"> <li>• Meetings</li> </ul>	<p>Development of alternative solutions for employees without sufficient leave balances</p> <p>Strengthening Union-HR collaboration and maintaining regular communication</p>	<p>Application of unpaid leave and alternative assignment solutions for employees without sufficient leave balances</p> <p>Proactive planning to manage leave balances ahead of the 2026 maintenance period</p> <p>Continuation of a regular, transparent, and documented communication mechanism through weekly Union &amp; HR meetings</p>	<p>Occupational Health and Safety and Employee Well-being</p> <p>Human Rights</p>

**Consultants and Partners**

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Developing projects, strengthening compliance with standards and regulations, and supporting training processes.	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Joint projects</li> <li>• Audits</li> <li>• Trainings</li> </ul>	Sharing expertise and developing project-based collaborations for regulatory compliance, sustainability, and technological transformation.	Collaborating with consultants and business partners in various fields such as legal counsel, sustainability consultancy, R&D and technology projects, and utilizing expertise in technical analyses, reporting, and project development processes.	Ford Otosan's all material sustainability topics

### Public Institutions and Local Administrations

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Providing feedback on draft regulations, supporting compliance processes, and developing collaborations.	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Audits</li> <li>• Meetings and Discussions</li> </ul>	Compliance with environmental regulations, resource efficiency, and local collaborations.	<p>Projects on waste management and water efficiency</p> <p>Efforts to use resources more efficiently through practices such as recycling and energy production</p>	<p>Climate Action and Resilience</p> <p>Low-Carbon Products and Services</p> <p>Circular Economy and Waste</p>

### Media

Communication Reasons	Key Communication and Engagement Channels	Expectations/Feedback Themes in Recent Years	Actions	Related Material Topics
Announcing company developments, providing information about products and projects, and supporting transparent stakeholder communication.	<ul style="list-style-type: none"> <li>• Integrated Annual Report</li> <li>• TSRS-Compliant Sustainability Report</li> <li>• Interviews and Discussions</li> <li>• Meetings and Discussions</li> <li>• Press Releases</li> <li>• Material Event Disclosures</li> <li>• Launches</li> </ul>	Transparent information sharing regarding company activities, investments, and innovation projects.	Information on sustainability, innovation, and operational developments shared with the public through Annual Reports and corporate communication channels.	<p>Low-Carbon Products and Services</p> <p>Responsible Supply Chain</p> <p>Smart and Innovative Mobility</p> <p>Vehicle Quality and Safety</p> <p>R&amp;D Capacity</p> <p>Corporate Governance</p> <p>Local Development and Community Investments</p>

# Sustainability Targets and Performance\*

## Future. Now For Environment

### Emission and Energy Management

↗ Progress achieved

☆ Annual target met





















🎯 Target reached

→ No progress

+ New

↻ Revised













↻ Ongoing

SBTi-validated Targets	Target Year	Target Status	Progress in 2025	Related Material Topics	Relevant SDGs
Reducing absolute Scope 1 and Scope 2 emissions by 77% (vs. 2017 baseline)	2034	↗	Total Scope 1 + Scope 2 greenhouse gas emission reduction rate reached reach 46% in 2025 vs. 2017 baseline.	Climate Action and Resilience	   
To reduce Scope 3 emissions from the use of products sold by 58.8% (vs. 2021 baseline)	2034	↗	Compared to the 2021 base year, Scope 3 emissions increased by 13%, while emissions in the Use of Sold Products category (Category 11) increased by 9%.	Climate Action and Resilience	   
Reducing absolute Scope 1-Scope 2 emissions by 90% (vs. 2017 baseline)	2050	↗	Total Scope 1 + Scope 2 greenhouse gas emission reduction rate reach 46% in 2025 vs. 2017 baseline.	Climate Action and Resilience	   
Reducing Scope 3 emissions, including purchased goods and services, upstream/downstream transportation and distribution, and the use of sold products, by 90%. (vs. 2021 baseline)	2050	↗	Compared to the 2021 base year, Scope 3 emissions increased by 13%, while emissions in the Use of Sold Products category (Category 11) increased by 9%.	Climate Action and Resilience	   
Achieving net-zero greenhouse gas emissions across the entire value chain.	2050	↗	In line with our net-zero roadmap, we strengthened our emissions reduction performance through 100% renewable energy supply (I-REC), energy efficiency projects, and digital energy management initiatives, continuing to scale up low-carbon alternatives such as rail transport in our logistics operations.	Climate Action and Resilience	   

\*Through the work we conducted in 2025, our Craiova plant was included in our sustainability goals for 2030 and beyond.

**Emission and Energy Management**

↗ Progress achieved | ☆ Annual target met | @ Target reached | → No progress | + New | ↻ Revised | ↺ Ongoing

Targets	Target Year	Target Status	Progress in 2025	Related Material Topics	Relevant SDGs
Achieving carbon neutrality in the supply chain*	2035	↗	To support the climate transition of the supply chain, suppliers' sustainability performance is monitored through SAQ surveys, audits, and training programs. Within the scope of activities with critical suppliers, validation of emission data and setting reduction targets are encouraged. As of 2025, 87 suppliers report to CDP and 188 suppliers have set with emission targets.	Climate Action and Resilience Responsible Supply Chain	   
Becoming carbon neutral in logistics operations.	2035	↗	The sustainability performance of logistics providers was evaluated using SAQ surveys. Based on the survey results, areas for improvement were identified, and workshops, training sessions, and joint goal-setting processes were conducted. Block train shipments launched in Craiova resulted in an approximately 48% reduction in logistics-related emissions compared to road transport.	Climate Action and Resilience Responsible Supply Chain	   
Selling only zero-emission passenger and light/medium commercial vehicle.	2035	↗	The launch of an electric version of each nameplate in our product portfolio represented a significant milestone in scaling up our zero-emission mobility transformation.	Climate Action and Resilience Low-Carbon Products and Services	 
Selling only zero-emission heavy commercial vehicles.	2040	↗	Our R&D on hydrogen fuel technologies (fuel cells and hydrogen internal combustion engines) continued, developing infrastructure for long-range, zero-emission solutions.	Climate Action and Resilience Low-Carbon Products and Services	 

\*This covers the Scope 1 and 2 emissions of our Tier 1 suppliers.

Water Management

Progress achieved

Annual target met

Target reached

No progress

New

Revised

Ongoing

Targets	Target Year	Target Status	Progress in 2025	Related Material Topics	Relevant SDGs
Reducing water use per vehicle by 40% at all facilities (vs. 2019 baseline)	2030		In 2025, water use per vehicle was measured at 2.51 m <sup>3</sup> . Through the wastewater recovery system launched in partnership with ISU, rainwater harvesting, and advanced treatment projects, water recovery in production is increased, with progress made toward the 2030 target. In Eskişehir, a system for digitally monitoring well water levels remotely has been commissioned, and the capacity increase of the Wastewater Treatment Plant in Yeniköy has been completed.	Climate Action and Resilience Water and Wastewater	  

Waste Management and Circular Economy

Progress achieved

Annual target met

Target reached

No progress

New

Revised













Ongoing

Targets	Target Year	Target Status	Progress in 2025	Related Material Topics	Relevant SDGs
Eliminating waste diverted to landfills.	2030		At the Eskişehir Plant, the "Zero Waste to Landfill" target was achieved by converting domestic waste into energy through biomethanization; while at the Kocaeli Plants, improvement efforts continued toward the 2030 target to reduce waste diverted to landfills by 20% each year. Through the Digital Waste Management System, deployed in 2025, waste quantities began to be monitored at the source on a department and facility basis. In addition, through our vehicle programs, we contributed to the circular economy by using approximately 7,000 tonnes of recycled and bio-based plastics.	Circular Economy and Waste Climate Action and Resilience	 
Completely eliminating single-use plastics from personal use.	2030		Other than exceptions such as occupational health and safety requirements and special events, the use of single-use plastics for general use on facilities has been phased out, and alternative solutions are explored for products outside this scope.	Circular Economy and Waste Climate Action and Resilience	  

## Future. Now For People

### Gender Equality

↗ Progress achieved
★ Annual target met
🎯 Target reached
➡ No progress
+ New
🔄 Revised
🔄 Ongoing

Targets	Target Year	Target Status	Progress in 2025	Related Material Topic	Relevant SDGs
Supporting women entrepreneurs in management positions by 50%.	2026	↗	In line with our goal of increasing the representation of women entrepreneurs and leaders within the ecosystem, we continued investments and introducing support mechanisms to strengthen women's representation in startups included and funded in our Driventure portfolio. The number of startups with women representation reached 26 out of 75, marking a 35% improvement toward our target.	Equal Opportunity, Diversity and Inclusion  Local Development and Community Investments	  
Increasing female employment rate in technology and innovation to 30%.	2026	↗	Efforts to increase women's employment in technology and innovation continued in 2025 with a focus on enriching the female talent pool across the organization through inclusive leadership and development programs.	Equal Opportunity, Diversity and Inclusion  Talent Acquisition, Development and Retention	  
Doubling the female employment rate in technology and innovation across the entire dealer network <b>(vs. 2022 baseline)</b>	2026	↗	A monthly incentive program for women in STEM fields at dealers was implemented. Awareness communications continued to increase the visibility of female technicians through service consultant, customer solution specialist, and technician roles.	Equal Opportunity, Diversity and Inclusion  Talent Acquisition, Development and Retention	  
Increasing female manager rate to 30%.	2030	🔄	In 2025, the Craiova plant was included within the target scope and therefore the female employment rate target was updated to 30% by 2030 for the entire organization.	Equal Opportunity, Diversity and Inclusion  Talent Acquisition, Development and Retention	  

\*Includes Bluepath Robotics Technology Trade and Industry Inc. and Gembox Technology Ventures Inc.

## Future. Now *For Community*

### Social Benefit

↗ Progress achieved

☆ Annual target met

🎯 Target reached

➡ No progress

+ New

↻ Revised

🔄 Ongoing

Targets	Target Year	Target Status	Progress in 2025	Related Material Topic	Relevant SDGs
Reaching 100,000 women and girls through education, awareness and financial support projects.	2026	🎯	Through trainings, awareness activities, and financial support between 2022 and 2025, a total of 115,079 women and girls were reached by 2025, marking significant progress and exceeding the target of reaching 100,000 people.	Local Development and Community Investments  Equal Opportunity, Diversity and Inclusion	   
Increasing the ratio of volunteers participating in community work to 35% of all employees (vs. 2022 baseline)	2030	↗	In line with our goal of increase volunteering rate to 35% by 2030, the rate rose from 8.2% in 2024 to 12% by the end of 2025.  Systematic steps were taken to revitalize the "My Heart Is With You" platform and integrate it with Koç Volunteers.	Local Development and Community Investments  Equal Opportunity, Diversity and Inclusion	 

# Material Topics

At Ford Otosan, we conducted a comprehensive double materiality assessment in 2024 to identify the material topics shaping our sustainability strategy. The assessment addressed global developments, international standards, stakeholder expectations, and the long-term strategic direction of Ford Otosan and our main partners, Ford Motor Company and Koç Holding, from a holistic perspective. It also established a critical foundation for our early alignment with the European Union Corporate Sustainability Reporting Directive (CSRD), to which we will be subject as of 2026.

The results highlight both established and emerging topics shaped by regulatory developments, evolving market dynamics, and societal expectations. We update our materiality assessments every two to three years by incorporating new stakeholder perspectives. Following the 2024 assessment, a review is planned for 2026 in light of evolving conditions and regulatory requirements.

## Assessment Approach and Scope

The assessment was designed to address both dimensions of double materiality: impact materiality (inside-out) and financial materiality (outside-in). With the support of our sustainability consultant, we evaluated the environmental, social, and economic impacts of our operations from an inside-out perspective, drawing on stakeholder analyses, impact assessments, external trends, and industry peer benchmarking.

From an outside-in perspective, we assessed the financial implications of environmental, social, and economic issues on our operations through engagements with senior management, investors and shareholders, and finance teams.

## Preparing List of Material Topics

In compiling our long list of potential material topics, we referenced a range of sources, including the European Green Deal, prior materiality assessments, and input from internal and external stakeholders. We also considered international and local standards and frameworks, such as the European Sustainability Reporting Standards (ESRS) Double Materiality Guidance, TSRS 2 Sector-Specific Implementation Guidance for the automotive industry, the MSCI ESG Prioritization Map, S&P Global Sustainability Index criteria, and the World Economic Forum (WEF) Global Risks Report.

As a result of this process, 22 material topics were identified: topics 1–9 were classified as very high materiality, 10–16 as high materiality, and 17–22 as material.

## Impact Perspective and Stakeholder Engagement

The stakeholder engagement process was conducted in line with the “Stakeholder Engagement” principles set out in EFRAG’s Materiality Assessment Implementation Guidance.

A broad range of stakeholders was included in the assessment, including employees, financial institutions, media, public institutions and local administrations, international organizations and initiatives, academia, research centers, civil society and industry organizations, trade unions, consultants and business partners, dealers, customers, and suppliers.

This approach ensured that insights were captured from all key actors across our value chain. A total of 67 stakeholder inputs were collected, with 81% obtained through online surveys and 19% through face-to-face interviews, resulting in a response rate of 23%.



## Financial Materiality Assessment

The financial implications of sustainability topics for our company were assessed using SASB’s four-stage impact analysis methodology.

We evaluated these impacts based on insights from senior management, investors, and shareholders, as well as the strategic and financial analyses of Ford Otosan, Ford Motor Company, and Koç Holding. The assessment was completed through a comprehensive evaluation of risks and opportunities based on their potential financial magnitude and likelihood of occurrence, with the active involvement of our Finance and Risk Management teams. The outputs of this analysis were integrated into our Enterprise Risk Management (ERM) processes.

## Evaluating the Results

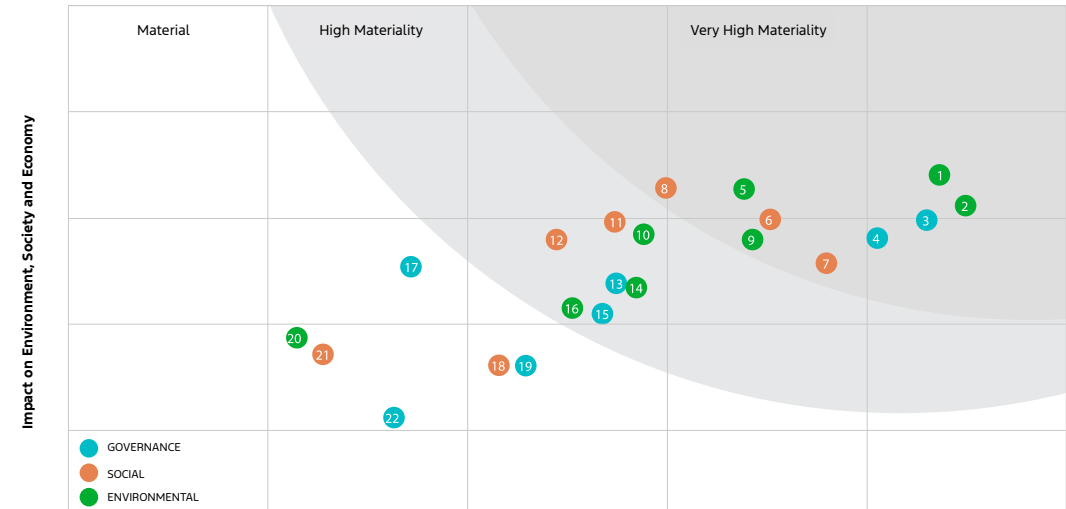
Our materiality assessment identified topics across three levels: very high, high, and medium materiality. In total, nine topics were classified as very high materiality. The results were **approved by Ford Otosan Senior Management** and reported to the Board of Directors. The assessment provides a dynamic view of both established and emerging issues for our company and stakeholders. Compared to the 2021 Materiality Assessment, shifts in the materiality landscape reflect evolving business priorities, regulatory developments, and changing stakeholder expectations. While some topics have increased in importance, others have remained consistently material, underscoring their continued relevance over time.

While climate action and resilience, as well as low-carbon products and services, continue to be among **the top priority focus areas**, responsible supply chain, risk management and regulatory compliance, and attracting, developing, and retaining talent have emerged as very high priority topics due to regulatory changes, stakeholder expectations, and our Company's strategic transformation.

Talent management, previously ranked 13th, has moved to 7th place in the current assessment under the expanded scope of Talent Acquisition, Development and Retention, which now also covers supplier and distributor employees.

The outputs of the materiality assessment are systematically incorporated into sustainability risk registers, scenario analyses, and capital allocation processes, which are updated throughout the year. For example, Climate Action and Resilience, identified as the most material topic, has been a key input in updating our climate scenario analyses, while capital allocation decisions are being reassessed accordingly. Strategic investment areas—including energy efficiency projects (Mega AI), renewable energy investments (GES), R&D and innovation budgets, and ISU process improvement projects—are aligned with the priority topics identified in the assessment.

Our materiality assessment serves as a key reference point for integrating sustainability into our strategy and decision-making processes. It informs **senior management's sustainability targets, shapes investment decisions** throughout the year, **guides the development of human capital competencies**, defines **focus areas for stakeholder collaboration**, and underpins the development of our sustainability goals and roadmap.



### Very High Materiality

- 1 Climate Change and Resilience
- 2 Low-Carbon Products and Services
- 3 Responsible Supply Chain
- 4 Risk Management and Regulatory Compliance
- 5 Smart and Innovative Mobility
- 6 Occupational Health, Safety and Employee Well-being
- 7 Talent Acquisition, Development and Retention
- 8 Vehicle Quality and Safety
- 9 Clean Technology Opportunities and Alternative Fuels

### High Materiality

- 10 Circular Economy and Waste
- 11 Human Rights
- 12 Equal Opportunity, Diversity, and Inclusion
- 13 R&D Capacity
- 14 Water and Wastewater
- 15 Corporate Governance
- 16 Air Quality

### Material

- 17 Ethics and Transparency
- 18 Customer Experience
- 19 Data Privacy and Cybersecurity
- 20 Biodiversity
- 21 Local Development and Community Investments
- 22 Cultural and Agile Transformation

# Ford Otosan’s Very High Materiality Topics

## 1. Climate Action and Resilience

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive / Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Supply Chain</p> <p><b>Impacted Stakeholders:</b> Employees Suppliers Customers</p> <p><b>Impacted External Stakeholders:</b> Environment</p>	<p><b>Negative impact on production facilities and along the value chain:</b></p> <ul style="list-style-type: none"> <li>• Impact on energy consumption and emissions</li> <li>• Increased impact of climate change</li> <li>• Negative consequences on the environment and society</li> <li>• Significant compliance pressures in an environment of stricter emission standards</li> <li>• Significant competitive pressure in an environment of stricter emission standards</li> </ul> <p><b>Positive impact on production facilities and along the value chain:</b></p> <ul style="list-style-type: none"> <li>• Implementing a carbon transition roadmap as a commercial vehicle manufacturer</li> <li>• Progressing toward the 2050 net-zero emission target in line with SBTi</li> <li>• Potential to create environmental benefits by mitigating the effects of climate change</li> <li>• Potential to strengthen competitive position in the transition to a low-carbon economy</li> </ul>	<p>As Ford Otosan, <b>we integrate climate action into executive remuneration</b> and manage it in an integrated manner through operational efficiency, renewable energy use, and low-carbon logistics practices, supporting emissions reduction with measurable targets and actions. We reflect our climate and energy performance in operational decision-making processes by <b>evaluating it in weekly plant leadership meetings</b> and monitoring it through <b>digital tracking systems</b>.</p> <p>In 2025, our SBTi net-zero target was approved. In Türkiye, 100% of our electricity consumption was sourced from I-REC certified renewable energy, while in Craiova, 100% was supplied from renewable sources. Through LED conversion and process improvements, we achieved 2,273 MWh of energy savings, while reducing Scope 1 and 2 emissions by 46% compared to the 2017 base year. Additionally, emissions were reduced by 48% through the use of block train shipments.</p>	<p><b>Targets validated by SBTi:</b></p> <p>Reduction of Scope 1–Scope 2 emissions by 77% by 2034 and 90% by 2050 vs. 2017 baseline.</p> <p>Reduction of Scope 3 (use-phase of sold vehicles) emissions by 58.8% by 2034 and 90% by 2050 vs. 2021 baseline.</p> <p>Net zero emissions across the entire value chain by 2050</p> <p><b>Other Targets:</b></p> <p>Becoming carbon neutral across the entire supply chain by 2035</p> <p>Selling only zero-emission passenger and light/medium commercial vehicles by 2035</p> <p>Selling only zero-emission heavy commercial vehicles by 2040</p>	<p>Future Now for Environment</p>

## 2. Low-Carbon Products and Services

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Products/Services Supply Chain</p> <p><b>Impacted Stakeholders:</b> Suppliers Customers</p> <p><b>Impacted External Stakeholders:</b> Environment</p>	<p><b>Negative impacts throughout the product lifecycle:</b></p> <ul style="list-style-type: none"> <li>• Carbon emissions generated from the design and production of vehicles to their use and end of life</li> <li>• Contribution to the automotive industry's total climate impact</li> <li>• Pressure on the environment and society</li> <li>• Lack of a widespread and proven recycling technology for electric vehicle batteries</li> <li>• Additional environmental risks at the end of the lifecycle</li> <li>• Additional costs at the end of the lifecycle</li> </ul> <p><b>Positive impacts throughout the product lifecycle:</b></p> <ul style="list-style-type: none"> <li>• Developing alternative fuel vehicle versions through R&amp;D investments</li> <li>• Developing low-carbon vehicle versions through R&amp;D investments</li> <li>• Reducing the environmental impact of the product portfolio through life cycle assessments</li> <li>• Meeting the increasing demand for low-carbon solutions in the commercial vehicle sector</li> <li>• Strengthening the company's competitiveness</li> <li>• Strengthening its position as a responsible manufacturer in the eyes of stakeholders</li> </ul>	<p>As Ford Otosan, in line with our SBTi-approved targets, we focus on developing electric and low-emission commercial vehicles, reducing product life cycle emissions, and implementing technologies aligned with the EU's zero-emission regulations. In this context, electrification, energy efficiency, alternative fuel solutions, and lightweight vehicle designs are supported, while our supply chain is being transformed to comply with low-carbon product requirements.</p> <p>Electric versions of all our models have been introduced to the market; the fully electric version of Puma is produced at Craiova and offered for sale in Türkiye and European markets.</p>	<p><b>Targets:</b></p> <p>Selling only zero-emission passenger and light/medium commercial vehicles by 2035.</p> <p>Selling only zero-emission heavy commercial vehicles by 2040.</p> <p><b>Other Tracked Metrics:</b></p> <p>Number of sustainable products and services</p> <p>Revenues from sustainable products and services</p> <p>Share of revenues from sustainable products and services in total revenues</p>	<p>Future Now for Environment</p> <p>Future Now for Technology and Innovation</p>

### 3. Responsible Supply Chain

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Supply Chain</p> <p><b>Impacted Stakeholders:</b> Suppliers Customers</p> <p><b>Impacted External Stakeholders:</b> External employees (supplier employees, subcontractors) Community</p>	<p><b>Negative impacts in the supply chain:</b></p> <ul style="list-style-type: none"> <li>• Failure to accurately manage economic, environmental, social, and ethical conditions</li> <li>• Difficulty in accessing critical raw materials</li> <li>• Supply disruptions</li> <li>• Cost increases</li> <li>• Decreased operational flexibility</li> <li>• Increased environmental and social impacts from raw material sourcing from vulnerable areas such as mining</li> <li>• Risk of failure to meet responsible production expectations in the industry</li> <li>• Reputation damage</li> <li>• Financial risks due to non-compliance with regulatory requirements</li> </ul> <p><b>Positive impacts in the supply chain:</b></p> <ul style="list-style-type: none"> <li>• Strengthening sustainable supply chain practices</li> <li>• Higher operational resilience</li> <li>• Contributing to widespread adoption of low-carbon solutions in the value chain</li> <li>• Contributing to widespread adoption of sustainable solutions in the value chain</li> </ul>	<p>We evaluate our suppliers' performance against sustainability criteria and support continuous improvement in this area. We take measures to promote a sustainable supply chain, strengthening traceability, certification verification, and operational agility across our procurement processes. In addition, we carry out initiatives to reduce carbon emissions across our supply chain.</p> <p>In 2025, we expanded the scope of our Supplier Sustainability Committee and initiated processes focused on human rights, ethics, and working conditions through assessments. At our 14th Supplier Summit, we presented sustainability awards for the first time, and through our Supplier Sustainability Day, we strengthened knowledge-sharing with our industry stakeholders.</p>	<p><b>Targets:</b></p> <p>Becoming carbon neutral throughout the entire supply chain by 2035</p> <p><b>Other Tracked Metrics:</b></p> <p>Realization of 6-month, 1-year and 2-year sustainability targets for critical suppliers</p>	<p>Future Now for People</p>

## 4. Risk Management and Regulatory Compliance

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Products/Services Supply Chain</p> <p><b>Impacted Stakeholders:</b> Investors and Financial Institutions Customers Public Authorities and Regulatory Bodies Employees Suppliers</p> <p><b>Impacted External Stakeholders:</b> Community</p>	<p><b>Negative impacts on governance and compliance processes:</b></p> <ul style="list-style-type: none"> <li>• Failure to comply with national and international regulations</li> <li>• Loss of trust with customers and investors</li> <li>• Financial sanctions</li> <li>• Weakening of competitive advantage in the market</li> <li>• The need to continuously revise risk management strategies due to changing ESG standards</li> <li>• Additional operational burdens</li> <li>• Cost pressures</li> </ul> <p><b>Positive impacts on governance and compliance processes:</b></p> <ul style="list-style-type: none"> <li>• A strong risk management approach</li> <li>• Long-term support for financial performance</li> <li>• Increased resilience against potential crises</li> <li>• Strengthening position as a responsible and compliant producer in the industry</li> </ul>	<p>As Ford Otosan, we closely monitor national and international regulations and continuously update our compliance processes. Within the scope of our risk management practices, non-financial risks are assessed proactively, resilience strategies are developed, and our business model is strengthened against potential crises. In addition, risks are regularly reported to relevant management and oversight mechanisms.</p> <p>In 2025, our first TSRS-aligned report was published; and as part of compliance with Euro 7 emission standards, prototype production and testing processes were completed in Craiova. We closely track regulations that affect not only our production processes but also logistics operations and sales, and we address compliance efforts in a way that covers these areas as well.</p>	<p><b>Tracked Metrics:</b></p> <ul style="list-style-type: none"> <li>Number of risks updated</li> <li>Number of internal controls and compliance activities performed</li> <li>Ratio of suppliers complying with CBAM requirements (%)</li> <li>Ratio of suppliers complying with deforestation reporting requirements (%)</li> </ul>	<p>Corporate Governance</p> <p>Ford Otosan 2025 TSRS-Compliant Sustainability Report</p>

## 5. Smart and Innovative Mobility

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Products/Services Supply Chain</p> <p><b>Impacted Stakeholders:</b> Customers Employees</p> <p><b>Impacted External Stakeholders:</b> External employees (subcontractors, contractors) Community</p>	<p><b>Negative impacts of digitalization and new mobility solutions:</b></p> <ul style="list-style-type: none"> <li>• Connected and autonomous vehicles failing to meet customer expectations</li> <li>• The company facing weaker competitiveness</li> <li>• Loss of market share</li> <li>• Security vulnerabilities that may arise during technology development</li> <li>• Software errors</li> <li>• Security risks for customers and society</li> <li>• Digitalization leading to transformation in business practices</li> <li>• Need for flexibility among employees</li> <li>• Pressure on employees to possess competencies</li> </ul> <p><b>Positive impacts of digitalization and new mobility solutions:</b></p> <ul style="list-style-type: none"> <li>• Higher demand for smart and innovative mobility solutions</li> <li>• Offering a strategic growth area</li> <li>• Developing smarter vehicles</li> <li>• Supporting carbon reduction</li> <li>• Supporting societal benefits such as road safety</li> </ul>	<p>To meet our customers' expectations for smart and connected vehicles, we continue to invest in the development of digital and autonomous features. We prioritize safety and quality standards in our R&amp;D processes and carry out competency development initiatives to support our employees' adaptation to new technologies.</p> <p>In 2025, with 2,238 R&amp;D employees working across our four R&amp;D Centers we launched 52 new projects and continued 125 projects. Under the Horizon Europe program, we secured approximately EUR 437,000 in funding through three projects and one EIT project, ranking second with a total of 24 projects. In addition, our Yeniköy Plant was awarded the "Global Lighthouse" designation.</p>	<p><b>Tracked Metrics:</b></p> <ul style="list-style-type: none"> <li>Autonomous vehicle development budget within the Horizon scope</li> <li>Amount invested in connected vehicle infrastructure</li> <li>Annual decrease in customer complaints</li> <li>Improvement in customer complaint resolution times</li> <li>Uptime–downtime performance metric</li> </ul>	<p>Future Now for Technology and Innovation</p>

6.Occupational Health, Safety and Employee Well-being

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Supply Chain</p> <p><b>Impacted Stakeholders:</b> Employees Suppliers</p> <p><b>Impacted External Stakeholders:</b> External employees (subcontractors, contractors) Community</p>	<p><b>Negative impacts related to occupational health and safety:</b></p> <ul style="list-style-type: none"> <li>• Inadequate occupational health and safety practices</li> <li>• Negative impacts on the physical health of employees</li> <li>• Negative impacts on the mental health of employees</li> <li>• Workplace accidents</li> <li>• Workforce losses</li> <li>• Decline in efficiency</li> <li>• Impact on production quality</li> <li>• Impact on business continuity</li> <li>• Cost increases</li> <li>• Reputation damage</li> </ul> <p><b>Positive impacts related to occupational health and safety:</b></p> <ul style="list-style-type: none"> <li>• A strong OHS and employee well-being approach</li> <li>• Providing a safe working environment</li> <li>• Increased productivity</li> <li>• Supporting talent attraction</li> <li>• Supporting talent retention</li> <li>• Promoting employee well-being</li> <li>• Fostering workplace culture</li> <li>• Creating an employer brand aligned with societal expectations</li> </ul>	<p>To continuously enhance our occupational health and safety culture, we implement comprehensive policies and practices. We establish processes that support a safe working environment and develop programs focused on ergonomics, health, safety, and employee well-being.</p> <p>In this context, we provided training to 586 employees as part of emergency response team programs and delivered training to 1,000 employees on response methods for electric vehicle and lithium-ion battery fires. In addition, we strengthened our monitoring and follow-up processes through our digital risk, non-compliance, and incident/accident reporting systems.</p>	<p><b>Tracked Metrics:</b></p> <ul style="list-style-type: none"> <li>OHS training time</li> <li>Injury frequency rate</li> <li>Lost time injury frequency rate</li> <li>Number of processes with improved ergonomics</li> <li>Participation in mindfulness and well-being programs</li> </ul>	<p>Future Now for People</p>

## 7. Talent Acquisition, Development and Retention

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations</p> <p><b>Impacted Stakeholders:</b> Employees Administration and Senior Management</p> <p><b>Impacted External Stakeholders:</b> Community</p>	<p><b>Negative impacts related to talent management and human resources:</b></p> <ul style="list-style-type: none"> <li>• Acceleration of technological transformation</li> <li>• Increased need for new competencies</li> <li>• Pressure on talent attraction and development processes</li> <li>• Negative impact on production efficiency</li> <li>• Negative impact on operational quality</li> <li>• Inability to retain qualified workforce in a highly competitive environment</li> <li>• Loss of knowledge and expertise</li> <li>• Additional costs</li> </ul> <p><b>Positive impacts related to talent management and human resources:</b></p> <ul style="list-style-type: none"> <li>• A strong talent management approach</li> <li>• Upskilling employees</li> <li>• Increased internal mobility</li> <li>• Supporting long-term corporate resilience</li> <li>• Strengthening employee access to development opportunities</li> <li>• Creating value in line with societal expectations in terms of work environment</li> <li>• Creating value aligned with societal expectations in terms of employer branding</li> </ul>	<p>To support our employees in adapting to evolving ways of working, we implement competency development programs. We strengthen our training, development, and career planning processes and introduce practices that support talent retention within our Company.</p>	<p><b>Tracked Metrics:</b></p> <ul style="list-style-type: none"> <li>Employee satisfaction rate</li> <li>Training hours</li> <li>Number of new employees</li> <li>Number of employees promoted</li> <li>Number of employees on rotation</li> <li>Employee turnover</li> <li>Number of employees participating in mentoring programs</li> <li>Amount of dealer incentives</li> <li>Vocational training time</li> <li>Number of young people employed by dealers after vocational training</li> </ul>	<p>Future Now for People</p>

## 8. Vehicle Quality and Safety

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Products/Services Supply Chain</p> <p><b>Impacted Stakeholders:</b> Customers Public Authorities and Regulatory Bodies Dealers</p> <p><b>Impacted External Stakeholders:</b> Community</p>	<p><b>Negative impacts related to vehicle quality and safety:</b></p> <ul style="list-style-type: none"> <li>• Errors or faults occurring in vehicle quality and safety</li> <li>• Decline in customer satisfaction</li> <li>• Loss of trust</li> <li>• Recall costs</li> <li>• Weakened competitive advantage in the industry</li> <li>• Negative impacts on traffic safety</li> <li>• Heightened societal risk</li> </ul> <p><b>Positive impacts related to vehicle quality and safety:</b></p> <ul style="list-style-type: none"> <li>• High quality and safety standards</li> <li>• Stronger customer loyalty</li> <li>• Stronger brand credibility</li> <li>• Contributing to the reduction of accidents</li> <li>• Creating social benefit</li> </ul>	<p>To enhance the safety and quality of our vehicles, we apply high standards across our design, production, and testing processes. We adopt a customer-centric approach, regularly monitor our safety and quality performance, and continuously improve our practices. We continue to conduct vehicle safety tests in compliance with international standards such as Euro NCAP, UNECE, and FMVSS. Euro NCAP tests for the renewed Tourneo Custom and Tourneo Courier models were completed in 2024. Following the market launch of the PHEV and BEV versions of Tourneo Custom in 2025, Euro NCAP tests for these variants were also successfully conducted.</p>	<p><b>Tracked Metrics:</b></p> <ul style="list-style-type: none"> <li>Number of quality audits</li> <li>Quality training time</li> <li>Euro NCAP performance results</li> </ul>	<p>Future Now for Technology and Innovation</p>

## 9. Clean Technology Opportunities and Alternative Fuels

Impact Summary	Potential Impact	How is it managed?	KPIs	Related Section
<p><b>Material Impact on the Business:</b> Both Negative and Positive Actual and Potential Impact</p> <p><b>Impact Area:</b> Operations Products/Services Supply Chain</p> <p><b>Impacted Stakeholders:</b> Customers Suppliers Dealers Academic Institutions</p> <p><b>Impacted External Stakeholders:</b> Environment</p>	<p><b>Negative impacts related to technological transformation and clean technologies:</b></p> <ul style="list-style-type: none"> <li>• Inability to adapt to evolving environmental and social standards</li> <li>• Lagging behind in developing alternative fuel technologies</li> <li>• Weakened competitive position</li> <li>• Cost increases</li> <li>• Inability to keep up with the transformation in an industry rapidly advancing with new technologies</li> <li>• Negative impact on market access</li> <li>• Negative impact on investor confidence</li> </ul> <p><b>Positive impacts related to technological transformation and clean technologies:</b></p> <ul style="list-style-type: none"> <li>• Investments in clean technologies</li> <li>• Developing more efficient vehicles</li> <li>• Developing vehicles with low environmental impact</li> <li>• Supporting operational performance</li> <li>• Supporting the transition to sustainable mobility</li> <li>• Reinforcing brand recognition as responsible manufacturer</li> <li>• Creating new job opportunities in a low-carbon economy</li> </ul>	<p>We focus on integrating clean technologies and alternative fuel solutions into our products and production processes. We closely monitor environmental and social impact standards and continuously improve our operational processes and R&amp;D activities to enhance compliance with these standards.</p> <p>In 2025, we advanced our R&amp;D activities in hydrogen technologies (H2-Ecotorg, ZEFES, ESCALATE); enhanced the LCA studies of our ReCube project with a circular economy focus; and launched the ECOPLAST and E-Solefin projects. In addition, our FO&amp;US project, which gives batteries a second life, ranked second in the Ministry of Industry and Technology's Productivity Project Awards and was featured as a best practice in the COP30 Sustainable Business booklet.</p>	<p><b>Tracked Metrics:</b></p> <p>Number of Zero Emission Vehicles (ZEV)</p> <p>Number of Plug-in Hybrid Electric Vehicles (PHEV)</p> <p>Number of Mild Hybrid Electric Vehicles (MHEV)</p> <p>Investment Amount</p> <p>Number of partnerships on this topic</p>	<p>Future Now for Technology and Innovation</p>

# Corporate Governance



# Board Of Directors and Its Functions

Ford Otosan’s Board of Directors establishes a governance framework pursuant to the Turkish Commercial Code, Capital Market Board regulations, and the provisions of the Articles of Incorporation to ensure the company’s long-term success, sustainable value creation, and stakeholder protection goals. The Board of Directors is responsible for the strategic planning and oversight of all company operations, without prejudice to the non-transferable powers of the General Assembly.

The Board of Directors’ key duties include approving company strategies, annual business plans and budgets, appointing and evaluating the performance of senior management, making major investment and financing decisions, and reviewing and approving financial statements. The Board of Directors also oversees the effectiveness of risk management, internal control, and compliance processes; and ensures that sustainability, ethics management, and stakeholder relations are embedded into the corporate structure.

## Board of Directors’ Composition

Ford Otosan’s Board of Directors consists of 12 members, including 2 independent directors. The Chairman of the Board is a non-executive but non-independent member, and the duties of Chairman and Ford Otosan Leader (CEO) are held by different individuals. Board members possess extensive experience in automotive operations, finance, risk management, engineering, international markets, manufacturing, supply chain, capital markets, information security, sustainability, and technology. The system is designed to support the company’s expanding operations, innovation agenda, and electrification, digitalization, and sustainability transition.

## Nomination and Diversity

During the nomination process for Board members, we consider the knowledge, expertise and competencies required for the position in accordance with the principles stated in our **Board of Directors Diversity Policy**, and we prioritize having a Board composed of members with diverse experiences and skills. We also aim to achieve diversity in terms of age, gender, race, nationality, and ethnicity by focusing on key areas such as inclusion, gender equality and equal pay for equal work, which are all emphasized in our policy. We believe that diversity on the Board of Directors is a key factor for elevating the company’s success in the eyes of its shareholders and other stakeholders.

To view Board of Directors Diversity Policy, please click [here](#).

<b>Board of Directors</b>	12
Independent Members	2
Executive Members	2
Non-Executive Members	10
Average Years of Experience	38.3
Average Age	62
Average Tenure on the Board	11.8

## Board of Directors Gender Distribution

Indicator	Male	Female
Number of Board Members	10	2
Representation on the Board (%)	83%	17%

## Education Level



## Independence Principles

Independent directors play a critical role in contributing to the Board’s objectivity and balanced decision-making. Each year, independent directors submit their declarations of independence according to the Capital Markets Board’s Corporate Governance Principles. The Corporate Governance Committee evaluates these declarations and presents its opinion to the Board of Directors. Pursuant to the Articles of Incorporation, the Board of Directors is required to have at least two independent directors, selected from among candidates nominated by Group B and Group C shareholders. The external duties of Board members are regularly monitored to ensure they allocate sufficient time to company business and actively participate in the meetings.

### Experience and Skills

The Board of Directors consists of senior leaders with decades of international and industry experience. The core competencies represented:

Finance/Audit/Risk	8
Automotive	10
Cybersecurity/IT	4
Communications/Marketing/Customer Services	8
Environment/Social	6
International Markets	5
Technical/Engineering	7
Production/Supply Chain	10
Mergers & Acquisitions/Capital Markets	6

## Meeting Structure and Frequency

The Board of Directors performs its duties in accordance with the procedures defined in the Articles of Incorporation and the Capital Markets Board regulations. In 2025, the Board of Directors convened 15 times to regularly and effectively oversee the company’s strategic direction, financial performance, operational priorities, and sustainability agenda.

For more information, please see the **2025 Annual Report: Board of Directors’ Activities** section.

### Key Topics Addressed in 2025

The key topics that the Board of Directors reviewed and approved in line with Ford Otosan’s long-term value creation model included:

- Business Area Assessments
- New Project and Transformation Opportunities
- Investment Approvals



15

Number of Board meetings in 2025

75%

Attendance rate in Board meetings in 2025

# Board of Directors



**RAHMI M. KOÇ**  
Honorary Chairman  
Honorary Chairman - Koç Holding



**ALİ Y. KOÇ**  
Chairman  
Vice Chairman - Koç Holding



**JAMES MICHEAL BAUMBICK**  
Vice Chairman  
President – Ford Europe



**KIERAN CAHILL**  
Member  
Vice President - Industrial Operations Europe and IMG, Ford Blue



**JOHAN EGBERT SCHEP**  
Member  
General Manager - Ford Pro Europe



**DAVE JOHNSTON**  
Member  
Ford Europe - Vice President, Transformation and Partnerships



**MEHMET APAK**  
Member  
General Manager - Temel Ticaret ve Yatırım A.Ş.  
Accounting Director - Koç Holding



**HAYDAR YENİGÜN**  
Member  
Automotive Group President, Koç Holding



**Prof. Dr. UMRAN SAVAŞ İNAN**  
Independent Director



**Prof. Dr. KATJA WINDT**  
Independent Director



**GÜVEN ÖZYURT**  
Member  
Ford Otosan Leader



**JOSEPHINE M. PAYNE**  
Member  
Ford Otosan Leader

Please click [here](#) to view the Board members' resumes.  
For more information on the Board of Directors candidates, please click [here](#).

# Board Committees

## Audit Committee

**Members:** Katja Windt, Umrان Savaş İnan  
**Ratio of Non-executive Directors:** 100%  
**Ratio of Independent Directors:** 100%

The Audit Committee oversees the effective functioning of the company's accounting and reporting systems, disclosure of financial statements, and the independent audit and internal control system in compliance with applicable laws and regulations. The committee convenes at least four times each year. In 2025, the Audit Committee focused on: preparing risk-related internal audit and internal control plans, evaluating risk-based results and corrective actions regarding findings, monitoring compliance of independent audit activities with accounting and reporting standards, reviewing audits' scopes, and addressing sustainability and cybersecurity issues.

### Key topics addressed in 2025

The Committee convened nine times in 2025 and addressed the following main agenda topics: Approval of financial statements, evaluation of audit activities, and financial systems, sustainability, and cybersecurity.

## Corporate Governance Committee

**Committee Chair:** Umrان Savaş İnan  
**Members:** Haydar Yenigün, David Joseph Cuthbert Johnston, Katja Windt, Saibe Gül Ertuğ  
**Ratio of Non-executive Directors:** 80%  
**Ratio of Independent Directors:** 40%

The Corporate Governance Committee determines whether compliance with corporate governance principles is achieved, the reasons for noncompliance, if any, and the conflicts of interest that may arise due to non-compliance and offers recommendations to the Board of Directors for improving corporate governance practices. The Corporate Governance Committee also oversees the investor relations unit's activities and reviews the Company's sustainability performance. The Committee's responsibilities include improving the performance on the indexes, addressing capital increase through bonus share issuance, enhancing information disclosures, increasing the Corporate Governance Rating, and developing the scope of the integrated report. The Corporate Governance Committee also acts as the Nomination Committee pursuant to the Capital Markets Board's relevant communiqué. The Committee convenes as frequently as required by its duties.

### Key topics addressed in 2025

The Committee convened once in 2025 and addressed the following main agenda topics: Corporate governance activities, integrated annual report, and evaluation of sustainability, compliance processes, and investor relations activities.

## Early Determination and Management of Risk Committee

**Committee Chair:** Umrان Savaş İnan  
**Members:** Haydar Yenigün, David Joseph Cuthbert Johnston  
**Ratio of Non-executive Directors:** 100%  
**Ratio of Independent Directors:** 33%

The Early Detection and Management of Risk Committee submits recommendations and suggestions to the Board of Directors regarding the following risk-related issues: early identification and assessment of all strategic, operational, financial, sustainability, legal and other risks that may threaten the existence, development and continuity of the company, and calculating their impact and probability; managing and reporting such risks in line with the Company's corporate risk taking profile; implementing the measures needed to mitigate the identified risks and considering them in the decision-making mechanisms; establishing and integrating effective internal control systems. The committee convenes at least four times a year.

### Key topics addressed in 2025

The Committee convened six times in 2025 and addressed the following main agenda topics: Evaluating risk management activities, and addressing cybersecurity, supply chain, climate and environmental change, and financial risks.

## Remuneration Committee

**Committee Chair:** Umrان Savaş İnan  
**Members:** Haydar Yenigün, James Kieran Vincent Cahill  
**Ratio of Non-executive Directors:** 100%  
**Ratio of Independent Directors:** 33%

The Remuneration Committee develops proposals regarding the remuneration principles for the Board members and senior executives by considering the Company's long-term goals and monitors their implementation. The Committee is also tasked with defining remuneration criteria based on the performance of the Company and the executive board members. Furthermore, the Committee submits the remuneration proposals for the executive board members and senior executives based on the levels they meet such criteria to the Board of Directors. The Committee convenes as frequently as required by its duties.

### Key topics addressed in 2025

The Committee convened once in 2025 and addressed the following main agenda topics: Determining the remuneration policies for the Board of Directors and senior executives in alignment with the Company's long-term goals and sustainable growth strategies, developing performance-based remuneration systems, and ensuring that the remuneration processes were executed in line with the principles of transparency and fairness.

For more information on Ford Otosan's Board Committees, please click [here](#).

# Corporate Governance

We adopt a corporate governance approach that focuses on responsibility, fairness, transparency and accountability for the entire Ford Otosan ecosystem, starting with the stakeholders and shareholders. Our governance model, which considers the interests and benefits of all stakeholders to ensure the continuity of our robust financial performance, forms the foundation of our business processes, providing a framework for strengthening the value creation initiatives.

The accuracy and transparency of our financial and nonfinancial data is ensured through independent audit processes. Independent audit firms apply various auditing techniques such as reconciliation, invoice checks, analytical controls and recalculations in accordance with national and international standards, including IFRS, TFRS, TSRS, IAS and BDS. We review the audit results based on reports prepared according to BDS and address key audit issues in these reports. We apply the findings after making the necessary corrections to the financial and non-financial data and present them with comparisons of at least two reporting periods.

We present the calculation methods of the metrics that have passed the verification in detail in our reports and clearly indicate that the verification process has been completed by adding a green check mark next to these metrics in the relevant tables. Additionally, we disclose the difficulties experienced during the audit process and recommendations for the relevant departments with the executive summary and ensure that remedial actions are taken. These comprehensive processes enable us to strengthen our corporate governance approach as we maintain a sustainable and transparent reporting approach.

More information is provided under the [Corporate Governance Principles Compliance Report](#) section.

## Senior Management

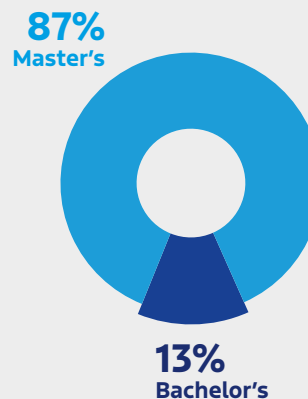
### Senior Management Structure

Senior management consists of the General Manager, the Deputy General Manager, and the Assistant General Managers and directors reporting to them. It covers the functions of Legal and Compliance, Supply Chain, Corporate Communications and Sustainability, Commercial Vehicles, Product Development, Ford Trucks Business Unit, Growth and Smart Mobility, Finance, Digital Products and Services, Human Resources and Transformation, Ford Türkiye Business Unit, Quality, and New Projects and Investments. Our senior management comprises 15 members, 5 of whom are women.

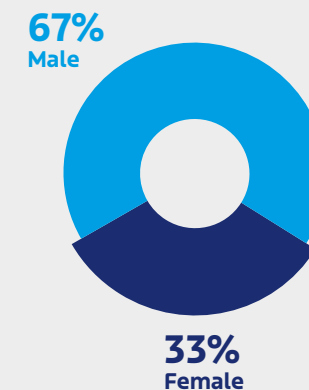


During the reporting period, our Corporate Governance Rating rose from 9.57 to 9.60 (out of 10).

### Education Level



### Gender Distribution



**26.6** years Average Years of Experience

## Senior Management



**GÜVEN ÖZYURT**  
Ford Otosan Leader  
Board Member



**JOSEPHINE M. PAYNE**  
Ford Otosan Leader  
Board Member



**A. SERDAR KAYHAN**  
Legal and Compliance Leader



**BAŞAK ÇALIKOĞLU AKYOL**  
Supply Chain Leader



**BURÇAK TÜRKERİ**  
Corporate Communications and  
Sustainability Leader



**CEM TEMEL**  
Commercial Vehicles Leader



**EMRAH DUMAN**  
Ford Trucks Business Area Leader



**ERHAN KÖSEOĞLU**  
Growth and Smart Mobility Leader



**GÜL ERTUĞ GERİŞKOVAN**  
Finance Leader - CFO



**IAN R. FOSTON**  
Product Development Leader



**İLKER ERDİM**  
Digital Products and Services Leader\*



**MÜJDAT TIRYAKI**  
New Projects and Investments Leader



**OSMAN ÖZDEMİR**  
Human Resources and  
Transformation Leader



**ÖZGÜR YÜCETÜRK**  
Ford Türkiye Business  
Area Leader

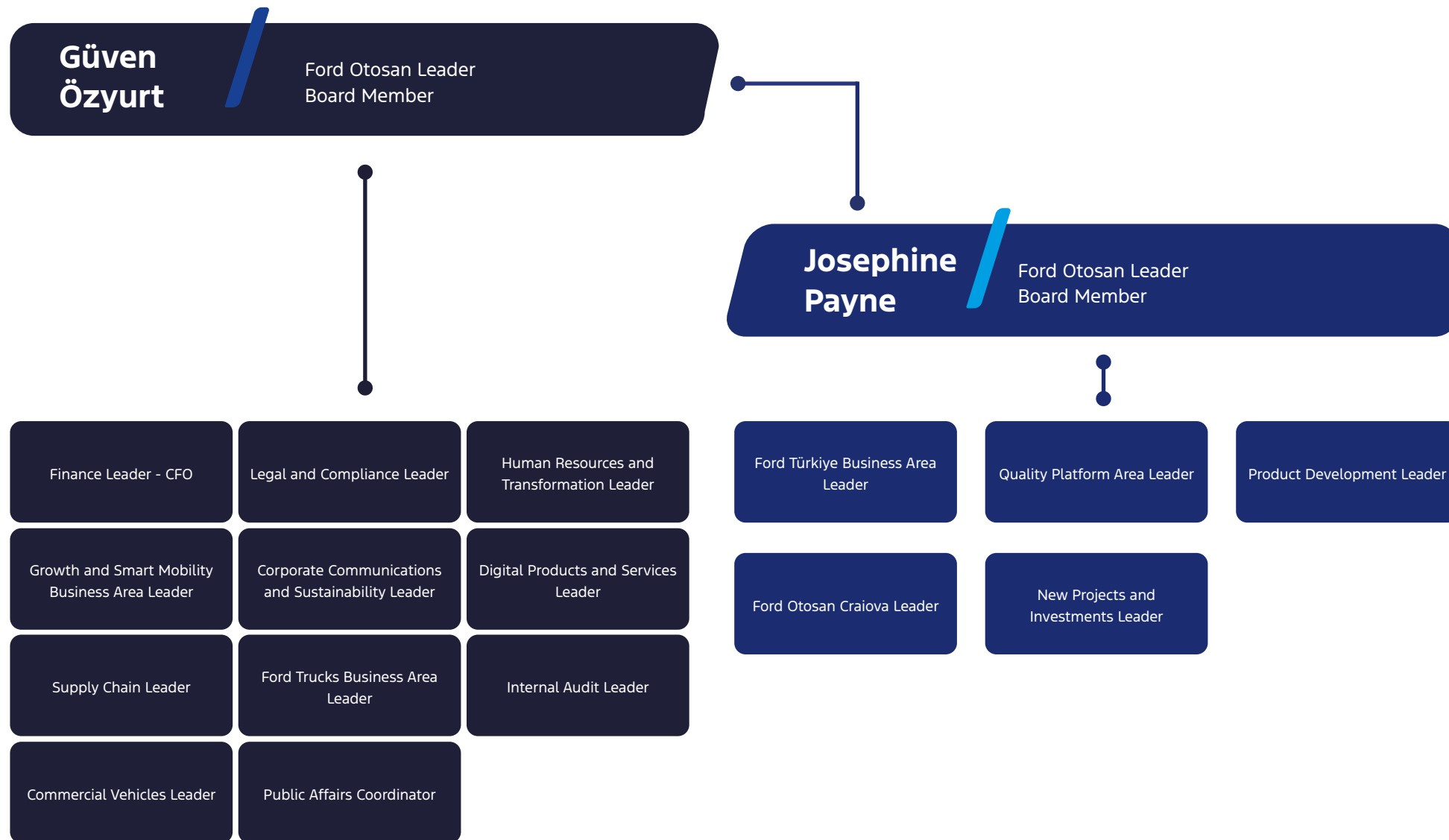


**PINAR KILIÇ**  
Quality Platform Area  
Leader

\*Also leads the Information Security processes.

Please click [here](#) to view Senior Management's resumes.

# Summary Organizational Chart



## Remuneration

At Ford Otosan, the remuneration system for the Board members and senior executives is determined according to the Remuneration Policy for Members of the Board of Directors and Senior Executives. The fixed salaries of the Board members are approved by the General Assembly annually and disclosed publicly.

To view the Remuneration Policy for Members of the Board of Directors and Senior Executives, please click [here](#).

The salaries of the senior executives consist of two components: fixed and performance based. The fixed salaries of senior management are determined in alignment with international standards and legal obligations by considering the macroeconomic conditions, prevailing market practices, the company's scale and long-term targets, and the respective positions of the individuals.

The performance-based bonuses consist of three components: bonus base, company performance and individual performance.

### Bonus Base

Annually updated bonus bases  
Distinction by the executive's position and scale of the role  
Alignment with senior management bonus policies in the market  
Competitive and up-to-date remuneration approach.

### Company Performance

Financial growth and profitability indicators  
Operational performance (market share, exports, efficiency, new products)  
Long-term sustainable growth and investment priorities

### Individual Performance

Individual targets aligned with company objectives  
Employee, customer, and process-focused criteria  
Technology and long-term strategy contribution  
Sustainable leadership development approach

## Sustainability-linked Incentives

We believe that the relevant targets should be integrated into the performance scorecards of senior management for the Company to implement its long-term strategies and achieve the annual targets. The key performance indicators (KPIs), defined according to the sustainability policies and strategies, are binding on all the employees, including the Ford Otosan Leader and senior management.

In 2025, up to 44% of the individual performance criteria used in senior management remuneration consisted of sustainability-related topics, of which up to 12% covered climate change-related indicators. Efforts in this area are ongoing. In the CEO's performance bonus, financial performance indicators are included alongside sustainability metrics. The main financial metrics monitored in this context are Return on Assets (ROA) and Return on Equity (ROE).

For more information, please see the [2025 TSRS-Compliant Sustainability Report](#).

As reported in the previous report, Ford Otosan Leader's 2024 sustainability targets have been achieved, and the following sustainability criteria were added to the performance card in 2025:

### Achievement of carbon neutrality targets set for Ford Otosan operations:

- Improvement of environmental sustainability performance in energy efficiency, water use, and waste reduction in line with our long-term ESG targets
- Enhancement of workforce efficiency, product quality, and productivity through AI-based Mega Projects

### Achievement of Diversity, Equity, and Inclusion (DEI) targets:

- Reaching 50,000 women under the Gelecek Hayalim project
- -Increasing the number of women working in STEM (science, technology, engineering, and mathematics) fields at Ford Otosan by 3%, and reducing the gap between male and female employees at the management level to 3%

# Ethics, Transparency, Internal Control and Internal Audit

At Ford Otosan, we abide by the laws, the international conventions to which the Republic of Türkiye is a party, United Nations Global Compact, and our internal policies. Accordingly, we are committed to protecting and spreading an ethical culture across the organization, and uphold highest ethical standards and principle of integrity in all our activities. We also promote a culture of “open communication” and “accountability” to prevent unethical or unlawful actions.

Therefore, we expect our employees or partners to express their concerns if they directly or indirectly witness any illegal activity or unethical event, or suspect or learn about such an incident through legal channels. We also encourage our stakeholders to act accordingly. As a testament to this approach, we rank among the **most successful companies in the Dow Jones Sustainability Index (DJSI) Ethics score.**

These principles were formalized through the Ethics Policy, approved by the Board of Directors in 2018. The Ethics Board, the Internal Audit and Ethics Committee and the Ethics Assessment Board have been formed within the redesigned governance structure to ensure compliance with the Ethics Policy across the company. The Audit Committee, which reports to the Board of Directors, assumes the duties of the Ethics Board, the highest body responsible for ethics at Ford Otosan. Furthermore, an Ethics Coordination Unit, which reports to Internal Audit Leader, has been established to effectively address and follow through the reported ethics violations.

The Audit Committee (Ethics Board) is responsible for high-level supervision of the drafting and implementation of the company’s Ethics and Whistleblowing Policy, evaluating the decisions and actions of the Internal Audit and Ethics Committee, communicating their opinions, requests and recommendations to the Internal Audit and Ethics Committee, and briefing the Board of Directors as needed. Ford Otosan’s ‘Compliance Program’ and ‘Disciplinary Committee’ are other elements that ensure employees’ compliance with company policies and procedures.

Ford Otosan’s “Ethics and Whistleblowing Policy” and “Code of Conduct and Ethical Rules” form the basis of our Ethics and Compliance culture.

With the Ethics and Whistleblowing Policy, we aim to encourage reporting of actions suspected of violating the policies related to the Code of Conduct and Ethical Rules or legislation. We inform our employees and external stakeholders about our codes of conduct and ethical rules via various communication channels, including email, company portal, company TVs, training videos, SMS messages, posters, strategic leadership meetings, classroom trainings and webinars. We also include all procedures related to our ethical processes in our internal digital systems accessible to our employees.

To view Ford Otosan’s Ethics and Whistleblowing Policy, please click [here](#).

To view Ford Otosan Code of Conduct and Ethical Rules, please click [here](#).

Ford Otosan employees and all stakeholders may communicate all violations of the Ethics and Whistleblowing Policy and the Code of Conduct and Ethical Rules through the following channels.

- Ethics Line – 0850 305 50 10
- Ethics Communication Form: [fordotosan.ethicspoint.com](http://fordotosan.ethicspoint.com)
- Ethics Coordinator
- Company Ethics Representatives (HR Leader at each location)
- HR and Transformation Leader
- Legal and Compliance Leader
- Internal Audit Leader
- Compliance Leader
- Koç Holding Ethics Line: [koc.com.tr/ihbarbildirim](http://koc.com.tr/ihbarbildirim)
- Ford Motor Company: [SpeakUp@ford.com](mailto:SpeakUp@ford.com)



## For the ethics line

0850 305 50 10  
[fordotosan.ethicspoint.com](http://fordotosan.ethicspoint.com)  
[koc.com.tr/ihbarbildirim](http://koc.com.tr/ihbarbildirim)  
[speakup@ford.com](mailto:speakup@ford.com)

## Managing Ethics Violations

The incidents reported through our notification channels are reviewed, investigated, and stored in accordance with the Ethics Assessment and Reporting Procedure. We use the EthicsPoint system to submit the notifications received via email and call center to the Internal Audit Leader and Ethics Coordinator and evaluate them in the Ethics Review Board. If employees and all management levels (including Board members) are directly or indirectly informed of an incident, these notifications must be reported for review in accordance with the Ethics and Whistleblowing Policy.

## Managing Ethics Violations (Continued)

Accordingly, we expect incidents to be reported to the relevant units through the notification channels defined in the Ethics and Whistleblowing Policy, and to Ford Otosan Legal and Compliance Leadership without delay in cases of noncompliance with or violation of applicable legislation.

In 2025, a total of 413 incidents were reported to the ethics line. As a result of investigations, 106 incidents were confirmed and 81 employees were imposed disciplinary sanctions in relation to these incidents.

Incidents Reported to Ethics Line	2025
Violation of Company Rules and Procedures	70
Mobbing	1
Harassment/Discrimination	21
Conflict of Interest	-
Corruption / Theft / Bribery	6
Money Laundering	-
Other	8
<b>Total</b>	<b>106</b>

## Whistleblowing and Retaliation

Ford Otosan ensures that employees are not subjected to potential retaliatory actions for exercising their legal rights, reporting violations, or participating in ethical processes. Ford Otosan adopts a zero tolerance approach to retaliation, including acts of discrimination, threats, pressure, or mobbing, and reserves the right to impose sanctions.

Through the Prevention of Retaliation Policy, Ford Otosan explicitly guarantees the protection of employees who report ethics violations or contribute to related processes against all forms of retaliatory actions. The policy sets out binding provisions for identifying retaliation risks, implementing preventive measures, and addressing violations through disciplinary processes.

To view Ford Otosan Prevention of Retaliation Policy, please click [here](#).

## Ethics Trainings

We ensure that all our employees and dealers receive Ethical Principles Training, which includes the Code of Conduct and Ethical Rules adopted by Koç Holding and Ford Otosan and expected to be adopted by business partners, the United Nations Declaration of Human Rights, the UN Global Compact, and other compliance principles. We also require all employees to receive Ethical Principles Training as mandatory upon their start and annually. The HR Training Leadership monitors the attendance status and frequency of trainings.

In 2025, we complemented our mandatory training programs with extensive training and communication activities to inform and raise awareness among our field and office employees and stakeholders on ethical issues. These included training on abuse, harassment, respect culture in the workplace, and leadership orientation. The mandatory trainings were completed online and through e-learning during the year. In 2025, training sessions were conducted on topics such as Ethics Reporting Channels, Working Principles and Ethical Rules, Harassment Training, Abuse Training, Importance of Ethical Principles Training, and Workplace Respect Culture Training. In total, 8,347 employees received a total of 2,604 hours of ethics training.

These trainings were supported with a “Tone at the Top” awareness film, stakeholder briefings on the Ethics and Whistleblowing Policy, posters displayed on facilities, enriched Ethics Portal content, and reminders about reporting channels throughout the year. The “World Ethics Day” and “Abuse Awareness Week” were marked with awareness communications to reinforce the ethics culture.

Similarly, our dealers are required to take Ethical Principles Training every year. In 2025, the Ethical Principles Training completion rate was 86% with 1,188 dealer employees. In addition, awareness programs on Compliance Policies, Ethical Principles, and Human Rights are provided for our suppliers and distributors, aiming to disseminate shared ethical standards more broadly with our business partners. Through the supplier sustainability performance evaluations we carry out during the year, we systematically gather feedback on the availability of ethics guidelines, third-party verification mechanisms, and policies.

For more information, please see the [Supply Chain Management](#) section.

We plan to continue our awareness and training activities in 2026 to strengthen the ethics culture across all our locations. Therefore, we aim to expand ethics awareness programs for our employees in Romania and to run communication and awareness campaigns to draw attention to the serious issue of online harassment.

## Anti-Bribery and Anti-Corruption Practices

As a signatory to the UN Global Compact, we embrace all the principles of UN Global Compact, including the principle of “standing against all forms of corruption”, and expect all our employees and business partners to uphold these principles. At Ford Otosan, we adopt a zero tolerance approach to bribery and corruption. As laid out in our policies, we do not tolerate any kind of bribery, corruption, influence for corruption, improper favors, facilitation payments, giving or receiving inappropriate gifts by our business partners.

To view Ford Otosan Anti-Bribery and Corruption Policy, please click [here](#).

To access Ford Otosan Gifts and Entertainment Policy, please click [here](#).

Any bribery and corruption incidents communicated to the Ethics Line are reviewed and reported by the Internal Audit Leadership. If an act contrary to our policies is detected, we convene the Disciplinary Committee and impose sanctions based on the rules specified in the Code of Conduct and Ethical Rules, the Personnel Regulation, and the Labor Law No. 4857 for office employees and field workers. These sanctions include Human Resources Writeups, Disciplinary Committee Warning, one- or two-day pay cuts, Termination of Employment Contract for field workers, and Human Resources Writeups, Disciplinary Committee Warning, Ethics, Transparency, Internal Control and Internal Audit Reprimand, and Termination of Employment Contract for office employees. The Disciplinary Committee determines the appropriate sanction to be imposed depending on the type of incident.

Then, we review the situations that may have caused such an incident and conduct a root cause analysis. Once the conditions are identified, improvement actions are recommended to the relevant units and we monitor their implementation with audit follow-ups.

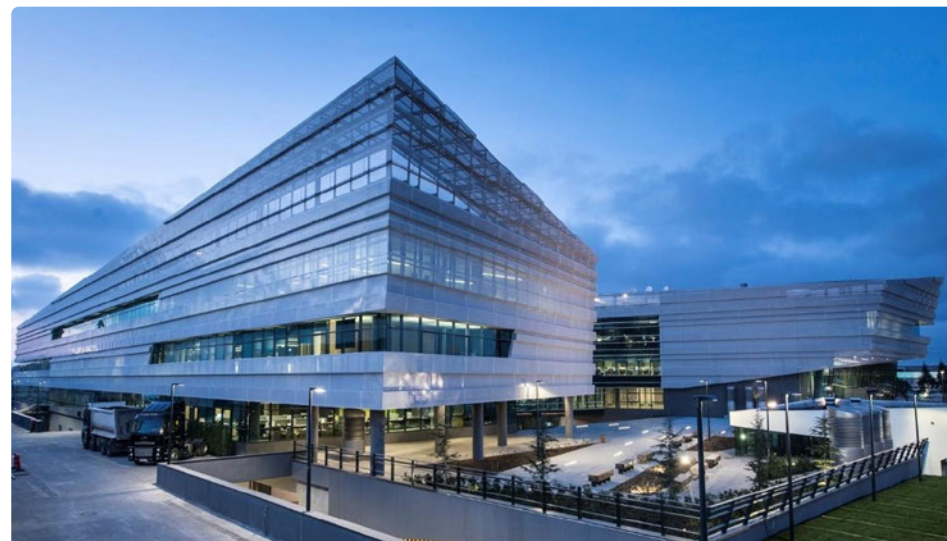
We also create risk-based audit programs in alignment with International Internal Audit standards. The areas with suspected system vulnerabilities are included in the audit plan during the year. If a possible bribery or abuse, etc. is detected, we identify system gaps in the company’s essential functions through the Audit Committee and introduce corrective action plans.

We provide internal training to our employees on combating bribery and corruption. We also regularly inform our employees about the how to access resources and policies, including the Anti- Bribery and Corruption Policy, through awareness campaigns and announcements.

The employees are required to complete training on relevant subjects within the mandatory Anti-Bribery and Anti- Corruption and Leader Orientation Training Program upon starting the job and in two-year intervals. During trainings, we inform our employees about national and international regulations, the rules introduced by these regulations and the implementation steps in company policy. In 2025, a total of 1,122 employees completed the anti-bribery and corruption training.

We involve other stakeholders in our value chain in our approach to tackling bribery and corruption. Accordingly, we expect them to adhere to the laws and policies regarding combating bribery and corruption, as detailed in our Supply Chain Compliance Policy and Preliminary Qualification Assessment Procedure.

In 2025, we provided a one-hour training on Compliance Policies through our Compliance Team in the Supplier Sustainability Committee. In this training, we provided information on our Anti-Bribery and Corruption, Gift and Hospitality, Donation and Sponsorship Policies and global regulations.



## Compliance Program

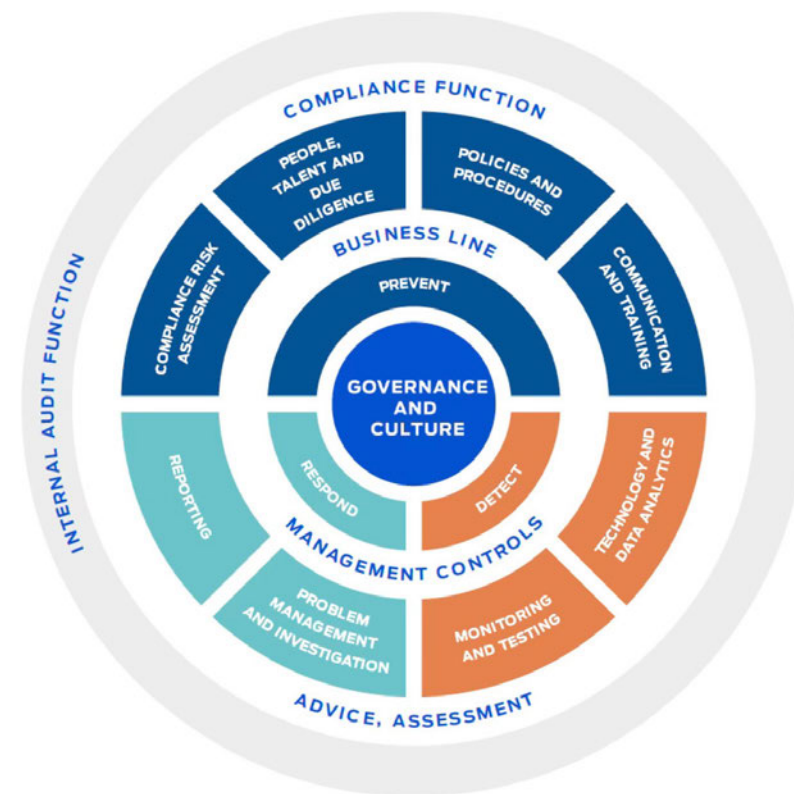
At Ford Otosan, we comply with applicable legislation, contractual commitments, organizational standards such as policies and procedures, ethical principles and voluntary compliance commitments in line with our principles of integrity, honesty, respect, accountability and transparency. Therefore, we strive to fulfill our compliance obligations to the maximum, identify and prevent the related risks and implement corrective measures. Accordingly, we have run a comprehensive Compliance Program since 2021, while reviewing and expanding the relevant policies. Through these policies, approved by the Board of Directors, we aim to provide guidance for all Ford Otosan stakeholders. The Compliance Program is implemented by the Compliance Leadership and Compliance Officers under the Ford Otosan Legal and Compliance Leadership, which reports directly to the Ford Otosan Leader and indirectly to the Board of Directors through the Early Determination and Management of Risk Committee. The Compliance Committee is tasked with ensuring alignment with the Compliance Program on the Ford Otosan senior management level. The Compliance Committee, consisting of the Legal and Compliance Leader, Ford Otosan Leader, CFO, Human Resources and Transformation Leader and other department leaders as needed, functions as an advisory board that supports the Legal and Compliance Leader in the decision-making process when required. On the other hand, Ford Otosan senior management serves as a role model for the entire organization and leads all employees by example to instill compliance as a part of Ford Otosan culture and ingrain it into the attitudes and behaviors of employees. Ford Otosan's Compliance Program is built on three pillars: Prevention, Identification, Response. These are shown in detail in the chart below.

Since upholding human rights is a significant compliance risk, Ford Otosan conducts a Human Rights Due Diligence study every two years, engaging with the employees and suppliers to strengthen its ethics culture and approach to respecting human rights. In 2025, the necessary activities were carried out, surveys and workshops were conducted, the human rights risk inventory was updated, and areas for action were determined.

To view the Human Rights Due Diligence report, please click [here](#).

To comply with the latest updates to the Law on the Protection of Personal Data, we carried out extensive work within the organization. In operations that involve regular personal data transfer abroad, business partners who are required to sign standard personal data privacy agreements, as defined by the Personal Data Protection Authority, were identified. Agreements were signed with 29 of the partners and submitted to the Authority.

For our Compliance Policy and other compliance policies, please click [here](#).



## Leader Orientation Program

At Ford Otosan, we recognize that **being a company managed in accordance with corporate governance principles** is a cornerstone of our reputation in the eyes of the public and our stakeholders. Therefore we adopt a holistic corporate governance approach that extends beyond legal requirements, strengthens our company culture, and places important responsibilities on our leaders.

Accordingly, we **launched the Leader Orientation Program in 2022** with the aim of empowering our **leaders**, who form the **first line of defense** against potential business risks, from a corporate governance perspective and creating a common ground of knowledge and experience. Completing its **12<sup>th</sup> term in 2025**, the program covers **23 main topics** headings, targeting the participation of all leadership levels across the organization. In 2025, a total of 644 person\*hours of training was delivered.

As part of the Leader Orientation Program, Ford Otosan leaders receive training on topics such as corporate structure, compliance policies, sustainability, enterprise risk management, internal control and internal audit, ethics and disciplinary processes, contract and conflict management, along with investor relations, privacy and protection of personal data, information security, competition law, company representation and communication principles, R&D and intellectual and industrial property rights, human resources and recruitment processes, anti-retaliation, diversity, equity and inclusion, and insurance.

## Internal Control System and Internal Audit

We coordinate and ensure our objectives related to operational effectiveness, reliable financial reporting, and regulatory compliance through the Internal Control function under the leadership of Finance. In addition to policies, procedures, and guidelines integrated into our workflows, we implement an annual internal control plan covering all operations. Furthermore, by taking into account the outputs of annual operational risk assessments, we establish a risk-based, integrated, and sustainable control framework.

Koç Holding and Ford Motor Company, the main shareholders, and the Internal Audit Leadership perform regular annual audits within the company. Ford Otosan's authorized dealers and service centers are also audited for their transactions with Ford Otosan periodically by the dealer audit function of the Internal Control Leadership. Reports and complaints communicated regarding Ford Otosan's activities are audited by the dealer audit function within the Internal Audit department with the participation of the relevant units.

All the notifications and complaints about Ford Otosan-related operations are reviewed, investigated and resolved by the Internal Control Unit in cooperation with the relevant units. The Audit Committee, under the Board of Directors, regularly monitors the internal control and internal audit activities and also reviews and approves the annual audit plans. Furthermore, the Committee submits recommendations when needed and opinions on the financial reports to the Board of Directors for approval. The Audit Committee convened nine times in 2025 and submitted six reports about its decisions to the Board of Directors.

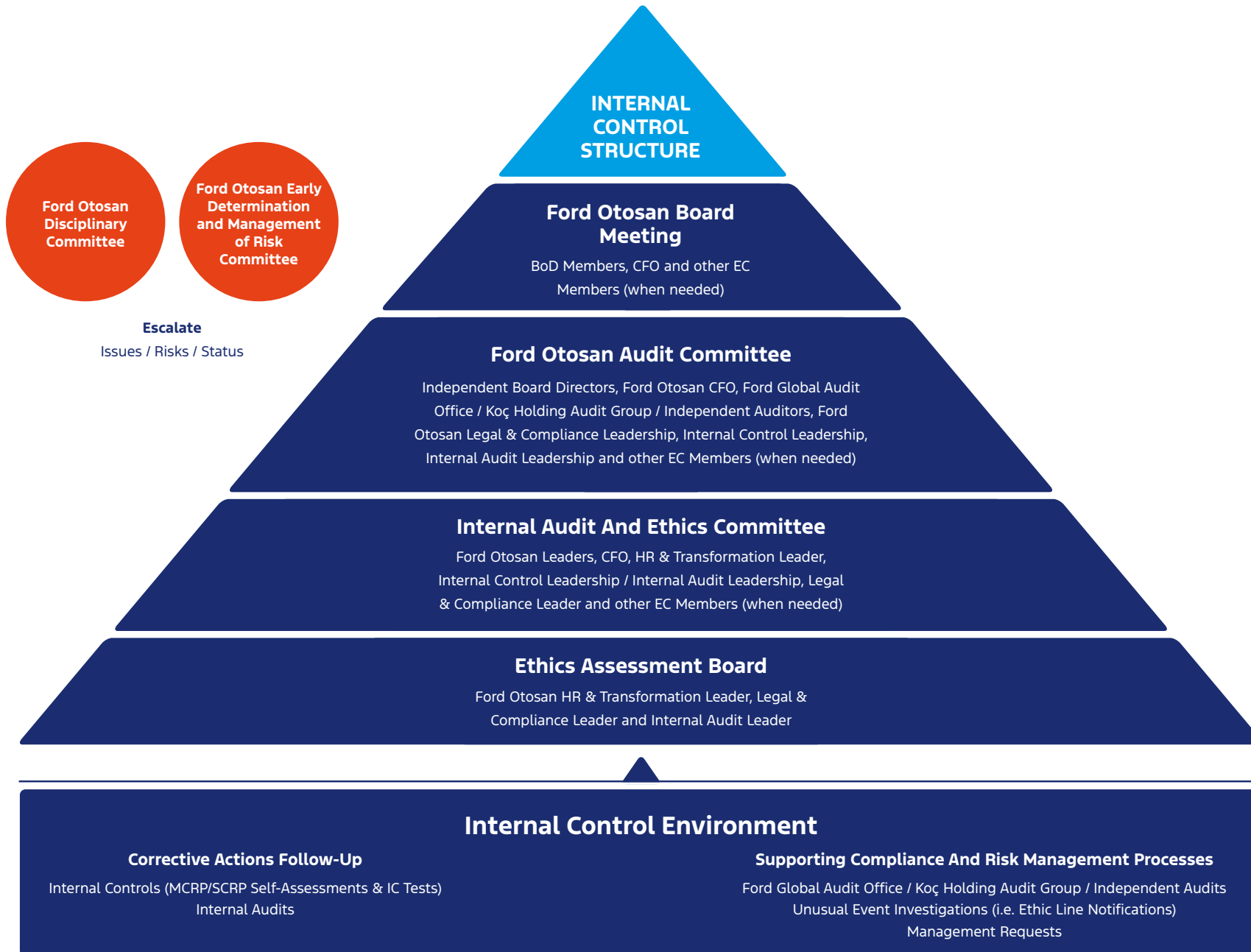
In 2025, we forwarded a total of 1,338 **control questions** regarding company **procedures and processes**, including 935 in Türkiye and 403 in Romania, to the relevant business units. Upon the **instructions of the Audit Committee**, we evaluate and report our **Internal Audit processes** through an independent consultancy firm every five years. The most recent evaluation and reporting process was completed in 2022.

## Homologation, Regulation Management, and Legal Obligations

In Ford Otosan's operations, we follow a comprehensive **Regulation Management and Legal Compliance system** to ensure the **legal compliance of our products** and to be **prepared for upcoming regulations**. Through the **Homologation Dashboard** designed by our **Homologation and Regulation Compliance Team** and accessible by all relevant teams, we provide information about upcoming regulations, the content of such regulations, transition dates, and the vehicle projects they address, and update our work monthly. We also share information and current statuses regarding **sustainability, material compliance and software regulations** via this platform, which allows us to **effectively inform the relevant units and ensure coordination** among them.

In 2025, we advanced digitalization in our homologation and regulation management processes further, increasing the effectiveness of monitoring legislation, managing documentation, and sharing information with stakeholders. We expanded the use of digital tools to facilitate the monitoring of homologation processes, standardized document submission and management procedures, and implemented tracking mechanisms for software updates. We also enhanced the speed and accuracy of our decision-making processes by leveraging AI-based solutions in regulatory monitoring and impact analysis.

Our plan for 2026 is to further integrate AI-based solutions into our processes, accelerate decision-making and impact analyses, and increase operational efficiency to reinforce our leadership in homologation and regulatory management.



## Legal Compliance

We monitor technical product regulations through the EU and Turkish Official Gazettes, decisions of the European Commission and European Parliament, public consultations, and the outcomes of European Commission working groups. We actively participate in the working groups of vehicle manufacturers' associations, including the European Automobile Manufacturers' Association (ACEA), the International Organization of Motor Vehicle Manufacturers (OICA), the United Nations, the Automotive Industry Association (OSD), and the Automotive Distributors and Mobility Association (ODMD). Through these platforms, we evaluate draft regulations, assess their potential impact on our products, and incorporate them into our product plans in a timely manner.

In 2025, the main regulations affecting our operations included the EU Type Approval Framework Regulation (2018/858), the General Safety Regulation (2019/2144), RED III, cybersecurity and data regulations, battery waste management requirements, TSRS, and deforestation regulations. We address these requirements by integrating them into our core processes, particularly in software and cybersecurity, data management, battery lifecycle management, environmental management, risk management, and supply chain traceability.

Within regulatory compliance processes, relevant leadership teams are responsible for monitoring applicable regulations, while the central function supports the interpretation and implementation of legislation. In this context, we closely tracked the regulations that entered into force in 2025 and took the necessary compliance actions in coordination with the relevant units.

Within the scope of information systems governance, we align our processes with the Cybersecurity Law and the Capital Markets Board Information Systems Communiqué (VII-128.10). On the environmental legislation side, we monitor developments under the Climate Law, the Emissions Trading System (ETS), and the Border Carbon Adjustment Mechanism (CBAM), and carry out compliance efforts in coordination with the relevant leadership teams.

With respect to tax regulations, we closely monitor changes in Special Consumption Tax bases and rates and assess the business implications of regulations affecting internal combustion, electric, plug-in hybrid, and 4x4 pick-up vehicles.

In the area of personal data protection, we prioritize compliance with KVKK and GDPR, including requirements related to domestic and cross-border data transfers, responses to data subjects, and VERBİS obligations, as well as evolving regulatory expectations and increased penalties. We continue to strengthen our data protection and information security processes, raise awareness through training, and regularly monitor compliance with personal data protection legislation through annual audits.

In 2025, we launched the Legislative Compliance Program to centrally and transparently manage all applicable legal requirements, critical regulatory risks, licensing/permit processes, and related periodic controls through a single digital system. Within the scope of the project, we aim to monitor regulatory changes, ensure cross-functional coordination, conduct risk assessments, digitally report non-compliances, and establish a sustainable compliance culture across the company. In 2025, we completed the first phase of the project and finalized reporting to senior management. In addition, Champion Coordinators and Departmental Legislative Compliance Officers were appointed to ensure the involvement of relevant functions, and preparations for the second phase—focused on the implementation of the digital system—were initiated.

For more information on regulatory and legislative developments in 2025, please see the [Industry Overview and Trends](#) section.

In line with our 2026 targets, we plan to strengthen compliance practices at our Romania plant, implement policies and procedures to address identified gaps, and increase awareness by ensuring that all relevant employees complete mandatory compliance training. We also aim to enhance the visibility and effectiveness of our compliance approach across Ford Otosan's operations.

## Type Approvals and Voluntary Recalls

In 2025, our **Homologation and Regulatory Compliance Team** effectively managed type approval processes to ensure that our vehicles complied with all applicable technical requirements. We successfully completed testing, certification, and official approval processes for new vehicle projects as well as our existing product range, in line with relevant EU and national legislation. In addition, we proactively initiated voluntary recalls to prioritize customer safety. By analyzing feedback from the field, dealers, and quality teams, we identified potential risks at an early stage and promptly implemented the necessary corrective actions. Through transparent recall notifications submitted to the relevant authorities, we ensured that vehicle owners were informed and that required procedures were completed in a timely manner. Through these efforts, we not only ensured full regulatory compliance but also reinforced our commitment to customer satisfaction and product safety.

# Risk and Opportunity Management

Ford Otosan manages its risks through a holistic corporate risk management system aligned with its corporate strategies and long-term objectives, while integrating sustainability and climate-related considerations into this framework. Risk management processes are aligned with the ISO 31000 Corporate Risk Management Standard and cover both Ford Otosan and its subsidiaries.

Following the Board of Directors' resolution dated July 10, 2012, in accordance with Article 378 of the Turkish Commercial Code and the Capital Markets Board's Corporate Governance Communiqué, the Early Detection and Management of Risk Committee was established to ensure the effective functioning of board committees. The Committee is responsible for the early identification of risks that may jeopardize the Company's existence, development, and continuity, the implementation of necessary measures, and the effective management of these risks. The Committee is chaired by independent Board member Ümran Savaş İnan, with Board members Haydar Yenigün and Dave Johnston serving as members.

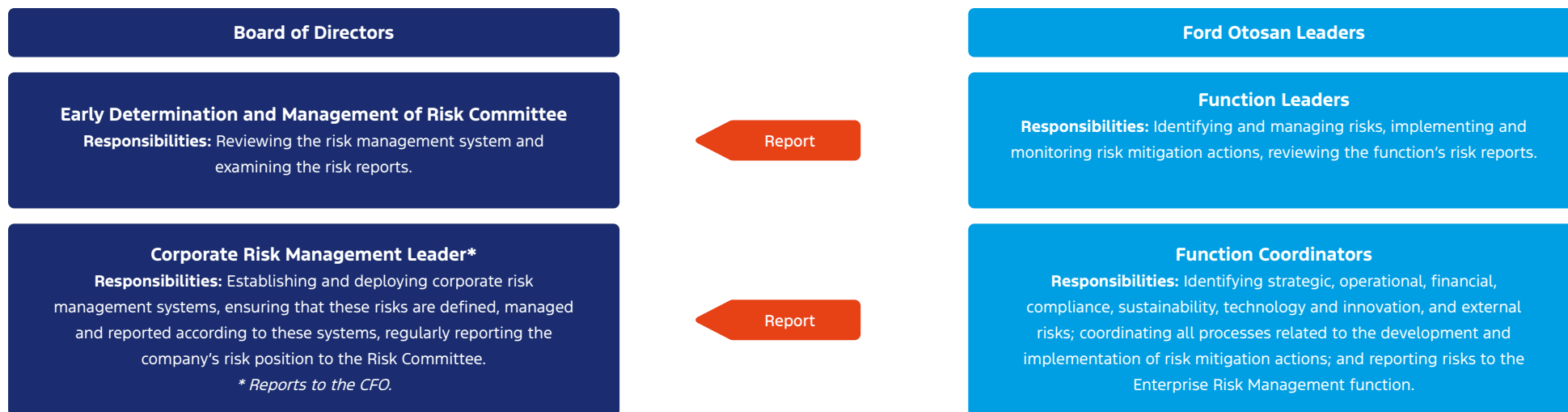
The Committee convened six times in 2025. It evaluates the principles of the Ford Otomotiv A.Ş. Risk Management System and related reporting processes, reviews periodic Risk Reports, and provides recommendations on actions to be taken in cases where defined risk limits are exceeded. The Committee also reviews the effectiveness of the Risk Management System and monitors the implementation of actions across relevant departments in line with its decisions.

In addition, it assesses risks related to information technologies, cybersecurity, and IT suppliers, monitors compliance risks and related actions, and evaluates sustainability-related risks. Reporting activities and Committee evaluations are regularly submitted to the Board of Directors.

You can access the details of the Committee's responsibilities in the Working Principles of the Early Detection and Management of Risk Committee published on our website [here](#).

The risk management approach is designed to foster a common risk culture across the Company. In this context, risk management principles are applied by relevant teams and process owners, and risk criteria are embedded in operational and managerial decision-making processes. To support this approach, training programs are organized to strengthen risk awareness and capabilities across the organization. Leadership orientation training is provided to newly appointed leaders as well as existing leadership teams, while dedicated risk management training is offered to departmental risk coordinators and employees on a voluntary basis. In 2025, a total of 904 person\*hours of interactive risk management training were delivered within this scope.

For more information, please see the **2025 TSRS-Compliant Sustainability Report**.



## Identifying Risks and Opportunities

Activities related to the identification, management, and monitoring of strategic, operational, financial, ESG (environmental, social, and governance), technology and innovation, legal compliance, reputational, and external environmental risks, in line with the Company's risk appetite, are carried out by the Corporate Risk Management Leadership, which reports directly to the Finance Platform Area Leadership, and are reported to the Risk Committee.

Risk management activities are led by the Corporate Risk Management function and implemented across the Company through designated risk coordinators in each department, ensuring full integration into business processes. Risk coordinators are responsible for coordinating and executing risk-related activities within their respective departments. Risks and opportunities are assessed at the departmental level, taking into account their short-, medium-, and long-term impacts, and are classified based on impact and likelihood.

Through regular meetings involving departmental senior management, risk coordinators, and leadership teams, risks and opportunities are reviewed, emerging risks are proactively monitored, and their potential long-term impact on Ford Otosan is evaluated. The outcomes are regularly communicated to Ford Otosan Leadership and the Risk Committee. Within the risk management system, aligned with the ISO 31000 Risk Management Standard and encompassing emerging long-term risks, risks are identified, root cause and impact analyses are conducted, mitigation measures and controls are defined, and actions are implemented to reduce both impact and likelihood. Risks are measured company-wide using a standardized 5x5 Impact and Probability Matrix, with impact further assessed through an Impact Severity Scale. Opportunities are also identified and evaluated based on their financial impact, with necessary actions defined for their implementation, and are reported to the Early Detection and Management of Risk Committee.

Scenario analyses conducted in 2025 supported the identification and assessment of climate-related transition and physical risks. For more information, please see the [2025 TSRS-Compliant Sustainability Report](#).

## Assessment and Prioritization

Risk and opportunity assessment is conducted using a company-wide standardized 5x5 impact-probability matrix. Risks are identified, root cause and impact analyses are performed, controls are defined, and mitigation actions are established based on impact and likelihood levels. Impact and probability are each scored on a scale of 1 to 5, and the overall risk score is calculated by multiplying these values. Risks are then classified as low, medium, high, or extremely high.

We reviewed the effectiveness of actions taken in response to risks identified in 2024 and, in 2025, implemented new processes by **integrating them into the enterprise risk management system:**

- Spare parts sourcing risks were included in the reporting of the Early Detection and Management of Risk Committee, and manufacturer-related cyber risks were incorporated into the purchasing risk management process.
- To strengthen the monitoring of regulatory risks, we led the design of a dedicated governance model by our Legal team.
- Return-to-Normal Plans were developed to facilitate post-disruption recovery.
- As part of earthquake preparedness efforts, relevant scenarios were integrated into process audits to ensure that dealers are prepared for four different business continuity scenarios

Low and medium-level risks are monitored by process (risk) owners, while "High" and "Extremely High" risks are reported to the Early Detection and Management of Risk Committee together with action plans. Opportunities are evaluated based on factors such as the benefits of actions taken to mitigate or eliminate risks, as well as potential new business value. Opportunities exceeding defined financial thresholds are also reported to the Committee.

In 2025, a total of 129 sustainability-related risks were identified across departments in Türkiye and Romania. These risks were primarily concentrated in the areas of talent retention, climate change, environmental impact, occupational health and safety, supply chain, external environment, technology and innovation, legal compliance, disaster preparedness, diversity and inclusion, employee rights, and employee satisfaction.

Among these risks, a total of 22 risks classified as "Medium," "High," and "Very High," with potentially significant impacts, are presented to the Early Detection and Management of Risk Committee. In 2025, among these, 3 climate change-related risks and 3 opportunities with financial impacts above the defined threshold were identified. The progress of mitigation actions for risks classified as "Very High" and "High" is regularly monitored during the meetings of the Early Detection and Management of Risk Committee, and any critical deviations are reported to senior management. Similarly, high-priority opportunities are closely followed by business units and the sustainability team and are integrated into relevant project plans.

## Monitoring and Reporting

Risks and opportunities are monitored through regular reporting mechanisms, business unit review meetings involving senior management, and committee-level oversight processes. Corporate Risk Management Leadership engages with relevant departments through meetings held six times a year, during which emerging risks are tracked and updates are provided to Ford Otosan Leadership and the Risk Committee. In addition, Corporate Risk Management Leadership reports updates on climate-related risks and opportunities to the Early Detection and Management of Risk Committee six times a year. Risks classified as “High” and “Very High” are escalated to the Board of Directors. The Committee also reviews developments related to climate risks and opportunities six times annually, while opportunities are presented at least once a year. Sustainability-related regulations and trends are reviewed six times a year with the participation of relevant leaders.

**Risks monitored within the scope of supply chain and business continuity** are systematically tracked across delivery, capacity, quality, and financial dimensions, and are reported to the Early Detection and Management of Risk Committee.

## Business Continuity

Throughout 2025, regular meetings with senior department managers and leadership teams were used to review risks related to supply chain, cybersecurity, occupational health and safety, regulatory compliance, and sustainability, as well as the effectiveness of mitigation actions. As part of these evaluations, preparedness for business disruptions and disaster-related risks, including Business Continuity Plans (BCPs), was reported to the Early Detection and Management of Risk Committee.

As of 2025, Return to Normal Plans (RNPs) were integrated into the business continuity management framework as a core component of Business Continuity Plans. These plans are expected to be tested in 2026 as part of the annual business continuity cycle.

The effectiveness of Business Continuity Plans and Return to Normal Plans will be validated through training, testing, and drills, with necessary corrective actions implemented by relevant units based on the outcomes. Natural disaster risks are managed through a holistic approach supported by periodic assessments and insurance mechanisms.

To enhance the effectiveness of Business Continuity Plans, three drills were conducted in 2025 across three locations, with the participation of all departments. These drills were based on predefined test scenarios tailored to each department and aligned with specific business interruption scenarios.

In the same period, as part of the annual cycle of training, testing, updates, and drills, **six training sessions** and three drills were conducted across **three locations**, with a total of **130 participants**. In addition, employees received a total of 18 hours of training on risk management, business continuity, and general risk awareness. Managers received 4 hours of risk management training and 4 hours of business continuity training.



## TCFD (Task Force On Climate-Related Financial Statements) Descriptions

The Task Force on Climate-Related Financial Disclosures (TCFD) has long served as a global reference framework for climate-related risk and opportunity disclosures. To enhance global standardization, the TCFD framework has now been incorporated into the **IFRS Sustainability Disclosure Standards (ISSB – IFRS S1 and IFRS S2)**.

For the 2025 reporting period, **detailed sustainability- and climate-related disclosures** are presented in accordance with the **Turkish Sustainability Reporting Standards (TSRS)**. With its IFRS/ISSB-aligned structure, TSRS incorporates the core TCFD pillars—governance, strategy, risk management, and metrics and targets. Accordingly, while this report is prepared in line with TSRS, it remains fully aligned with the TCFD framework.

Please click [here](#) to access our 2025 TSRS-Compliant Sustainability Report.

Core Recommendation	Description	Ford Otosan's Actions
<b>Governance</b>	Disclose the organization's governance around climate-related risks and opportunities.	Ford Otosan monitors TCFD risks among its material topics and regularly reviews them within the Early Determination and Management of Risk Committee.
<b>Strategy</b>	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.	As part of our risk management approach, we mapped our climate change risks. During the reporting period, we started a study to measure climate-related risks. Progress is reported to the Early Determination and Management of Risk Committee.
<b>Risk Management</b>	Disclose how the organization identifies, assesses and manages climate-related risks.	Ford Otosan defines, evaluates and manages climate-related risks within the Corporate Risk Management system.
<b>Metrics and Targets</b>	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	We set the relevant targets and performance tracking metrics.

## Risks and Opportunities

The key risk areas with potential impact on the company’s operations in the medium and long term are summarized in the table below. Detailed assessments and analyses of climate change-related risks and opportunities are presented in the TSRS-Compliant Sustainability Report.

### Emerging Risks (Long-Term Risks)

Risk Category	Risk	Risk Impact	Ford Otosan’s Risk Mitigation Strategy
External Risks	<b>Chronic Physical Water Stress</b>	<ul style="list-style-type: none"> <li>Reduction in or complete depletion of water resources due to adverse effects of climate change</li> <li>Disruptions in water supply due to drought caused by ongoing increase in global average temperature</li> <li>Water supply restrictions due to locations of production sites in regions (basins) with high and very high water stress</li> <li>Production disruption or stoppage to reduced water quantity, difficulty in accessing water, and deteriorating water quality</li> <li>Difficulties in water management reducing operational planning and process efficiency</li> <li>Declining revenues due to lower production capacity</li> <li>Production cost increases</li> </ul>	<ul style="list-style-type: none"> <li>We focus on reusing <b>wastewater generated in our production processes</b> through advanced treatment technologies.</li> <li>We assess the feasibility of treating, storing, and distributing seawater for use in process and auxiliary operations as an <b>alternative water source</b>.</li> <li>At our <b>Gölcük and Yeniköy</b> facilities, recycled water is used in cooling towers through closed-loop systems. At the Yeniköy plant, wastewater generated from filtration units during the water preparation phase is recovered through additional filtration processes.</li> <li>At our <b>Eskişehir plant</b>, the installation of a new wastewater treatment facility is ongoing, with <b>commissioning planned for 2026</b>.</li> <li>In line with the <b>Ford Europe Global Water Target and the Koç Group Environmental Strategy</b>, we aim to reduce <b>clean water use per vehicle by 40% by 2030 compared to the 2019 baseline</b>, supported by water recovery projects at our Gölcük, Yeniköy, and Eskişehir facilities.</li> <li>To <b>meet the urgent water needs of our Kocaeli facility</b>, the municipal water line connection was completed by ISU.</li> <li>Work is ongoing to <b>supply water from ISU’s wastewater treatment system</b>, which is expected to be <b>commissioned in 2026</b>.</li> <li>We assess <b>water-related and broader climate risks across our supply chain</b> under alternative climate scenarios and aim to strengthen climate resilience through comparative analyses of transition and physical risks.</li> <li>To support the <b>sustainable management of water resources</b>, we have initiated water footprint measurement and monitoring activities, with the aim of analyzing ecosystem impacts and developing strategies to reduce water use and improve efficiency.</li> </ul>
Regulatory Risks	<b>Corporate Sustainability Due Diligence Directive (CSDDD)</b>	<ul style="list-style-type: none"> <li>Fulfilling duty of care across the entire value chain</li> <li>Difficulty in collecting data for environmental and human rights due diligence throughout the value chain</li> <li>Non-compliance with regulations, reputation damage, financial loss</li> <li>Fines up to 5% of the net revenues generated worldwide may be imposed in cases of non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>We are developing a <b>management model for supplier monitoring, including the establishment of a duty of care policy, the implementation of due diligence audits and verification processes</b> across the supply chain, and the creation of a monitoring mechanism to be integrated into annual sustainability reporting.</li> <li>We are currently <b>mapping our suppliers</b> and plan to conduct <b>on-site audits for those operating in high-risk regions</b> following this process.</li> <li>We continue to update our <b>Supplier Code of Conduct</b>.</li> <li>We are in the process of developing our <b>Duty of Care policy</b>.</li> <li>Our objective is to ensure <b>compliance with forced labor regulations</b> and to establish the processes and data infrastructure required for <b>CSRD reporting</b>.</li> <li>We aim to <b>identify existing gaps</b> through <b>value chain mapping</b> and address these gaps through targeted actions.</li> </ul>

# Future. Now for Technology and Innovation



# For Technology and Innovation

As the automotive industry evolves beyond vehicle manufacturing into a smart and sustainable mobility ecosystem, Ford Otosan is guided by 66 years of expertise in R&D and production technologies across its operations.

Our R&D strategy is built on three pillars: advancing from fundamental research and knowledge creation in emerging technologies to technology and product development; expanding our engineering exports into new technology domains; and continuously strengthening our intellectual capital by investing in our people and corporate knowledge base.

To adapt to changing global dynamics and the evolving needs of the industry, we structure our technology-driven initiatives around eight key focus areas.

## Our Focus Areas in Technology

### Smart Mobility

We offer sustainable, integrated and user-focused products and services that cater to the changing demands and habits in goods and people transportation and provide solutions to all mobility needs, including micro mobility.

### Connected Vehicle Technologies

We develop in- and out-of-car connectivity systems, driven by 5G and advanced data analytics. We leverage these technologies – from navigation to fleet management - to maximize driving safety and customer satisfaction by prioritizing data security and privacy.

### Electrification

As we expand our electric vehicle lineup, we future-proof the entire ecosystem from charging infrastructure to transforming dealers. With customer-centric and digital solutions, we aim to deliver a seamless, superior electric vehicle experience for our users.

### Customer Experience in Automotive

As technologies advance and communication channels become more digitalized, we redesign vehicle ownership and usage concepts. Keeping customer expectations in our focus, we offer innovative and personalized experiences across each touchpoint.

### Autonomous Technologies

By leveraging advanced sensors and AI-driven control systems, we develop reliable and efficient autonomous vehicle technologies. These systems, integrating data security and vehicle-to-vehicle communication infrastructure, enable us to enhance road safety and driving comfort.

### Industry 4.0

We integrate key technologies such as the Internet of Things (IoT) and Smart Factories into our manufacturing, material management, and logistics processes. With a digitalized production system, we transform our operations to become more flexible, efficient and competitive.

### Generative AI

From smart assistants powered by generative AI to energy consumption forecasting and predictive maintenance using machine learning, we aim to harness AI technologies effectively across multiple areas, improve process efficiency, and contribute to our sustainability targets.

### Sustainability

Our R&D activities are shaped by considering our impact on both society and nature. We improve resource efficiency with a circular economy approach and optimize our production processes to reduce our carbon footprint. Through our work on alternative fuel technologies (hydrogen, electricity) and vehicle lightweighting, we aim to achieve lower emissions.

## R&D Management

As one of the largest engineering hubs within the global Ford organization, we are charging ahead with 66 years of R&D and production technology experience and **2,238 R&D employees** across 4 R&D Centers, all registered by the Turkish Ministry of Industry and Technology.

Carrying this strategic approach forward, we launched a total of **52 new projects** in our specialized centers in 2025, as we continued to create value with **125 ongoing projects**.

We adopt a proactive approach to managing potential risks in our long-term and high-budget R&D projects.

2,238

R&D Employees



TL 8,300 million

Total R&D Budget



### Sancaktepe R&D Center

As a center of excellence for trucks and engine systems initiated 21 new projects in 2025 in addition to 71 ongoing projects.



### Gölcük R&D Center

The base of vehicle tests and development workshops, launched 11 new tests in 2025 in addition to 21 ongoing projects.



### Eskişehir R&D Center

With prototype engine and transmission testing capability, added 15 new project to its portfolio in addition to 30 ongoing projects.



### METU R&D Center

Launched 5 new projects in 2025, contributing to development of various technologies and systems.



## R&D Project Planning and Approval Process

We focus our research and development activities on eight key technological areas. Our initiatives are supported by national and international R&D incentives and collaborative projects, in which we participate as a partner and assume leading roles.

Economic uncertainties, particularly exchange rate volatility and inflation, pose risks to project budgets. To mitigate these impacts, we develop annual budgets with a long-term perspective, incorporating macroeconomic assumptions into project planning and monitoring all projects through predefined critical stages.

### International R&D Projects and Horizon Europe Performance

Ford Otosan is an active participant in the European Union’s Horizon Europe program. In 2025, three Horizon Europe projects and one European Institute of Innovation & Technology (EIT) project were launched, securing approximately Euro 437,000 in funding.

As of 2025, Ford Otosan ranked as the second most highly funded industrial company within the Horizon Europe program, with 24 projects. Under the previous framework program, Horizon 2020, the Company secured the highest amount of EU funding among industrial companies, with 20 projects.

Ford Otosan submitted a total of 22 new project proposals to the Horizon Europe program in 2025, across a broad range of topics, including lightweighting, composite material design and manufacturing, electrification, sustainability, autonomous systems, and culture and human experience. Following the European Commission’s evaluation process, the “UPRAISE,” “CLEANMAT,” and “TURANDOT” projects submitted in 2025 and to be carried out at our R&D Centers were successfully evaluated and approved by the Commission.



### Stakeholder View

From electric and alternative fuel systems to autonomous driving technologies and digital end-to-end calibration, the expertise, systematic improvement culture, and high level of collaboration demonstrated by all our engineering units throughout the year have made a significant contribution to strengthening our product sustainability performance in a holistic manner. Our teams’ deep, multi-disciplinary collaboration has enabled not only the fulfillment of regulatory requirements but also the achievement of technical and operational excellence, as well as the development of solutions that reduce our environmental impacts. This collective engineering capability represents a strategic value for Ford Otosan’s long-term sustainability objectives.

**Alper Tekeli**

**Ford Otosan, Electric Vehicles & Digital Leader**



## R&D Projects in Strategic Focus Areas

### Alternative Fuels

In line with our ambition to transition our heavy commercial vehicle portfolio to zero-emission fuel technologies from 2040 onward, we are focusing on hydrogen-based solutions, including fuel cell systems and hydrogen internal combustion engines. Our initiatives in this area include the development of proprietary engine and vehicle systems, as well as active participation in international consortia aimed at establishing Europe's hydrogen corridors.



**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Self-Funded	<b>Hydrogen Internal Combustion Engine (H2-Ecotorg)</b> ● ●	Transitioning existing engine architecture to hydrogen combustion technology.	In 2025, key components affecting the combustion system were <b>identified and validated</b> , and ignition and injection parameters were optimized to enhance torque and power output. In addition, <b>onboard hydrogen storage infrastructure</b> was developed for vehicle integration, and systems for monitoring exhaust hydrogen concentration were implemented.	➔
	<b>ZEFES</b> ● ●	Developing long-haul, zero-emission heavy commercial vehicles.	As of 2025, development activities for the F-MAX FCEV under the <b>ZEFES Project</b> continued, including high-voltage (HV) system integration, software validation, calibration optimization, and functional testing. Upon completion of these activities, the next phase will be the <b>initiation of the vehicle homologation process</b> .	➔
Horizon Europe	<b>ESCALATE</b> ● ●	Developing powertrains capable of extended range without refueling.	The project targets of an <b>800 km maximum range and a 500 km daily operational range</b> were validated in a simulation environment. In addition, <b>hydrogen consumption calculations achieved 95% accuracy</b> when benchmarked against data from a separate test vehicle.	➔

## Circular Economy

We integrate our sustainability approach into all design and production processes, rather than limiting it to specific components.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Self-Funded	<b>ReCube</b> 	Developing products with lower environmental impact beginning at the design stage.	In 2025, the ReCube project advanced through the identification of high-impact areas using sustainable material assessments and vehicle- and component-level life cycle assessments (LCA). The feasibility of incorporating recycled and bio-based plastics into several heavy commercial vehicle components was evaluated, demonstrating their potential to contribute to waste reduction, lower emissions, and cost efficiencies.	➔
Horizon Europe	<b>ECOPLAST</b> 	Utilizing recycled raw materials derived from end-of-life vehicle (ELV) plastic waste as a sustainable alternative, without compromising the performance requirements of existing fossil-based components.	<p>Launched in <b>2025</b>, the EcoPlast project (Empowering Circular Operations in the Automotive Plastics Value Chain) aims to improve the end-to-end value chain and develop comprehensive digital solutions to enhance circularity, and to provide solutions to the requirements of the European Union's proposed End-of-Life Vehicles Regulation (ELVR), expected to enter into force in 2026. Ford Otosan is a consortium partner in the three-year project, which brings together 18 partners from three countries, and is scheduled for completion in 2028.</p> <p>Within the project scope, Ford Otosan is responsible for processing automotive plastic scrap using advanced sorting technologies, recycling plastic waste through a solvent-based purification method, and manufacturing sustainable Ford Trucks components with newly developed material compositions. Additional project objectives include developing digital platforms to foster stakeholder collaboration across the value chain, ensuring traceability throughout the process, and implementing digital solutions for process optimization.</p> <p>In the second half of 2025, detailed analyses were conducted and reports and datasets were prepared to support R&amp;D and product development activities in the coming years. Discussions among consortium partners continued to align the level of technical knowledge across partners. Through the EcoPlast project, Ford Otosan aims to strengthen regulatory compliance and develop industrially scalable, sustainable solutions for plastic components.</p>	Initiated in 2025.







**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
TÜBİTAK SAYEM 1833	<b>E-SOLEFIN</b> ● ●	Converting plastic waste into high-purity secondary raw materials.	<p>Launched in 2025, the E-Solefin project is carried out by a consortium led by Ford Otosan, together with 10 partners. The project aims to develop blockchain-based digital systems to enhance waste tracking and collection . Its core technological focus is solvent-based recycling technology, to be scaled at pilot level, to recover high-purity polyolefins from hard-to-recycle waste streams, including end-of-life vehicle (ELV) plastics. These recovered materials are intended to be reintegrated into new products across industries such as automotive, white goods, packaging, and textiles. The project also seeks to contribute to carbon emissions reduction, the Green Deal objectives, and strengthen the competitiveness of Turkish industry.</p> <p>Phase 1 of the project was completed in 2025. During this phase, components suitable for the use of solvent-based recycled materials were identified, and necessary tonnage calculations were carried out for material and performance testing related to the developed formulation.</p> <p>In collaboration with waste collectors, granule producers, and recycling facilities, waste planning and feasibility studies were conducted. Selected waste materials were sent to recycling facilities for processing trials, while raw materials used in mass production were submitted to granule producers for analysis. Field operations were also initiated to collect the targeted waste materials for the project.</p> <p>In the next phase, the recycled raw materials will be formulated in accordance with Ford's technical specifications, and material tests will be completed based on these formulations.</p>	Initiated in 2025.

## Circular Economy – Battery Technologies

The sustainability of the electric vehicle ecosystem depends not only on battery production but also on effective end-of-life management. With this awareness, we manage batteries in line with circular economy principles. We consider end-of-life vehicle batteries not as waste, but as valuable energy storage assets and reintegrate them into the economy through second-life applications. In addition, through our digital battery passport solutions developed in alignment with the EU Battery Regulation, we enhance transparency and traceability throughout the battery life cycle, from raw material sourcing to recycling.




**Ford Otosan’s Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Self-Funded	<b>FO&amp;US</b> 	Giving end-of-life batteries a second life.	As project activities continued in 2025, FO&US was awarded second place in the Ministry of Industry and Technology’s Productivity Project Awards. The project was also recognized as an exemplary initiative in the circular economy category in the Sustainable Business COP 30 publication. During the same period, the prototype system operating in Gölcük was technically optimized based on field feedback, further enhancing product safety and operational traceability capabilities.	➔
	<b>BASE</b> 	To track battery materials, optimize battery performance and lifespan, and establish a digital product passport based on data sharing.	A battery-focused Cyclicity Calculator was designed and developed to operate in integration with the Digital Battery Passport. The calculator incorporates parameters such as durability, reparability, and material recovery potential to assess circularity performance.	➔
	<b>BATRAW</b> 	Reducing raw material dependency by recovering critical raw materials from end-of-life batteries.	Within the project scope, end-of-life batteries were mechanically processed prior to chemical recycling. Once the industrial facility becomes operational, the laboratory-scale chemical processes will be scaled up to industrial level, and life cycle assessments (LCA) will be completed.	➔
Horizon Europe	<b>RECIRCULATE</b> 	Enabling the safe and efficient disassembly and reuse of batteries.	In 2025, fully autonomous pack-to-cell disassembly of PHEV battery packs was successfully achieved using AI-based robotic systems. The life cycle assessment (LCA) process is ongoing to quantify the environmental benefits of the project.	➔
	<b>RHINOCEROS</b> 	Developing cost-effective and sustainable recycling solutions for end-of-life batteries.	In 2025, the first physical prototype of the automated battery disassembly and reassembly robot was field-tested. In parallel, the production of new battery cells using recycled materials progressed to its final stage. These cells will undergo validation testing at the Gölcük Test Center.	➔
	<b>iBattMan</b> 	Optimizing battery performance and lifecycle across different vehicle types.	A hybrid modeling framework was developed to predict battery state of charge. Physics-based models were combined with data-driven AI models, and the integrated approach was validated using experimental data.	➔

## Circular economy – Critical Raw Materials

As the automotive industry advances in electrification and digitalization, demand for critical raw materials (CRMs), including platinum, palladium, lithium, and rare earth elements, continues to increase. To strengthen supply security for these strategic materials and mitigate the environmental impacts associated with primary extraction, we are adopting an "urban mining" approach. Through advanced technology projects focused on recovering valuable metals from waste catalysts, electronic boards, and electric motors, we enhance the resilience of our value chain while reducing raw material dependency.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Horizon 2020	<b>PEACOC</b> 	Reducing natural resource use by recovering precious metals from automotive waste.	The pilot facility has been established in Monolithos, and tests have been conducted for microwave-assisted liberation (MWAL) and filtration units. As the GDEX process—an electrochemical recovery method based on the precipitation of metals from solution—has not yet been commissioned, no recovery was achieved in 2025. The first recovery results are planned to be obtained in early 2026 through the treatment of leachate.	➔
	<b>CRUSADE</b> 	Tracking materials recovered from waste batteries and catalysts.	All waste-related Diesel Oxidation Catalysts (DOCs), Diesel Particulate Filters (DPFs), and battery packs committed under the project scope were delivered to project partners. In parallel, life cycle assessment (LCA) and life cycle cost (LCC) data collection activities continued to evaluate the environmental and economic impacts of the recycling processes.	➔
Horizon Europe	<b>PERMANET</b> 	Enhancing supply security of critical rare earth elements used in electric vehicles.	While the e-motor procurement process, a critical component of the project, remains ongoing, the first magnet samples produced by project partners were scheduled for delivery in late 2025. Preparations for standardized performance testing of these samples were completed during the reporting period.	➔

## Vehicle Lightweighting and Manufacturing

Vehicle lightweighting remains a key priority within our R&D agenda, as it is one of the most effective approaches to reducing fuel consumption and carbon emissions. Our objective in this area is to minimize environmental impact without compromising vehicle performance or safety by utilizing hybrid composites, aluminum alloys, and sustainable bio-based plastics as alternatives to conventional steel. In heavy commercial vehicles in particular, each kilogram of weight reduction contributes to increased payload capacity and lower operating costs for our customers.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Research Support Programs (TÜBİTAK ARDEB)	MatDeMa ● ●	Advancing vehicle lightweighting to reduce fuel consumption and carbon emissions.	The project was successfully completed in 2025, and its outcomes were shared with relevant stakeholders. A hybrid thermoplastic fiber-metal laminate (TP-FML) composite was designed and developed, achieving a 45% weight reduction in the side panels and a 70% reduction in the reinforcement frame compared to conventional steel components. Life cycle assessment (LCA) results indicated the potential for a 58% reduction in CO <sub>2</sub> emissions relative to steel-based alternatives.	➔
Research Support Programs (TÜBİTAK ARDEB)	OPTIPUL ● ●	Developing next-generation suspension solutions that enable significant lightweighting in heavy commercial vehicles.	The OPTIPUL Project advanced through material selection, design optimization, and mechanical testing of composite leaf springs manufactured using pultrusion technology. Intermediate geometry and validation tests were successfully completed. The interim results demonstrated a 150% increase in service life and an 80% weight reduction, in line with the project targets.	➔
SAYEM	Metal Additive Manufacturing Project ● ●	Achieving design flexibility and production efficiency while enabling part lightweighting.	The domestic metal additive manufacturing project continued in 2025 with the evaluation of the effects of different process parameters on mechanical performance. The findings demonstrated reliable lightweighting potential for automotive components while maintaining required strength and performance characteristics.	➔
Self-Funded – Lightweighting	Composite Leaf Spring Project ● ●	Improving fuel efficiency through significant lightweighting in heavy commercial vehicles.	In 2025, the integration of composite leaf springs into serial production achieved approximately 150 kg of weight reduction per vehicle, resulting in a 0.7–0.8% improvement in fuel efficiency.	➔
	Aluminum Suspension Bracket Project ● ●	Improving energy efficiency through vehicle and component lightweighting.	In 2025, the use of aluminum suspension brackets in serial production continued. Building on the performance gains achieved, similar aluminum-based solutions began to be implemented in new cab projects.	➔

## Electrification

As we expand our electric vehicle portfolio, we continue to deepen our expertise in the core technologies that define these vehicles, including power electronics and battery management systems. Through our serial commercial vehicle production programs and forward-looking R&D initiatives, we aim to position ourselves as a technology developer in electrification, not merely an implementer.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Horizon Europe	<b>NextETRUCK</b> ●	Developing energy-efficient and cost-effective electric truck solutions for urban logistics.	The Next eTruck platform was completed in 2025; through electric system integration and thermal optimization efforts, a 10% improvement in vehicle energy consumption and a 15% improvement in thermal efficiency were achieved. Digital twin integrations have been established to assess the energy-saving potential of the digital twin platform, and its use on public roads is targeted to begin in 2026.	➔
	<b>ZEV-UP</b> ● ●	Developing flexible and cost-effective electric mobility solutions with swappable batteries.	The ZEV-UP project involved the development of a mini mobility vehicle compatible with a swappable battery system and the execution of engineering studies on braking system and crash safety.	➔
	<b>HiPE</b> ● ●	Increasing range and performance by improving energy efficiency in electric vehicles.	Electronic circuit board designs (2D and 3D) and mechanical designs for DC-DC converters and onboard chargers (OBCs) were completed. Functional testing of the prototypes was successfully conducted. As part of the first domestically developed power electronics solutions utilizing silicon carbide (SiC) and gallium nitride (GaN) technologies, the project targeted approximately 98% efficiency and a 20% increase in power density by 2025.	➔
Horizon 2020	<b>ALBATROSS</b> ● ●	Developing thermal management solutions to extend battery life and improve charging performance.	Following the evaluation of various cooling technologies (including immersion cooling) in a virtual simulation environment, a 1D modeling-based methodology was developed. The resulting simulation outputs were used to support battery aging predictions.	➔

### Stakeholder View




The collaboration carried out within the scope of the ZEV-UP project, funded by the European Union's Horizon Europe programme and UK Research and Innovation (UKRI), has created a highly professional and high value-added experience for the entire project consortium. Ford Otosan's strong expertise in design and modular vehicle development has played a decisive role in the development of innovative solutions such as battery swapping and Battery as a Service models, directly supporting Europe's Fit for 55 targets. This partnership clearly reflects Ford Otosan's strong commitment to sustainable, inclusive, and future-oriented urban mobility.

**Emin Aliyev**  
**ERTICO – Senior Project Manager**

## AI-Assisted Sustainability Solutions

To enhance energy efficiency and reduce the carbon footprint of our manufacturing processes, we are developing both hardware investments and AI-assisted digital solutions. By leveraging advanced data analytics and intelligent algorithms, we aim to maximize energy efficiency and minimize production-related emissions.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Horizon Europe	<b>FLEXINDUSTRIES</b> 	Reducing carbon footprint through lower energy consumption in manufacturing processes.	In 2025, the digital integration of photovoltaic (PV) and SolarWall systems was completed, and energy generation data was migrated to a Big Data infrastructure. Near real-time natural gas consumption monitoring was initiated through the installation of a gas analyzer on the paint shop line.	
Self-Funded	<b>Dent Verification System</b> 	Using AI-based image processing for early detection of production quality defects and prevention of resource losses.	<p>Launched in 2025, the Dent Verification System project involves the development of an AI-based image processing solution for real-time detection of dents and protrusions on Body-in-White (BIW) surfaces during body production operations at the Yeniköy Plant, specifically on unmanned lines.</p> <p>The objective is to prevent serial production defects and reduce rework by enabling the early detection of defects that are difficult to identify during mass production processes .</p> <p>Throughout the project, iterative build-measure-learn cycles were applied to determine the appropriate lighting, camera, and motion infrastructure. A proprietary AI pipeline was developed to detect small and low-visibility defects, particularly focusing on C-type defects.</p> <p>As of 2025, PoC preparations for the space-efficient and modular system have been completed, and a scalable structure has been designed for deployment across different production stations and plants based on the results to be obtained.</p>	Initiated in 2025.

## Connected Vehicle Technologies

We are building an ecosystem in which vehicles continuously communicate with one another, with infrastructure, and with users. Through our projects in this area, we transform vehicle-generated data into value-added services, enhance operational efficiency through predictive maintenance technologies, and optimize production processes using digital twin applications.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
Self-Funded	<b>PASS (Preventive Action Surveillance System)</b> <span style="color: green;">●</span> <span style="color: blue;">●</span> <span style="color: orange;">●</span> <span style="color: purple;">●</span>	Through connected vehicle technologies and data analytics, proactively detecting potential failures through engine control unit (ECU) data and diagnostic trouble codes (DTCs), enhancing customer satisfaction, vehicle uptime, and warranty cost efficiency.	With the commissioning of PASS (Preventive Action Surveillance System) in 2025, potential failures have begun to be identified by analyzing engine control unit (ECU) data and fault codes obtained from Ford Trucks vehicles equipped with ConnecTruck infrastructure, before they turn into customer complaints or breakdowns on the road. Within the scope of the system, separate operational workflows have been defined for vehicles not yet delivered to customers and those in field use; in-plant quality controls and field service actions have been managed through this structure. Since the start of the project, more than 200 vehicles have been flagged, preventing thermal cases and related campaigns. Proactive interventions were carried out in six different technical areas before any customer complaints occurred, and these detections helped avoid unnecessary part replacements in 124 vehicles. Field implementation was completed in 2025, and factory automation processes were finalized as of March 2026.	Initiated in 2025.
	<b>Smart Battery Care with Connectivity</b> <span style="color: blue;">●</span> <span style="color: purple;">●</span>	Continuous monitoring of vehicle battery health and proactive response to critical incidents through connectivity technologies.	Deployed in 2025, the "Smart Battery Care with Connectivity" system enabled real-time and continuous monitoring of battery health for vehicles both at the plant and in the field. The system automatically identified vehicles with critically low battery health, placed them on hold, and simultaneously notified production, quality, and field teams. Required actions, such as battery replacement or charging, were verified through connectivity data. Once corrective actions were completed, the system automatically removed the hold status. Battery measurements previously outsourced to third parties were replaced with connectivity-based diagnostics, accelerating processes and improving operational efficiency. The accuracy of connectivity data was validated through a small-scale proof-of-concept (PoC) studies, and the system was integrated into existing infrastructure to ensure scalability and continuity.	

### Autonomous Technologies

We are developing next-generation autonomous vehicle technologies and delivering solutions across a broad range of applications, from factory logistics and highway transportation to operation under challenging weather conditions and within software-defined vehicle (SDV) architectures. These initiatives aim to enhance safety while reducing operational costs.

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Category	Project Title	Focus	Progress in 2025	Project Details
	<b>ROADVIEW</b> ● ●	Improving autonomous driving safety under challenging weather conditions.	Within the scope of the ROADVIEW project, aimed at improving autonomous driving safety under adverse weather conditions, comprehensive sensor data collection operations were carried out using an F-MAX tractor, and data labeling activities have been initiated. Through integration efforts led by Ford Otosan, AI-based algorithms developed by different project stakeholders, V2X (Vehicle-to-Everything) communication systems, and autonomous safe stop functions were successfully implemented on the F-MAX test vehicle and presented to international partners.	➔
Horizon Europe	<b>HAL4SDV</b> ● ●	Leveraging software-based driver assistance systems to scale vehicle capabilities.	Following the definition of system requirements, the architectural design phase was completed. Implementation and testing phases are planned for the upcoming period.	➔
	<b>HiCONNECT</b> ● ●	Using digital twin technologies to monitor and improve production line efficiency.	A digital twin of the deburring conveyors in the Gölcük Plant's press workshop was developed and deployed within the production environment. Real-time operational data is utilized to optimize conveyor speed and overall system performance.	➔

#### Quiet and Sustainable Mobility Focused on NVH (Noise, Vibration and Harshness)

Noise pollution is becoming an increasingly important environmental issue in modern urban life. Our NVH teams for vehicles and powertrain systems develop acoustic solutions that reduce environmental noise, enhance social well-being, and improve vehicle energy efficiency, thereby directly contributing to our company's sustainability goals.

- Environmental Value of Quietness: A quieter vehicle reduces stress, improves urban quality of life, and lowers environmental impacts associated with noise. Therefore, our NVH approach considers quietness not only as a comfort element but also as an environmental and social value.

- Engineering in Compliance with Regulations: We closely monitor global NVH and acoustic safety regulations and align our engineering methodologies accordingly. We ensure full compliance with evolving standards, including UN Regulation No. 51.03 (Noise Emissions), Low Noise Vehicle Certification for BEV/HEV vehicles, and R138 – AVAS (Acoustic Vehicle Alerting Systems) requirements.

- Sustainable Technologies for BEV and HEV: As electrification reshapes the acoustic environment, we integrate advanced sound design solutions that preserve driving safety while enabling more compatible urban soundscapes.

- Lightweight and Environmentally Conscious Design: In our NVH development processes, we contribute to emission reduction and more sustainable product architectures throughout the lifecycle by applying lightweighting strategies and using energy-efficient acoustic components.

Through these holistic practices, our NVH engineering efforts support Ford Otosan's sustainability roadmap by reducing environmental footprint, advancing responsible technologies, and contributing to the long-term improvement of NVH quality in our products.

## P&D Projects in Strategic Focus Areas

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Title	Focus	Achievements in 2025
<b>Ford Trucks Tractor and Cab Development Project</b> ● ● ●	Introducing new cab and platform solutions fully compliant with UNECE Regulation No. 167 (Direct Vision) by 2029, enhancing the driver's direct field of vision across Ford Trucks' tractor, road truck, and construction truck lineups.	<p>The new cab design and platform modifications developed under the project continue to be implemented in alignment with European Union Direct Vision requirements, ensuring uninterrupted vehicle sales in relevant markets.</p> <p>R&amp;D efforts focus on enabling an environmentally responsible and sustainable vehicle life cycle by reducing carbon emissions through aerodynamic optimization, lightweight design strategies, and advanced material and production technologies. Driving safety and driver comfort remain core design priorities.</p> <p>The project aims to strengthen competitiveness in the +16-ton segments across Türkiye, Europe, the Middle East, and Africa, and to enter the UK market for the first time with a right-hand-drive truck configuration. Additional objectives include enhancing production efficiency through a cab commonization strategy across tractor, road truck, and construction truck series; advancing the supply base through localization; and increasing local content ratios.</p> <p>Key innovations include a modular platform supporting electric, hydrogen fuel cell, and diesel powertrains; integration of advanced driver assistance systems (ADAS); aerodynamic design solutions; and the incorporation of safety technologies in compliance with ISO 26262 (Functional Safety) and UNECE Regulation No. 155 (Cybersecurity) requirements.</p>
<b>EU7 Truck and Tractor Development Project</b> ● ● ●	Ensuring the continuity of internal combustion engine (ICE) powertrain sales in the European and Turkish markets beyond 2029, while achieving full compliance with Euro 7 regulations across all diesel heavy commercial vehicles in the Ford Trucks product portfolio and supporting the 45% CO <sub>2</sub> reduction target.	<p>The project covers all diesel heavy commercial vehicles in the European and Turkish markets. Engine and diesel aftertreatment system development activities are progressing in line with vehicle development timelines. The objective is to comply with more stringent emission requirements while preserving fuel efficiency performance and total cost of ownership.</p> <p>The next-generation diesel aftertreatment solutions developed under the project significantly reduce NOx emissions, enhance emission control precision, and modernize the electronic control architecture. Engine enhancements focus on improving combustion efficiency while minimizing potential impacts on fuel economy and CO<sub>2</sub> emissions. Improved engine braking performance further supports emission compliance while delivering customer-oriented operational benefits.</p> <p>Regulatory uncertainties, increased technical complexities, and cost pressures were among the primary challenges addressed within the project. In response, multiple technical scenarios were developed in parallel, complexity was reduced through component commonization strategies, and cross-functional collaboration with internal and external stakeholders ensured timely sourcing and validation processes.</p>

## P&D Projects in Strategic Focus Areas (Continued)

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Title	Focus	Achievements in 2025
<b>Ford Trucks Electric Tractor Vehicle Development Project</b> ● ● ●	Developing Ford Trucks' first 100% electric long-haul tractor to align with the 2030 regulatory framework and VECTO-based CO <sub>2</sub> performance requirements, supporting the transition toward zero-emission mobility.	<p>The primary objective of the project is to address the transformation of the European market by developing a zero-emission, battery-electric tractor that meets the operational demands of long-haul transportation. The resulting product is designed to balance environmental performance with customer expectations in range, payload capacity, and total cost of ownership.</p> <p>Key innovations include compatibility with <b>high-power charging infrastructure</b> for long-haul applications, <b>high-capacity battery</b> systems, and electric axle technologies to enhance operational efficiency and enable flexible vehicle configurations.</p>
<b>GSR Batch 3 Safety Regulation Compliant Tractor (F-MAX) Development Project</b> ● ● ●	Deploying a driver monitoring camera system in F-MAX vehicles to comply with GSR Batch C requirements by 2026, ensuring regulatory alignment and sales continuity.	<p>The project aims to integrate a camera-based driver monitoring system capable of detecting signs of driver distraction and providing audible and visual alerts. These enhancements support regulatory compliance while improving driving safety and user experience, thereby creating a competitive advantage. With the upgrades in on-board technologies, the project is envisioned to strengthen customer satisfaction and brand perception, potentially increasing sales.</p> <p>An additional objective is to achieve full GSR Batch C compliance and mitigate potential costs associated with regulatory non-compliance in the European market. The introduction of new modules and software systems also contributes to improved manufacturing efficiency and operational cost optimization.</p> <p>From a social perspective, enhanced driver safety and comfort are expected to reduce accident risks. Indirectly, fewer accidents may contribute to lower repair needs, thereby contributing to a reduction in environmental impact and carbon emissions. Following successful implementation, the next phase will focus on maintaining serial production continuity, enhancing user experience through software updates and functional improvements, and preparing infrastructure for future regulatory requirements.</p>
<b>Next-generation Ford Transit</b> ● ● ●	Expanding the product lineup with the next-generation Ford Transit AWD (All-Wheel-Drive) BEV 1-ton van and strengthening market competitiveness.	<p>The project encompassed transmission development activities at the Yeniköy and Halewood facilities, as well as integration work at the Yeniköy Battery Plant.</p> <p>The main objective of the project was to strengthen the product portfolio and increase market share by offering customers a vehicle equipped with a new feature. The AWD BEV architecture was developed with the aim of creating a product that can respond to both diverse application areas and evolving customer expectations. The project was completed in 2025 in line with the planned timeline.</p>
<b>GSR Batch 3 Safety Regulation Compliant Truck and Tractor Development Project</b> ● ● ●	Introducing driver monitoring and fatigue detection systems in trucks and tractors in compliance with GSR Batch C requirements, enhancing vehicle safety and ensuring sales continuity.	<p>As part of the project, a camera-based driver monitoring system was integrated into vehicles to detect signs of driver inattention and fatigue, providing audible and visual alerts where necessary. The project is designed to meet GSR Batch C requirements while ensuring compatibility with the existing electronic architecture, particularly for the F-Line series, and facilitating necessary transitions in display system integration. The broader objective is to enhance vehicle safety through alignment with the EU General Safety Regulation, improve user comfort and driving experience, and maintain market competitiveness. In addition to supporting fatigue detection, the system is expected to contribute indirectly to cost efficiencies and resource savings by reducing accident risks and associated maintenance needs, while generating positive social impact through improved driver safety and comfort.</p>

## P&D Projects in Strategic Focus Areas (Continued)

**Ford Otosan's Strategic Role:** ● Sustainability & Regulatory ● Commercialization Focus ● Cost/Efficiency ● Future Technology

Project Title	Focus	Achievements in 2025
<b>Ecotorq Second Generation Engine Family Development</b> ● ● ●	Achieving a 15% reduction in CO <sub>2</sub> emissions for the 13L Ecotorq engine family and developing a competitive, future-ready engine platform aligned with 2025 VECTO CO <sub>2</sub> performance requirements.	<p>The project covers all 13-liter truck models compliant with Euro 6 emission standards and was carried out through simultaneous activities conducted across the Sancaktepe, Gölcük, and İnönü facilities. With the implementation of the project, contribution was made to achieving the 2025 VECTO regulatory targets, and the preservation of Ford Trucks' competitive position across its product portfolio was supported.</p> <p>In addition, mandatory regulatory requirements and technological transitions were implemented, establishing an infrastructure suitable for advanced carbon reduction technologies and future vehicle solutions.</p> <p>Within the scope of the project, the engine architecture was completely redesigned, improving power and torque performance and enabling the achievement of a lighter, more durable, and more efficient structure. Vehicle efficiency was enhanced through solutions such as aerodynamic body improvements and an active grille system.</p> <p>In addition, innovations such as a mirror camera system, lookout mode, auto-pan functionality, and front air suspension—introduced for the first time in the Ford Trucks family—contributed to driving safety and comfort. Fuel efficiency was further supported through a serial transmission, smart driving functionalities, coasting mode, and optimized transmission ratios; moreover, compatibility with Hydrotreated Vegetable Oil (HVO) fuel enabled the use of alternative, lower-carbon fuels.</p>

### Transforming Romania Operations

All production lines across Ford Otosan plants are designed with full flexibility to manufacture both electric and internal combustion engine vehicles. The electric versions of the Transit Courier and Ford Tourneo models are produced at the Kocaeli Plant, while the electric Puma is manufactured at the Craiova Plant in Romania. In 2025, the Craiova Plant played a significant role in advancing our global electrification strategy.

#### Electric Puma on the Roads

In 2025, electric variants were introduced across all vehicle models in our product lineup. An all-electric version of the Puma, one of Europe's best-selling passenger vehicles, was manufactured at the Craiova Plant and launched in both Turkish and European markets.



#### Ford Tourneo and Transit Courier

At the Craiova Plant, production and functional validation of underbody prototypes for Euro 7-compliant versions of these models were completed. Following part design verification, full-vehicle prototype production and testing are scheduled for completion in 2026. Mass production is targeted to begin in 2027.



#### Ford Puma

Similarly, teams at the Craiova Plant conducted prototype production and production planning for the new Euro 7-compliant Ford Puma. Underbody prototype validation and vehicle testing were completed during the reporting period. Full-vehicle prototype production and testing are planned for completion in 2026. Following serial production preparations, the program is scheduled to launch in mid-2027.



## University Collaborations

We collaborate with leading Turkish universities, including Koç University, Kocaeli University, Sabancı University, and Middle East Technical University (METU), as part of long-term university–industry partnerships that strengthen our R&D and innovation ecosystem and ensure continuous, structured engagement with academia. Beyond individual projects, we expand the scope of these collaborations in alignment with our long-term objectives of knowledge creation, skills development, and talent cultivation.

The details of our ongoing strategic partnerships initiated in 2025 are provided below.

### Stakeholder View

The long-term collaboration between Ford Otosan and Koç University in the fields of hydrogen fuel cells and exhaust aftertreatment technologies stands as a strong example of academia–industry partnership. Through the development of fuel cell components and the modeling and calibration of emission systems, this collaboration delivers tangible progress not only in cost, performance, and durability, but also strengthens Türkiye's hydrogen and clean mobility ecosystem and builds new capabilities. The scientific outputs generated are fostering a new generation of expert researchers and positioning this partnership as a leading academia–industry model in its field.

**Prof. Dr. Can Erkey**  
*Director at Koç University Hydrogen Technologies Center (KUHy-Tech)*

### Projects with Koç University

**Advanced Fleet Management (Connected Vehicles and Smart Analytics):** This project involves designing a comprehensive user interface for a fleet management vehicle (FMT), developing federated learning applications, and Connecttruck integration, all aimed to improve digital efficiency in fleet operations.

**Modeling and Review of Next-Generation Catalyst Performance for Diesel and Hydrogen Internal Combustion Engine Heavy Commercial Vehicles:** For compliance with Euro 7 regulations, we compare performance of next-generation catalysts for diesel and hydrogen internal combustion engine heavy commercial vehicles and develop kinetic models.

**Developing Sensors for Measuring Mechanical Properties of Sheet Metals:** We are developing an innovative magnetic flux sensor capable of measuring critical mechanical properties (yield strength, tensile strength, etc.) of sheet metals with high precision.

**Green Hydrogen Partnership (KUHyTech):** Green Hydrogen Collaboration (KUHyTech): As part of a strategic R&D partnership with Koç University Hydrogen Technologies Center (KUHyTech), we are working on the production, storage, and commercialization of green hydrogen.

### Projects with Kocaeli University

**Segment-Based Driving Position Research:** We launched a research to understand users' driving positions in different vehicle segments. The findings of this research will contribute to our people-centric design processes.

**ISASTECH 2025:** Ford Otosan participated in this international technology symposium hosted by Kocaeli University as a sponsor and member of the organization committee, contributing with 28 participants and 2 scientific papers.

### Partnerships and Initiatives with Other Academic Institutions

**Sabancı University, METU, and Koç University:** In partnership with Sabancı University and Koç University, we hire scholarship recipients under the TÜBİTAK 2244 – Industrial PhD Program, aiming to integrate PhD holders into our R&D activities. We are also in discussions with METU and Sabancı University to establish partnerships with their research centers.

## Employee Participation in R&D and Innovation Processes

Ford Otosan has established multi-dimensional mechanisms to promote employee engagement in R&D and innovation activities. To encourage a structured scientific approach, a “Scientific Publication – Article Preparation Procedure and Reward System” has been implemented for product development teams. This system is designed to promote scientific research and support the publication of research outcomes in international forums.

In 2025, the R&D and Intellectual Property Leadership organized “Scientific Publication – Article Preparation Trainings” to enhance both the quality and volume of scientific outputs. Training topics included literature review methodologies, academic writing techniques, publication ethics, and peer review processes. More than 70 employees participated in sessions delivered in collaboration with universities.

In line with an open innovation framework, employees are also supported in transforming innovative ideas into structured projects through idea banks, interdisciplinary teams, intrapreneurship programs, and transparent communication channels.

## Academic Publications

Ford Otosan leverages digital tools and knowledge resources that support scientific article preparation to ensure systematic academic output and strengthen cross-functional collaboration. The annual subscription to the Overleaf article-writing platform, initiated in 2024, was renewed in 2025 to enhance collaborative and efficient research team workflows.

## Memberships in Research Networks

Ford Otosan actively participates in national and international industry collaborations, research networks, and technology platforms - such as EGVIafor2ZERO, ERTICO ITS Europe, Hydrogen Europe, INSIDE, EIT Manufacturing, EFFRA, CCAM, BATT4EU, and Allianz Wasserstoffmotor e.V. - to monitor emerging scientific and technological developments and to benefit from global knowledge-sharing ecosystems in its R&D activities.

## Managing Intellectual Property Rights

Ford Otosan manages its intellectual property in accordance with Industrial Property Law No. 6769 and safeguards these rights in line with internally defined policies and procedures. During the reporting period, 33 patent applications were filed, including 12 in Türkiye and 21 internationally. As a result of these applications, 2 patents were granted in Türkiye and 8 internationally.

## BIG 2025 (Information Communication Development) Event

In 2025, we hosted the BIG (Information Communication Development) event to reinforce our corporate learning culture and embed a quality–cost mindset more broadly across the organization. Designed around the theme “People, Quality & Cost,” the program focused on upskilling employees, establishing a shared problem-solving methodology, and strengthening a data-driven decision-making culture. In line with lean and resource efficiency principles, the event was organized using a zero-budget model. By prioritizing digital content and leveraging internal expertise, we minimized environmental impact while reinforcing organizational ownership. A common methodological framework was developed covering structured problem-solving approaches, design-phase error prevention practices, and digital learning tools. The program also promoted sustained learning through applications that enhance teamwork, agile decision-making, and customer-centric thinking. Additionally, reference materials used in quality and value management were transformed into practical tools that employees can directly apply in their daily work. BIG 2025 delivered a holistic impact aligned with its core dimensions of people, cost, and quality. From a people perspective, it strengthened employees’ problem-solving capabilities, continuous learning mindset, and digital competencies. In the cost dimension, it reinforced lean and resource efficiency practices, while the zero-budget model demonstrated disciplined value creation. In the quality dimension, it enhanced organizational awareness of design-phase error prevention and data-driven governance mechanisms. With these dimensions, BIG 2025 is positioned as a strategic corporate learning initiative supporting quality excellence and sustainable value creation.

As part of BIG 2025, data analytics, artificial intelligence, and structured problem-solving capabilities were further integrated into operational processes through MEGA AI projects. These initiatives translated learning outcomes into scalable, data-driven applications supporting quality, cost optimization, and energy efficiency.

For more information, please see the [Data Governance and Advanced Analytics \(MegaAI\)](#) section.

### Stakeholder View

Our relationship with Ford Otosan goes beyond a project-based collaboration; it is built on long-term trust and a shared vision. In the projects we have developed together in the field, we have experienced firsthand how engineering discipline, quality approach, and sustainability focus integrate. This multi-dimensional collaboration contributes significantly both to the strengthening of the local technology ecosystem and to the transformation of sustainable mobility goals into tangible outcomes.

**Ömer Orkun Düztaş**  
Co-Founder & CEO, Büyütech

# Innovation Management

## Startup Ecosystem

At Ford Otosan, we are advancing our innovation activities around practices that improve internal efficiency and new business models with commercialization potential. Our work in this area encompasses a wide range of activities, from enhancing processes with employee participation to creating new revenue streams through ecosystem collaborations.

### 2025 Startup Figures

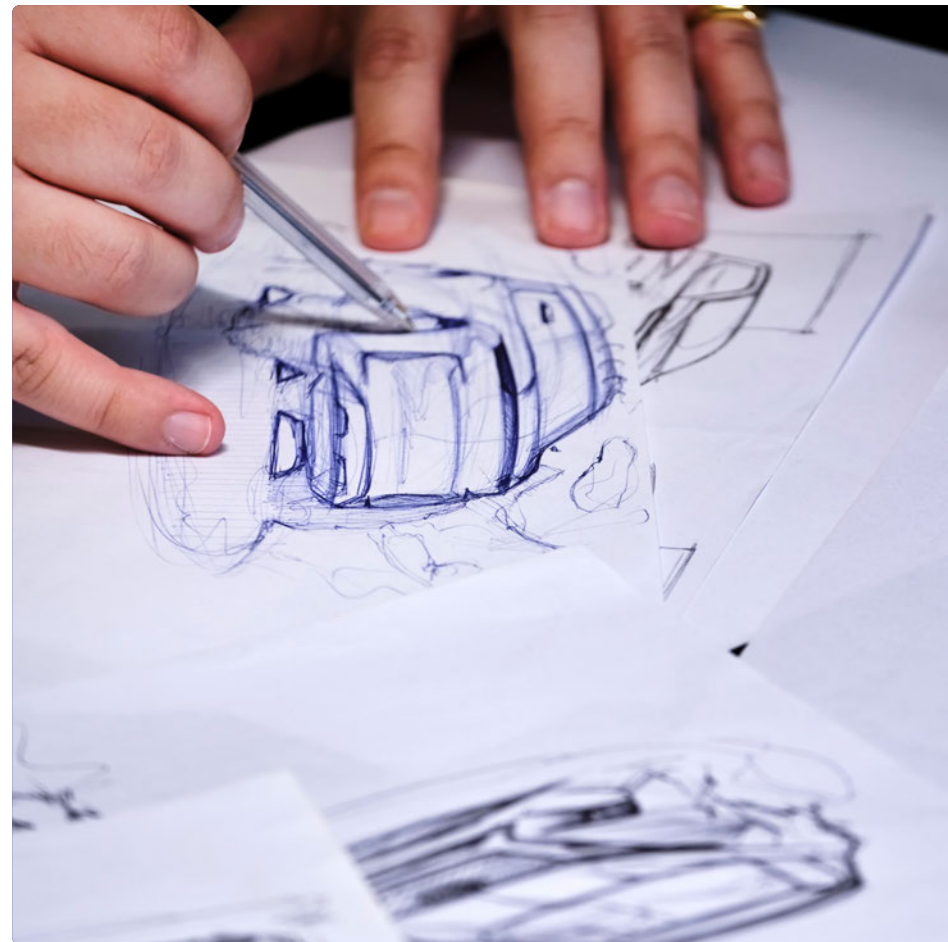
Number of Main Campaigns	1
Number of Intrapreneurs	33
Number of Projects	11
Number of Projects Implemented Internally	3

## Process Innovation

Within the scope of the Intrapreneurship Program implemented to spread a culture of innovation across the organization, employees develop customer-centric solutions using design thinking and lean startup methodologies. Within the framework of the program, supported by training, mentoring, and agile project teams, minimum viable products are developed and commercialization processes are supported. Since 2016, through the programs carried out, 10 main innovation campaigns have been realized and 270 intrapreneurs have been reached.

### Fikirhane Platform and Future Vision

Fikirhane, the hub of innovation culture across the company, is our primary platform for allowing employees to directly contribute to business processes and fostering a culture of productivity. In 2025, a strategic expansion plan was created for this platform, where process improvement projects are managed. The target for 2026 is to open the platform to distributors in addition to the employees and to integrate it into our Craiova plant in Romania. Additionally, a new rewarding system based on contribution level is being designed to increase employee motivation.



### Suggestion and Improvement System

The system, designed to collect solutions developed by field and office employees acting on their own initiative, received 1,400 suggestions in 2025. Following evaluations, 44 ideas that deliver cost reduction and process optimization were integrated into the production processes. As part of total value management (TVM) campaigns aimed at large-scale cost cutting, one high-impact project was implemented under the Mega TVM category, and three high-impact projects under the Heavy TVM category. In recognition of these value creation efforts, 181 colleagues were rewarded.








## Strong Growth Plan

The future of mobility is being shaped not only by technological innovations but also by sustainability-focused approaches. Our strong growth plan is designed to best meet customer needs within this framework, and we are implementing a comprehensive transformation process to prepare for the future of the automotive sector. Electrification and hydrogen technologies form the cornerstones of the sustainable transition in the automotive industry, and Ford Otosan plays an active role in this transformation.

In 2025, we launched electric versions of all our vehicle models. For detailed information on our electrification and hydrogen efforts, please visit the [Products Sustainability](#) section of our report to learn more about our projects and targets.

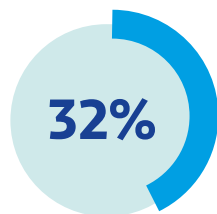
## Strong Growth Plan and Electrification Journey

### Annual Production Capacity of 934,500 Units

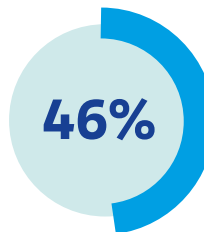
2019	2020	2021	2022	2023	2024	2025	2026
<p>Start of electrification journey</p> <p>Plug-in Hybrid (PHEV) Custom production</p> 	<p>~€2 Billion Investment Plan Announcement</p> <p>Production capacity plan for 650K units by 2025</p>	<p>Ford – VW Strategic Partnership Announcement of VW’s New Generation 1-Ton Commercial Vehicle Production Plan</p> <p>Production plan announcement for 1-ton mid-size commercial vehicle rising from 195K to 405K units</p> <p>€1,390 million investment in 5 years*</p>	 <p>E-Transit production</p> <p>Battery Assembly Line</p> <p>Acquisition of 250K-capacity Craiova Plant and addition of Puma to production portfolio</p> <p>€490 million New Courier investment in 3 years</p>	 <p>Production of New Generation Custom's diesel model</p> <p>Production of New Generation Courier's diesel model in Craiova</p> 	 <p>100% Electric and PHEV Custom production</p> <p>VW 1-Ton commercial vehicle production</p>	 <p>100% Electric Courier and Puma production</p> 	 <p>100% Electric E-Truck production</p>

\*The €2 billion investment plan includes this and the related year of announcement.

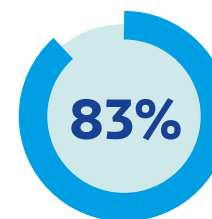
Ford Otosan's Share in Total Vehicle Production in Türkiye



Ford Otosan's Share in Vehicle Production in Romania



Ford Otosan's Share in Total Commercial Vehicle Production in Türkiye



## Engagement with the Startup Ecosystem

At Ford Otosan, we engage with the startup ecosystem through structured programs, accelerators, and investment mechanisms aimed at providing early access to emerging technologies and business models, testing innovative solutions, and developing strategic collaborations. This approach enables us to connect with startups at varying maturity levels, not only supporting both internal transformation but also laying the foundation for long-term value creation partnerships.

### Synergy Mobility Innovation Program

In the program launched in collaboration with Otokoç Otomotiv, two important startups are on commercialization path. E-Chargy operates with autonomous AGV units that do not require fixed stations to offer on-demand charging services for electric vehicles. Naklio is a B2B digital marketplace solving the problem of idle mileage in the logistics sector by matching vehicles with return loads and increasing efficiency.

### Future of Mobility Accelerator

The Future of Mobility Accelerator, launched in 2025, is designed as an acceleration program aimed at initiating collaborations and investment-focused activities with early stage mobility startups.

### Driventure

In 2025, nearly 1,000 engagements and over 50 collaborations were carried out. Through these connections, a direct investment of USD 370K was made, and approximately USD 2.6 million in international funding commitments were secured.

### Develop Your City Program

The Develop Your City Program is implemented in partnership with public and ecosystem stakeholders to support startups developing innovative solutions for urban needs. Launched in 2025 with Kocaeli Metropolitan Municipality as the main partner, the program aims to support startups focused on mobility, sustainability, and smart cities.

## New Business Models and Entrepreneurship Outcomes

Based on our engagement with the startup ecosystem and our internal innovation capabilities, we develop new business models and scalable solutions that deliver tangible value. In 2025, we continued to commercialize products, platforms, and business models developed within the company or matured through ecosystem collaborations, generating outcomes that support our operational efficiency, revenue diversification, and long-term growth targets.

### Flexper

Flexper is the vehicle sharing and leasing platform we launched in 2025 with 16 electric vehicles, including 15 Mustang Mach-E and one Puma Gen-E. Once the digital infrastructure (website, CRM) was upgraded and ERP was selected, 80% of the Flexper fleet could be traced via the Ford Pro system.

### Digital FMEA Platform

The digital FMEA platform to be developed for Ford Otosan and its suppliers will help optimize preventive action plans by predicting potential quality risks in parts and vehicle production. It will also support keeping lessons learned in the corporate memory. The objective is to eliminate issues in the existing processes such as documentation integration, up-to-date information challenges, manual control, tracking difficulties, and Excel-based errors with the aim of building a user-friendly and sustainable quality management system. This software will enable end-to-end quality monitoring, error prediction, prevention of delays in new vehicle models, and protection of brand value. It will also generate revenue potential by offering availability to all Ford locations, Koç Group companies, and other businesses in the industry.

### Autonomous Guided Vehicles (AGV) & Bluepath Robotics

The AGV and Bluepath Robotics activities in 2025 involved finalizing the product portfolio, defining product families and sub-models for different use cases, and completing Commercialization Focus positioning. The first non-Ford and non-automotive industry projects were commercialized, while various PoCs were developed to demonstrate the viability of the products in different industries. In line with global expansion goals, sales activities and partnership efforts intensified in the North American and European markets.

## Inclusive Innovation and Women-led Startups

At Ford Otosan, we are committed to increasing support for startups in which women hold at least 50% of leadership roles by 2026. In pursuit of this target, we assessed the current state of the startup ecosystem during the year and focused on strengthening the representation of women entrepreneurs.

As of year-end 2025, 26 of the 75 startups in our Driventure portfolio that receive funding have at least 50% female representation in founding or senior management positions. Our investment decisions are guided not only by commercial viability but also by social impact considerations, and we actively encourage the growth of ventures that promote women's leadership.

The Future of Mobility Accelerator program, launched in 2025, reflects this approach. Three of the 11 startups selected for the program - FutureVerde, Naklio, and Vignetim - were co-founded by women, corresponding to a 27% representation rate. As an investor in the Arya Investment Platform, which supports women entrepreneurs and investors while promoting women's participation in the economy, we aim to expand access to women-founded startups and strengthen support mechanisms for women-founded startups. Through initiatives conducted at various periods such as the Develop Your City program, we work to increase the visibility of women entrepreneurs and encourage higher participation rates. During the 2025 call process, launched in partnership with Kocaeli Metropolitan Municipality, we engaged ecosystem stakeholders to reach a broader network of women entrepreneurs.

For more information on Gender Equality in the Startup Ecosystem, please see the [For Communities](#) section.



# Digitalization

We view digital transformation not merely as a technology investment, but as a strategic enabler that strengthens value chain integration, enhances operational efficiency, and improves our ability to respond to evolving customer expectations. Guided by this vision, we place artificial intelligence at the core of our digital initiatives, manage cybersecurity risks through a holistic governance approach, and advance our digitalization roadmap across seven strategic focus areas.

## Digital Transformation Strategy

At Ford Otosan, digital transformation, digital products, and digital services are overseen at the Board level under the Digital Products and Services organization, reflecting their strategic importance. Through our digitalization agenda, we seek to enhance end-to-end value chain integration, increase operational agility, and strengthen responsiveness to changing market dynamics. In the automotive industry, this transformation is driven by high-technology vehicles, intelligent driving systems, connected mobility solutions, and digitally enabled customer experiences. Our digital transformation program is structured around **seven key focus areas**, with artificial intelligence embedded across these domains. At the same time, cybersecurity is managed through an integrated, enterprise-wide framework to ensure resilience and risk mitigation across all digital initiatives.

### Monitoring Digital KPIs and Targets

#### Maturity Levels

Regular review of progress roadmaps

#### Customer Satisfaction

Revenue growth and user count

#### Employee Development

Digital training and skills growth

#### Agility Metrics

Organization's capacity to adapt

### Stakeholder View

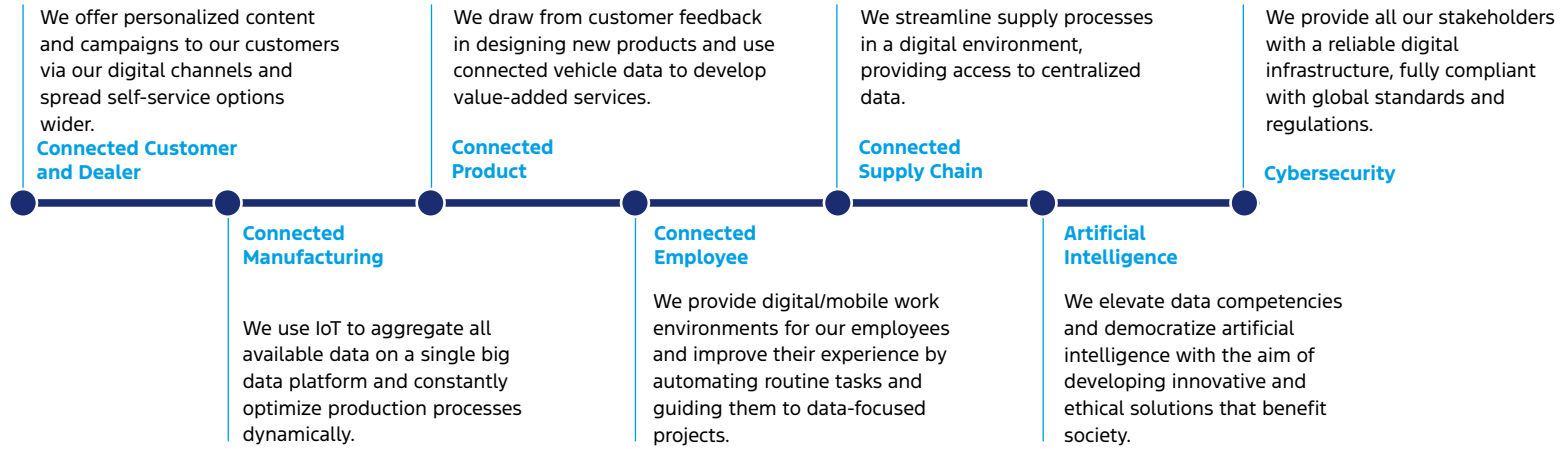
When we started our digital transformation journey 10 years ago, our goal was not only to use technology as a tool, but to transform it into a fundamental component of our business. The fact that our Gölcük Factory was included in the Global Lighthouse Network in 2019 and became the first automotive manufacturer from Türkiye to receive this distinction has been a source of great pride and strong motivation for all of us.

At the same time, the innovative applications we implemented have started to be closely followed by other companies and have begun to create a benchmark value. We defined our vision of becoming a "factory of the future," and today we have achieved this success for the second time by including our Yeniköy Factory in this prestigious network within just two years. Being part of this journey and progressing together with such a strong team fills me with great pride. I sincerely thank all our colleagues who made this success possible.

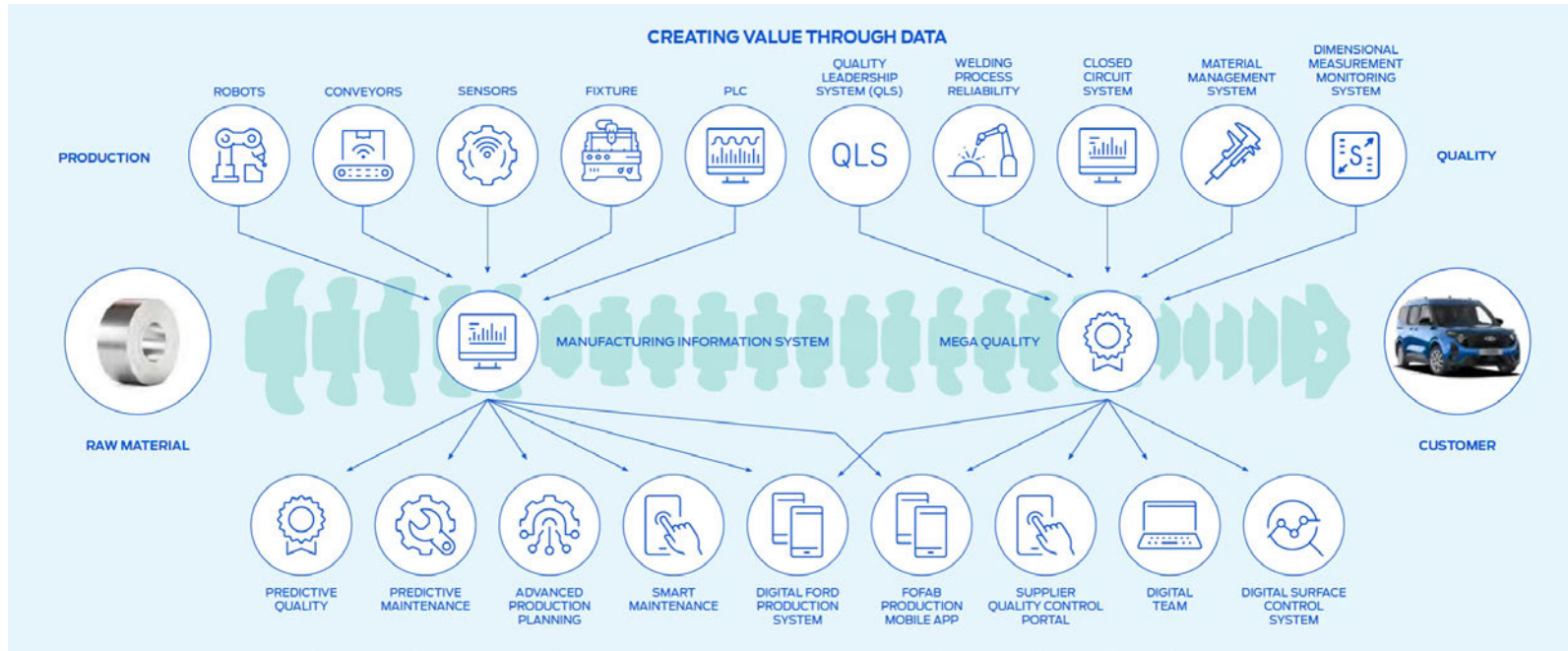
**Elif Gürbüz Ersoy**  
*Ford Otosan – Digital Transformation Leader*



### Key Digitalization Focus Areas



### The Backbone of Digitalization



## Digitalization Activities

Our digitalization vision spans end-to-end value chain processes, from manufacturing operations to customer experience. In this context, homologation and regulatory management are monitored transparently through digital platforms to safeguard legal compliance.

### Digitalizing Homologation and Regulation Management

We continue to digitalize our compliance processes to maintain alignment with current legislation and proactively prepare for upcoming regulatory requirements. Through the **Homologation Digital Screen** platform, developed by our Homologation and Regulation Compliance Team and accessible to all relevant functions, we provide structured visibility into upcoming regulations, their scope, transition timelines, and the vehicle programs they affect. The platform also delivers updates on sustainability-related and material compliance legislation, enabling cross-functional coordination and reducing compliance risks across the organization.

### Ford Tourneo/Transit Courier Safety and 5G Preparation Project

As part of our preparation for the future connected vehicle ecosystem, we are transitioning to 5G GSM technology to support global engineering convergence and enhanced connectivity capabilities. Within this project, camera modules and incident data recording software have been developed to strengthen vehicle safety. Serial production is planned to commence in 2026.

### Digital Plant Project

The Digital Plant Project introduces a mobile application that integrates manufacturing operators into digital workflows, enabling accurate task allocation, real-time traceability, and paperless production processes. Fully integrated across the Gölcük, Yeniköy, and Eskişehir plants, the system has contributed to measurable improvements in operational efficiency and Right First Time (RFT) performance.

## Generative AI

Positioning artificial intelligence (AI) technologies at the core of our business processes enables both operational efficiency and innovation acceleration. In 2025, we **placed first at the Koç Holding Copilot Agent Hackathon**, reflecting our capabilities in AI-based orchestration solutions. During the event, we developed an integrated orchestration framework built on four distinct **AI Agents** designed to automate selected business workflows and improve process efficiency.

### Solution Expert Agent

Analyzes part defects on production lines using historical data, recommends instant solutions, and updates relevant technical documentation to prevent recurrence of errors.

### TVM Idea Generation Agent

Analyzes previous cost improvement efforts by reviewing more than 6,000 data lines, anticipates potential obstacles as it generates new ideas.

### Supplier Support Agent

Makes critical data such as alternative suppliers and part-based value analyses available on a single point and accelerates purchasing processes.

### Sustainability Agent

Recommends alternative materials to reduce carbon emissions and supports decision-making processes by calculating cost and emission advantages.

## Digitalization and Artificial Intelligence in Engineering Processes

Artificial intelligence is embedded within our R&D activities to accelerate product development cycles and enhance engineering excellence.

### PDAI (Product Development AI)

Our secure corporate AI platform connecting engineering data.

### Digital PD

Our digital transformation solution for aggregating all engineering tasks on a single platform and enabling visibility and data-driven decision-making.

### Complexity Optimizer

Our project for automatically monitoring part complexity and changes, preventing Bill of Materials (BOM) errors, reducing engineering time loss, and generating cost opportunities.

## Digital Customer Experience

Located at the Sancaktepe Plant, the Technology and Customer Center operates as a proactive solution hub where Vehicle Health Alert (VHA) data from connected light-, medium-, and heavy-duty commercial vehicles is monitored in real time.

Vehicle data is analyzed to develop predictive failure models and provide customers with optimized service planning recommendations. This proactive monitoring approach, supported by digital tracking systems, led to a 15% reduction in the number of customers applying to the Solution Center for complaints in 2025 compared to the previous year. Beyond resolving issues, the Center functions as a strategic data-driven capability that enhances customer experience and strengthens service quality across the lifecycle.

### Customer Experience Analytics and Kimola

The AI-based **Kimola** platform is used to analyze customer feedback and to identify factors affecting Net Promoter Scores (NPS) by regions and dealers. Based on these analyses, delivery, after-sales pricing, vehicle cleaning, and follow-up processes were improved, resulting in higher NPS in both sales and after-sales services.

### Live Data Tracking and Proactive Response

The status of all vehicles (connected or not) in our authorized service centers is monitored in real time via live data streams. Vehicles awaiting diagnostics, repair, or spare parts are addressed during daily agile management meetings attended by Solution Center, Field Technical, and Warranty specialists, and rapid action is taken. This proactive approach has delivered significant improvements in service lead times.

### Vehicle Health Alert (VHA) and Uptime Management

**Vehicle Health Alert (VHA)** and **Uptime** solutions are used to analyze critical systems such as the engine, battery, and oil and to create proactive maintenance plans. In 2025, these efforts resulted in approximately **25,000 days of operational savings** for customers and also delivered cost advantages.

### My Ford Account and Connected Vehicle Ecosystem

Within the reporting year, 1,002 vehicles were sold using the Ford Online pre-booking and offer module within the **my Ford Account** portal, which digitalizes the customer's purchasing and ownership journey end-to-end. In 2025, the revamped **Ford mobile application** created an ecosystem covering more than 160,000 connected Ford vehicles. The application offers users real-time action suggestions for vehicle failures. Extended oil life and maintenance reminder algorithms triggered 22,145 servicing activities. In 2025, the application was preferred by nearly 163,000 users.

## Data Privacy and Cybersecurity

Within our digitalized production infrastructure and connected vehicle ecosystem, cybersecurity serves as a critical safeguard for business continuity and stakeholder trust. We manage our cybersecurity strategy across three primary domains - Information Technology (IT), Operational Technology (OT), and Vehicle Cybersecurity - in alignment with internationally recognized standards. Our information security processes are subject to regular independent audits and verification to ensure effectiveness and compliance. Cybersecurity is addressed as a standing agenda item at both the Board of Directors and Risk Committee levels. The strategy is led by a senior executive with over 17 years of experience and CISA certification, reflecting the strategic and governance-level importance of cybersecurity within the organization.

### Cybersecurity Competency Chain

We continuously strengthen our technological infrastructure to enhance data protection and operational resilience. To safeguard sensitive information, we deploy advanced Data Loss Prevention (DLP), risk-based Information Rights Management (IRM), and automated data labeling solutions. In addition to established business continuity plans, our SOAR (Security Orchestration, Automation, and Response) initiative accelerates cyber incident response processes by increasing automated response capabilities and reducing manual intervention.

Through systematic monitoring of sensitive data activities and structured escalation mechanisms enabling employees to report suspicious situations, no material information security breaches, customer data leaks, or data losses were identified during the 2025 reporting period.

We address supply chain and human resource security through a holistic approach. In line with the Supplier Cybersecurity Risk Implementation Directive, supplier cyber maturity levels are regularly assessed, and vulnerability analyses are conducted using external platforms. Internally, regular awareness trainings are provided to all employees under the Information and Cybersecurity Training Directive. Employee vigilance is further reinforced through cybersecurity bulletins and simulated phishing exercises. When an activity deemed critical for the Company is identified, Internal Audit and administrative units are notified taking into account the impact of the incident, and technical and administrative reviews are conducted accordingly.

From a product security perspective, we safeguard our production networks and vehicle ecosystem in alignment with ISO 21434 and UNECE Regulations No. 155 and 156. In new vehicle programs, risks are identified at the design stage using the TARA (Threat Analysis and Risk Assessment) methodology, and fleet-level cybersecurity monitoring is conducted 24/7 through the Vehicle Security Operations Center (VSOC).

Looking ahead to 2026, we aim to deepen our capabilities in Data and Artificial Intelligence Security, Cloud Security, Operational Technology (OT) Security Monitoring, and Application Development Security.

## Business Continuity and Incident Response Preparedness

At Ford Otosan, business continuity and emergency response management are structured to ensure the uninterrupted operation of critical business processes. A **Disaster Recovery Master Document** has been established to define governance structures, system procedures, and action plans to be implemented in the event of cybersecurity incidents or disaster scenarios.

Business continuity and incident response plans are designed to enable timely and effective responses to cybersecurity and operational disruptions. These plans are regularly reviewed based on critical process **prioritization and impact analyses** and are **tested at least annually through structured drills**. Disaster recovery plans covering IT systems and infrastructure components are maintained and updated through periodic assessments aligned with predefined classification frameworks. No material findings that would compromise the effectiveness of these plans were identified during the drills conducted in the reporting period.

When a potential cybersecurity incident or suspicious activity is detected, a **clearly defined escalation protocol** is activated. Employees are provided with structured reporting channels, and relevant technical teams, management, and senior leadership are notified in accordance with the incident's severity level. This structured response framework reduces reaction times, mitigates potential impacts, and safeguards operational continuity.

Please click [here](#) to access **Ford Otosan's Information Security Policy**.

## Data Analytics and Automation

We treat data as a strategic asset, grounding our decision-making processes in data-driven insights and enhancing operational efficiency through automation technologies. With this approach, positioned at the core of our digital transformation vision, we process big data across our entire value chain, from production to customer experience, transitioning from reactive practices to proactive and predictive decision-making models. As we strengthen our technological infrastructure, we simultaneously enhance our organizational capabilities by cultivating a culture in which data serves as a shared language across the organization, not only within specialized teams. Through this transformation, repetitive tasks are delegated to a digital workforce, enabling our human capital to focus on innovation, strategic initiatives, and high value-added activities.



## Productivity with Robotic Process Automation (RPA)

By transferring repetitive manual tasks within business processes to a digital workforce, we enable our employees to focus on value-added work. In 2025, through the RPA projects we implemented, we automated 75 different business processes. Through this transformation, our company achieved a total financial gain of TL 91 million and workforce savings of 31 person/years. In addition, by migrating robot operating systems to cloud technology, increased process capacity and additional cost advantages were achieved.

## Data Platforms, DaaS, and Operational Visibility

We expanded our Data as a Service (DaaS) model to accelerate data accessibility and enable seamless system-to-system integration. During the year, 115 DaaS services were implemented (57 REST APIs and 58 Kafka Streams), supporting real-time data flows to the Connected Vehicle Data System (CVTSS), Fleet Portal, CRM, and MegaKalite platforms. Our web-based monitoring platform, SMART IoT, built on this infrastructure, enables real-time monitoring of internal resource efficiency. To enhance operational visibility, additional visualization tools were deployed, including Scrap and Quality Dashboards for the Kocaeli and Eskişehir plants, a Control Tower Dashboard for inventory tracking, and a Dealer Reporting Portal (BRP).

## Data Warehouse (DWH) Transformation

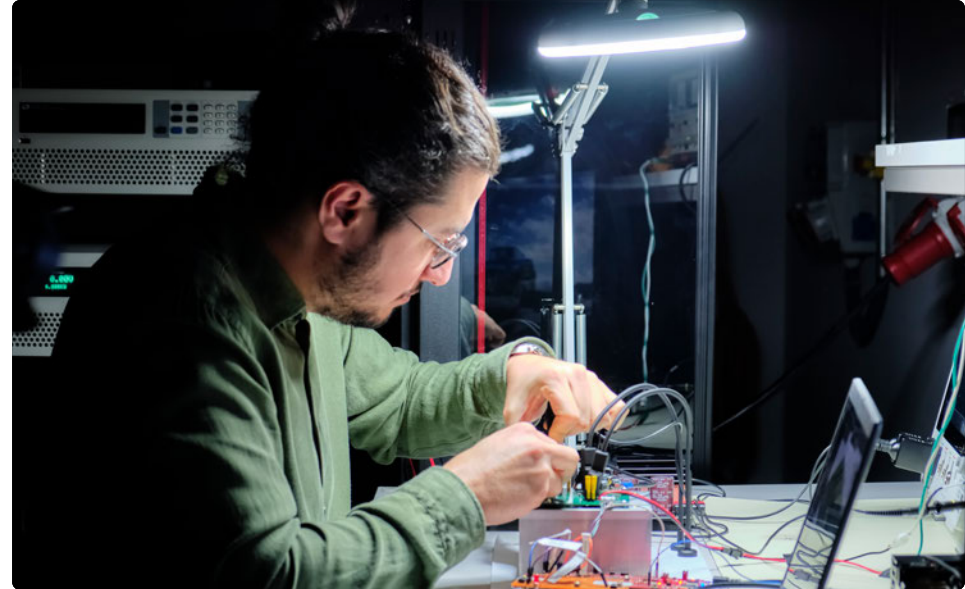
As part of our Data Warehouse transformation program, marketing, connected vehicle, dealer, finance, and operational datasets were restructured in 2025. Under the CLTVM program, all relevant data sources were consolidated within the DWH environment and made available for marketing applications, while connected vehicle data was enriched with customer and segmentation information.

Operational reporting capabilities were expanded for CRM (Customer Relationship Management), SYS (Service Management System), and BSS (Dealer Sales System) systems, and financial datasets were shared with Koç Holding. Reporting for passenger vehicles, commercial vehicles, spare parts, and Ford Trucks BU is generated through this infrastructure.

## Data Governance and Advanced Analytics (MegaAI)

We strengthen our value creation from data through AI-enabled initiatives supported by a robust data governance framework. Within the Data Governance program, implemented in collaboration with Koç Holding, integration of source systems reached 75% in 2025. With a maturity score of 3.44 in the group-wide assessment, Ford Otosan ranked as the organization with the highest data maturity level within Koç Holding. Building on this foundation, MegaAI initiatives, including AI-Powered Energy Management (APEM), Smart Vessel Planner (SVP), and Spare Parts Pricing (SPP), were successfully deployed.

Looking ahead to 2026, we aim to further improve data quality and accessibility through the AI-Ready Data concept. Through our AI Democratization strategy, we will expand the use of AI technologies across the organization and continue strengthening employee data capabilities through structured upskilling and reskilling programs.



## Mega AI Projects

### AI Powered Energy Management (APEM)

The AI-Powered Energy Management (APEM) application processes energy data, monitors facility-level energy consumption in real time, and supports energy efficiency through predictive analytics. The solution contributes to operational cost control while advancing sustainability objectives.

The project is structured for the 2025–2027 period and has a scalable architecture that may be extended to the Eskişehir and Craiova plants subject to management approval. Under this expansion scenario, the program's scope is expected to extend until 2030.

Within the project framework, a comprehensive energy monitoring infrastructure was established, enabling real-time tracking of consumption across 1,133 energy points, including electricity, natural gas, and water, at the Kocaeli plants. AI-based models analyze energy consumption in the Yeniköy Paint Shop to generate expected consumption profiles. Deviations and anomalies are automatically detected, triggering proactive alert mechanisms.

To support robust AI modeling, field digitalization efforts were prioritized. Natural gas and water meters were digitalized for the first time, and data from multiple sources was consolidated into a unified global energy data infrastructure energy data platform. Through the parallel execution of field installations and model development, the system was activated smoothly without operational disruption.

This infrastructure generates actionable insights from energy consumption data, detects losses automatically, and enables real-time monitoring via Personnel Data Assistant (PDA) devices handheld devices. The project is recognized among the key digital transformation initiatives highlighted within the WEF Global Lighthouse Network, with full rollout across the Kocaeli plants targeted for 2026.

### Smart Vessel Planner (SVP)

The Smart Vessel Planner Project is an AI-powered planning solution that enables the MPL Logistics Team to manage vehicle shipment plans through 30-day forecasts dynamically updated based on production and logistics processes. The model allows real-time tracking of vehicles' readiness for loading onto vessels by model, destination, and route, enabling effective management of vessel plans using live data.

Within the scope of the project, end-to-end processes from order to shipment were analyzed in detail; the quality of data feeding the forecasting model was ensured within a data governance framework, and alert mechanisms were established for critical data risks. By addressing process steps requiring digitalization, overall process integrity was strengthened.

The Smart Vessel Planner contributed operationally and financially to the 2025 year-end targets of both the MPL Logistics Team and Ford Otosan through improvements in key performance indicators such as stock aging days, incomplete shipments, and vessel capacity utilization rates.

With this project, an end-to-end digital, traceable, and sustainable vessel planning process—also involving shipping agencies—has been successfully implemented.

### Spare Parts Pricing (SPP)

The Spare Parts Pricing (SPP) model supports pricing decisions through a data- and algorithm-driven framework. By introducing a standardized pricing methodology, SPP enhances price consistency while contributing to revenue optimization.

### Quality Enhancement through AI-Powered Image Processing

Ford Otosan enhances real-time quality control processes using AI-powered image processing technology. Automatic image analysis is performed through handheld terminals, collaborative robots, and fixed cameras, thereby accelerating quality controls and approval processes. This approach reduces defects, minimizes rework requirements, and decreases production delays.

# Future. Now for Environment



# FOR ENVIRONMENT

Building a business model that respects planetary boundaries is a cornerstone of our sustainability vision. Through our **“Future Now”** strategy, we manage our environmental impact holistically, viewing the fight against the climate crisis not merely as an operational imperative, but as an important part of our responsibility. Our carbon reduction strategy is grounded in internationally accepted methodologies, and we follow a net-zero roadmap aligned with emission reduction targets approved by the **Science-Based Targets Initiative (SBTi)** in 2025.

We are committed to achieving net-zero greenhouse gas emissions across our entire value chain by 2050.

- **Our near-term targets** include reducing Scope 1 and Scope 2 emissions by 77% against the 2017 baseline by 2034, and Scope 3 emissions from the use of sold products by 58.8% against the 2021 baseline.
- **Our long-term targets** include a 90% reduction in Scope 1 and Scope 2 emissions against the 2017 baseline by 2050, and a 90% reduction in Scope 3 categories covering purchased goods and services, transportation and distribution activities, and the use of sold products against the 2021 baseline by 2050.

We commit to achieving net-zero emissions across our entire value chain by 2050.

Our transition to low-carbon economy roadmap focuses on three key areas:

1. Analyzing the climate-related risks and opportunities and creating action plans based on the outputs.
2. Setting targets to reach the net zero emission commitment by 2050 and creating detailed targets and roadmaps by developing strategies.
3. Following and achieving compliance with national and international climate-focused policies and practices, starting with the European Green Deal, and developing partnerships.

In line with our principles of transparency and accountability, we share our environmental performance with the public annually through the **Carbon Disclosure Project (CDP)** platform. In 2025, we achieved a B rating in CDP's Climate Change program and an A- rating in the Water Security program. That same year, we were recognized as one of the industry's **“Low Carbon Leaders”** by Sustainalytics, an independent validation of our commitment to and progress toward a low-carbon transition.

As a result of the **double materiality** assessment conducted in 2024, “Climate Action and Resilience” was identified as “Very High Materiality”, while “Circular Economy and Waste”, “Water and Wastewater” and “Air Quality” were determined as “High Materiality” topics for Ford Otosan's operations and the entire value chain.

For more information, please see the **Material Sustainability Topics** section.

To view our CDP 2025 reporting, covering our 2024 activities, please click [here](#).

## NET ZERO ROADMAP

### Targets and Progress

**Scope 1 and Scope 2: 77% absolute reduction by 2034 and 90% by 2050** compared to the 2017 baseline.

**Progress:** Scope 1 and Scope 2 emissions decreased by 46% in 2025 compared to the 2017 baseline.

**Scope 3 (Use of Sold Products): 58.8% absolute reduction by 2034 and 90% by 2050** compared to the 2021 baseline.

**Progress:** In 2025, Scope 3 emissions increased by 13% compared to the 2021 baseline, while emissions from the Use of Sold Products category (Category 11) increased by 9%.



**Scope 1 and Scope 2 – Operational Emissions**  
**2034: 77% Reduction**  
**2050: Net Zero**

**FACILITIES**

- 100% renewable electricity
- Photovoltaic glass walls
- Rooftop solar power plants
- Land solar power plants
- AI-Powered Energy Management (APEM)

**Scope 3**

**2035: Zero-emission vehicles in passenger and light/medium commercial vehicles & carbon-neutral suppliers and logistics**  
**2040: Zero-emission vehicles in heavy commercial vehicles**  
**2050: Net Zero**

**PRODUCTS**

- Electric versions of all nameplates in our product range
- Euro 7 compliance
- Lightweighting
- Life cycle assessments (LCA) and circular economy efforts
- Recycled low-carbon materials

**SUPPLIERS**

- Integration of ESG metrics into supplier selection criteria
- Use of recyclable and renewable plastic materials
- Supplier Sustainability Committee and ESG Capacity Building Program

**LOGISTICS**

- Block train operation between Craiova and Istanbul
- ESG capacity building program for logistics suppliers
- First vehicle train project

Other long-term targets within the scope of our Carbon Transformation Roadmap:

Selling only zero-emission vehicles by: 2035 for passenger and light/medium commercial vehicles, and 2040 for heavy commercial vehicles.

Achieving carbon neutrality at Tier 1 (parts) suppliers\* and across logistics operations by 2035.

\*Scope 1 and Scope 2 emissions of 300+ Tier 1 suppliers.

For more information, please see the [Sustainability Targets](#) section.

## Environmental Management

Our environmental performance is assured through internationally recognized management systems and transparent policies. We manage all processes across our operations in compliance with the ISO 14001 Environmental Management System and ISO 50001 Energy Management System standards. To maintain these certifications, we undergo annual audits by independent bodies. The ISO 14001 audits in 2025 were conducted in line with our continuous improvement approach and all were successfully completed. The ISO 50001 audit, in which 11 strengths were identified, was concluded with the successful renewal of our certification in 2025. The audit processes once again demonstrated the effectiveness of our environmental management approach and our strong adaptability.

Environmental Expenditures and Fines (TL Million)	2024	2025
Environmental Investments and Expenditures	546	695
Environmental Fines	0.35	0

In line with our sustainability vision, we place great importance on developing management tools in alignment with global expectations and best practices. To this end, we updated our Environmental and Energy Policy and Water Policy in 2025 to reflect our strategic goals and our responsibility to the broader ecosystem. These updates strengthen our commitment to reducing our environmental footprint and improving resource efficiency, anchored on a more robust corporate foundation.

To view Ford Otosan Environment and Energy Policy, please click [here](#).

To view Ford Otosan Water Policy, please click [here](#).

The greenhouse gas emissions of the Türkiye and Romania operations in 2025 were calculated using the GHG Protocol, and limited assurance for the data was obtained.

To view the limited assurance report, please click [here](#).

In addition to Koç Group's biennial environmental audits, we are regularly subject to both planned and unplanned inspections conducted by the Ministry of Environment, Urbanization and Climate Change, as well as other relevant institutions and authorities. Ford Otosan's Kocaeli and Eskişehir Plants fall under the scope of the "Greenhouse Gas Emissions Monitoring Regulation." Every year, we undergo MRV (Monitoring, Reporting, Verification) inspections and submit our verified emission reports to the Ministry of Environment, Urbanization and Climate Change.

To view all the certifications we hold, please click [here](#).

## Environmental Trainings

Environmental awareness is at the heart of our corporate culture. We therefore strive to continuously strengthen the environmental competencies of our employees and business partners. In 2025, we delivered a comprehensive **“Environmental Regulation and Management System Training”** for our intra-preneurs, contractors, and newly hired colleagues, with a focus on minimizing environmental impact in operational processes and building shared knowledge and skills. In field trainings, participants’ progress is systematically tracked through pre- and post-training evaluations to measure effectiveness, ensuring that both the content and outcomes of our trainings remain measurable and impactful. The main topics covered in this training are as follows:

### ENVIRONMENTAL REGULATION AND MANAGEMENT SYSTEM TRAINING

- “Environment” concept and key principles
- Environmental pollution and consequences
  - Air pollution and control
  - Climate change and sustainability
  - Noise pollution and prevention techniques
  - Water pollution and control methods
  - Soil pollution and control methods
- Waste management - General approaches (hazardous, non-hazardous, domestic, personal, etc.)
- Obligations under environmental regulations
- Administrative sanctions under environmental regulations
- Approaches to responding to environmental emergencies
- Chemical products and using Material Safety Data Sheet databases
- ISO 14001 Environmental Management System requirements
- Zero Waste System practices
- Eliminating and managing single-use plastics

Environmental Trainings (Number of Participants)	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Participants - Employees	7,057	645	7,702	15,576	248	15,824
Participants - Subcontractors	2,750	2,347	5,097	3,344	1,445	4,789

In 2025, as part of the Sustainability Ambassadors program implemented across Ford Otosan to increase corporate awareness, we organized the **“Responsible Production and Consumption”** phase and provided our colleagues with training on water and energy efficiency, focusing on the efficient use of resources and the prevention of waste in both field and office processes. During the year, we also delivered specific training sessions on plastic and metal recovery for our R&D product development teams, tailored to the requirements of their work.

In line with our vision of spreading environmental awareness not only within the company but also across academia and society, we continue to maintain collaborations with academic institutions. As part of these collaborations, we made a one-time contribution to the evaluation of students’ graduation projects and shared our experience within the scope of the Nature and Biodiversity course conducted at Istanbul University. Through this contribution, we aimed to share our knowledge and experience in environmental sustainability with students on academic platforms.

Within the scope of the collaboration between Eskişehir Technical University and Ford Otosan Academy, we organized environmental sustainability trainings delivered by environmental engineers. In addition, we continue to update the content of the “Environmental Legislation” course offered at Eskişehir Technical University in line with the latest legislation and developments, sharing our knowledge with future engineers and professionals.

## Climate Risks

We integrate physical and transition risks into our strategic planning to effectively manage the potential impacts of climate change on our operations and value chain. We identify risks according to short-, medium-, and long-term scenario analyses across Ford Otosan’s four locations measure their financial impacts. During these assessments, we also analyze the impact of physical risks on our operational continuity and address transition risks related to reputation, market, and policy.

As part of our risk assessment, we conducted a **new climate and water scenario analysis covering our facilities in 2025**. We assess physical risks based on internationally accepted climate scenarios and use **RCP 4.5** and **RCP 8.5** models to measure the resilience of our facilities under different climate projections. In 2026, we plan to expand the scope of our assessment to include potential climate risks of our critical suppliers.

For more information on managing climate risks and their strategic impacts, please see the **Risk and Opportunity Management** section.

# Energy and Emissions Management

Following our net-zero roadmap, we prioritize improving energy efficiency in our operational processes and transitioning to low-carbon technologies. We continue to purchase I-REC certified electricity in line with our SBTi targets.

While continuing our renewable energy investments at our facilities, we achieved a total reduction of 22,405 tCO<sub>2</sub>e in 2025 through energy efficiency projects implemented during the year. In addition, our projects aimed at reducing natural gas consumption delivered a further 13,976 tCO<sub>2</sub>e reduction.

Within the scope of our energy management digitalization vision, we aim to achieve significant improvements in carbon emissions arising from energy consumption through the **AI-Supported Energy Management Project (APEM)**, an AI-based energy forecasting and monitoring system, for which the pilot implementation has been launched in the paint shop area of our Yeniköy plant.

For more information, please see the **Data Analytics and Automation** section.

## Greenhouse Gas Emissions

Working toward our net-zero targets, we diligently monitor our emissions performance and apply strategies to reduce our operational and product-related carbon footprint.

In 2025:

- Scope 1 greenhouse gas emissions, arising from directly controllable sources such as mobile and stationary combustion sources, cooling equipment, and refrigerant (or air-conditioning) gas leakages from vehicles, were calculated as 106,604 tons CO<sub>2</sub>e.
- Scope 2 greenhouse gas emissions, related to purchased electricity, steam, heating and cooling consumption, were calculated as 25,630 tons CO<sub>2</sub>e (market-based).
- Scope 3 emissions include indirect emissions arising from purchased goods and services, transportation and distribution, employee commuting and business travel, waste management, and the use of sold products. Scope 3 emissions were calculated as 100,435,615 tons CO<sub>2</sub>e.

As part of our energy transition approach, our efforts to reduce fossil fuel consumption continue. At our Romania facility, we are planning to transition to low-carbon steam generation technology by 2027 for the steam used in production processes. In the short term, the steam boiler installed at our Craiova facility in Romania, which is used for steam generation, is considered an important step that will contribute to reducing Scope 2 emissions arising from purchased energy.

The absolute Scope 3 emissions from the use of sold vehicles recorded an increase of 13% compared to the 2021 baseline due to changes in product range and market dynamics. However, we anticipate this performance to decline with a permanent downward trend with the accelerated transition to zero-emission vehicles from 2030 onward. As our work toward compliance with Euro 7 regulations continues, we prepare for fully electric variants of all the nameplates within our production portfolio, including trucks.

Emissions by Scope (tCO <sub>2</sub> e)	2024	2025
Scope 1	129,507	106,604
Scope 2	31,886	25,630
Scope 3	103,073,892	100,435,615
Total	103,235,285	100,567,849

Tracking Areas	2024	2025
Greenhouse Gas Emissions per Vehicle Produced (tonCO <sub>2</sub> e/vehicle)	0.26	0.19
Energy Consumption per Vehicle Produced (GJ/vehicle)	6.25	5.0

## Internal Carbon Pricing

We utilize our internal carbon pricing mechanism as an effective tool to support the transition to a low-carbon economy. The **internal carbon pricing mechanism** supports the evaluation of climate-related risks and opportunities in decision-making processes and contributes to the identification and promotion of low-carbon investment alternatives.

This approach enables emission reduction priorities to be considered within financial planning processes while also supporting the identification and assessment of low-carbon opportunities. In addition, carbon pricing is used as a reference tool in evaluations aimed at reducing supply chain-related emissions.

In 2025, our internal carbon price was updated as **65 EURO/tCO<sub>2</sub>** in line with transition risk scenarios and the Emissions Trading System (ETS) regulation. We integrated the current pricing mechanism into our CAPEX purchasing system, which informs our investment decisions. In addition, we launched a carbon pricing process as a pilot for our suppliers to extend low-carbon transition across our entire value chain.

## Renewable Energy and Energy Efficiency

In pursuit of our net-zero emissions target, we focus on reducing energy consumption at the source while meeting our energy needs through renewable sources. As we continuously advance our energy management system in accordance with **ISO 50001** standards, we procure all electricity used across our facilities in Türkiye from **100% renewable energy sources with I-REC certification**, supporting our goals of improving energy efficiency and reducing greenhouse gas emissions across our operations. At our **Craiova plant**, electricity needs are likewise met entirely from renewable sources.

### Craiova Plant Rooftop Solar Power Plant (SPP)

The LCB rooftop solar power plant project, implemented at our Ford Otosan Craiova facility as part of our clean energy transition vision, represents a concrete example of operational sustainability. Commissioned in 2024, the project involved the installation of 2,753 photovoltaic panels, each with a capacity of 580 Wp, on a 12,000 m<sup>2</sup> rooftop area, reaching a maximum installed capacity of 1,597 kW. Following the commissioning of the system, 1,856 MWh of clean energy was generated in 2025.

We are progressively reducing our energy intensity through comprehensive LED lighting conversions, process management improvements, and energy-efficient technical modernizations across our facilities. Through **Solar Power Plant (SPP)** investments designed to meet our own consumption needs, we are reshaping our energy portfolio into a low-carbon structure. Notably, at our Yeniköy and Gölcük plants, we directly harness solar energy via **Solar Wall** technology to reduce buildings' heating load and optimize associated energy consumption. In line with our vision to lead the green transformation in our industry, we are steadily advancing our investments to bring our renewable energy capacity to a strategically significant level.

Building on this approach, energy performance will be elevated to a strategic management priority in 2026. The focus will be on permanently reducing off-process consumption through an advanced monitoring and analysis infrastructure that makes energy losses visible in production areas, maximizing the impact of existing renewable energy applications, and fully integrating energy performance into organizational decision-making.

### Energy Efficiency and Emission Reduction Performance

The energy efficiency and savings projects we implemented in 2025 yielded tangible results in our emission reduction performance. We implemented additional energy efficiency projects planned for 2025, including the rooftop solar power plant installation at the Sancaktepe R&D building and thermal wall installation projects at the Gölcük and Yeniköy plants, and achieved our target of at least 10% energy efficiency across all our facilities.

As a result:

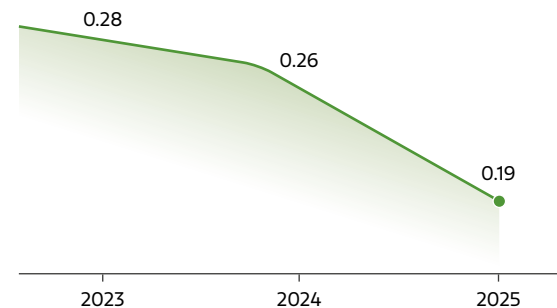
- Electricity savings projects reduced 22,405 tons of CO<sub>2</sub>e emissions.
- Natural gas savings projects resulted in an additional reduction of 13,976 tons of CO<sub>2</sub>e emissions.
- A total of 194 energy efficiency projects implemented in 2025 resulted in an overall reduction of 36,381 tons of CO<sub>2</sub>e emissions.

In 2025, new energy efficiency projects such as process management improvements and LED conversions were also initiated. The LED conversion carried out in all locations delivered energy savings of 2,273 MWh.

The impact of energy efficiency efforts is monitored at the facility level. The Eskişehir plant improved efficiency by 25%, the Gölcük plant by 31%, and the Yeniköy plant by 34%.

As a result of these efforts, our Scope 1 and Scope 2 emissions **decreased by 46%** compared to the 2017 base year.

### Greenhouse Gas Emissions per Vehicle Produced (tonCO<sub>2</sub>e/vehicle)



As part of our R&D and innovation activities, we monitor energy efficiency and energy consumption reduction in new and upcoming facility, equipment, and production processes to seize opportunities. Improvements identified as viable are included in investment and project plans.

## Energy and GHG Reduction Projects

To reduce our carbon footprint of our operational processes and value chain, we position technological innovation and efficiency improvement projects at the core of our strategy. Such projects enable us to achieve our emission reduction targets and strengthen our environmental performance across a wide range of areas, from production to logistics.

Project Title	Project Description
<b>Photovoltaic Glass Wall and Rooftop SPP</b>	We implement a range of projects across our facilities to reduce operational energy consumption and directly benefit from renewable energy sources, including solar walls and solar power plants. At the Yeniköy Plant, a Photovoltaic Glass Wall application- the first of its kind both in Türkiye and across the global Ford network-has been commissioned. With an installed capacity of 83 kWe, the system not only generates renewable energy but also meets the building lighting needs of the work areas along the building's facade. In addition, with a rooftop solar power plant (SPP) installed capacity of 2,897 kWe, approximately 3% of the plant's total electricity demand is met through our own renewable energy generation. As of 2026, our total installed SPP capacity has reached 16.1 MWe.
<b>Land SPP Project</b>	In line with our renewable energy targets, we launched our land-based Solar Power Plant projects in 2024, with plans to complete them by 2027. These investments are carried out with careful consideration of evolving market conditions, aiming to reduce costs.
<b>Sancaktepe R&amp;D Center Rooftop SPP Project</b>	We plan to complete and commission the rooftop SPP project that we launched in 2025 in alignment with our renewable energy targets within 2026. The rooftop SPP at the R&D Center is estimated to reduce consumption of resources by 10%.
<b>Gölcük and Yeniköy Thermal Wall Projects</b>	At our Gölcük Plant, the thermal wall units installed in the assembly workshop reduced natural gas consumption used for space heating in 2025, delivering energy savings of 1.4 GWh. At the Yeniköy Plant in 2025, energy savings reached 2.8 GWh from natural gas used for process heating in the paint shop and 2 GWh from natural gas used for space heating in the welding workshop.
<b>Block Train Logistics Operations</b>	Alongside the block train shipments we started at the Craiova plant with the aim of reducing emissions along our value chain, we introduced practices to increase the use of rail transport in our logistics operations. With this shipment model, launched in 2025, we reduced logistics-related emissions by nearly 48% compared to road transportation.
<b>First Block Train</b>	In addition to our block train project, in which wagons designed for trailer transport are used for material and vehicle carriage, we are also developing a new project to divert the Craiova-Constanta Port-Türkiye rail and sea route, used for transferring the vehicles made in Craiova, to a direct rail transport system between Craiova and Türkiye utilizing vehicle transportation wagons. Through this project, we aim to gradually build a more sustainable, resilient, and efficient logistics structure.
<b>Finished Vehicle Logistics by Ferry Project</b>	By integrating maritime transport further into our logistics network, we offer environmentally friendly alternatives to road transport. The <b>Finished Vehicle Logistics by Ferry Project</b> , developed for this purpose, continued in 2025. Ferry operations, which provide a higher transport capacity compared to road transport, delivered approximately 49% improvement in carbon emissions per ton-kilometer. With transportation time of 3 hours, the project continued to provide both operational efficiency and environmental benefits.
<b>AI-Powered Energy Management (APEM)</b>	Through AI-Powered Energy Management (APEM), energy consumption at each facility is monitored in real time, and energy efficiency is improved using AI-based predictive analyses. The monitoring infrastructure installed at 1,133 energy points, including electricity, natural gas, and water, at the Kocaeli plants enables instant tracking of consumption. Deviations and anomalies are automatically detected through AI models developed for the Yeniköy Paint Shop, and proactive warning mechanisms are activated. The project is designed for the 2025–2027 period, with plans to expand its implementation to the Eskişehir and Craiova plants, subject to the decision of Global Operations (GO), and to further extend its scope until 2030. Through digital meters, an integrated data infrastructure, and centralized analysis, energy losses are made visible, while real-time monitoring is provided through Personal Data Assistant (PDA) screens. The AI-Powered Energy Management project is among the prominent digital transformation initiatives within the WEF Global Lighthouse Network (a network of factories recognized by the World Economic Forum as global benchmarks for digital transformation in manufacturing and supply chains). The project is planned to be rolled out across all Kocaeli facilities in 2026. In line with our vision of digitalizing energy management, we have also launched the Mega AI Project, with a pilot implementation in the paint shop area of the Yeniköy Plant, introducing AI-based energy prediction and monitoring systems. Through this system, we aim to more effectively manage emissions arising from energy consumption and identify future improvement opportunities. For more information, please refer to the " <a href="#">Data Analytics and Automation</a> " section.

## Air Quality

Our comprehensive approach to protecting air quality and controlling atmospheric emissions forms one of the key environmental pillar of Ford Otosan's "Future. Now" sustainability strategy. We manage the emissions from our operations not only as a legal obligation but also as part of our responsibility for conserving the local ecosystems and protecting public health in regions where we operate. We conduct legal emission measurements at our facilities every two years, assessing pollutants such as nitrogen oxides (NOx) and sulfur oxides (SOx). The resulting emission values are shared with all authorized authorities upon request, based on the specific pollutant types. In addition, at our Kocaeli Plants, we continuously track emissions through the online monitoring system of the Turkish Ministry of Environment, Urbanization and Climate Change, using Continuous Emission Monitoring Systems (CEMS) installed at boiler outlets. In line with the Integrated Pollution Prevention and Control (IPPC) Directive, which governs industrial emissions within the EU, we aim to expand the implementation of best available techniques in the automotive industry—such as 3Wet paint technologies and dry scrubber systems in the Yeniköy paint shops and the 4Wet technologies in the Eskişehir paint shop. We also actively participate in ministry-led meetings to share insights and support regulatory progress.

Reducing **Volatile Organic Compounds (VOCs), Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Particulate Matter (PM)** emissions at the source lies at the core of our air quality management.

In our paint shops, we utilize digital monitoring systems and robotics technologies to minimize VOC levels per square meter of surface area. Through this rigorous management model, we remain within the legal limits for air quality parameters at all our facilities. Accredited organizations periodically measure our emission data, which is always available for inspection by regulatory authorities and our stakeholders.

As the automotive industry prepares for the upcoming Euro 7 standards—one of the most comprehensive regulatory transitions in its history—Ford Otosan places this process at the core of its R&D strategy. The Euro 7 standards not only tighten exhaust emission limits but also, for the first time in the history of the automotive industry, require the measurement and reduction of particulate emissions resulting from brake and tire wear.

Engineering work at our R&D centers spans a wide range of areas, from vehicle aerodynamics to braking system technologies, to adapt to these new parameters. Our aim is not only to comply with legal limits but also to develop innovative solutions that minimize the impact of our vehicles on urban air quality throughout their life cycles. Guided by this vision, our investments in low-emission vehicle technologies progress in coordination with our operational emissions management.

We manage the environmental impact of our products transparently well-to-wheel by accelerating the transition from solvent-based to water-based systems at our plants and applying stricter chemicals management throughout our supply chain.

For more information, including annual comparative data on air quality performance, specific pollutant-based measurement results, and regulatory compliance details, please see the **Environmental Performance Indicators** section.

## Reducing VOC Emissions

We measure our VOC emissions on a monthly basis and regularly monitor the results. In chemical selection, factors that can reduce VOC levels—such as the transition to water-based paints—are evaluated, and declarations regarding solvent content are obtained from suppliers during solvent procurement. In addition, by prioritizing recyclable materials with lower VOC content in our production processes, we aim to minimize emissions.

At our Craiova Plant, a project implemented to paint the interior surfaces of Puma and Courier vehicle bodies using robotic systems resulted in an improvement of 2.90 g/m<sup>2</sup> in VOC emission intensity in 2025.

At the Gölcük Plant, the transition from solvent-based wax to water-based wax has been successfully implemented to reduce volatile organic compound (VOC) emissions. Furthermore, under the Paintshop – Waste Solvent Recycling Project carried out at the Yeniköy Plant, a closed-loop distillation system enables the recovery of approximately 63,000 kg of solvent annually, contributing to the reduction of VOC emissions while also supporting improvements in occupational health and safety.



**Project Title****Project Description****Paint Application Systems and Robotic Optimization**

The paint loading and application systems at the external stations on the production lines at the Craiova plant have been modernized to improve the efficiency of the painting processes. As part of the technical upgrades, the paint loading method via the main needle was discontinued and replaced with a **purge pot system**. Through this process modernization and precise adjustments implemented in the external painting robots, paint consumption during each color change has been reduced. This optimization not only prevents material loss but also minimizes chemical-based emissions at the source.

**Ford Transit EU7 Emission Project**

To comply with the upcoming EU Euro 7 emission standards and to gain a competitive advantage through the technological innovations required by these standards, we launched the Ford Transit EU7 Emission Project last year. Executed at the Gölçük Plant, the project aims to reduce harmful emissions such as nitrogen oxides (NOx) and particulate matter (PM), and to reduce brake emissions by at least 50% compared to current Euro 6 vehicles. As of 2025, prototype vehicles developed within the scope of the project have been manufactured and testing processes have been completed. Based on the test results, the necessary improvements have been made to the vehicle designs and the undercarriage design has been approved. This progress represents an important step toward launching the Transit model in compliance with Euro 7 requirements.

**Ford Tourneo/Transit Custom EU7 Emission Project**

To comply with the new emission standards introduced by the EU Euro 7 regulations and to gain a competitive advantage through the technological innovations driven by these standards, we also launched the Ford Tourneo/Transit Custom EU7 Emission Project last year. The project, carried out at our Yeniköy Plant, aims to enhance the environmental performance of our 1-ton commercial vehicles by reducing harmful emissions such as NOx and PM, and by lowering brake emissions by at least 50% compared to current Euro 6 vehicles. In 2025, prototype vehicles were produced and testing processes were completed. As a result of these studies, the necessary design improvements were implemented and the undercarriage design was approved.

**Ford Tourneo/Transit Courier EU7 Project**



In 2024, we launched the Ford Tourneo/Transit Courier EU7 Project to comply with the EU's Euro 7 emission regulations and to advance the development of environmentally friendly vehicles in the light commercial vehicle segment. The project is carried out at Ford Otosan's Craiova Plant and focuses on reducing harmful emissions such as nitrogen oxides (NOx) and particulate matter (PM), including braking-related particle emissions. In 2025, the prototype vehicles developed within the scope of this project were manufactured and the tests were completed. Based on the findings, the vehicle designs were revised and the undercarriage design was approved. This progress marks a significant step toward launching the Euro 7-compliant Courier model.



# Water Stewardship and Waste Management

## Waste Management

As a key component of our sustainability strategy, and in line with our circular economy approach, we aim to reduce waste generated at the source in our operations and maximize our recycling rates. We follow international standards and **Zero Waste principles** in our end-to-end waste management processes, aiming to reduce impacts and strengthen the circular economy approach with two key objectives:

<p><b>2030 Target</b></p>  <p>Eliminating waste sent to regular landfill sites</p>	<p><b>2030 Target</b></p>  <p>Completely eliminating single-use plastics from personal use</p>
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All our facilities in Türkiye have achieved **Zero Waste Basic Certification**. We manage our waste processes in line with our Environmental and Energy Policy, fully complying with both national and international waste management regulations. We monitor and report waste generated by our operations using platforms such as the **MOTAT (Mobile Waste Tracking System), the Zero Waste Information System, and Waste Declaration Forms**. Hazardous waste reduction targets and reductions in landfill-bound waste are tracked by Factory Directorates and relevant departments. Waste management processes are conducted in compliance with the **Waste Management Regulation**, and we prioritize working with licensed recycling companies, especially those with experience in the automotive industry and a cost advantage. The activities of licensed recycling and waste processing companies are regularly audited for regulatory compliance and service quality.

To strengthen the effectiveness of our waste management processes and ensure compliance with applicable regulations, we conduct regular internal audits across all our facilities. Within the scope of these audits, we evaluate processes such as waste generation, segregation of waste at source, temporary storage practices, and waste reduction efforts. These internal audits, conducted both announced and unannounced, are carried out by our environmental engineers, departmental environmental representatives, and environmental management system internal auditors.

Findings from the audits are monitored through corrective and preventive action records and environmental non-conformity forms established within our internal systems, and the necessary actions are managed in a systematic manner. Through this approach, we support the continuous improvement of our environmental management performance while reinforcing our alignment with our sustainability targets.

## Reducing Waste to Landfills

Since the traditional landfill method does not align with our long-term waste management goals, we focus primarily on reducing and eventually eliminating waste sent to landfills. For domestic waste, we are considering the **recycling** and **waste-to-energy** options depending on the conditions of the landfills.

At our **Eskişehir Plant**, all **domestic waste** is diverted from landfills and sent to the Eskişehir Metropolitan Municipality's biomethanization facility, where it is used for energy generation. Through this collaboration, we have successfully reached our **Zero Waste to Landfill** target for the facility. We continue to progress toward our 2030 zero landfill goal with a structured action plan for our Kocaeli Plants.

✓ Done    ↻ In progress

Zero Waste to Landfill Status	
Eskişehir Plant	✓
Craiova Plant	✓
Gölcük Plant	↻
Yeniköy Plant	↻
Sancaktepe Plant	↻

Facilities – except for the Kocaeli and Sancaktepe locations – have completely eliminated waste to landfills, marking progress toward the target. While process waste is no longer diverted to landfills, improvement efforts are ongoing for other wastes.

## Minimizing Single-use Plastics

**In line with our goal of completely eliminating single-use plastics by 2030**, all single-use plastics have been discontinued across our sites, except for exceptional circumstances such as occupational health and safety requirements and certain events. We continue to explore alternative solutions for excluded items. As part of this transition, the catering provider for our Craiova plant no longer supplies single-use plastic plates, cutlery, and cups, which are replaced with biodegradable materials.

## Circular Economy and Sustainable Plastics Practices

Transitioning to sustainable plastics is a key focus area, promoting recycling waste through a circular economy approach. In 2025, we started working on the use of sustainable plastics in **more than 30 parts**, including interior and exterior body parts, particularly for our **Heavy Commercial Vehicle (HCV) – Truck** model. As of 2025, we use sustainable plastics in the vehicle programs we sell, contributing to the circular economy through the use of approximately 7,000 tons of recycled and bio-based plastics in total.

For more information on our waste management performance, please see the **Environmental Performance Indicators** section.

## Waste Management Projects

Project Title	Project Description
<b>Digital Waste Management System</b>	<p>Through the <b>Digital Waste Management System</b>, implemented in 2025, waste quantities are monitored at the source in each department and waste reduction targets are digitally tracked. As a result, waste data can now be monitored at both department and facility levels, enabling systematic tracking of progress toward waste reduction targets.</p> <p>The system has improved operational efficiency and resource management while supporting more effective waste management practices. It also contributes to reducing environmental impacts and strengthening the circular economy approach, while facilitating alignment with the company's sustainability goals and global environmental standards.</p>
<b>Reusing Packaging and IBC Tanks</b>	The Craiova plant applies recycling systems to minimize resource consumption through circular management of packaging. Nearly 50 IBC tanks of sealants and 115 metal containers used in painting processes are cleaned and returned to suppliers for reuse through a circular flow.
<b>Recovering Hazardous Waste</b>	At our Craiova plant, we prioritize recovering packaging waste containing hazardous residues, rather than disposal, by decontaminating them. This process has resulted in recovering <b>277,910 kg</b> of the 367,285 kg of packaging waste generated in 2025 and reintroducing them into economic activity.
<b>Energy Recovery from Waste Incineration</b>	To reduce the amount of waste sent to landfill, non-recyclable production waste is utilized as an energy source. After undergoing the necessary physical and chemical processes, these wastes are recovered and used as alternative fuel in cement factories, contributing to energy recovery and supporting circular resource use.
<b>Recycling Electronic Waste (PEACOC and CRUSADE Projects)</b>	As a partner in the EU-funded <b>PEACOC</b> and <b>CRUSADE</b> projects in line with our vision to lead the way in the recycling technologies of the future, we work on recovering printed circuit board (PCB) waste from vehicles. These R&D activities develop innovative models for recycling critical electronic components and reusing them as raw materials.
<b>ECOT Waste Separation Project</b>	At the Eskişehir Plant, wastewater accumulated in the EC pit is separated using a dedicated membrane-based separation system, allowing concentrated paint and water to be separated and reducing the load on the treatment facility. Within this framework, wastewater containing 2–8% solids has been separated to enable recovery.

For more information on these projects, please see the [R&D Projects in Strategic Focus Areas](#) section.

## Chemicals Management

All chemicals entering our facilities are checked against the Ford Restricted Substance List (RSL), and prohibited materials listed in the RSL are not permitted. Safety Data Sheets (SDS) for all chemicals are obtained and recorded in the relevant database, and approvals are secured from occupational health and safety, occupational health, fire safety, warehousing, and environmental units before chemicals are used.

We collaborate with industry associations and relevant stakeholders to identify alternatives to hazardous substances and support the development of safer substitution solutions. In addition, we allocate corporate resources to R&D studies aimed at the substitution and gradual reduction of hazardous substances and carry out technical development projects within this scope.

We use an enterprise-level integrated document management system (QDMS) for managing the approval processes regarding new or existing chemicals and consider several criteria, including where chemicals are used, application methods, physical forms, and the personal protective equipment required.

To manage the environmental impact of solvent use in our paint shop operations, we operate high-tech solvent recovery systems at the Gölcük plastics paint shop and the Yeniköy paint shops. At the Gölcük plant, approximately 65% of the solvent used in processes is successfully recovered and reintroduced into the system through the solvent recovery unit.

At the Craiova plant, technical projects for diluting and reusing solvents and circular management of packaging are among our primary goals for 2026.

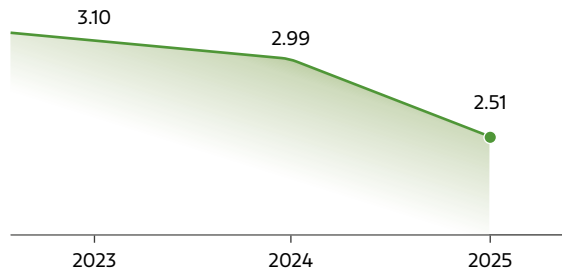
## Water Stewardship

We recognize the strategic importance of water and its critical impact on the ecosystem and manage our water risks with a focus on specific basins. Our water stewardship practices, as a material environmental topic, comply with international standards and applicable regulations. In 2025, we updated our **Water Policy** to align with evolving global dynamics and our company's long-term commitments. To enhance our competencies in water efficiency, we organized ISO 14046 Water Footprint training for our employees and strengthened our water management strategy with a data-driven approach. We plan to complete our water footprint calculations in 2026.

We remain committed to our target of **reducing** water usage per vehicle by **40%** in our production facilities by 2030, compared to the 2019 baseline. Accordingly, we continue to invest in wastewater recovery and water conservation in both our Türkiye and Romania locations. The installation of wastewater treatment systems in our Kocaeli locations was completed in 2025, and they are slated for commissioning in 2026. As a priority for 2026, we plan to transition fully to **smart meter systems** for real-time monitoring of water consumption at all our locations and complete ISO 14046 Water Footprint reporting.

For more information, please see the [Sustainability Targets](#) section.

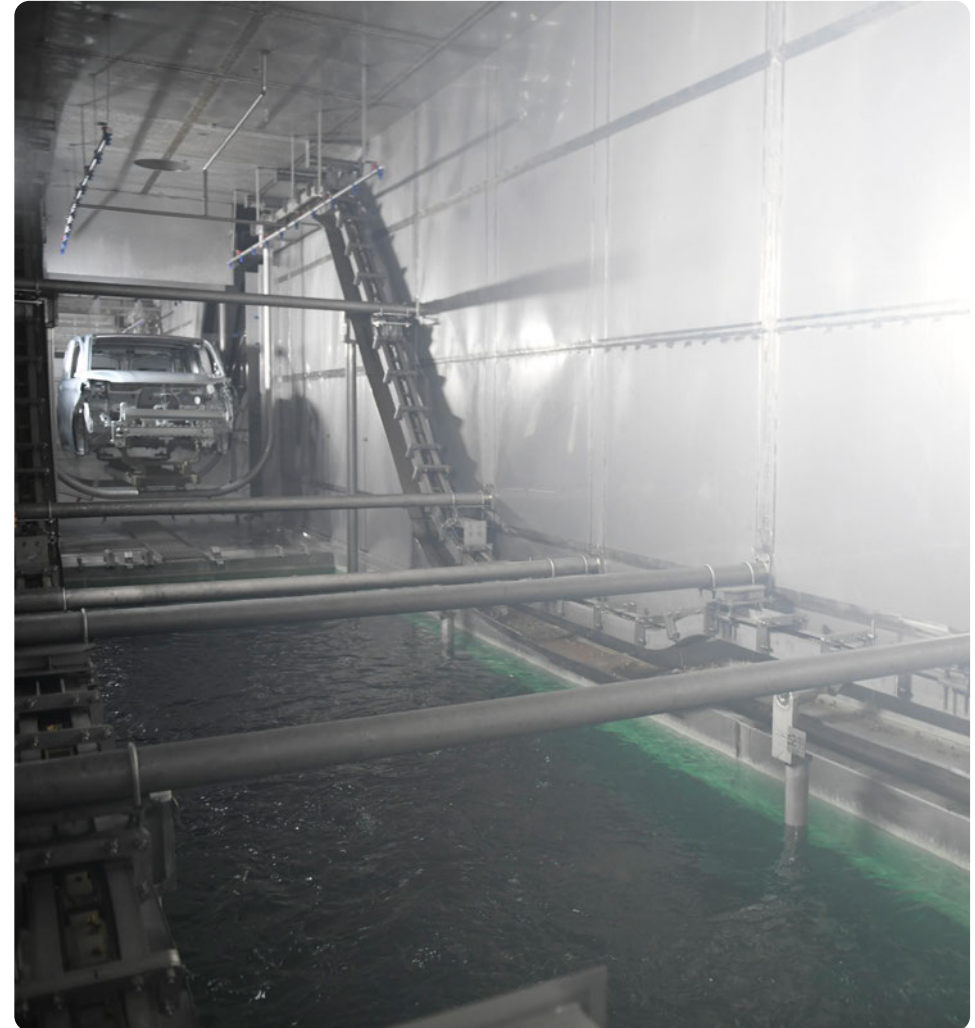
### Total – Fresh Water Use per Vehicle Produced (m<sup>3</sup>/vehicle)



As part of our water stewardship efforts, we are actively working to reduce freshwater consumption across all Ford Otosan locations. We developed a Water Sourcing Action Plan to mitigate drought-related risks. In 2025, we conducted a hydrological-based scenario analysis specifically for Ford Otosan to assess water-related risks in depth. The analyses of water availability in basins where our facilities are located, climate-related variability, and long-term physical risks provided input for strengthening our water stewardship strategy.

The outputs of the water scenario analysis conducted in 2025 can be accessed under the **Strategy** section of the **2025 TSRS-Compliant Sustainability Report** included in this report.

For more information on our water consumption data, please see the **Environmental Performance Indicators** section.



## Water Stewardship Projects

The strategic projects we carry out to sustainably manage water resources, increase our operational resilience to water stress, and maximize water efficiency in production processes, are summarized below.

Project Title	Project Description
<b>Purchasing Recycled Water from Kocaeli Water and Administration (ISU) and Reducing Clean Water Consumption</b>	The Wastewater Treatment Plant commissioned in Kocaeli in cooperation with ISU enables us to reuse water from production. Recovering and treating the city's wastewater results in reducing clean water consumption and contributing to the region's ecosystem in the long term. In the first phase, we aim to save 400,000 tons of clean water annually, and 750,000 tons once we reach full capacity. As a result, we not only make steady progress toward our 40% clean water reduction per vehicle target in 2030 but also leave a more sustainable legacy for the future.
<b>Yeniköy Wastewater Treatment Plant Capacity Increase Project</b>	The Wastewater Treatment Plant Capacity Increase Project carried out at our Yeniköy facility to meet our operational needs and water stewardship goals has been completed. This expansion will meet the rising demand for effective wastewater treatment in parallel with increased manufacturing activities.
<b>Rainwater Harvesting Project</b>	The rainwater harvesting project at the Ford Otosan Craiova plant aims to utilize water collected from the roof drainage system in non-production processes. In the first phase of the project, one of the 80 drainage points was integrated into the system, with collected water now used in toilet cisterns. The system, which is designed entirely with recycled materials (pipes, valves, sensors, and IBC tanks), will duly expand to include areas such as washing, cooling, and landscaping irrigation.
<b>Ford Otosan Craiova Plant Water Recycling Project</b>	At our Craiova plant, we use water recovery and treatment systems effectively to improve water efficiency. According to 2025 data, approximately <b>51,609 m<sup>3</sup></b> of water was recovered through these systems.
<b>Eskişehir Remote Monitoring of Well Water Level Project</b>	The Remote Monitoring of Well Water Level Project was commissioned to digitally monitor well water levels at the Eskişehir Plant. Using advanced level sensors, we now perform real-time remote monitoring of groundwater levels. This system allows for faster response to potential water supply risks, enhancing our water management efficiency.
<b>Eskişehir Wastewater Recovery Project</b>	The objective of this project is to treat industrial and domestic wastewater generated at the Eskişehir plant using advanced treatment technologies including ultrafiltration, membrane bioreactor (MBR), and reverse osmosis. By diverting the treated water to recovery lines once it meets the necessary quality criteria, we aim to increase water efficiency and support continuous water management.
<b>Gölcük and Yeniköy Wastewater Recovery Project</b>	This project utilizes advanced treatment technologies such as reverse osmosis and membrane bioreactor (MBR) systems to optimize water use. Once the project is completed, various wastewater sources, including treated effluents, domestic wastewater, recycled process water, and cooling tower blowdown water, will be recovered and reusable. We also plan to install a Grey Water Recovery System at the Yeniköy Plant as part of our future investment plans.
<b>Yeniköy Plant Wet &amp; Dry Scrubber Project</b>	Through the Wet & Dry Scrubber Project, we eliminated the use of toxic chemicals by replacing them with lead-free paints and chromium-free phosphating chemicals. The project removes the need for water and chemicals in the process and prevents the formation of paint sludge waste, offering a more environmentally friendly solution.

# Biodiversity

At Ford Otosan, we recognize the essential role that biodiversity plays in sustaining ecosystem health and resilience and position it as an integral part of our “Future. Now” vision. With the **Ford Otosan Biodiversity Strategy**, introduced in 2023, we aim to conserve biodiversity across all our operations and ensure the sustainable management of natural resources. Our approach focuses on preventing and reducing threats to biodiversity, aligning with the **International Union for Conservation of Nature (IUCN)** guidelines, and integrating biodiversity considerations into our decision-making processes. The strategy includes evaluating facility locations, conducting environmental risk analyses, and implementing site-specific Biodiversity Action Plans. It emphasizes increasing interaction with stakeholders, raising awareness, and encouraging sustainable practices among our colleagues and suppliers.

To view our Biodiversity Strategy, please click [here](#).

We conducted a preliminary risk assessment study using two tools - SBTN (Science-Based Targets Network) and IBAT (Integrated Biodiversity Assessment Tool) - specific to Ford Otosan locations. While we measure our impact on factors related to biodiversity and the magnitude of this impact with the SBTN Materiality Tool, we can analyze location-specific species and their habitats on a global scale by obtaining data from local data providers with IBAT.

As we manage the environmental footprint of our facilities, we also prioritize the conservation of local flora and habitats of endangered species. In the **landscaping at the Kocaeli Plant site**, we aim to reduce water consumption and also support local biodiversity by preferring **native plant species that require less water** and are compatible with the local ecosystem.

Additionally, the **natural wetlands within the Ford Otosan Kocaeli Plants site, approximately 22,000 m<sup>2</sup> in size, is preserved in its natural state** due to its location on bird migration routes. The wetland is completely separated from operational activities and its surroundings are physically segregated, preventing access by humans and vehicles.



# Product Sustainability

Ford Otosan embraces a comprehensive sustainability vision, built on the principle of managing the environmental impact of vehicles throughout their lifecycles, from the design phase to end-of-life processes. As we carry out our operations, we also assume responsibility for minimizing our negative impact on society and nature and systematically reduce the environmental footprint of our products by aligning with circular economy principles.

## Sustainable Product Statistics

2025

Number of sustainable products and services	102,958
Revenues from sustainable products and services (TL)	139.6 billion
Share of revenues from sustainable products and services in total revenues	16,8%

### Ford Otosan's Definition of Sustainable Product

Our sustainable product definition is based on the **European Parliament and Council's** definition. According to the EU Regulation governing CO<sub>2</sub> emission standards for passenger and light commercial vehicles, a low-emission vehicle is defined as a vehicle with exhaust emissions between 0 and 50g CO<sub>2</sub>/km.

## Strategic Focus Areas

We embrace a comprehensive sustainability approach to reducing the environmental impact of our operations on society and nature. This approach **forms the foundation of our R&D activities and serves as a guide** across a broad range of operations from product development to production.

• **Circular economy** - Focusing on a circular economy approach, we aim to reduce the environmental impacts of our products by expanding the use of low-impact raw materials, developing recyclable designs, and offering second-life opportunities for our products. Through digital product passports, we enhance traceability, support resource efficiency, and contribute to our sustainability targets.

Through our Warranty Cost Reduction Leadership, we manage 34 different remanufacturing (reman) projects for our passenger and commercial vehicles. Within these projects, components such as automatic transmissions, turbochargers, alternators, exhaust silencers, and steering systems stand out in terms of both cost and impact.

Through our remanufacturing practices, we restore the quality of our products to levels equivalent to original standards and continuously implement improvements to enhance customer satisfaction in

the field. With our special production management approach, we enable a total of 61 different parts in passenger and commercial vehicles to be reintroduced into the cycle. In this way, in 2025, we achieved a reduction of 297,790 kg CO<sub>2</sub>e while generating a financial gain of TRY 1.03 billion.

• **Reducing carbon footprint** - Working toward our carbon footprint reduction target, we develop energy-efficient systems and low-emission powertrains, increase the use of renewable energy by optimizing our production processes, and regularly monitor the environmental impacts of our products and processes through advanced life cycle assessments.

• **Alternative fuel vehicles and hydrogen studies** - We focus on developing application areas for electric, hybrid, and fuel cell vehicle technologies. We aim to offer environmentally friendly transportation solutions by improving the performance and ranges of hydrogen vehicles and reducing costs.

• **Lightweighting** - We work on lightweight and durable materials and structural integration techniques with the ultimate goal of **contributing to the reduction of vehicle-related emissions**.

The results of our work on these strategic R&D focus areas also reflect to our product portfolio. The all-electric version of the Puma, among Europe's best-selling passenger vehicles, produced at our Craiova plant in Romania, was launched in 2025. As of this year, we offer an electric version of all nameplates in our product range – excluding trucks. With the addition of E-Transit, E-Transit Custom and E-Transit Courier models, our commercial vehicle portfolio now includes an all-electric lineup.

## Ford Otosan and Iveco Collaboration

Aiming to enhance our competitiveness in the heavy commercial vehicle segment and advance our sustainable product development approach, our heavy commercial vehicle brand **Ford Trucks** signed a **Joint Development Agreement** with the **Iveco Group** in 2025. Under this agreement, we started collaborating on the design and engineering of a new cabin for heavy commercial trucks.

The new cabin design will aim to contribute to the reduction of carbon emissions through its aerodynamic features and will be designed to fully comply with the EU Direct Vision Standard. The new cabin will be designed to offer high safety and driver comfort standards and to deliver cost efficiency and full compatibility with existing powertrains.

Under the agreement, each company will manufacture the developed cabins at its own production facility and market the customized designs **under** its own brand. Joint development activities are set to begin in 2026, with the first cabins planned for production in 2028.

## EU Horizon Projects and R&D Vision

By strengthening our R&D vision through international collaborations, we support the development of innovative and sustainable solutions. In 2025, we submitted a total of **22 project applications** to the EU Horizon program. These projects are currently under evaluation by the European Commission. Through these projects, we aim to develop R&D activities that support sustainable transformation, particularly in areas such as low-carbon mobility, circular economy, material efficiency, and life cycle -oriented approaches.

For more information on our projects for alternative fuels, circular economy (battery technologies and critical raw materials), lightweight manufacturing and design, electrification, AI-driven solutions, connected vehicle technologies, and autonomous technologies, please see the **R&D Projects in Strategic Focus Areas** section.

## RECUBE: Recycle, Reuse, Reduce

**RECUBE** — one of the most robust and award-winning expressions of our circular economy vision — integrates waste management and component design into a single, unified model. Built on the principle of "recycle, reuse, and reduce waste," RECUBE enables us to increase the use of recycled materials across all our vehicle projects. Through this project, we divert plastic waste from landfills and transform tons of waste annually into high-value product components, contributing to a lasting reduction in our carbon footprint. RECUBE continues to serve as a key benchmark for our "circular-by-design" approach in the automotive industry.

For more information on the RECUBE project and 2025 progress, please see the **R&D Projects in Strategic Focus Areas** section.

## Life Cycle Assessment (LCA)

To comprehensively evaluate the environmental impacts of our products and raw materials, we treat life cycle assessments (LCA) as an integral part of our product development and decision-making processes. In this context, in 2025 we actively conducted material-specific LCAs across a broad range of materials, ranging from plastics to platinum group metals, rare earth elements and critical battery raw materials.

These assessments are supported by a transparent traceability **infrastructure** spanning the entire supply chain, implemented through Digital Battery/Product Passports and blockchain-based tracking platforms **in our CRUSADE, RECIRCULATE, and BASE projects**. This infrastructure allows us to systematically record environmental footprint data, from suppliers to raw materials, and verify recovered materials through a **data-driven approach**.

We completed the life cycle assessments (LCA) of all electric and plug-in hybrid models in our light commercial, medium commercial, and passenger vehicle portfolios. The LCA reports were then verified by TÜV Nord as a third-party certification body. We also completed the LCA for the internal combustion engine (ICE) version of the **Puma passenger vehicle model**.

We disclose the scope and methodology of our Simplified Life Cycle Assessments (Simplified LCA) through our publicly available reports, which also specify the key impact categories and system boundaries assessed. Our Life Cycle Assessments also include additional impact categories such as dust and particulate matter formation, ionizing radiation, and species richness, all of which are reported in accordance with the specified methodology.

To view the verified LCA reports, please click [here](#).

In the heavy commercial vehicle segment, we completed life cycle assessments (LCA) for both the electric and internal combustion variants of the F-Line 6x2 Road Series in 2025. These assessments demonstrated that the electric version offers significant advantages in terms of total environmental impact and particularly greenhouse gas emissions during the use phase compared to the internal combustion version.

This approach is considered an important tool **supporting our goal of selling only zero-emission heavy commercial vehicles by 2040** and contributes to improving the measurement and comparability of environmental performance in the heavy commercial vehicle segment.

### Environmental Performance Indicators of Vehicles

Indicator	2025
Average CO <sub>2</sub> and CO <sub>2</sub> e emissions of the total fleet (g/km)	209.83
CO <sub>2</sub> e emissions per passenger-km of the total fleet (CO <sub>2</sub> /pkm)	132.75
Average fuel consumption of the total fleet (l/100 km)	6.87

### Awards



#### ISO Green Transformation Awards

Winner of the Energy-Efficient Project category  
(Yeniköy Plant – “360° Energy and Process Optimization” Project)



#### TULIP Sustainability Center Environmental Competition

Awareness-Raising Organization Award



#### Kocaeli Chamber of Industry 2025

1<sup>st</sup> in the Large Enterprises category



#### Turkish Quality Association (KalDer) Sustainable Future Awards – Winner



#### Turkish Corporate Responsibility Association Organizations Adding Value to Sustainability Awards

- Winner of the Circular Economy category for the **FOUS project**
- Winner of the Carbon Emission Reduction category for the **Lower Leg Stiffener Recycled Plastic Usage Project**

# Supply Chain Management

Guided by our supply chain management vision, we work in close collaboration with all stakeholders across our complex and multi-stage value chain, from raw material sourcing and vehicle production to customer delivery and after-sales services. Our objective is to systematically and effectively manage each step of this complex value chain in a controlled manner through close collaboration with our value chain partners. We extend sustainability beyond our operations to our entire value chain and expect all stakeholders to integrate sustainability into their **business practices** and corporate culture.

We published our Supply Chain Compliance Policy in 2022 to share with all our business partners our goal of building a stronger, more transparent, and responsible supply chain, along with our key expectations in this area. Taking this approach a step further, in 2025 we published our **“Supplier Code of Conduct”** detailing requirements regarding human rights, the environment, business ethics, and responsible material sourcing. Within the scope of our Supplier Code of Conduct, comprehensive requirements are defined across various areas, particularly human rights, environmental protection, business ethics, and responsible material sourcing. The Supplier Code of Conduct requires our suppliers to monitor and reduce greenhouse gas emissions and energy consumption, implement pollution prevention and waste management practices, and continuously improve their environmental performance.

Through these documents, we expect our suppliers to comply with a range of requirements:

- Prohibiting child labor and forced labor,
- Preventing discrimination,
- Encouraging the fight against bribery and corruption,
- Responsible sourcing of conflict minerals,
- Continuous improvement of environmental performance,
- Implementing ethical business practices,

To view Ford Otosan Supplier Code of Conduct, please click [here](#).

To view the Ford Otosan Supply Chain Compliance Policy, please click [here](#).

According to the double materiality assessment conducted in 2024, Responsible Supply Chain has been identified as a “Very High Material” topic for Ford Otosan. This highlights the strategic importance of the supply chain in terms of its environmental and social impacts and the significance of stricter regulatory requirements, supply chain disruptions, climate-related physical risks, and operational resilience.

For more information, please see the **Material Topics** section.

In line with this approach, we are progressing toward the supply chain management targets set in 2022, aiming for our Tier-1 suppliers\* (vehicle parts manufacturers) and our logistics operations to become carbon neutral by 2035. Our supply chain practices and partnerships are structured to support progress toward these two targets.

\*The target includes Scope 1 and 2 emissions from 300+ of our suppliers.

For more information, please see the **Sustainability Targets** section.

## Revised Priorities and New Initiatives in 2025

Purchasing procedures have been revised, and ESG requirements have been integrated into the supplier selection criteria.

Supplier Code of Conduct was published.

Shifted to the globally recognized questionnaire to measure supplier performance.

Won the Sustainable Business Award.

Integrated the equipment's energy consumption data into the indirect purchasing system.

Engaged with banks and the Ministry to facilitate suppliers' access to green financing.

## Supplier Ecosystem

	2025
Total number of suppliers	3,116
Number of Tier-1 suppliers	591
Number of key Tier-1 suppliers	151
Logistics service providers (suppliers other than Tier-1)	15
Number of critical suppliers	100
Total payment amount made to key suppliers (TL)	271,224,620,307

As of 2025, we work with a total of 3,116 suppliers, including 2,224 local suppliers, which account for 82.9% of payments made to all suppliers.

**Critical suppliers** - These are our commercially significant business partners that directly affect production, provide high-volume or difficult-to-substitute products and services, and account for approximately 80% of our total purchasing expenditures.

**Key suppliers** - Commercially significant business partners; suppliers that may pose significant risks with potentially negative environmental, social, and governance impact; and those at the intersection of these two groups.

To view the Ford Otosan Supplier Sustainability Manifesto, published in 2023 and signed by our critical suppliers, please click [here](#).

One of the targets monitored under the Supplier Sustainability Committee conducted with our critical suppliers is the verification of emission data. In this context, 25 of our suppliers have verified their emissions in accordance with ISO 14064 or GHG standards.

Quarterly sustainability trainings have been organized for Supply Chain Leadership, purchasing teams, and relevant internal stakeholders. In addition to general sustainability definitions, these trainings addressed current sustainability regulations, the role of the supply chain within the sustainability agenda, implemented good practices, and expectations within this framework.

## Supplier Selection and Audits

In supplier selection, we apply several criteria, including quality, cost, financial standing, and operational suitability, and also consider sustainability performance as a holistic evaluation factor. In line with this approach, we **incorporated sustainability metrics into our supplier selection criteria as of 2025**.

**Supplier Performance Assessment:** To measure the sustainability performance of our suppliers and logistics providers, we apply the industry-standard questionnaire, which includes validation. This globally recognized survey was adopted in 2025, and the validity of the survey results has been set at two years. The questionnaire covers environmental, social, and governance topics, as well as Responsible Supply Chain Management and Responsible Raw Material Sourcing. Our suppliers' ESG performance and risks are systematically monitored and evaluated, taking into account the product groups (commodities) supplied and the ESG risk profiles of the countries where procurement takes place.

In 2025, 271 suppliers responded to the questionnaire, and 9 suppliers were identified as having low sustainability performance based on the results.

## Survey results by Category

Indicator	Number of Suppliers
Number of suppliers reporting to CDP	87
Number of suppliers reporting emissions	188
Number of suppliers with SBTi approved targets	66

## Supplier Audits

In 2025, 24 suppliers were subject to on-site sustainability audits conducted by an independent third-party audit firm.

According to audit results, 9 suppliers' operations were found to have negative impacts. Risk and impact assessments were conducted for these suppliers.

Regarding suppliers with negative impact, an agreement was reached with 18 suppliers on improvement and corrective actions. Then, corrective and improvement action plans were created for these suppliers and their implementation processes were followed through. In 2025, 261 suppliers were included in the Capacity Building Program.

As a result of the audits, there were no suppliers whose business relationship was terminated following the audit due to unresolved non-conformities or failure to implement the required improvements.

Under our contractual agreements, we reserve the right to terminate contracts with suppliers that fail to comply with regulatory requirements or with Ford Otosan's policies and expectations. Nevertheless, our primary approach is to work collaboratively with our suppliers to support their development and strengthen their compliance processes.

During audit and evaluation processes, suppliers are expected to meet the requirements of the national and international regulations applicable to them. In this context, regulatory obligations may vary depending on the supplier. However, the questionnaires used to measure sustainability performance provide a standardized and comparable structure across all suppliers.

## Logistics Operations

SAQ surveys were also conducted to measure the sustainability performance of our logistics providers. In total, **15 logistics providers** responded to the questionnaire, which revealed the following scores in the main categories:

### Topics and Percentage of Complementary Logistics Service Providers

Publishing sustainability reports	<b>80%</b>
Reporting to CDP	<b>40%</b>
Setting greenhouse gas reduction targets	<b>74%</b>
Setting SBTi targets	<b>13%</b>
Publishing human rights and labor policy	<b>93%</b>
Publishing business ethics policy	<b>93%</b>

Based on the survey results, development areas were identified for our logistics providers. Then, workshops were organized to support these areas, goals were set, and a series of trainings was planned to foster their development. Work is ongoing to incorporate sustainability performance into the selection process for logistics providers, and relevant stakeholders have been informed.

## Supply Chain Risks

We adopt a systematic approach focused on human rights to addressing potential environmental, social, and governance risks that may arise in our supply chain. We work in collaboration with our suppliers to identify, prevent and mitigate such risks.

### Stakeholder Opinion

Joint projects implemented under Ford Otosan’s strong leadership and with Mars Logistics’ experience and solution-oriented approach are delivering effective results in terms of our shared goals regarding both operational efficiency and emission reduction. Our collaborations, a reflection of our sustainability and operational excellence commitment, are also aligned with our short- and medium-term strategic plans. We are confident that our joint projects, which bring innovations to the logistics sector, will continue to develop further in the coming period.

**Gökşin GÜNHAN**  
Board Member - Road and Rail Transportation, Mars Logistics

Aiming to monitor potential risks in the supply chain more effectively, we implemented the ASCENT (**Advanced Supply Chain Enablement for N-Tier**) forward supply chain traceability process up to **Tier-N**, in collaboration with Ford Global for all suppliers in 2025. Through this system, **shipment confirmations and risk notifications are monitored**, thereby enhancing traceability and enabling closer monitoring of potential risks.

For regulatory compliance purposes, work is ongoing at the Craiova plant and in spare parts warehouse operations to align with the Carbon Border Adjustment Mechanism (CBAM) and **Deforestation** regulations.

For more information, please see the **TSRS-compliant Sustainability Report 2025** section.

In parallel with ASCENT, the **Disaster Resilience application** was introduced, through which global and local risks that may affect the supply chain (such as earthquakes and fires) are analyzed and regularly reported. Based on feedback received from suppliers, **action plans are developed** with the aim of responding to risks in a timely manner.

### Supplier Resilience and Earthquake Risk Resistance

To increase the resilience of our supply chain against physical risks, **suppliers’ buildings were surveyed for earthquake risk**. The objective of this initiative is to minimize loss of life and property in a potential earthquake.

Prioritizing **suppliers based in earthquake zones and those with a high volume of business with us**, we reached **103 suppliers**. According to surveys conducted by a third-party consultant, **buildings of 20 suppliers were identified as requiring reinforcement**. To date, **reinforcement work has been completed in 5 of these buildings and ongoing in 9 buildings**.

For the next phase of the project, we plan to **follow the reinforcement work through, create risk mapping, and incorporate earthquake analyses into supplier scorecards**. This project marks a **pioneering initiative in the Turkish automotive industry** in terms of raising awareness, educating, and developing preventive approaches against earthquake risks.

## Human Rights Due Diligence

We shared the results of our Human Rights Due Diligence conducted in 2024 and the identified areas of action with our suppliers. In 2025, to address the actions identified within the scope of this study, we organized detailed training sessions covering **Ethics, Human Rights, and Compliance Policies**, aiming to increase the awareness of our suppliers.

## Raw Material Management

The critical raw materials used in our supply chain are steel, aluminum, lithium batteries, rubber, and plastics, all of which are among the priority raw material groups from both regulatory and production process perspectives. Expectations regarding the responsible sourcing of raw materials are detailed in the [Ford Otosan Code of Conduct](#). In this context, the Company prioritizes reducing raw material-related environmental impacts across the entire value chain by promoting the use of low-carbon alternatives. Within this scope, a press trial using low-carbon emission steel was conducted for the first time in 2024.

Our company applies a "Risk Approach"-based assessment system to manage raw material risks. Within this framework, we send comprehensive sustainability surveys to our Tier-1 suppliers annually; through information gathered from sections covering environmental policies, chemical and material management, water-energy-emission management, waste management, and responsible sourcing practices within the ESG scope, we indirectly assess the environmental and social risks that may arise in the production of raw materials. In addition, on-site ESG audits covering labor practices, occupational health and safety, environmental management (environmental permits, pollution and waste management, chemical management, air emissions, water management, and deforestation risk controls specific to relevant raw materials), and ethical business practices are conducted by independent third-party organizations for certain Tier-1 suppliers. Our suppliers accept binding obligations regarding human rights, environmental management, ethical trade, and responsible raw material sourcing under the Supplier Code of Conduct, which forms the basis of all our business relationships and is part of our contracts, and we also expect them to implement these obligations throughout their own supplier networks (across Tier levels). Furthermore, we are conducting a mapping exercise with the suppliers within our critical supplier committee, tracing from Tier-1 down to Tier-n — that is, to the points where raw materials are extracted — and thereby increasing supply chain visibility. Through this integrated structure, we regularly assess risks and track identified areas for improvement.

As of 2026, by joining the Responsible Minerals Initiative (RMI), we are deepening our efforts toward responsible mineral sourcing in our supply chain. This membership will enable us to advance our transparency and due diligence processes regarding the origin of minerals to a higher level in line with global best practices.

### Conflict Minerals Management

At Ford Otosan, we are committed to ensuring that minerals used in our supply chain are sourced responsibly and ethically and not from conflict-affected and high-risk regions. As part of the Supplier Sustainability Assessment and Development Program, **responsible sourcing of raw materials is evaluated through sustainability surveys conducted with our suppliers.**

### Stakeholder Opinion

We find your Supplier Sustainability Assessment and Development Program highly informative. The webinars you organize help us follow the latest sustainability legislation and developments in the EU and Türkiye. The information you provide contributes significantly to the roadmaps we create to adapt to these innovations and make the necessary preparations.

In particular, the experiences shared during Ford Otosan's supplier meetings and the opportunities to network with different companies have been invaluable for us. Despite limited financial incentives and low awareness about sustainability efforts, we are confident Ford Otosan's guidance and support will strengthen the process.

**Ayşe ONAN**  
Quality Systems Leader, Olgun Steel

Conflict minerals—including tin, tungsten, tantalum, gold (3TG), lithium, and their derivatives—are commonly used in components such as electronic parts, fuel cells, sensors, electric seat modules, batteries, sound systems, electric mirrors, and battery systems. We firmly believe that the trade of such minerals must not be used to finance armed groups in politically unstable regions, promote forced labor or other human rights violations, or support bribery and money laundering. Therefore, we pledge not to work with suppliers who are involved in human rights violations in the sourcing of these minerals.

To avoid any action that may contribute to the financing of conflicts, we require our suppliers to comply with the same principles. Accordingly, we expect them to adhere to the **OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas**, relevant **United Nations sanctions**, and **the applicable local legislation implementing these decisions**. These expectations are laid out in detail in our Conflict Minerals Policy and Supplier Code of Conduct.

According to the assessments conducted in 2025 and supplier sustainability surveys, **187 suppliers** have published a **Conflict Minerals Policy**.

To view Ford Otosan Conflict Minerals Policy, please click [here](#).

## Supplier Engagement

As part of our supplier engagement approach, we maintain regular communication with our suppliers and logistics partners, strengthening collaboration within the ecosystem through information sharing, collaborative learning, and the dissemination of best practices.

We prioritize our critical suppliers in supplier engagement. Following a structured governance approach with our critical suppliers, the Supplier Sustainability Committee, established in 2024, continued its activities in 2025 and convened each quarter.

We support the committee's work with sustainability webinars and information-sharing activities involving our local suppliers. Starting in 2025, these activities have also included our logistics providers. Within this scope, **in 2025 a total of 7,405 person\*hours of training were delivered, including 3,544 person\*hours on environmental topics, 1,445 person\*hours on social topics, and 1,968 person\*hours on governance topics.**

## Supplier Sustainability Committee

We established the **Supplier Sustainability Committee in 2024** to formalize collaboration with our key suppliers and ensure continued progress on the roadmap. The Committee **convened quarterly in 2025** to review developments in environmental, social, governance, and supply chain topics.

In the committee meetings, topics such as sustainability performance monitoring, evaluating survey and audit findings, regulatory compliance expectations, and development plans for suppliers are addressed.

## Supplier Sustainability Day

On the annual Supplier Sustainability Day, **a full-day event where we address sustainability from an end-to-end perspective**, we engaged with our suppliers and logistics partners on a wide range of topics, from strategy and innovation to customer experience and regulations. Through the supplier experience-sharing session, we strengthened information flow within the ecosystem.

## 2025 Ford Otosan Supplier Summit

We hosted the 14th edition of the Ford Otosan Supplier Summit with the participation of our valued business partners. In addition to reinforcing our strong partnerships, we discussed **our vision for the future, our new projects, and the steps we must take in line with the responsibilities of being a "Pioneer of Tomorrow."** We laid out our expectations regarding quality, cost, competitiveness, risk management, and sustainability. For the first time this year, sustainability was included among our award categories.

### Stakeholder Opinion

Ford Otosan's Supplier Sustainability Assessment and Development Program creates significant value for us by addressing sustainability as a collectively learned and developed process across the supply chain. The supplier sustainability committee, through trainings and experience sharing sessions, contributes to advancing our sustainability efforts with clearer goals and a stronger structure. In addition to sharing our sustainability progress with other suppliers at Ford Otosan's supplier experience sharing session, we also found the opportunity to draw inspiration from different approaches and best practices presented on this platform. This level of engagement not only embodied Ford Otosan's guiding and inspiring approach to the supply chain but also encouraged us to become more active and inclusive within our own supply chain. As a result, we introduced PETEK (Stakeholder Ecosystem Networking and Engagement Cluster) as a collaborative platform where we share our expectations more openly with our suppliers and focus on collective development. This approach enabled us to make strong progress in our sustainability journey and marked a significant achievement in supporting long-term transformation across our value chain.

**Eda Çetintaş**  
Corporate Sustainability Manager, Yeşilova Holding

## Logistics Providers Sustainability Workshops

The sustainability performance measurements conducted in 2024 for our logistics service providers were further developed in 2025 by transitioning to a more verifiable and systematic assessment structure. Our roadmap was shared with our logistics service providers through a webinar, and training on emissions calculation and management was delivered, along with an interactive session where our logistics service providers shared their best practices. The Logistics Service Providers Sustainability Workshop, first held in 2024 and concluded with the signing of the sustainability manifesto, continued in 2025. Within the scope of the workshop, the activities carried out in 2025 and the survey results were shared, and information on green logistics practices was provided. In a panel session with the participation of our logistics service providers, best practices in environmental, social, and governance (ESG) areas were shared. The most successful logistics service provider according to the survey results was presented a certificate. In the interactive session, **6-month, 1-year, and 2-year targets** were jointly defined with our logistics service providers across environmental, social, governance, and supply chain topics.

## Ford Otosan Supplier Network

To enhance the digital supplier experience, we launched our AI-based chatbot application in 2024 with its new infrastructure on the Ford Otosan Supplier Network (FOSN) portal for our suppliers. Development efforts are ongoing to enable faster responses. Through the Supplier Suggestion System within FOSN, 19 of the project proposals received in 2025 were implemented. Additionally, bonus points were awarded to suppliers who submitted proposals and whose projects were implemented. To support supplier development, we offer trainings on various topics. These trainings are conducted through conferences, classroom sessions, and the online platform Ford Otosan Supplier Network (FOSN). In 2025, we provided a total of 4,336 person\*hours of training.

## Supplier Development

We support supplier development with trainings and awareness-raising activities, helping them improve their operational capabilities and sustainability performance. These trainings are offered for suppliers and internal stakeholders, including purchasing teams.

In 2025, **674 supplier visits were conducted** to improve the performance and operational capabilities of our suppliers. These visits covered performance improvement, new supplier readiness and commissioning audits, capacity analyses, and risk management, **and were carried out to monitor supplier performance and identify development areas.**

In line with the **Material Management Operations Guideline / Logistics Evaluation (MMOG/LE)**, an international logistics standard, two different training sessions were organized by the Ford Otosan Supplier Development (SMRT) team. **A total of 157 participants from 75 different suppliers attended these trainings, amounting to 2,512 person\*hours of training.**

A total of 71 participants from 34 different suppliers attended classroom training sessions on topics such as **the use of Ford Global and Ford Otosan portals**, new project preparation, and supplier development. In addition, 1,234 participants from 648 different suppliers attended the online training sessions. Overall, **682 companies and 1,305 participants received a total of 1,824 person\*hours of training.**

## Supplier Quality Certification (Q1)

We expect all Tier-1 suppliers, who manufacture and deliver parts to Ford Otosan facilities, to comply with ISO 14001, IATF 16949, and Q1 Quality Management System Requirements. Q1 certification is a set of essential quality and production disciplines, and requires suppliers to perform at specific levels, utilize the necessary tools to maintain excellence, and improve year over year. Q1 assesses this business management aspect through third-party certifications according to IATF 16949 quality management standards and ISO 14001 environmental standards. Suppliers must also complete a self-assessment for MMOG/LE by reaching level A and meet specific process requirements. Compliance with these standards is mandatory for reaching and maintaining Q1 status.

In 2025, 16 suppliers successfully completed the Q1 certification process.

### Stakeholder Opinion

Ford Otosan's Supplier Sustainability Assessment and Development Program contributed significantly to strengthening our company's sustainability management systems. The workshops, training sessions, assessments, and feedback received within the program gave us an opportunity to review and improve our environmental, social, and governance (ESG) practices. In particular, the widespread adoption of transparency, traceability, and continuous improvement approaches across the supply chain helped our company enhance its sustainability performance and build its long-term goals on a more solid foundation.

**Ayhan ÇALĞIN**  
General Manager, Ototrim

## Sustainability trainings and programs for suppliers in 2025

### Regulatory and Reporting Trainings

- Calculating Carbon Border Adjustment Mechanism (CBAM)
- Information on Turkish Sustainability Reporting Standards (TSRS)
- Information on TSRS Report and WEF Lighthouse Expectations
- Digital Transformation in Sustainability Reporting

### Climate, Energy, and Environmental Transformation Trainings

- Calculating and Managing Carbon Emissions
- Solar Power Plant (SPP) Investments and Project Feasibility Studies
- Information on Water Scenario Analyses

### Supply Chain and Logistics Trainings

- Logistics Providers Sustainability Webinar
- Logistics Providers Sustainability Transformation Session
- Sustainability in the Supply Chain and Regulations Panel
- Supplier Experience Sharing Sessions

### Supplier Development and Engagement Programs

- Supplier Sustainability Day
- Supplier Summit
- Logistics Providers Sustainability Workshop
- CDP Experience-Sharing Training

### Finance and Investment Trainings

- Sustainability Investment and Support Program
- Green Financing Incentives

### Compliance, Human Rights and Ethics Trainings

- Compliance Policies
- Human Rights
- Code of Ethics

### Social Impact and Awareness Trainings

- Information on Employment of Disabled People
- Information on "Ekim'de Bir İyilik Var" Project
- Information on UN Global Compact (UNGC)

### R&D, Innovation, and Funded Projects

- Information on Horizon and Funded Projects
- Innovation in Sustainability

## Tackling Climate Change and Suppliers

In line with our long-term sustainability targets, we address the adaptation of our supply chain to climate change as a strategic priority. Accordingly, we aim for our Tier-1 suppliers\* (vehicle parts manufacturers) and our logistics operations to become carbon neutral by 2035. We also work with our suppliers on climate-focused projects and practices to reduce greenhouse gas emissions across our supply chain, and develop solutions to reduce both upstream and downstream emissions.

As part of the **Block Train Project**, implemented to reduce emissions from transportation, we aim to connect Craiova and Istanbul by rail. In 2024, the **rail connection infrastructure work at the Ford Otosan Craiova Plant was completed** and a trial run was successfully carried out. **Block train shipments started in 2025**, resulting in a reduction of approximately 48% in carbon emissions through transportation on this route.

For our internal carbon pricing project, we integrated equipment's energy consumption data into the indirect purchasing system, which now allows us to compare emissions and potential carbon taxes when purchasing energy-consuming equipment for factories. Work is ongoing to integrate this application into decision-making mechanisms in the future.

\*The target includes Scope 1 and 2 emissions from 300+ of our suppliers.

### 2026 Priorities

- Monitoring the targets set in the workshop in line with the carbon neutrality target in logistics operations and ensuring their achievement.
- Gathering Scope 1 and Scope 2 emission data from critical suppliers.
- Working toward compliance with CBAM and Deforestation regulations, including Craiova operations and related warehouse activities.
- Publishing a Supplier Sustainability Newsletter to track and share our suppliers' sustainability steps.



## Awards

Our Sustainability Transformation efforts in our Supply Chain were awarded in the **Supply Chain Management** category at the **Sustainable Business Awards**.

We were honored with two awards for the **Block Train Project** implemented for **intermodal transportation between Istanbul and Craiova**:

- **Türkiye's Most Influential Supply Chain Professionals** award presented by **SCP Club** in Türkiye,
- **Supply Chain Excellence Award** presented by **AUTOMOTIVE TODAY** in Romania.



# Future. Now for People



# FOR PEOPLE

At Ford Otosan, our working principles are based on human rights, diversity, equity, inclusion, and effective talent management. We are committed to providing our colleagues with a work environment where every individual feels valued and safe.

Our goal is to help them reach their full potential by fostering a culture that offers equal opportunities, respects differences and ethical values, and supports personal and professional development. With this approach, we cultivate an inclusive culture that drives high performance and innovation. By shaping the employee experience around health, safety, and continuous growth, we strive to enhance employee satisfaction and ensure sustainable success.

Guided by our North Star vision—**“Together, we are building a bright future by unlocking the potential of our people”**—we designed our Human Resources strategy around four pillars:

People-Centric Approach At Every Step

Future-Ready Organization And Work Model

Turning Employee Potential Into Value By Attracting The Right Talent

Inspiring And Empowering Leadership

With this strategy, we continuously evolve and strive to **create sustainable value** for our colleagues and all stakeholders through human-centered systems. Embracing the motto **“Future Now for People,”** we are advancing step by step toward becoming a more inclusive, equitable, and empowered organization. Our ambition is to become the **employer of choice**, recognized for strong employee loyalty. Guided by our clearly defined short-, medium-, and long-term goals, we focus on sustainable success through well-planned strategic actions.



# Employee And Human Rights

At Ford Otosan, we are firmly committed to upholding human rights and fostering an inclusive environment. Our goal is to provide a fair, transparent, equitable, and inclusive experience for our employees, customers, business partners, and all stakeholders. Guided by our **Human Rights Policy** and **Ford Otosan Code of Conduct and Ethical Rules**, we continuously strengthen our commitments in alignment with international norms and standards.

Based on the double materiality assessment conducted in 2024, **"Human Rights"** and **"Equal Opportunity, Diversity and Inclusion"** have been identified as high materiality topics for Ford Otosan in terms of its operations, stakeholders, and long-term value creation. This assessment demonstrates the strategic importance of these areas for both the company's impact on people and its business continuity, reputation, and talent management. Accordingly, our human rights and inclusion approach extends beyond compliance and represents a strategic business priority.

For more information, please see the **"Material Topics"** section.

Our practices in this area are shaped by international frameworks and standards, including the **UN Global Compact (UNGCC)**, **UN Women's Empowerment Principles (WEPs)**, the **Universal Declaration of Human Rights**, the **UN Guiding Principles on Business and Human Rights**, the **ILO Declaration on Fundamental Principles and Rights at Work**, and the **OECD Guidelines for Multinational Enterprises**. All Ford Otosan employees and business partners are required to act in accordance with our Human Rights Policy. The Human Resources and Transformation Leadership is responsible for the implementation of this policy.

## Our Human Rights Policy is structured around ten key areas:

1. Diversity and Equal Recruitment Opportunities
2. Non-Discrimination
3. Zero Tolerance for Child/Forced Labor
4. Freedom of Organization and Collective Agreement
5. Health and Safety
6. Zero Tolerance for Harassment and Violence
7. Working Hours and Compensation
8. Personal Development
9. Data Privacy
10. Political Activities

To view Ford Otosan **Human Rights Policy**, please click [here](#).

We also provide clear information on our human resources policies through comprehensive orientation programs for newly hired office and field employees, as well as newly appointed leaders. These programs are delivered by our Industrial Relations Leadership team. In line with our policy, we **uphold and protect employee rights** in all areas, including recruitment, promotion, career development, wages, benefits, and diversity. We respect our employees' **freedom of association and collective bargaining rights**. We maintain a strict **zero-tolerance** policy against forced labor, child labor, discrimination, and any form of harassment.

We are committed to ensuring that our colleagues can exercise their freedom of association and collective bargaining rights without fear of retaliation. We actively support this process by fostering **open and constructive dialogue** with employee representatives freely elected by our colleagues. Therefore, we cooperate with legal union representatives to uphold the rights and meet the expectations of our employees.

In our human rights due diligence efforts, we prioritize the perspectives and experiences of our colleagues. These processes are carried out in collaboration with the Human Resources and Transformation Leadership, Internal Audit Leadership, and Ethics Coordination unit, which **gather feedback on our human rights policies and practices** through surveys and one-on-one interviews.

To foster a safe, respectful, and inclusive work environment for our colleagues, we provide **Workplace Harassment and Sexual Harassment Training**, which all employees are required to complete during the onboarding process. As of 2025, a total of 9,450 employees have completed this training.

## Human Rights Due Diligence

To reinforce our human rights governance, we conduct a Human Right Due Diligence process every other year by engaging with Ford Otosan employees and suppliers. We then disclose our findings through a report published on our corporate website. Accordingly, our Human Rights Due Diligence process in 2024 encompassed both our colleagues and suppliers.

To view Human Rights Due Diligence report, please click [here](#).

Using the findings of the human rights due diligence process encompassing our colleagues and suppliers in 2024, development areas for the employees were identified in 2025 and necessary actions were planned.

Raising policy awareness, strengthening anti-retaliation efforts through training, reinforcing trust in ethics reporting channels, regularly monitoring field performance appraisal tools, and enriching employees' knowledge regarding the effectiveness of investigation/disciplinary processes have been identified as primary needs. Planning field training by considering work-life balance was also among the key focus areas.

## Diversity, Equity and Inclusion

We view the diversity of our colleagues, suppliers, customers, and stakeholders not only as a goal but as a **core component of our value creation process**. Our Diversity, Equity, and Inclusion (DEI) efforts are guided by our **Human Rights Policy** and **Diversity Policy**.

Through our DEI strategy, we aim to increase representation across all roles, foster a fair, equitable, and respectful workplace, provide equal development opportunities for all employees, and build an inclusive culture that values creativity and authenticity. Guided by our Human Rights Policy and Diversity Policy, we focus on key areas including human rights, health, education, gender equality, science and technology, and the empowerment of disadvantaged groups.

As part of our human rights and inclusion approach, we focus on three targets to strengthen equal opportunity at work:

Increase the ratio of women in all management roles to 30% by 2030\*

Increase the ratio of female employees in technology and innovation fields to 30% by 2026

Double the ratio of dealers' female employees in technology and innovation fields\*\*

To better understand and advance our DEI strategy, we conducted our first **DEI survey** in 2021. In 2024, we repeated the survey to track progress against the 2021 baseline and further inform our DEI initiatives. Based on these comparisons, an action plan was developed, focusing on topics including gender equality in STEM, gender equality in leadership, increasing diversity and strengthening accessibility for neurodiverse or disabled individuals, inclusive experiences, and equal opportunity in career journeys. In 2025, activities continued within the framework of the priority action areas identified according to the findings of the 2024 DEI survey.

To embed this approach into our culture, we established a formal DEI governance structure in 2023 and appointed a dedicated **DEI Leader** to spearhead our efforts in this area. Working in close coordination with the Sustainability Committee and supported by a network of volunteering employees, the DEI Leader is responsible for developing Ford Otosan's Diversity, Equity, and Inclusion (DEI) policies and building a roadmap aligned with our sustainability goals. This role also involves promoting a culture of inclusion across the organization, designing training programs for employees and stakeholders, and tracking the progress of leadership in achieving DEI objectives.

In our Diversity, Equity and Inclusion Playbook published on our website, we share concepts, the reasons behind our focus, and practical information on how to implement inclusion in business processes. With the **Guidelines for Tackling Domestic Violence and Abuse**, published in 2022, we outline our a zero-tolerance policy toward domestic violence and abuse and the support mechanisms we offer to our colleagues.

Please click [here](#) to access Ford Otosan **Diversity, Equity and Inclusion Playbook**.

Please click [here](#) to access Ford Otosan **Guidelines for Tackling Domestic Violence and Abuse**.

At Ford Otosan, 75% of our total workforce of **25,002** employees is located in Türkiye, while **25%** is located in Romania. Of our employees, **20.2%** work in office roles and **79.8%** are employed in field operations. With a young and dynamic workforce structure, **40.1%** of our total workforce is 30 years of age or under. In line with our inclusive employment approach, employees with disabilities constitute **2.4%** of our total workforce. We respect our employees' rights to freedom of association and collective bargaining. As of the reporting period, **75.2%** of our employees are represented by an independent union or covered by a collective bargaining agreement.

\*In line with our commitment to achieving equal representation in management and our goal of implementing projects to increase female employment and representation in leadership, we set a target in 2022 to increase the ratio of women in management positions to 30% across all our facilities in Türkiye. In 2025, we included our Romania Plant within the scope of this target, which encompasses increasing the ratio of female leaders in revenue generating functions such as R&D, production, and sales-marketing.

\*\* Compared to the 2022 baseline.

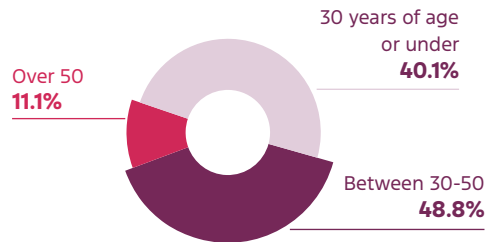
### Employees by Category



### Employees by Location



### Employees by Age Groups



## Gender Equality

As a signatory of the **UN Women's Empowerment Principles (UN WEPs)** and the **Equality at Work Declaration**, we are taking firm steps to promote greater participation of women in the workforce and to strengthen gender equality. In 2024, we joined the **Forward Faster** initiative launched by UN Global Compact (UNGC). Through this initiative, we continue to support efforts aimed at accelerating progress toward the Sustainable Development Goals, particularly in the area of Gender Equality.

Please click [here](#) to access Ford Otosan **Equality at Work Declaration**.

At Ford Otosan, **29.8% of our employees and approximately 25.8% of our managers are women**. Ford Otosan works toward maintaining a balanced representation of women and men in both office and field operations.

As part of the programs we implement to strengthen field competencies, 275 of our women employees obtained forklift operating certificates in 2025, enabling them to take part in different roles in field operations.

	2025 TR+RO
Female employment ratio	29.8%
Ratio of female managers in revenue-generating functions	19.5%
Ratio of women in STEM roles	29.5%

## Equal Pay for Equal Work

We are proud to be the first and only Turkish automotive company included in the **Bloomberg Gender-Equality Index** since 2020. We support our pay equity approach with an independent 'Equal Pay for Equal Work' audit report. Therefore, we strive to ensure fairness in salaries and employee rights for all our colleagues—regardless of gender, language, race, or other personal characteristics. Our level changes, year-end pay raises, career planning decisions, and access to critical training programs are all guided by objective criteria, particularly the performance results of our employees. At the end of each year, performance assessments are conducted across two key dimensions: business results and the way those results were achieved. These form the basis for year-end performance-based raises.

Gender Pay Gap by Positions (Average Female Salary/ Average Male Salary)*	2025 TR	2025 RO	2025 TR+RO
Senior executives (base salary)	1.00	N/A**	0.99
Senior executives (base salary + benefits)	1.00	N/A**	1.00
Managers (base salary)	0.92	1.22	0.95
Managers (base salary + benefits)	0.90	1.22	0.93
Non-managerial positions (base salary)	0.97	0.92	0.97
Non-managerial positions (base salary + benefits)	0.97	0.92	0.98

\* over 1

\*\*There are only male senior executives.

Please click [here](#) to access Equal Pay for Equal Work Independent Audit Report.

## Progress Metrics and Strategic Targets

Our approach to providing equal opportunities for women is embedded into all HR processes, from recruitment and performance appraisals to career development and remuneration. In line with our Equality at Work Declaration, we design our recruitment policies based on job requirements, without focusing on differences such as gender, age, or generation, and we effectively utilize measurement and evaluation tools in our decision-making processes.

In 2025, **24.8%** of our newly hired employees were women. Women constitute **24.5%** of our employees at our Türkiye locations and **45.7%** at our Craiova plant. In line with our goal of increasing the proportion of women in all management positions to **30%** by 2030, a rate of **26.08%\*** was achieved in 2025.

In line with our target of doubling the ratio of women working in technology and innovation roles within the dealer network by 2026 compared to the 2022 baseline, concrete steps were taken in 2025. Within this scope, programs encouraging female employment were implemented and additional employment support was provided to dealers to strengthen incentives for female candidates.

To determine actionable steps in the field toward the target, quantitative targets were set for regions and dealers, working in coordination with sales and after-sales field teams. Dealer performance was regularly monitored, while the implementation process was supported by close monitoring and feedback mechanisms, resulting in progress.

For more information, please see the [Dealer Transformation](#) section.

We track the following metrics for alignment with our targets:

**Executives by Gender (Türkiye + Romania)**



**Employees in STEM by Gender (Türkiye)**



\*Includes "Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş." and "Gembox Teknoloji Girişimleri Anonim Şirketi."

## Inclusive Work Environment

To improve the working conditions for female employees, new changing rooms were built in our growing Yeniköy facility. In job placements, all processes are evaluated with a focus on physical characteristics and work requirements, regardless of gender. As a result, female recruitment for field roles rose to 63%.

In 2025, we continued to diversify our training and development programs to reinforce our inclusive culture:

- The Women Leader Development Program was renamed **Empower Together** and updated with redesigned content based on participant feedback and needs. While it is too early to assess the long-term impact of the program, which just launched in November, **participation and satisfaction metrics** have been closely monitored since the beginning. To date, **40 employees participated** in the office program and **81** in the field program, both receiving high satisfaction and strong feedback.
- Extending beyond this program, this approach has also been integrated into broader leadership development processes. The target for enrolment in leadership development programs such as **LEAD, GROW, and MBA candidacies** was set at **50% female participation**, which reached **33.88%** in 2025. The program currently has **90 field and 40 office employees**, consisting of female office and field leaders and potential leaders.
- During the **Disability Awareness Week**, the "Inclusive Working Practices at Ford Otosan" training was organized for field leaders.
- The **Neurodiversity Week** was marked with an awareness webinar.
- On the **International Day for the Elimination of Violence Against Women**, a "Digital Violence" webinar was organized.

**Inclusive Leadership, Inclusive Work, and Unconscious Biases** were determined as the key awareness themes for 2025.

## Stakeholder Opinion

As Tohum Autism Foundation, we develop education and employment models that support the sustainable participation of neurodivergent individuals in social and working life. In this context, the supported employment project we carry out with Ford Otosan has successfully created a strong partnership example for implementing inclusive workforce practices in the field.

In a process conducted with the participation of 17 neurodivergent individuals across three different regions — Istanbul, Eskişehir, and Kocaeli — the participants' vocational competencies, adaptation to the work environment, and independent working skills were systematically supported, and measurable improvements were achieved.

Ford Otosan's approach of treating diversity and inclusivity as an integral part of its corporate culture is pioneering the widespread adoption of sustainable employment models and creating a strong impact focused on social benefit. We believe that this collaboration presents a model that sets an example in the field of inclusive employment for the private sector.

**Elif KARABULUT**  
Employment and Career Director, Tohum Autism Foundation

## Recruiting and Supporting of Disabled Employees

At Ford Otosan, we adopt the principle of creating safe, accessible, and equitable working conditions for our employees with disabilities. Our Yeniköy Plant has been designed as a disability-friendly environment; the processes and conditions under which employees with disabilities can work are defined through internal procedures, and administrative leave practices providing flexibility in weekly working hours have been implemented.

As of 2025, Ford Otosan employs 498 employees with disabilities from 22 different disability groups, and 110 candidates with disabilities were employed during the year. Vocational and on-the-job training is carried out with experts suitable for different disability groups. Candidates with disabilities who relocate to work at our Kocaeli plants are supported with accommodation, transportation, and rent assistance to facilitate their access to employment. During Disability Week, 60 field leaders received the "Inclusive Working at Ford Otosan" training. To strengthen the employment of employees with disabilities, collaborations are carried out with İŞKUR, the Tohum Autism Foundation, Engelsiz Kariyer, and IMPACT2030. In addition, access to candidates who graduated from special education programs is provided under the protocol signed with the General Directorate of Special Education and Guidance Services of the Ministry of National Education. Inclusive career events are organized to increase the participation of university students with disabilities in internship programs; in this context, the "No Barriers on Your Career Path" event was held.

To make inclusiveness visible in social life as well, the **"No Barriers on the Field"** inclusive sports tournament was organized with the voluntary participation of 43 employees with disabilities from our Eskişehir, Kocaeli, and Istanbul locations. In interviews conducted after the event, all participants stated that their motivation increased and requested that the organization be held every year.

In line with our diversity, equity, and inclusion approach, we implemented the "Jobs 4 All" project at our **Craiova facility** to support the employment of individuals with disabilities. The project was developed with the active contribution of our Human Resources team and one of our employees with disabilities, and was implemented under the DEI category. The financial gains obtained within the scope of the project were reflected in wage payments, thereby financially supporting our employees' contributions to social responsibility objectives.

Through the employment of individuals with disabilities, the Disability Fund contributions required to be paid by employers under the legislation were reduced, creating benefits for both our company and the employed individuals. Through collaborations with local private schools, associations, and relevant organizations, more than 70 individuals with disabilities have been employed at our Craiova facility. With the launch of the Employee Value Proposition (EVP) in 2025, practices related to inclusiveness and the employment of individuals with disabilities became one of the key components of our corporate culture.

## Together We Can Volunteering Project

Ford Otosan runs the **Together We Can** project to support colleagues diagnosed with cancer throughout their treatment process, return to work, and the next stages in their work. This volunteering initiative, which aims to strengthen employee solidarity and psychological well-being, won the **President's Award** at the **Ford President Health and Safety Award (PHSA)**. In 2025, the project reached nearly **500 participants** through **breast cancer awareness events** held in Gölçük, Eskişehir, Yeniköy, and Sancaktepe locations, emphasizing the importance of early diagnosis, self-examination methods, and the role of psychological support. 29 colleagues, currently undergoing treatment, have benefited from psycho-oncology services with the assistance of a specialist psychologist, gaining mental resilience.

## Neurodiversity and Inclusive Recruitment Practices

Aiming to support inclusive employment, Ford Otosan recruited 17 individuals with neurodiversity at three locations as part of an İŞKUR-supported employment project, launched in June 2025. The newly hired employees in the autism, Down syndrome, and intellectual and mental disability groups go through an onboarding process with the help of buddies from the first day of work. With this practice, Ford Otosan became the **first automotive company in Türkiye to employ individuals with neurodiversity** at its Istanbul, Kocaeli, and Eskişehir locations.

### Stakeholder Opinion

This project we carry out at Ford Otosan Eskişehir Plant is a valuable process that supports the adaptation of neurodivergent employees to the work environment and their potential. Throughout the process, we receive positive feedback from both the employees and the teams regarding their sense of belonging, confidence, and motivation. Being part of this project provided me with an experience that nourishes me not only professionally but also on a human level as a disability job coach — one that deepens my perspective and makes me feel the meaning of what I do every day anew.

**Esra Özden**  
Ford Otosan Disability Job Coach

### Stakeholder Opinion

First of all, I would like to thank Ford Otosan Eskişehir Plant for their support. I feel very comfortable, happy, and fortunate to be part of this project. I come to work with enthusiasm and excitement. Having a job coach and buddy by my side makes me feel safe and at ease. Because of this, I do my best not to let anyone down.

**Bahadır Er**  
Our Colleague with Neurodiversity

## Intergenerational Engagement

At Ford Otosan, we recognize that diverse ideas, perspectives, and competencies foster creativity and effective problem-solving. One of our key initiatives in this area is the annual **Reverse Mentoring Program**, in which more experienced employees are paired with colleagues who have **0–2 years of experience**, with the newer employees taking on the role of mentors. This format strengthens intergenerational engagement and supports mutual learning.

In 2025, a total of **94 colleagues**, including **47 mentors and 47 mentees**, participated in the program. With team members acting as mentors and leaders as mentees, the satisfaction scores for the training sessions in June were measured as 4.83 (out of 5) for mentors and 4.69 (out of 5) for mentees. We plan to continue the program in 2026.

## Collaborations with Stakeholders

We aim to expand our gender equality and inclusion approach beyond the organization to our dealers, suppliers, and stakeholders.

In 2025, we participated in the With You Dealer conferences in Istanbul and Ankara, sharing information about female employment in dealerships and Ford Otosan’s DEI vision and practices. In our work with suppliers, Human Rights and DEI trainings were conducted, and information was provided on the employment of employees with disabilities at Ford Otosan. In addition, with the Heavy Commercial Vehicles Association (TAİD), information was shared regarding women’s employment in heavy commercial vehicle production and the female truck driver project.

In Romania, our Craiova plant became a signatory to the **Romanian Diversity Charter** in 2024, becoming part of a platform focusing on action and the sharing of good practices in diversity management. Our Craiova plant also participated in the Neutral and Inclusive Communication in Corporate Environments (NICE) program, funded by the European Union’s Citizens, Equality, Rights and Values (CERV) Programme, and had the opportunity to integrate inclusive and neutral communication practices into business processes; progress was achieved in corporate culture through capacity development programs.

## 2025 Activities and Events

Using the results of the Employee Engagement Survey (EES) and responses to open-ended questions, the following activities were carried out in 2025 to strengthen inclusion, equity, and employee experience:

### Employee Experience and Work-Life Balance

Additional work-from-home options were extended for caregiver parents. The scope of first-day-of-school leave for female employees was expanded to include kindergarten day.

### Fair and Transparent Management Practices

Actions were taken to mitigate the risk of nepotism in the field organization. Hack teams worked on these practices. Working Group Leader/Team Leader selection processes were redesigned and implemented.

### Leadership and Inclusive Management

Development programs on DEI and inclusive leadership were provided for field leaders. Leader orientation processes were strengthened with this approach. More than 200 leaders received inclusion training.

### Gender Equality and Awareness

To mark March 8, #EquityAtEveryStep meetings were held in various locations and events were organized to support women entrepreneurs, raising gender equality awareness.

### Disability and Neurodiversity: Inclusive Practices

During Neurodiversity Week, activities were carried out to provide information and create awareness about disability and neurodiversity. During Disability Awareness Week, workshops, fundraising activities, and inclusive sports events were organized, supporting the social participation and visibility of disabled employees.

### Workplace Practices for Disabled Employees

The buddy system for disabled employees was updated. The onboarding processes, safety practices, and training content were designed by considering accessibility needs. Awareness training for field leaders and open-door policies strengthened communication.

### Digital Accessibility

The MYHR Chatbot used in human resources processes was updated with more content and language options to enable hearing-impaired employees' access.

A total of **288 employees** from different locations participated in these trainings and events.

## Agile Mindset and Corporate Business Agility

Our exemplary transformation journey evolves and diversifies with inspiring leaders and innovative teams who quickly adapt to change. Since starting with Dynamic Balance cultural transformation steps in 2017, this journey has continued to strengthen communication, efficiency, competence, and culture across the organization, extending from pilot applications to corporate and process agility.

Focusing on people, quality, and efficiency, we continuously enhance our business agility at the team, leadership, and business area levels. Accordingly, active coaching support is provided to **15 business areas** and **251 teams** across the organization. We predominantly adopt the Kanban way of working (80%) in these teams; in teams where the agile mindset is kept alive, we make it a principle to bring solutions that will generate value tailored to specific needs. By referencing the 12 agile principles across all our services, we produce holistic solutions by considering scrum, kanban, scaled agile approach, and lean practices together.

In 2025, our experienced Transformation Leadership redesigned coaching practices as standard, trackable, and measurable services. Additionally, the Transformation Portal and Transformation Dashboard were launched to visually keep the pulse of transformation.

We also started measuring Net Promoter Score (NPS) of the quality-focused transformation services in 2025 and completed the year with a quality NPS of 64.

- **Coaching, Mentoring, and Facilitation Services:** We offer coaching and mentoring for empowering leadership, facilitating communication, and nurturing goal-oriented work habits to support the performance of individuals and teams.
- **Business Management Tools and Framework Consulting:** We leverage agile methods and modern business management tools to improve the teams' planning efforts, tracking, and process efficiency.
- **Training and Development Services:** Through development programs for leaders and masters that enhance agile mindset awareness and strengthen role-based competencies, we ensure that the transformation is spread and embedded across all layers of the organization.
- **Measurement and Evaluation Services:** We shape our development plans with a data-driven approach by measuring the teams' and the organization's agility and maturity levels.
- **Process Agility:** We analyze processes that impact multiple areas to visualize decision points and eliminate disruptions, waste, and bottlenecks.

In 2025, the Transformation Leadership focused **75%** of its activities on supporting our company's people-centric *"Future-ready organization and working methods"* strategy.

## Hack team and agile systems

In addition to its ongoing services, the Transformation Leadership also created focus groups by establishing 3 separate **Hack Teams** within its organization.

**Team For Transformation Hack Team:** This team of three agile coaches was formed with the objective of improving the quality, tools, processes, and infrastructure of transformation services. The Transformation Dashboard, Azure DevOps infrastructure, coaching satisfaction metrics, Transformation Portal, and team health assessments are the team's key focus areas.

**Agile Academy Hack Team:** This team of five coaches started offering agility training tailored to employee groups in 2025. To date, **31 trainings reached 318 participants**, earning an NPS score of 76. A total of **TL 2,183,085** was saved in costs through the use of internal resources. Overall, **66%** of the employees who received training passed the certification exams with an **average success rate of 90%**. 8 new trainings were designed, a badge and tracking system was developed, micro-trainings were introduced, and an **AI-driven Agile Agent** was launched.

**FOMA (Ford Otosan Master Academy) Hack Team:** FOMA was launched in 2024 to support the development of employees capable of voluntarily leading transformation within the organization. The program currently continues with **64 employees**. Throughout 2025, 18 experience-sharing sessions were held and **24 different OKRs** were developed through 92 internal communications. In 2026, FOMA aims to focus on leading change, enhancing quality and processes, improving efficiency, and spreading the learning organization culture wider.

The initiative launched in 2025 as part of **Process Agility efforts** involved **43 process improvements, 19 of which were completed**. Considering the integration of AI and digital tools, the plan is to increase coaching and mentoring support on this topic in 2026.

The work of cross-functional teams, led by the **TVM Cost Attack and Yeniköy Quality Hack Teams** alongside agile coaches resulted in improved efficiency and adaptability in processes supporting production, supply chain, and information flow.

Ford Otosan's agile mindset and business agility maturity was rated with **4 stars** for the second consecutive year by the independent **Business Agility Institute (BAI)**, placing us among the **top 17%** of agile organizations evaluated globally.

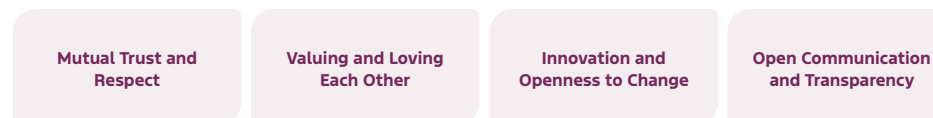
## Cultural Transformation and Common Culture Perspective

At Ford Otosan, we foster a team culture grounded in core values such as mutual trust and respect, appreciation, openness to change, innovation, open communication, and transparency. Through the **Common Culture Perspective** initiative, we engaged employees at all levels in a participatory process to define concrete actions that promote our cultural principles. Based on the insights, we developed a cultural roadmap and shared our commitments openly with our colleagues. In 2025, we continued to implement and communicate these actions.

### Our Cultural Principles



### Our Values





## Future Fit Initiative

We address the transformation steps that support employee experience and efficiency together with our culture and organization approach. In 2025, a total of **51 organizational initiatives** were completed within the scope of the **Future Fit Initiative**. As examples of initiatives concerning the entire organization, **Operational Excellence, Strategic Initiatives & Integration**, and the **IT Finance Controller roles** were defined. In the same period, 14 digitalization projects were launched, including HRT Chat Bot, e-invoice tracking system, press line automation, invoice entry automation system, employee request tracking platform, supplier tracking system, FTT quality management system, digital solution for invoice & deduction processes, customer request escalation system, and digitalization of pre-delivery final inspection processes.

## People Analytics

Aiming to create a more data-driven workforce planning process, we started conducting HR analytics based on the People Analytics approach as part of 5-year business plans. The Dashboard project is used for detailed analysis of the organization and generates AI-based insights. Departmental organizational structures (span of control, layer, etc.), hierarchical distribution, number of leaders, number of employees (HC), turnover rates, and Employee Engagement Survey (EES) results are systematically reviewed every quarter and the outcomes serve as input for future planning.

# Talent Acquisition

Talent Acquisition, Development and Retention was identified as a “Very High Materiality” topic based on the double materiality assessment conducted in 2024. Accordingly, talent management practices are developed and implemented concurrently in Türkiye and Romania.

For more information, please see the **Material Topics** section.

## Employer Brand Approach: *Ford Otosan On the Way*

Our employer brand, Ford Otosan | On the way, expresses continuous progress and a world of experience where everyone can unlock their full potential. This approach is shaped around five core sub-themes: innovation, development, career, life, and success. During the activation phase of our employer brand strategy, teams were formed with the aim of highlighting both existing and newly introduced experiences and practices that distinguish Ford Otosan, and enabling candidates and employees to experience them firsthand.

In 2025, our communication efforts targeting young talent were strengthened under the Ford Otosan | On the way umbrella; and a podcast series was launched as a first. The podcast content covered diverse themes, including as sustainability, future skills, career opportunities, and innovations in production and education. The Future Designers episodes shared the journeys of 60 young talents in the long-term internship program and the experiences of former interns. The Career Opportunities in Sustainability episode introduced young people to new professions and career paths in this field. In another episode, the integrated vocational high school model, implemented at the Kocaeli Plant under an agreement signed with the Ministry of National Education as an industry first, was discussed, informing young people about the importance of applied education and employment opportunities.

## University Collaborations

University collaborations continued in 2025, targeting young engineers and recent graduates. During the Career and Development Week, students from various universities were hosted at the Sancaktepe facility, giving them an opportunity to familiarize themselves with the company through networking events. 18 online and in person plant events engaged nearly 47,000 people. Additionally, 28 representation events were organized with the participation of Ford Otosan employees, connecting with more than 50,000 students online or in person. Furthermore, a dissertation was completed in collaboration with Özyeğin University.

The talent pool continued to grow thanks to internships, projects, and development programs (Future

Designers, KOOP, Dissertation). In 2025, a total of 37 students joined Ford Otosan through short- and long-term internship programs. Technical trips were organized for students to experience production and R&D processes firsthand. A delegation of 20 people participated in the technical trip to the R&D unit.

## Internship Programs

In 2025, approximately 15,000 applications were received for the short-term internship program, and applications were pre-screened through an AI-based evaluation system developed in collaboration with Ono. Following the selection process, 178 candidates were included in the short-term internship program, and 44 transitioned to the long-term internship program after evaluations. Additionally, with the inclusion of 14 candidates referred through the holding, a total of 58 long-term interns started their internships. Depending on their graduation status and staffing needs, their transition to permanent positions is planned.

Starting from January 2025, 37 individuals who completed their internships at Ford Otosan and submitted their diplomas were directly hired. Candidates who did not qualify due to a short waiting period after internship are not included in the reported number.

The Craiova facility aims to attract young talent through internship, apprenticeship, and graduate programs. Students from the School of Automation participate in maintenance and IT projects aligned with their field of study. As part of collaborations with vocational schools, students receive hands-on training in press, body, and PTO production. In 2025, 46 students completed this program, and 35 graduates were employed at our facility. The program has been offered continuously since 2020.

Within the scope of the Career Forum, developed in collaboration with Craiova University, our employees come together with university students to introduce our company and support the career development of young talent.



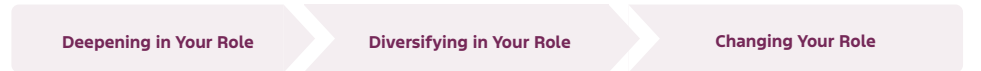
### Employer Brand Recognition

According to the 2025 Universum Türkiye survey, Ford Otosan continued to strengthen its employer brand recognition. Climbing up four places from the previous year to rank 39th in the Economics and Administrative Sciences student category, Ford Otosan also maintained its strong position in the Engineering/IT category. Recruitment funnel analyses demonstrated 3% - 13% increase in recognition and application conversion rates in both student and professional segments. Key factors highlighted in the survey included respect for people, career opportunities, learning and development, international opportunities, and innovation. Ford Otosan ranked in the top 25% of all companies in the "Career", "Rewarding", and "Innovation" categories.

# Talent Management and Career Development

At Ford Otosan, one of our key priorities is to support our colleagues throughout their career journeys, helping them feel satisfaction, trust, and courage, and explore their potential to guide their development. We support our employees in becoming the subjects of their own development with our "On the Way to Career" approach. We view career management not as a one-directional progression, but as a flexible and continuous journey with diverse development paths. In 2026, we aim to implement a data-driven and holistic talent management architecture that empowers the Ford Otosan culture. Our goal is to integrate performance, rewarding, recruitment, development, and leadership processes under a common language using a next-generation competency model, and to support decision-making processes with advanced HR analytics and predictive models. This approach involves implementing a company-wide human and talent management structure that combines business strategy with talent strategy and ensures sustainable growth.

We developed a new career architecture in alignment with our agile organizational structure, supporting office employees' development through multiple pathways. Accordingly, we defined three distinct career paths:



This structure allows our colleagues to deepen their expertise, acquire new skills, and gain experience in different functions. Through our internal mobility processes, we support access to internal career opportunities both locally and globally.

We aligned the competency sets of our office employees with this agile structure. As part of the competency revisions, we standardized our leadership track selection processes for mid- and first-level leadership roles through assessment center practices. To enhance the internal mobility experience, we also prepare internal job posting experience guides, ensuring a transparent and fair application process.

We also designed a new selection process for our field employees to ensure equal opportunity and support competency development for transitioning to leadership role. With this approach, we aim to identify and build a robust pool of future field leaders.

### Career Mobility

Adopting a Career Mobility approach, we support our colleagues in gaining experience in different positions and roles. As of 2025, approximately **6%** of our average workforce headcount benefited from rotation opportunities. **Permanent rotations**, where employees permanently move to a new position, are the most common preference, fostering personal development and strengthening our internal talent pool. **With Koç Career**, we promote equal opportunity by transparently sharing all open positions with our employees.

### Strategic Human Resources Planning

As part of our Strategic Human Resources Planning, critical roles are identified in line with the company's long-term goals, succession plans are created for leadership positions, and talent risks are regularly monitored. We extend this process beyond simply a management plan into a participatory system with our employees' career aspirations and potential at its core. According to the 2025 analyses, progress has been made toward preventing talent loss, employee turnover has declined, the succession structure has been reinforced, and planning effectiveness has been improved clearly defined critical roles across the organization.

Appointments are decided with a holistic approach focused on talent management, balancing individual career goals with organizational needs.

### Career and Talent Interviews

In 2025, the Career and Talent Interviews were conducted by prioritizing employee needs. These interviews were structured in various categories, including one-on-one career discussions, orientation and expectation meetings with newly appointed leaders, evaluation of rotation experiences, and engagements aimed at building relationships and trust. The process supported a closer understanding of employee expectations and finalizing development actions.

### Technical Expertise

As part of our commitment to offering diverse career paths, we introduced the Technical Excellence Journey (formerly FTEM), which provides an alternative track for employees to advance their careers through technical expertise without taking on a team leadership role. Within this framework, **38 new areas of expertise** were approved in 2025 and criteria for most of these areas were integrated into the tracking system. Throughout the year, **32 expert committees** were convened to support the structuring of technical competencies at the corporate level.

### Integration of Romania Operations

In 2025, the integration of our Romania operations into our human resources processes was addressed as a strategic priority. Strategic Human Resources Planning processes were updated to include Romania and a comparable planning structure was developed based on a common methodology. HR committee communications and announcements were standardized and the employee turnover rate reports were consolidated by country and business unit to ensure transparent traceability.

## Succession and Leadership Continuity

At Ford Otosan, a company-wide **Human Resources Planning and Succession Planning framework** is implemented to ensure business and leadership continuity. Succession plans are established for all leadership positions and strategic roles, structured to address short-, medium-, and long-term needs, and managed in integration with the Human Resources Planning process.

In 2025, key roles with high strategic and sustainability impact were also included within succession planning and a role-based succession planning approach was integrated into the HR Planning system. Individualized development and career actions are defined for colleagues designated as successors and monitored throughout the year.

Structured succession plans are in place for critical managers and senior leadership roles, while retirement plans and potential transition processes are managed in accordance with these plans. Succession plan for the CEO (Ford Otosan Leader) position is regularly reviewed and potential leaders who could take over this role in different timelines are identified and supported with targeted development and mentoring programs.

The succession planning process at our Craiova facility follows a similar structure to our Türkiye operations. Candidates are identified for future leadership roles, skill gaps are analyzed, and tailored development plans are created. In this process, the 9-Box assessment tool is used, and employee development is supported with mentoring programs. Study visits are organized to other facilities to meet employees' learning needs with the goal of incorporating these experiences into daily business processes.

# Employee Engagement

At Ford Otosan, we not only measure employee engagement with loyalty scores but also adopt a multi-dimensional approach to addressing work experience, holistic well-being, and social connections as whole. Accordingly, we introduce practices that foster engagement through regular measurements and employee feedback.

The “You Are the Experience” process, built on employee feedback, was reviewed, given that Romania integration was largely completed by 2025 and eliminated relevant needs. Following this evaluation, a decision was made to discontinue the process after 2025. However, feedback on employee experience will continue to be monitored through existing integrated mechanisms such as the Employee Engagement Survey and the People First Index.

The Employee Engagement Survey in 2025 was conducted with an **83% participation rate**. In addition to engagement questions, feedback on physical, mental, social, and financial well-being dimensions was also gathered as a first this year.

In Türkiye, the overall employee engagement score was 54.1%, while the office employees’ score reached 57.1%. In Romania, the overall engagement score was measured at 64%, and the office employees’ at 77%. The consolidated engagement score for Türkiye and Romania was 56.9%. In the coming period, together with our leaders, we will continue to take steps to determine and implement actions that will improve our working experience and overall well-being as Ford Otosan.

## Employee Engagement (Türkiye)



## Employee Engagement (Romania)



## Employee Engagement (TR+RO)



Based on the results obtained, actions are determined together with our leaders to improve the working experience and overall well-being.

**The Employee Connection Survey**, addressing 15 sub-topics to measure employee satisfaction, was conducted as part of the engagement survey in 2025. Compared to the previous year, progress was recorded in all sub-topics, and the overall survey score increased by 3 points to reach 88 out of 100.

In 2026, we will prioritize continuously improving the employee experience to increase the visibility and clarity of the total reward approach, improving process efficiency through digitalization and automation, and reinforcing data-driven decision-making mechanisms. Accordingly, the goal is to use analytics more broadly in the OKR (Objectives and Key Results) system.

## Open Dialogue with Employees

In 2025, we restructured our internal communication and dialogue platforms to meet the diverse needs of our field and office employees more effectively. The “Biz Bize” webinars were divided into separate sessions for office and field employees. Meetings for field employees were held twice a year with workshops and working group leaders, while meetings for office employees were held quarterly in live broadcast format.

As of 2025, “Biz Bize” webinars evolved into a structure more focused on company strategy and priorities and monthly live broadcasts titled “HR Special” were launched with our Human Resources and Transformation Leader. These broadcasts offer our colleagues an opportunity to receive direct answers to their HR-related questions.

We use the **Koç Dialogue System** to identify the strengths and development areas of our colleagues, support their career aspirations, and regularly assess performance with regular, transparent feedback. In line with the OKR approach, employees hold review meetings with their leaders five times throughout the year to support their performance and career development in relation to their objectives and key results.

The Inspiring Beginnings program was not continued in 2025 due to a decline in external recruitment and internal assessments regarding its effectiveness. The plan is to replace the program with more informal and interactive coffee talk formats starting in 2026.

## Employee Well-being

We aim to support our colleagues in achieving a healthy work-life balance while expanding flexible working opportunities. Our Office Free application enables flexible working from any city or office location. By balancing overtime when necessary, we allow employees to manage their own schedules flexibly outside of core working hours.

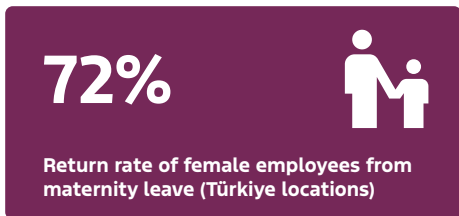
Through our **“No Meeting Wednesday”** initiative, we reserve Wednesday mornings for personal development and concentration. We continue to improve rest and break areas based on employee feedback. Furthermore, we are expanding our range of healthy snack options across cafeterias, kiosks, and vending machines.

Guided by the People First Index for formulating our employee engagement survey questions, we added more sets: **Holistic Well-being, Leadership Climate, Purpose and Talent Utilization, and Awareness.** While Leadership Climate, effective talent utilization, and social well-being stand out as strengths, raising awareness of core well-being practices comes to the fore as a development area.

Leveraging the Vehbi Koç Foundation’s (VKV) means, we introduced operational improvements to support employee well-being. More healthy eating options are added to daily meals, vending machines are placed in the gym, and the fitness equipment is regularly maintained. New coffee machines have been installed in break areas, and cleaning processes have been standardized. The pets at the facility receive regular veterinary care.

## Family, Parenting, and Caregiver Support

In addition to nurturing our colleagues’ well-being with a holistic approach, we extend extra **financial and structural support** in key moments of their lives such as marriage, childbirth, or education. To further support our colleagues through parenting and as they start a family, we ensure their needs are met during maternity and parental leaves, which are offered equally and inclusively at Türkiye facilities and Ford Otosan’s Craiova Plant. To protect against the impact of economic changes, we apply pay raises and bonuses **concurrently** to all employees on maternity leave, ensuring that no one is disadvantaged during their time away.



In production ergonomics, we consider the well-being of pregnant employees. Free routine check-ups and monthly examinations are provided at our healthcare centers during pregnancy. This process is further supported with prenatal yoga, child development training, and snacks available throughout pregnancy. New mothers are also entitled to work half of their normal working hours if they notify the company within 30 days following the end of their 16-week maternity leave. This right is granted for 60 days for the first child, 120 days for the second, and 180 days for three or more children.

The Craiova Plant organizes an annual Family Day, hosting the employees and their families, as well as special Christmas parties and gift programs for children. The Employee Value Proposition (EVP), introduced in 2025, has enabled us to address the employee experience holistically by building our human resources practices on five pillars.

To support our female colleagues who are parents, we offer **administrative leave** on the first day of school and on report card day during their children’s four-year primary school period. In addition, we extend a **net nursery allowance** for children aged 0–66 months to support mothers working at Ford Otosan. This allowance is adjusted every year based on the annual inflation rate. We take into account the expectations of our employees during collective bargaining processes and work collaboratively with the union to reach a mutual agreement. We also grant **five days of legal paternity leave** to our colleagues who become fathers.

At Ford Otosan, we value our employees’ personal wellbeing and development as much as their professional success. In this context, we provide access to adult and child psychologist support for working mothers and their children and offer **hybrid work options** for caregiver parents. **The Ford Otosan Mom Booklet**, designed to facilitate parents’ access to all social and other benefits, is a resource full of information on leaves, support mechanisms, and practices.

### Benefits

Beyond legal rights, we provide a wide range of additional benefits to support the development of our colleagues. These include individual pension support, membership in the Koç Pension Foundation, holiday and fuel allowances during the year, and meal vouchers for remote working days. Employees also benefit from exclusive discounts at Koç Holding companies, along with offers at partner restaurants, apparel brands, fuel companies, supermarkets, events, and hotels through the KoçAilem application. We further offer employees advantageous pricing when purchasing vehicles from Ford Otosan. To personalize these benefits, our office employees can manage and customize their packages through Flextra, a system designed to align benefits with individual and family needs. Our Office Free application enables flexible working in different offices within the Koç Group.

In 2025, employee engagement and cultural integration were among the key priorities of our Romania operations. Within the scope of disseminating the Dynamic Balance culture, workshops and awareness activities were conducted for both office and production employees. In addition, the “Ford Otosan On the Way” EVP was launched in Romania, and Ford Otosan Romania received the “Most Attractive Employer in the Automotive Industry” award for the second time.

## Sports and Club Activities

As of 2025, Ford Otosan has **18 sports and social clubs**, including music, gastronomy, nature sports, wellness, and reading. Throughout the year, approximately **2,000 employees** actively participated in **126 activities and events** organized by these clubs.

Kocaeli and Sancaktepe locations feature gyms and sports complexes, freely available for the employees, and offer group classes along with Zumba, Pilates, Yoga, and HIIT classes at the VKV Wellness Center, all aimed at supporting physical and mental well-being of the participants. The **Multisport card** app, launched in 2025, provides employees with deals and discounts at sports facilities and activities across Türkiye.

Ford Otosan participated in the Koç Group Sports Fest with **50 teams** and won **56 trophies**. The **EuroConnect Sports Romania-Türkiye** event brought together Romanian and Turkish teams, strengthening social ties beyond borders.

## Digitalizing HR Processes

We prioritize digitalization across our Human Resources processes and develop Robotic Process Automation (RPA) projects to enhance efficiency. By adopting agile approaches and strategies that deliver our solutions in small increments, we effectively address challenges encountered throughout project implementation.

Through the digitalization of routine HR processes, we automate numerous tasks, saving time and minimizing potential errors. With the support of data analytics and reporting tools, we are able to monitor and analyze HR-related business processes in real time at every level of the company.

We manage our digital HR systems in full compliance with the Personal Data Protection Law (KVKK) and the Information Security Policy. We take comprehensive measures to ensure the privacy and security of our employees' data. In accordance with legal requirements, we inform our colleagues about the purpose of data collection, how their data is stored, and obtain their explicit consent.

Guided by our Human Resources digital transformation vision, we implemented digital applications to enhance employee experience and improve process efficiency in 2025. The **MyHR Chatbot** enables our colleagues to quickly access accurate information. SAP system improvement strengthened the flexibility and integration of HR processes. Additionally, operational efficiency was improved by digitalizing overtime scheduling processes.

During the integration of Romania HR operations, payroll and time management processes were migrated to the **SAP HR** platform, ensuring compliance with global standards. This transition reduced manual processes, strengthened data accuracy and reporting capabilities, and improved user experience by considering local legislative requirements. In addition, security and user experience were elevated with AI support integrated into the visitor management system. Measuring time, performance, and cost savings has been adopted as a core principle in all digitalization projects.

To advance our digital transformation journey, we plan to digitalize remuneration and bonus management and rewarding processes, expand the scope of HR analytics across the organization, and increase operational efficiency with AI-driven automation solutions in 2026. These steps are intended to contribute to both employee experience and our corporate sustainability goals.

## Suggestion and Improvement System and Digitalization

With the adoption of next-generation working models, we offer a flexible and open environment that enhances employee participation, motivation, and job satisfaction. Encouraging our colleagues to take initiative not only enables them to add value to business processes through their creativity but also supports our company's drive for innovation.

At Ford Otosan, we established the Suggestion and Improvement System to encourage both field and office employees to take initiative. This system allows employees to document the improvements they implement in their work processes and share the suggestions they develop. Through the Improvement System, employees contribute enhancements in areas such as line balancing, tool and apparatus development, energy efficiency, industrial material usage, robot and equipment acquisition, and paint savings. Within the Suggestion System, they also generate ideas related to localization, occupational health and safety, human resources, cost reduction, and packaging.

All viable suggestions and improvements submitted through the system are recognized and rewarded. In 2025, we rewarded 158 employees for the improvements they contributed through the Suggestion and Improvement System.

# Employee Development

In line with our updated learning strategy, guided by the motto **“Transform the Potential of Employees into Value with the Power of Attracting the Right Talent,”** we focused on digitalization, leadership development, technical expertise, and a culture of continuous learning in 2025. Within this framework, we continued to invest in current and future competencies through a holistic learning ecosystem encompassing both field and office employees.

2025 was a year in which digitalization and artificial intelligence themes were strongly integrated into our learning agenda. The Learning and Development Summit provided a platform for our colleagues to gain new insights about learning, artificial intelligence, and the evolving business landscape. Technical development programs tailored to Team Leader and Workshop Team Leader roles were introduced, supporting the use of digital tools, meeting rituals, and operational leadership competencies.

In 2025, total training time reached 2,102,657 hours, with an average of 149.77 hours per employee. Total training expenditure for all full-time employees amounted to TL 132,688,616.

The Learning and Development Summit in 2025 brought together external training professionals and Ford Otosan employees from different functions to share their knowledge and experience as trainers. The summit, attended by approximately 2,000 participants including dealers, **supported employees learning together and gaining different perspectives.** A post-event satisfaction survey measured participant satisfaction at 9.5.

The goals for 2026 include creating role-based development roadmaps, launching the new LXP platform, managing technical training through an academy structure, expanding the scope of technical development for field leaders, and transitioning to a **Leadership School** system. New development programs, leveraging on-the-job learning, are planned for mid-level and field leaders.

# Competency and Social Skill Development Trainings

Personal Development Programs	Coaching & Mentoring Programs	Koç Holding Leadership Development Programs	Leadership Development Trainings
<p><b>Competency and Social Skills Classroom Training</b> <i>(Stress Management, Resilience, Persuasion Techniques, Learning Intelligence, Neuroscience Based Stress Management)</i></p> <p><b>Webinars &amp; Seminars</b> <i>(Performance Appraisal System, Renewed Ranking Process, Technical Excellence Journey, Pension Foundation Information and Privileges and Evaluation Center processes)</i></p> <p><b>Outdoor Training Program</b></p> <p><b>Field Employee Seminars</b></p> <p><b>Diversity, Equity and Inclusion Trainings</b></p> <p><b>Learning and Development Summit</b></p>	<p><b>Classic Mentoring Program</b></p> <p><b>Reverse Mentoring Program</b></p> <p><b>Peer Mentoring</b></p> <p><b>SparkUs Online</b></p> <p><b>Coaching Program</b></p> <p><b>1-1 Leadership Coaching</b></p> <p><b>Team Coaching</b></p>	<p><b>Lead Management Programs</b></p> <p><b>Lead Leadership Programs</b></p> <p><b>Lead Digital Programs</b></p> <p><b>Udemy Education Programs</b></p> <p><b>Emeritus Education Programs</b></p> <p><b>Unlock Program</b></p> <p><b>You Are The Leader Program</b></p> <p><b>PDP (Personal Development Program)</b></p> <p><b>Harvard AMP &amp; PLD Program</b></p> <p><b>Women in Board Association Mentoring Program</b></p> <p><b>Koç University MBA-EMBA</b></p>	<p><b>Grow Development Program</b></p> <p><b>LeaderYOU Program</b></p> <p><b>Women Leaders Development Program (Office + Field)</b></p> <p><b>Ford Trucks Academy</b></p> <p><b>Ford Türkiye Leader Academy</b></p> <p><b>Leadership Agility Program</b></p> <p><b>Agile Leadership Program</b></p> <p><b>Business Coaching Advantage</b></p> <p><b>Development Program</b></p> <p><b>Mastering Leadership Program (Field)</b></p> <p><b>Meridyen: Leadership Beyond Authority Program</b></p>

## Vocational Development Trainings

At Ford Otosan, we position vocational training as a strategic priority and continue to make strides in this area. Demonstrating our firm commitment, we established the Ford Otosan Vocational Training Academy to advance our efforts. We recognize that achieving the automotive industry's quality production and export targets requires a highly skilled and qualified workforce equipped with strong knowledge, technical abilities, and competencies.

Building on this foundation of knowledge, experience, and needs, we introduced the Ford Otosan Vocational Education Model (Skill Development Ecosystem) in 2024. This model is designed to develop the critical skills of both current and future employees, ensure the sustainability of our production capabilities, and foster a culture of continuous learning.

In 2025, 2,832 people received 3,205 vocational qualification certificates in 15 different fields.

In 2025, 28 people received 28 master qualification certificates in 3 different fields.


In 2025, 18 people received master trainer certificates.

In 2025, 17,540 people across all sites received 1,014,861 hours of training as part of Professional Development Trainings.


Specialization Programs	Participants (person)	Training Time (hours)
Maintenance Specialization Program	691	60,289
Engineer Specialization Program	41	2,496
Electric Vehicles (EV) and Battery Technologies	102	5,364
Industrial Robotic Programming	91	3,640
Training the Trainer	69	1,242

Mandatory Legal Trainings	Participants (person)	Training Time (hours)
Occupational Health and Safety Trainings (OHS)	12,072	144,864
First Aid Trainings	741	10,264
Vocational Trainings	2,200	704,000
Heavy Machinery Operator Trainings	1,362	79,938
SRC and Driver's License Training	171	2,764


### Our Specialization Programs




Electric Vehicles (EV) and Battery Technologies Training Program (EV)




Engineer Specialization Program (MUP)




MUP + (Ventilation, Transfer Equipment, Energy Efficiency)




Training the Trainer Program




Maintenance (BUP) Specialization Program



Industrial Robotic Programming



Aluminum Welding Training



VR-assisted Vocational Training

### Our Legal / Mandatory / Vocational Trainings and Certifications



Vocational Trainings (CNC, Mold, Automotive, Engine etc.)



Occupational Health and Safety Trainings (OHS)



Basic First Aid Trainings



Vocational Training in Businesses (IME) MTAL and MYO



Construction Machinery Operator Trainings



Vocational Qualification Certificates



Master Certificates



SRC and Driver's Licenses

## Career and Leadership Development Programs

The Mastering Leadership Program is designed to further develop the leadership capabilities of our field leaders, including Workshop Team Leaders, Team Leaders, and Working Group Leaders. The 2025 program focused on social and behavioral skill development and covered a broad range of topics, including Critical Conversations, Coach-like Communication, Public Speaking, Effective Presentations, Concentration, Attention Economy, and Team Dynamics. The program was designed for field leaders and implemented in four locations with a total of 14 groups in 2025. It aimed to strengthen competencies such as emotional intelligence, empathetic communication, feedback, stress management, and trust-based leadership. Consisting of three modules, each with 8 hours of face-to-face training, the program was attended by 237 field leaders and achieved a 92% completion rate, with a cumulative satisfaction score of 4.9/5.0 and an NPS score of 94%.

The **GROW Development Program**, designed to support the career development of experienced team members, started with 25 participants and concluded with 22 graduates. During the program, 8 participants completed their rotations, while 5 participants were appointed to leadership positions. Women constituted 40% of the graduates, and the program achieved a satisfaction score of 4.60/5.00 and an NPS score of 96%.

The Leader Orientation Program, conducted for managers who will experience leadership for the first time, ensured alignment of leaders with HR processes and expectations. This was followed by the Strive First Level Leader Program, consisting of three modules, to support their development journeys. The Leader Guide document was shared with all leaders throughout the year. As part of the leader orientation, 575 leaders were invited to sustainability training in 2025, and 156 leaders participated in a one-hour sustainability training.

## Technical Skill Development Trainings

The 6 Sigma trainings continued with 19 employees, who earned Green Belt (17) and Black Belt (2) certifications. In 2025, the Digital Literacy Program expanded with the addition of 163 field employees.

As part of the **Software Academy Training Program**, we organized Low Code/No Code training sessions internally, aiming to equip employees outside of IT departments with the skills to develop digital solutions without relying on IT support. In 2025, we reached a total of 300 participants through face-to-face training sessions held at various levels.

The **HRBP Learning Journey** was designed to equip HR Business Partners with the theoretical and practical knowledge they would need in their new roles. The CLT structure of HR was strengthened with a curriculum updated with iterations throughout the year.

Onboarding and Learning Role-Specific Skills	Acquiring New / Different Skills for New Roles	Skill Diversification	Skill Refresher	Skill Deepening / Specialization
Mandatory Company Trainings*	Strategic Development programs (Data, Software) Agile Transformation Trainings Role-Specific Technical Skills Trainings	Innovation Training Programs Digital Transformation Trainings Department-Specific Technical Trainings	Digital Literacy Training (Industry 4.0) Role-Based English Language Training Field Leader Development Program	Technical Excellence Journey and Development Graduate Programs 6 Sigma Green / Black Belt Trainings

\* Occupational Health and Safety, Emergency Response, Code of Conduct and Ethical Rules, Environmental Legislation and Management System, Ethical Reporting Channels, Information Security System, Quality Management System, Energy Management System, Chemical Spill Emergency Response, Contract Processes, Harassment and Sexual Harassment in the Workplace, Dynamic Balance Common Culture Values and Principles, Mobbing, Ethical Principles, Sanctions and Export Controls, Anti-bribery and Anti-corruption, KVKK, and Competition Law.

## Koç Academy Mandatory Trainings

We provide **mandatory training programs through Koç Academy** to ensure our colleagues meet basic compliance, ethics, and safety requirements in a standardized format. **Legally mandated Occupational Safety and Health training and Compliance training** are repeated **every two years**, delivered in-person and online.

### Supporting Graduate Education

As part of our incentive programs, five colleagues enrolled in the graduate programs at Koç University, Boğaziçi University, and Kocaeli University in 2025. 14 MBA and 1 EMBA candidates were selected to start MBA/EMBA programs in the 2025–2027 period while 15 MBA candidates continued their education in the 2024–2026 period. 27 participants completed their MBA education in the 2023–2025 period.

## Koç Academy Mandatory Trainings (Continued)

### Measuring Learning Experience and Monitoring Impact

To monitor and measure the training programs' effectiveness, we apply the **Kirkpatrick model** and also use pre-test/post-test applications, performance results, rotation and leadership appointment rates, EES scores, 9-box results, and succession plans. We also conduct surveys, NPS surveys, and one-on-one interviews, and leverage instructor and leader insights to measure and improve satisfaction with the programs. We are currently considering the Learning Experience Platform (LXP) options for 2026.

### Koç Academy Mandatory Trainings

Workplace Respect Culture

Emergency Response Orientation Training

Code of Conduct and Ethical Rules

Environmental Legislation and Management System Training

Ethical Reporting Channels Training

ISO 27001 Information Security Training

ISO 9001:2015 Quality Management System

ISO 50001 Energy Management System E-Training

Chemical Spill Emergency Response Course of Action

Contract Processes Training

Workplace Harassment and Sexual Harassment Training

Dynamic Balance Common Culture, Values and Principles

Course of Action for Employees in Electric Vehicle Fires

Compliance – Code of Ethics – Automotive

Compliance - Sanctions and Export Controls – Automotive

Compliance – Anti-bribery and Anti-corruption – Automotive

Compliance - KVKK – Automotive

Compliance - Competition Law

## Recognition, Appreciation and Rewarding

We place great importance on the fair recognition and rewarding of the attitudes, behaviors, and efforts demonstrated by our colleagues. To this end, we implement a range of appreciation and rewarding systems designed to boost motivation and acknowledge contributions with a holistic approach.

Within the framework of our performance management system, we reward projects developed in line with Objectives and Key Results (OKRs), as well as the process improvements achieved and exemplary behaviors with various rewards.

To reinforce employee engagement and sense of belonging, we honor our colleagues who served the company for 10 years and more with various recognition and commemorative awards based on their years of service at seniority ceremonies organized in line with Koç Group practices.

We foster a culture of appreciation through a variety of channels, including verbal recognition, email, internal communication platforms, and team events. These practices help create a positive workplace atmosphere and strengthen mutual trust among colleagues.

### Instant Rewards and Spot Bonuses

Through our instant reward process, which covers all field and office employees, we immediately recognize successful actions and outcomes. We use the Spot Bonus system to reward the outstanding projects and remarkable contributions, further boosting employee motivation.

### Most Successful Ford Otosan Employees

Each year, based on employee nominations, we recognize projects that deliver the highest added value in the **People, Quality, and Cost** categories. These awards are determined by a jury composed of leaders from various functions and cover the categories of Smart Factory, innovation, digitalization, automation, sustainability, and customer focus projects.

In 2025, we continued to reward projects that delivered cost, labor, and time savings and improved efficiency, quality, and safety in production processes.



**Most Successful Ford Otosan Employees 2025 – Winner Projects:**

People Category	Quality Category	Cost Category
BEV Cases (A-E-H) Dimensional Control Process Innovation Project	Route of Quality for Shipments	FLYINGCHAIN - V710 Air Conveyor with Automatic Trailer System
F-Trucks New Assembly Conveyor Line	Smart Battery Care with Connectivity	MetaSource
Observer: Ensuring Workplace Security with Artificial Intelligence and No-Code	More reliable production with Sigma Simulations	Value Added Usage Scenarios with Connectivity Data

**People Category – Special Jury Award**

**Together We Can:** This project was initiated to support employees with cancer on their journey after diagnosis.

**Awards**

Award Category	Award
Social Brands Data Analytics Boomsonar and Marketing Türkiye (Brandverse Awards)	Career Gold Award
Organizational Agility Business Agility Institute (BAI)	4 Stars Business Agility / First Automotive Company in Türkiye Winning 4 Stars
Best Team Supporting Quality Education and Youth The Hammers Awards	Women Elevating Women Project – Silver Hammer
Randstad Employer Brand Awards	“Most Attractive Employer in Romania” award in the automotive manufacturing industry category (Craiova, Romania)
Romanian PR Gala Forum for International Communication	Excellence Award category Silver - Jobs 4 All

In 2025, Ford Otosan ranked among the top 50 global inclusion leaders in the DIAL Global Index 2025, in which nearly 100 companies from Türkiye participated for the first time.



# Occupational Health and Safety

At Ford Otosan, occupational health and safety (OHS) management is designed to create a safe and healthy work environment for our employees, subcontractors serving at our sites, and all stakeholders under company oversight. The objectives of OHS management include identifying occupational health and safety risks in alignment with the ISO 45001 Occupational Health and Safety Management System Certification and implementing an effective risk management process through clearly defined targets and programs. In addition to applicable laws and regulations, we follow the Ford Motor Company's International Safety Standard and the Koç Group Occupational Health and Safety Standard when identifying and defining OHS risks. We regularly review and update our targets and programs to address these risks and OHS requirements, taking into account technological advancements in the automotive industry as well as our company's ongoing investments, and determine necessary strategies.

According to the double materiality assessment conducted in 2024, Occupational Health, Safety and Employee Well-being has been identified as a "Very High Materiality" topic. Accordingly, practices are continuously reinforced and enhancements are introduced concurrently in Türkiye operations and Romania.

For more information, please see the [Material Topics](#) section.

We regularly review the Ford Otosan Occupational Health and Safety Policy, first established in 2021, every year to provide a safe and healthy working environment across all our operations. This policy is binding for all our business processes, employees, and business partners, and it reflects our ongoing commitment to providing a safe and secure workplace.

To view Ford Otosan Occupational Health and Safety Policy, please click [here](#).

Our OHS activities are guided by our Occupational Safety Leadership. We set annual targets based on lost time accident (LTA) data and monitor progress in coordination with relevant departments. We regularly assess our OHS performance in leadership meetings and provide weekly updates to senior management. Additionally, key OHS performance indicators are presented in board meetings.

## OHS Governance Structure

At Ford Otosan, OHS Boards and Ergonomics and Industrial Hygiene Committees are responsible for effective OHS governance. OHS boards at each location meet with factory management, and all Ford Otosan employees are represented in these meetings. Union and employee representatives serve on the OHS boards.

The employee (union) representative serving on the OHS board adds topics to the meeting agenda if they wish to raise concerns about occupational health and safety practices and duly follows through the actions based on the board decisions.



Our occupational health and safety governance structure as of 2025 and its constituents, objectives, and actions are summarized below:

	Türkiye		Romania
	OHS Board	Ergonomics and Industrial Hygiene Committee	Health and Safety Committee (HSC)
Objective and Scope	Assessing occupational health and safety hazards and the necessary precautions; monitoring the adequacy of measures against risks such as fire, natural disasters, sabotage, and similar incidents.	Identifying ergonomics and industrial hygiene risks in workshops and workspaces, developing corrective solutions, and monitoring their implementation.	Working with employer and employee representatives to ensure regular consultation with and participation of employees in occupational health and safety issues.
Key Duties	<p>Assessing OHS performance monthly and annually</p> <p>Reviewing the occupational safety and health activity plan for the next year</p> <p>Evaluating the impact of technology, operations, and working conditions on OHS</p> <p>Ensuring the implementation and follow-up of its decisions</p>	<p>Assessing ergonomics and industrial hygiene risks</p> <p>Developing and monitoring local improvement actions</p> <p>Monitoring ergonomics and hygiene analysis results</p>	<p>Employer or legal representative</p> <p>Employer representatives with OHS responsibilities</p> <p>Employee (worker) representatives</p> <p>Occupational health physician</p> <p>Internal prevention and protection service</p>
Structure and Functioning	<p>Meetings are held with plant management in all locations.</p> <p>Union and worker representatives are on the board.</p> <p><b>Number of members:</b> Kocaeli - 26; Eskişehir - 29; Sancaktepe - 13</p> <p><b>Meeting Frequency:</b> Every 2 months</p>	<p>Structured as local working groups.</p> <p><b>Number of members:</b> Kocaeli - 98; Eskişehir 54.</p> <p><b>Meeting frequency:</b> Typically every 2 weeks.</p>	<p>Approving and monitoring prevention and protection plans based on the annual OHS program</p> <p>Evaluating resource allocation and effectiveness of implemented measures</p> <p>Analyzing effects of new technologies and equipment on OHS</p> <p>Monitoring the use of PPE and collective protective equipment</p> <p>Analyzing the causes of accidents and occupational diseases</p> <p>Conducting internal audits and preparing written reports</p>

According to the framework of the OHS governance structure, **the number of employee representatives serving in OHS Boards and Committees on behalf of employees is 9**. However, employee representation mechanisms extend beyond these boards and committees. The Representatives Board, established by the Healthcare Center, convenes three times a year with union representatives, the Human Resources Industrial Relations unit, and employees representing all departments, providing information about the operation and overall functioning of the healthcare center and receiving their opinions.

## OHS Risk Management

We conduct annual internal audits across our facilities with the involvement of audit representatives and our Quality team. Occupational health and safety (OHS) checks performed at the start and end of shifts are monitored digitally through the Digital Ford Production System (DFPS) using Foreman and Process Coach reviews. Additionally, weekly OHS Walks, led by Field Leaders, are conducted to identify potential risks in the workplace. These observations are tracked through our digital system, allowing for swift implementation of necessary improvements and contributing to a safer, healthier work environment.

We apply a comprehensive OHS risk management process at all our Türkiye facilities in alignment with the ISO 45001 Occupational Health and Safety Management System. Each year, we undergo third-party audits for certification renewal or interim reviews. In the 2025 ISO 45001 audit, no major nonconformities were identified.

Beyond audit-related findings, we actively identify, evaluate, and manage occupational health and safety risks as defined in our Risk Analysis Directive. Risk analyses are reviewed annually or whenever a significant change occurs that may introduce new risks. We also collect and evaluate employee feedback via the Risk Non-Compliance System on the Digital Ford Production System (DFPS), ensuring issues are resolved promptly by the relevant departments. Every two months, we assess the impact and probability of identified risks in collaboration with relevant teams led by the Risk Management Leadership. Any risks categorized as “high” are escalated to the Early Detection of Risk Committee for further action.

### Risk topics mapped in 2025

#### Türkiye

Safety of new machinery and equipment, OHS orientation on the job, behavior-based safety practices in Eskişehir, digitalization process, AI-driven OHS audits, and training-development needs of maintenance teams.

#### Craiova

Electrification and battery hazards (high voltage in BEVs – electric shock/arc flash; lithium-ion battery thermal runaway – fire/explosion), new machinery and equipment (particularly installations around the Body Shop) and employee compliance with PPE.

For jobs with a high risk of severe injury, a hierarchy of control measures to eliminate risks is implemented in accordance with the Risk Analysis Directive. This approach involves five steps: first, eliminating the risk (e.g., removing the process or outsourcing the intermediate assembly process to an off-site manufacturer); second, isolating the risk (enclosing the hazardous area with machine guards such as fences or light curtains); third, isolating the operator (using two-hand controls, etc.); fourth, identifying and providing personal protective equipment; and fifth, training employees on hazards and preventive controls.

## OHS Trainings

We organize various structured trainings and awareness-raising events to mitigate operational OHS risks and to foster a culture of safe working practices. Legally mandated OHS trainings are repeated every two years, while new employees receive health and OHS trainings before they begin their jobs.

Process coaches and group leaders receive ergonomics and industrial hygiene training. Ergonomics trainings are now mandatory for group leaders at the Eskişehir location and planned to be implemented as a mandatory program at the Kocaeli location soon. Work is ongoing to integrate ergonomics training into mandatory occupational health and safety (OHS) programs. Employees who undergo periodic medical examinations receive periodic medical examination training afterwards using the dedicated computers in healthcare centers.

As part of emergency preparedness, **586 employees** received training from emergency response teams in 2025, while **1,000 employees** were trained on procedures to follow in case of electric vehicle and lithium-ion battery fires. Additionally, trainings on responding to battery fires were provided for firefighters in Kocaeli, Sancaktepe, and Eskişehir locations.

The Craiova Plant provides basic life support and trauma response training, AED training, hearing protection programs, medical advice for respiratory protection through various screening/awareness campaigns, and face-to-face training sessions, conducted by internal and external trainers. As a proactive approach to support the psychosocial well-being of employees, a Mental Health First Aid Program is implemented.

## Employee Health

New employees starting jobs with occupational disease risks receive training on occupational diseases during onboarding. All processes within the factory are assessed for ergonomics-related risks and monitored digitally. Issues marked yellow and red in analysis results are evaluated by the Ergonomics and Industrial Hygiene Committees, and improvements are planned. Longer-term improvements requiring investment are escalated to the OHS Board, and the relevant employees are provided with PPE for potential risks until the improvement is completed. Additionally, actions are taken to improve working conditions based on the results of industrial hygiene measurements.

Unit-specific chemical risk maps are created for areas where chemicals are used and the employees' risk exposure in these areas is evaluated through blood and urine samples. Work is ongoing to transition from hazardous chemicals to safer alternatives.

## Employee Health (Continued)

A general health questionnaire seeking clues about psychosocial health issues has been added to periodic examinations and implemented in three locations. Cardiac risk analysis and cancer family tree screening have been integrated into the periodic examination. Employees with identified risks are referred to relevant specialist physicians. A job card model assigned to each employee is used to monitor their job-specific risks (working at height, driving, night work, working in loud environments, shift work). Potential internal and inter-departmental job transfers are evaluated through examinations in terms of suitability and re-assignments due to health reasons are implemented when necessary.

To facilitate immediate response to emergencies in work areas, first aid cabinets have been placed at designated locations on site and equipped with basic emergency medical equipment.

The health management practices implemented at the Craiova Plant include occupational risk assessment for each employee, pre-employment medicals, regular medical monitoring at least once a year, vulnerable personnel assessments, and case management committee activities.

## OHS Performance

The general profile of work-related accidents/injuries consists of soft tissue injuries, cuts, and fractures. No fatal accidents were reported in 2025. No occupational diseases were reported for subcontractor employees in 2025.

OHS Performance (Employees)	2024 TR+RO	2025 TR+RO
Occupational Disease Rate	0.16	0.27
Lost Time Injury Frequency Rate (LTIFR)*	5.89	3.75
Lost Work Day Rate (LWD)**	5.61	0.06
Total OHS Training Time (hours)	419,433	513,078

OHS Performance (Subcontractors)	2024 TR+RO	2025 TR+RO
Lost Time Injury Frequency Rate (LTIFR)*	5.85	2.65
Lost Work Day Rate (LWD)**	5.73	0.01
Total OHS Training Time (hours)	18,133	33,626

\* Lost Time Injury Frequency Rate (LTIFR) formula: (Total Number of Accidents / Total Annual Working Hours) x 1,000,000  
 \*\* Lost Work Day Rate (LWD) formula: (Total Number of Lost Work Days / Total Annual Working Hours) x 1000

## OHS Incident Reporting and Monitoring Process

We collect and evaluate employee feedback via the Risk Non-Compliance System on the Digital Ford Production System (DFPS), ensuring issues are resolved promptly by the relevant departments. Applications such as e-pttr, risk nonconformity, shift start/end OHS checks, and digital incident/accident reporting system are executed through DFPS. Additionally, the IPMS (Image Processing Management Platform) video cameras are used to detect online OHS nonconformities.

When an accident or incident occurs at our plants, we follow the Incident and Accident Reporting Directive. In accident and incident investigations, we assess the root causes of the incident and prepare the report by planning corrective-preventive actions. Then, an Incident-Accident Report is created electronically and necessary actions are followed through with the relevant area leadership.

The Craiova Plant monitors OHS violations using two electronic notification systems. The Yellow Card App is used by supervisors and management to report unsafe behavior. The Yellow Card process precedes disciplinary action and is accepted as equivalent to a formal warning. The second system allows for anonymous reporting of unsafe behavior. Each reported case is investigated by the relevant supervisor and management. All records are kept and shared with management.



## Emergency Response Management

At Ford Otosan, we prioritize the health, safety, and wellbeing of our employees and the broader community. While ensuring a safe work environment, we also encourage the active participation of our colleagues in occupational health and safety processes to integrate these values into our organizational culture. As part of our emergency response plans, we conduct a wide range of drills, including general evacuation, natural gas leak, flood, fire, rescue and evacuation, and environmental incident drills. These exercises are designed to strengthen our emergency response capabilities and are carried out throughout the year with the participation of Crisis Desk members.

As part of emergency preparedness, we conducted trainings and drills for different employee groups throughout 2025.

Earthquake Awareness Seminars (Office Employees)  
Total 3 rounds  
320 office employees participated

Earthquake Awareness Training and Earthquake Simulation (all locations)  
Kocaeli, Sancaktepe and Eskişehir  
817 employees  
Hands-on training through a simulation of the 1999 Gölcük Earthquake (7.4 magnitude)

Earthquake and Fire Training for Hearing-impaired Employees  
Kocaeli and Sancaktepe  
75 employees  
Practical Training

Gölcük Plant – General Evacuation Drills  
Total 6,659 participants, including Ford Otosan employees, contractors, visitors, and interns

Yeniköy Plant – General Evacuation Drills  
Total 5,671 participants

Scripted Emergency Response Drills  
Total 11 drills  
Fire, gas leak, chemical spill, diesel vehicle fire, and Li-ion battery scenarios

Sancaktepe – Fire and Earthquake Safety Training (Field Employees)  
143 participants

## Craiova - Emergency Response Management

The Craiova Plant complies with Ford Fire Bulletins and the legal requirements in Romania, with response plans prepared and ready for all foreseeable emergencies, including fires, explosions, earthquakes, and epidemics. Monthly shutdown procedures cover all employees. In 2025, the Craiova Plant continued to partner with the University of Craiova for internship programs and with the National Emergency Inspectorate for fire/emergency issues and also conducted joint emergency drills and personnel training.

## Preventive Activities and Projects

A Safe (Defensive) Driving Project for Professional/Non-Professional Drivers, designed to manage driving risks related to vehicles used for company operations and to prevent driver-related accidents that could result in injury or death, is carried out. Additionally, artificial intelligence and image processing technologies are leveraged to monitor safe behaviors with the aim of preventing fatal accidents that may occur due to unsafe behavior at automated production lines.



Application	Term	Objective	Relevant Stakeholders	2024 Accomplished	2025 Current Status
<b>Safe (Defensive) Driving Project for Professional/Non-Professional Drivers</b>	2026	Managing driving risks in vehicles used for company activities and preventing driver-related accidents that may cause injury or death.	Koç Group Shuttle Operators Personnel Shuttle Transportation Service Providers Logistics Providers Ford Otosan Leaders	We completed the training of 159 leaders in 2024 through 'Defensive Driving Techniques' and 'Anti-Skid Driving Techniques' training programs.	Safe Driving Techniques training is planned to cover all leaders with company vehicle usage rights at three locations, our senior leaders' executive drivers, and all colleagues who have requested a company pool vehicle in the last 2 years. In 2025, 87 people received driving safety training.
<b>Safe Behavior Monitoring with AI/ Image Processing Technology</b>	2025	Preventing fatal accidents that may occur due to unsafe behaviors at automation lines.	Intenseye Information Technologies Press Leadership	The press workshop, Line 60 automation area was monitored with 21 cameras and unsafe behaviors were tracked using image processing technology.	In 2025, occupational health and safety audits are being conducted locally by Ford Otosan under the name "Gözcü" (Observer), and employee behaviors are being monitored through AI-supported analyses on camera systems.

## OHS Management in the Value Chain

We integrate occupational health and safety (OHS), environmental, and energy management compliance expectations into all contractor agreements. The OHS performance of our business partners is evaluated and monitored in accordance with the Occupational Health and Safety Directive in Contractor Works. Performance assessments are conducted through field inspections and unsafe behavior observations. Companies that fall short of expectations are reported to the OHS Board, and appropriate warnings are issued in line with internal procedures. We also use the Contractor OHS Report Form to track and monitor contractors' occupational health and safety practices. Identified nonconformities are forwarded to the accounting unit, and sanctions are applied as outlined in our internal directives. Additionally, we require all suppliers to sign a commitment to comply with the Occupational Safety, Environment, and Energy Specification for Contractor Companies. Compliance is monitored and reported through audits.

The OHS performance of suppliers and subcontractors working with the Craiova Plant is assessed in multiple steps. These include: adding compliance criteria with Romanian Law 319/2006 and the company's OHS policies to the agreements prior to starting contracted work; periodic OHS reporting (incidents, accident risks, hours worked) throughout the process; KPI tracking (lost-time injuries and compliance with PPE and safety rules); on-site inspections; and employee interviews.

## HEALTHCARE ACTIVITIES

At Ford Otosan, we are committed to providing holistic, accessible, high-quality, and standardized healthcare services in line with our Health Policy. Our health-related decisions and strategies are shaped by the Ford Otosan Health Board, which evaluates companywide health practices, case reviews, and occupational health and safety regulations.

In alignment with our agile transformation, the Health Board operates with a multidisciplinary approach. Its members must be certified **OHS specialists** (at least **Class C**), and all workplace physicians are required to hold medical degrees. Our healthcare team holds weekly meetings with all workplace physicians to conduct general assessments, review case studies, and discuss specific case presentations in detail. The decisions reached during these meetings are shared with healthcare center staff.

## Healthcare Center Programs

### Healthcare Center Services and Clinical Support

Healthcare Center programs, including **physical therapy, psycho-oncologist support, child psychologist services, family counseling, couples therapy, and sign language training**, continued in 2025. To benefit from Musculoskeletal Diseases and Rehabilitation services, **557 people visited the physiotherapy outpatient clinic and 329 people visited a physiotherapist in 2025.**

For employees diagnosed with cancer, a support model is applied, involving both the employees and also their **primary caregivers and children if needed**, working with a specialist psycho-oncologist. This model aims to support the psychological well-being of employees during their cancer treatments. The children and families of such employees are also supported by a child and adolescent family therapist.

As part of emergency healthcare, ambulances in all locations were upgraded from **Blue Stripe** status to **Red Stripe Emergency Ambulance** status. The healthcare center also began to draw samples for some blood tests included in periodic examinations at the production lines after the department vehicles were redesigned for this purpose.

### Pregnancy and Family Health

A Prenatal School Program is offered for pregnant employees. Prenatal and postnatal classes are delivered three days a week in collaboration with Gölcük Public Education Center. Additionally, a full-day prenatal program was provided by a team of physiotherapists, dentists, midwives, pediatricians, and dieticians in partnership with the District Health Directorate.

The program included a webinar, accessible from all locations, to share information on the importance of newborn screening programs. The objective is to prepare pregnant employees physically and psychologically for the birthing process.

### Wellness and Nutrition Programs

To promote a healthy lifestyle, an **obesity prevention program** was launched in 2025. Morbidly obese employees with a high body mass index were included in a healthy weight loss program led by a specialist dietitian. These employees are monitored jointly by a dietitian, workplace nurse, and company psychologist. The process is tracked through communication groups formed to motivate them.

In addition, the Healthy Days Newsletters featured monthly advice on healthy eating.

### Psychosocial Support and Mental Health Assistance

Free psychologist and psycho-oncologist support continued in 2025 to assist with the mental health of employees and their families. Within this scope, **700 adults and 280 children/adolescents on average benefited from this service in the Kocaeli location, 450 adults and 250 children/adolescents in the Sancaktepe location, and 540 adults and 120 children/adolescents in the Eskişehir location.**

**A general health questionnaire**, developed to detect early signs of psychosocial risks, has been integrated into periodic examination processes and implemented across all three locations. Since the earthquake in Hatay, the Healthcare Center's psychosocial unit continues to provide **Acute Stress Disorder** training for production leaders in all three locations in preparation for potential traumatic situations. In addition, a **psychosocial support group**, consisting of social workers, sociologists, and psychological counselors, evaluates and reports on situations across the company from a social and psychological perspective. These activities will continue in 2026.

### Preventive and Protective Healthcare

In 2025, the scope of practices promoting healthy living was expanded. Cardiac risk analysis forms are used during periodic examinations and employees at risk are referred to specialists for further investigation. District Health KETEM teams performed **HPV-Smear screenings** at the healthcare centers and webinars were organized during the Cervical Cancer Awareness Month. In addition to webinars on breast cancer awareness, models for **breast self-exam (BSE)** were placed in healthcare centers at all locations. After periodic examinations, these were promoted at the Eskişehir and Sancaktepe locations. A webinar was organized to raise awareness about the increased risk of **Crimean-Congo Hemorrhagic Fever (CCHF)** in the summer months. Furthermore, necessary text messages were sent to all locations prior to the factory shutdown.

### Training and Well-being Activities

Physical and online workshops, trainings, and webinars are organized throughout the year through the Well-being Platform, a company clubs, to support the employees' well-being. The voluntary Kindness Map application facilitated the participation of employees and their children in these activities.

Training and awareness activities in 2025 included: Men's Health Seminars, Hearing Health Webinar, Office Ergonomics Trainings, Prenatal School Trainings, Newborn Screening Program Info Sessions, and a Workshop on Combating Virtual Gambling Addiction.

## Awards

In 2025, Ford Otosan Craiova Plant once again won the prestigious Best of Ford Award at Ford Motor Company President's Health and Safety Awards (PHSA).

Award Category	Award Description
Excellence in Health – Workplace Support for Employees Impacted by Cancer	We received an award for our comprehensive health and psychosocial support programs for employees diagnosed with cancer. (Kocaeli location)
Excellence in Industrial Hygiene – Mitigating Bromoform Formation in Industrial Processes	The hygiene and process improvements implemented to reduce bromoform formation in industrial processes was recognized with this award. (Kocaeli location)
Lifesaving Award	An employee's lifesaving efforts by applying the Heimlich maneuver and clearing the airway of a coworker were honored with this award. (Eskişehir Location)
MESS OHS Special Award	This special award was presented by Turkish Employers' Association of Metal Industries (MESS) for innovative OHS practices and exemplary safety culture initiatives.



# CUSTOMER EXPERIENCE AND DEALERS

At Ford Otosan, meeting customer expectations and maximizing satisfaction are among our highest priorities. Guided by our vision “To be the most preferred mobility brand that offers a unique customer experience with connected products and services” we design our products based on customer needs and expectations, and deliver our services with honesty, expertise, and care. We aim to build long-term relationships with our customers and support them through agile customer loyalty teams, particularly when challenges arise.

The “**Treat Customer as a Family**” strategy lies at the heart of this approach. In 2025, we continued to apply this strategy as our main framework and focused on developing the operating principles of our customer loyalty teams accordingly.

As part of our Customer Satisfaction Management policy, we commit to the following principles: providing free application processes to address customer issues, **ensuring 24/7 accessibility** through open communication channels, protecting personal data and using it only for its intended purpose, and offering timely and effective solutions to application-related concerns.

We implement this framework with the aim of providing our customers with an experience tailored to their living conditions and expectations across all engagement channels (digital platforms, dealers, and call centers).

To view Ford Otosan Customer Satisfaction Policy, please click [here](#).

## Ethical Marketing

We adopt an ethical and equity-focused marketing approach in our communication with our customers. In this context, we operate in accordance with the Koç Holding **Gender Equality in Communication Guide** and the **Ford Otosan Ethical Marketing Guide**. In 2025, we continued to focus on providing accurate and balanced information about our products and services, refuting exaggerated claims regarding the social and environmental impact of our operations, protecting vulnerable market segments, and avoiding exposing customers to disinformation from competitors. We also developed business processes to analyze social media comments and provide customers with accurate information.

To view Ford Otosan Ethical Marketing Guide, please click [here](#).

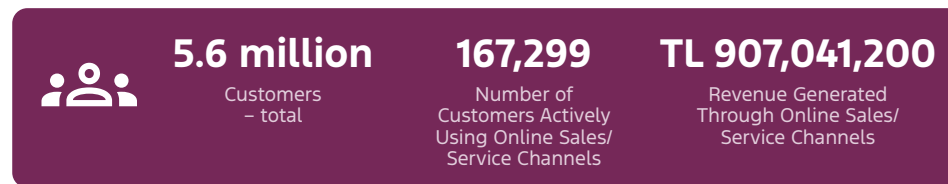
You can access Koç Holding Gender Equality in Communication Guide [here](#).

In 2025, there were no suspension penalties imposed due to non-compliance with laws and regulations concerning the impact of marketing communications (advertising, sponsorship, promotional activities, etc.) of products and services.

## Customer Relations Management

As of 2025, we monitor our customer base engaging with Ford Otosan from a unique customer perspective that addresses both the customers who purchased products or services and prospective customers. As a result of this approach, we have built a customer base of **5.6 million unique customers**.

Our customer profile predominantly consists of **90% male** and **10% female** customers. In terms of age distribution, the largest share belongs to the **45–54 age group with 33%**.



We address customer journey with an end-to-end approach. Using surveys covering all stages of the journey, we regularly identify, prioritize, and act upon customer dissatisfaction points and the main concerns expressed in their feedback. We monitor individual customer issues regarding their experiences via a system that allows us to view them on a dealer basis. We also share our findings related to these processes with the relevant departments under the coordination of our Experience Team and review progress monthly.

Based on customer insights, we focused on areas creating friction in the delivery and after-sales experience in 2025. At the delivery stage, we digitalized the pre-delivery inspection process, in which vehicles undergo quality and conformity checks before delivery to the customer, standardizing the checks in a traceable manner. In after-sales services, we also leveraged customer feedback regarding spare parts pricing to initiate improvements. Part-specific enhancements are ongoing. Additionally, we addressed customer expectations about fuel level at delivery. We continue to work on this issue.

Insights analyzed in 2025 revealed a distinctively negative experience due to delays in scheduled maintenance services because of changes in appointment dates after transitioning from the online appointment system to the dealer channel. Based on customer insights and stakeholder feedback, the online appointment process was restructured to include only “maintenance” appointments.

## Voice of the Customer Platform (VoC)

Through the Voice of the Customer Platform (VoC), we collect and analyze customer feedback across different stages of the customer journey, channels, and touchpoints. This platform enables us to address and resolve issues for customers who have had negative experiences. We gather insights at every stage—from dealers, services, call centers, web pages, and mobile applications—and take appropriate action based on the feedback received.

We track key metrics such as **NPS (Net Promoter Score), Overall Satisfaction, and Effort** indicators using **machine learning-based analytics** across our dealers, solution centers, and service departments. These results are shared with Senior Management on a monthly basis. Additionally, we monitor the **Customer Retention Rate** daily to ensure continued customer loyalty. In critical cases, we promptly notify the relevant teams and follow up on corrective actions.

## Customer Satisfaction

We manage customer satisfaction and recommendation behavior by tracking them across different touchpoints. In 2025, the vehicle delivery process and trade-in process were among the areas that received positive feedback from our customers.

We monitor NPS results on a monthly basis and aim to prevent sudden fluctuations by bringing monthly performance and the key points that most influence NPS to regular review meetings.

We present customer satisfaction performance at the **Monthly Customer Experience Review** meetings for Ford Türkiye and Ford Trucks business areas. Additionally, we share the latest status of our key metrics at the review meeting held **every two weeks** with our senior leaders.

Net Promoter Score (NPS) (%) – Passenger and Commercial Vehicles	2024	2025
Türkiye	81.4	81.2
Sales	85.3	90.2
Aftersales	77.4	80.6

Net Promoter Score (NPS) (%) – Heavy Commercial Vehicles	2024	2025
Türkiye	64.8	55.5
Sales	72.9	76.1
Aftersales	56.7	54.8

NPS scores broken down by gender can be accessed in the Performance Indicators section.

## Complaint Management

Given that complaints may arise at any stage of the customer journey, we address complaint and request management as a separate topic for monitoring purposes. Customers submit their complaints **by phone, through dealers, via email, and social media** (LinkedIn, X, Instagram).

In 2025, we received 6,492 complaints, which were all taken, answered, and resolved.

In 2025, we adopted a **“heartfelt service”** approach in call center processes to improve service quality in complaint management. Compliance with our service criteria was evaluated **monthly** through call listening conducted by a third-party organization, and necessary actions were implemented based on the findings. In addition, customer feedback was regularly reviewed by the teams to identify areas for improvement. Within this scope, training and awareness activities were carried out to address behavioral development areas identified in roadside assistance call centers.

As a result of these efforts, we closed 2025 with a quality score of 91.97, exceeding our target of 90. Customer feedback received via the VOC platform regarding services provided by our call centers was reviewed individually in weekly meetings, and root cause analyses were conducted. The findings were translated into various actions tailored to the needs across the call center–dealer–Ford Otosan ecosystem. Accordingly, the customer satisfaction score of our roadside assistance call center reached 4.73 in 2025.

No incidents of customer data leakage, loss, or theft were identified in 2025.

We also monitor our complaint resolution performance by analyzing average resolution times. We have set a target of resolving complaints within 6 days on average. In 2025, the average resolution time was measured at 6.49 days.

## Incorporating Feedback into Products and Services

Beyond monitoring experience through customer feedback, we share those insights with relevant departments as input for product and service improvements. Through the QNPS (Quality Net Promoter Score) survey we conduct for Ford Trucks, we regularly collect customer reviews regarding vehicle quality and design, and share those insights with our Quality department.

We also share feedback communicated via the Voice of the Customer (VoC) platform with our service engineering teams and address issues that should be submitted to R&D teams for further evaluation through these channels. This approach allows us to translate customer experience insights into firm actions by associating them with field applications and technical improvements.

Recurring or systemic problems are identified by regularly monitoring the breakdown of complaint categories. For instance, the “brake seize” issue, increasingly raised in complaints covered under warranty, was brought to the agenda of relevant meetings, and possible field actions were evaluated with relevant teams.

## Customer Experience Training and Development Program (CX Academy)

The Customer Experience (CX) Training Development Program is designed to enhance our employees' customer experience skills. In addition to the ongoing CX101 and CX201 trainings, continued, CX301 training content was introduced for the first time in 2025. Customer Experience and VoC Platform usage trainings are provided for dealership employees through the Ford Development Academy (FDA). Participation is monitored at the senior management level, with training completion rate for dealership employees reaching **94%**.

In 2025, the “Customer Experience Changemakers” video series continued with the CX Summit. The objective of this series is to strengthen a customer-centric work culture by sharing best practices that deliver positive results in customer experience across our dealer network and business units. The Agile Force project, carried out with **9 dealers** as of 2025, is another initiative aimed at improving customer experience.

## Customer Experience Projects

- Customer feedback was analyzed using the AI-based Kimola platform, increasing the visibility of factors influencing Brand Promoter Score (NPS) on a regional and dealer basis. Based on these analyses, delivery processes, after-sales pricing, vehicle cleaning, and callback processes were improved, resulting in higher NPS for both sales and after-sales services.

- In 2025, we introduced and maintained various improvements to enhance customer experience and loyalty.
- We implemented improvements in the sales-delivery journey to optimize the delivery process and began responding more swiftly to customer expectations.
- We launched the **Ford Rewards** project, led by our marketing team, to improve customer loyalty.
- As part of the Agile Force program, we analyzed customer insights at dealerships using AI and supported identified dealerships in taking action.
- Improvements were made in pricing of spare parts and maintenance services. Work on specific parts is ongoing.
- Activities to improve the quality of vehicle cleaning processes continue.
- Aiming to improve customer satisfaction, customers who responded to the customer churn survey and expressed that they had not been called back were contacted.
- The “Customer Relations and Complaints Management Core Team” was formed within the scope of the “With You” program to manage complaints more effectively and elevate the customer experience.

## Digital Experience and Connected Services

### Ford App

The Ford application allows Ford vehicle owners to manage their vehicles more easily, securely and efficiently. The app was upgraded and relaunched in 2025 with a faster and more user-friendly interface, creating an ecosystem of more than 160,000 connected Ford vehicles and was used by 90,000 users during the year. Through an advanced oil life calculation algorithm, 13,000 users received maintenance scheduling recommendations. In 2025, a total of 22,145 service operations were carried out through advanced oil life and maintenance reminder algorithms.

To enhance the digital experience, a chatbot using Copilot and artificial intelligence infrastructure was implemented on the Ford Türkiye website, aiming to respond to customers' questions **24/7**.

Through the Ford Account customer portal, customers can view vehicle stock information and receive offers. Following vehicle registration verification, customers can digitally access their vehicles' service history, maintenance packages and campaigns. In 2025, the Ford Online Store was integrated into the portal, bringing a significant part of the purchasing and ownership journey into the digital environment. Through the Online Pre-Reservation service, customers can start their purchasing journey fully digitally by paying a deposit online, and Ford vehicle owners can also purchase maintenance packages online.

## Ford Pro

Ford Pro is a comprehensive business model and platform designed to deliver integrated solutions to Ford's commercial customers. By leveraging connected technologies, Ford Pro aims to provide uninterrupted and seamless services that enhance operational efficiency and ensure maximum business continuity. Through Ford Pro, we offer not only the right vehicles and body configurations tailored to commercial needs, but also a wide range of support services, including maintenance and repair, charging infrastructure for electric vehicles, and digital tools that enable effective fleet management. With these services, we aim to maximize our commercial vehicle customers' business efficiency by streamlining their operational processes. The predictive activities and system updates in 2025 resulted in approximately 25,000 days of operational savings for our customers.

### Ford Pro Vehicles

We offer solutions for commercial vehicles that can be customized according to the needs of each business through Ford Pro. E-Transit, one of these vehicles, stands out as the latest example of Ford Otosan's continuous commercial vehicle innovation.

### Ford Pro Charging

Integrated and end-to-end solutions for home, public and depot charging for customers make a seamless transition to electric vehicles.

### Ford Pro Software

Business productivity tools that link gas, diesel and electric vehicles together to manage fleets holistically, on Ford or non-Ford vehicles, to improve uptime and cut costs.

### Ford Pro Service

Ford Pro Service is a next-generation service approach that enables commercial vehicle customers to continue their operations without disruption. Innovative solutions such as on-site service, extended working hours, and smart maintenance and service routing systems have been developed.

## Ford Trucks Care

Our Ford Trucks Care business model is designed to enhance the customer experience in the heavy commercial vehicle segment. Focusing on understanding our customers' needs and priorities, we aim to identify their expectations, develop tailored solutions, and create added value throughout the customer journey. With customizable offerings that address a wide range of use cases across our entire product portfolio, Ford Trucks Care encompasses five main business lines:

### Software

We take a holistic approach to operations management, aiming to increase vehicle uptime and reduce costs. By combining hardware and software services—such as connected vehicle systems, smart telematics, and remote software updates—we boost efficiency and optimize operations using systems enhanced by real-time data.

### Uptime

We maximize uptime by ensuring vehicles remain on the road with minimal interruption. Through advanced analytics, we monitor critical systems like the engine, battery, and air components in real time. We develop failure prediction models and proactively plan vehicle servicing.

### e-Mobility

We offer end-to-end support for electric vehicle adoption, including consultancy services, charging products, financing solutions, and EV-specific software. Our comprehensive fleet charging solutions cover hardware, installation, and software management tailored to customer needs.

### Finance

We consolidate all financial services under one roof—including branded loans, financial leasing, insurance, and financing for electric vehicles, services, and charging infrastructure—ensuring a seamless customer experience.

### Customization

We offer both technical and visual customization of vehicles in line with customer preferences. From designing and developing functional accessories for interiors and exteriors to delivering tailor-made branded products, we help drivers feel truly special with bespoke solutions.

Through the Ford Trucks Connected Vehicles Predictive Failure and Maintenance Project, we aim to anticipate and prevent vehicle failures before they occur. By applying AI and ML algorithms to Big Data collected from connected vehicles, we process real-time vehicle data to detect potential failures in advance. With this project, we aim to maximize vehicle uptime for Ford Trucks and ensure customer satisfaction. In addition, thanks to early detection of failures, we resolve failures before they grow and significantly reduce warranty costs. With the early detection of failures, we also prevent costs such as vehicle towing and roadside assistance operations and carbon emissions. To date, we prevented nearly 1,000 vehicles from being stranded on the road and saved over USD 1 million in warranty costs.

## Brand Recognition

We conduct brand awareness surveys and gather user feedback on our “fuel consumption” and whether we are an “environmentally conscious brand.” We then track progress in these areas using yearly comparisons. In 2025, we incorporated the “environmentally conscious brand perception” among target audiences into our Brand Health measurements.

- In the BEAT Survey 2025 questionnaire, these criteria are addressed under “brand characteristics” and constitute 5% of the survey.
- For Brand Survey 2025, we regularly monitored and internally reported how statements such as “low fuel consumption,” “highest safety standards,” and “values customer satisfaction” resonated with different target audiences.

## Dealer Culture

At Ford Otosan, we recognize our dealers as an integral part of our value chain and as key representatives of the customer experience in the field. Accordingly, we engage with our dealer network not only for commercial relationships, but also within the framework of shared values, common goals, and a long-term cooperation.

As of 2025, the Ford Türkiye business operates with 66 authorized dealers and the Ford Trucks business with 22. Our international dealer and distributor network includes more than 50 Ford Trucks distributors. All of our dealers and distributors participate in our official training programs and performance monitoring mechanisms.

## Dealer Employee Engagement and Experience

The Dealer Employee Engagement and Experience Survey, conducted in 2025, provided valuable insights into the engagement, experience, and expectations of employees at Ford Passenger Vehicle and Ford Trucks dealerships.

According to the survey findings, the employee engagement score was 74% at Ford Passenger and Commercial Vehicles dealerships, representing top quartile performance. These results are above the peer group average in the automotive industry and the overall average in Türkiye. Ford Trucks dealerships performed similarly with a 75% employee engagement score, again reflecting top quartile performance. This score is 13 points higher than the average for blue-collar and white-collar employees in Türkiye.

In both segments, employees’ strongest perceptions are concentrated in finding meaning in their work, collaboration and relationship culture, and commitment to ethical values. The perception of the “purpose and meaning” dimension was measured at **89% in both business areas**. On the other hand, recognition and rewarding, feeling appreciated within the organization, having clear career goals, and work-life balance **were identified as development areas for both segments**. Psychological safety, well-being, autonomy, and participation are also among the areas where employee expectations are increasing.

According to the Dealer Satisfaction Survey conducted jointly with the USA organization in 2025, relationship quality metrics were measured at 4.10 for Ford Türkiye and 4.08 for the Ford Trucks business area. While the detailed report has yet to be published, this level indicates to a positive and sustainable relationship between dealers and headquarters.

Launched in 2025, the **Dealer Sustainability Newsletter** regularly features content on “Energy in Automotive” and “Diversity, Equity and Inclusion” aspects of sustainability. Global developments, Ford Otosan projects, and best practices of various dealerships are shared in these newsletters.

### 2025

Total Number of Dealers and Distributors	89
Total Number of External Dealers and Distributors	50+
Number of Regularly Audited External Distributors/Dealers in the Product/Service Network	52
Dealer Locations Subject to Bureau Veritas Quality Audit	126 dealers in Türkiye
Number of Dealers and Distributors Participating in Official Training Programs	89
Number of Participants in Sustainability Training for Dealers (Dealers or Dealer Employees)	106

## Dealer Trainings

### Ford Development Academy

**Ford Development Academy** is a fully digital and comprehensive training platform designed to support the professional development of our dealership employees. With approximately **8,000** registered participants from nearly **50** countries, the platform provides dealership employees access to position- and role-based technical and behavioral training.

In 2025, Ford Development Academy delivered **18,176 hours** of training in total, including **1,764 classroom** and **virtual** sessions and **1,086 e-learning videos**, with a total of **138,704 people** taking these sessions (includes participation in multiple trainings).

In 2025, an **AI chatbot** was integrated into the platform, facilitating dealers' access to information. Work is already under way to bring the Ford Development Academy to the mobile environment via the **Dealer Super App**, with plans to launch a real-time and more user-friendly system in 2026.

### Sustainability and Compliance Trainings

On March 8 International Women's Day, female leaders at dealers were hosted at the Gölcük Plant where Diversity, Equity, and Inclusion efforts were shared. A webinar on Competition Law was organized for dealers to support legal compliance.

Within the scope of the "With You" common culture project, sustainability efforts were discussed in panel discussions at meetings in November in Istanbul and Ankara. 168 people participated in sustainability training.

Electric vehicles training in 2025 amounted to a total of 133 days. 538 people participated in these trainings, which received a satisfaction rate of 97.2%.

## Dealer Transformation

In 2025, we continued to support the sustainability-focused transformation of our dealers. Within the scope of electrification, we aim for our dealers to be an active part of this transformation.

### Dealer Transformation 2025 Activities

In 2025, Solar Power Plant (SPP) installations were completed in **25 dealerships (23 Ford Türkiye dealers, 2 Ford Trucks dealers)**. Pilot projects and informative activities were initiated for more dealerships to begin these investments by 2026. Facility conversions continued to spread wider, delivering **20%** saving in energy consumption with glass façade applications and **80%** with LED lighting. **Electric vehicle charging stations** have been installed in all dealerships.

To further improve social standards, **women's changing rooms and nursing rooms** have been standardized in new projects, while work is under way to determine suitable areas in existing dealerships.

To strengthen the customer experience, digitalization efforts have accelerated in dealerships, aiming for a more modern, environmentally friendly and customer-focused showroom experience with **Lightboxes** and digital displays.

### Women's Employment and Social Impact

Dealers are encouraged to increase female employment ratio in STEM, which has reached **14.7%**. Through a collaboration with TOBFED and Ford Otosan, **two female technicians** started working at the Çeştaş İzmir Ford Store.

As part of efforts to increase women's employment in STEM fields, female employees receive monthly incentives. Service representative, customer solution specialist, and technician roles are highlighted in communications to improve the visibility of female technicians.

## Dealer Events

### Learning and Development Summit

In 2025, we supported our dealers in participating in inclusion- and social impact-focused events. Dealers attended the Learning and Development Summit organized by Ford Otosan Human Resources in person; and they were also encouraged to participate in the Digital Violence webinar.

### World’s Largest Auto Dealer-Led Food Drive

Within the scope of the World’s Largest Auto Dealer-Led Food Drive project carried out as part of Global Caring Month, volunteer Ford Türkiye dealers collected food donations to be delivered to those in need, achieving more than five times the targeted amount per dealer.

### Seniority Awards at Dealers

The first Seniority Awards at Dealers took place in 2025. Employees who have served at dealers for 10, 15, and 20 years were presented certificates and symbolic awards. This practice marks an important step in strengthening Ford Otosan-Dealer partnerships and “When You Are Well We Are All Well ” approach.

### With You – Common Culture and Sustainability Meetings

As part of the With You project, aimed at fostering a common culture among our dealers, we hosted our dealers mid-November in Istanbul and Ankara. During these meet-ups, we discussed our sustainability activities in a panel session format with our Dealer Training Leader, Diversity, Equity and Inclusion Leader, and members of the Ford Otosan Dealer Council and the Ford Otosan Human and Culture Committee, who shared their experiences and perspectives.

## 2025 Awards

Award Title	Award Category
Hammers	Best Digital Marketing Team – Golden Hammer Best Team in Using Voice Platforms - Golden Hammer Best Influencer and Opinion Leader – Golden Hammer Best Team Using Generative AI - Bronze Hammer
Felis	AI-Driven Creative Content
Crystal Apple	Media - Radio and Voice Usage - Silver Apple
Brandverse	Craft - AI Usage in Design - Bronze Award Film - Long Format Category - Bronze Award SM & Digital - Content Marketing Campaign - Bronze Award
Mixx	Branded Content Campaigns - Gold Award Automotive Industry - Gold Award
Golden Compass	Digital Celebrity
Smarties	Small Budget - Big Impact
Smarties	AI Driver Creative Excellence
IMA	AI-Based Creative Design

# VEHICLE QUALITY AND SAFETY

According to the double materiality assessment conducted in 2024, vehicle quality and safety has been identified as a “Very High Materiality” topic. This assessment represents the critical role of this topic in Ford Otosan’s business strategy of ensuring customer safety, product performance, and regulatory compliance. Therefore we position vehicle safety as a key priority toward our goal of expanding the product portfolio. In response to changing regulations and customer expectations, active and passive safety systems are continuously enhanced. With the acceleration of electrification and the growing importance of high-voltage systems and advanced driver assistance systems (ADAS), we optimize our vehicles to mitigate emerging risks.

We also evaluate potential scenarios involving autonomous and semi-autonomous systems to continuously review and improve our vehicle designs, updating safety criteria as needed. By integrating innovative technologies and data-driven design processes, we develop customer-focused safety solutions. Aiming for safety levels above regulatory requirements, we strive to offer rational solutions balancing customer expectations such as cost, accessibility, comfort, and usability.

## Vehicle Safety

Ford Otosan conducts vehicle safety tests at accredited testing facilities in full compliance with applicable international standards, including Euro NCAP, UNECE, and FMVSS. Euro NCAP tests for the all-new Tourneo Custom and Tourneo Courier models were completed in 2024, and Euro NCAP tests for the PHEV and BEV versions of Tourneo Custom were conducted in 2025 following their market launch. The ADAS software updates introduced during the same period eliminated the need for the additional safety package option previously required for a four-star rating. As a result, the entire Transit Custom family achieved a four-star rating with its standard equipment.

As a result of the passive and active safety improvements implemented for the Tourneo Courier model in 2025, its three-star rating obtained in 2024 was upgraded to four stars. Euro NCAP tests for the Tourneo Courier BEV version, introduced in mid-2025, were also completed and the model achieved a four-star rating in line with program targets.

In 2025, Euro NCAP revised its commercial vehicle assessment methodology, transitioning from a medal-based system to a star-based rating. Under this new assessment system, Transit, Transit Custom, and Transit Courier models all received five-star ratings.

Additionally, homologation tests have been completed for the new variants of the Transit, Transit Custom, and Transit Courier families planned to be introduced in 2026 under UNECE regulations.

Please see Tourneo Custom’s Euro NCAP results [here](#).

Please see Tourneo Courier’s Euro NCAP results [here](#).

To view the Euro NCAP results of Transit, [Transit Custom](#) and [Transit Courier](#), please click [here](#).

In 2025, studies were also carried out for all these vehicle groups within the scope of GSR-3, with full implementation planned for the first half of 2026. Driver distraction detection system tests and the homologation process were successfully completed, and the system is expected to be introduced in mass production.

In preparation for the second phase of the General Safety Regulations (GSR Batch 2), which came into effect in the European Union in 2024, vehicle-specific updates and improvements were implemented, as summarized below:

Vehicle	Description
<b>Transit</b>	This year, we completed homologation tests for Transit in accordance with GSR Batch 2, and renewed and launched our current models. We equipped the vehicle with key accident prevention systems such as automatic emergency braking, lane-keeping assistance, speed control, and camera/radar systems, offering these features as standard across our vehicle range. For enhanced collision safety, curtain and side airbags are now also standard.
<b>Transit/Tourneo Custom</b>	We fully redesigned our Transit and Tourneo Custom models, equipping them with standard camera/radar systems, front passenger, curtain, and side airbags, as well as seat belts and center airbags for rear passengers. Following the successful completion of verification and homologation processes, these new models have been launched.
<b>Transit/Tourneo Courier</b>	We fully redesigned our Transit and Tourneo Courier models and equipped them with key accident prevention systems and enhanced collision safety as standard features, on par with Custom models. Following the successful completion of verification and homologation processes, these new models have been launched.
<b>Ford Trucks</b>	For our heavy commercial vehicles, we integrated camera and radar systems compatible with GSR Batch 2 and introduced optional safety packages that offer enhanced performance, exceeding customer expectations in safety and reliability.

## Vehicle Safety Technologies

In active safety systems, our goal is to prevent accidents through radar, camera, and AI-based analyses. We equip our vehicles with technologies such as automatic emergency braking, lane-keeping assistance, and adaptive cruise control—developing smarter and more effective safety solutions by leveraging our extensive data pool. This approach minimizes the need for additional equipment while providing solutions with maximum customer benefit.

We manufacture passive safety systems using innovative materials such as ultra-high-strength steel, high-strength aluminum castings, and composite materials, all of which help maximize occupant protection in the event of a collision. Our vehicles are equipped with advanced safety belts and airbags. Front seat center airbags, developed in accordance with the latest Euro NCAP protocols, are designed to reduce the risk of interaction between passengers during a collision.

We test technological innovations at both the concept design and virtual design stages. Using a combination of commercial computer-aided software, Ford Motor Company's proprietary software, and material libraries, we optimize designs to achieve final part and system configurations. Performance and usability validations are then carried out through physical testing at the part, system, and vehicle levels.

At Ford Otosan, safety feedback received from the field is monitored through a multi-layered structure. Customers' safety-related requests are first evaluated by Technical Service Operations, who may seek the opinion of Vehicle Safety teams when necessary.

While a centralized platform is not available to receive direct customer feedback, accident statistics are analyzed in partnership with independent organizations and legal authorities. Furthermore, accident scenarios are reviewed to update the Safety Design Guidelines as needed. Vehicle Safety teams provide technical support for after-sales organizations throughout these processes.

### 2025 – Partnerships and Developments

Ford Otosan continues to partner with accredited testing facilities in the product development process. The first generation Transit Courier was tested at the BILTİR Non-Destructive Testing (NDT) Center on the METU campus in 2012. The collaboration with BILTİR was re-established in 2025 after a long break with development tests for new projects now carried out at this center. The test fixtures have been adapted to Ford Otosan's needs to be used in upcoming projects as well.

## Vehicle Quality

The Warranty Cost Reduction Team regularly reviews customer feedback gathered through the dealer management system every month and analyzes warranty expenditures to plan preventive measures for technical teams. The Customer Experience Team conducts surveys one month after vehicle purchase to query about usage. Specifically for Ford Trucks, Quality Net Promoter Score (QNPS) surveys are used to collect feedback on vehicle quality.

### Voluntary Recalls

We issue voluntary recalls by identifying potential manufacturing defects or issues that may arise during vehicle use. Through updates or replacements of affected parts and systems, we enhance vehicle performance and safety. These proactive recalls go beyond legal obligations and reflect our commitment to maintaining the highest levels of customer satisfaction and product reliability.

## Quality Management Approach

With a customer-focused approach, Ford Otosan places quality at the heart of all processes, from product design to after-sales services. Quality management is carried out with a continuous improvement approach in alignment with international standards and internal excellence goals.

ISO 50001 and ISO 27001 certification processes are currently ongoing for energy efficiency and data security. We conduct quality controls in compliance with the requirements of QOS (Quality Operating System), ISO 9001, and Ford Production System (FPS). Our quality controls in production processes are addressed under three categories:

- We aim to assure quality at the source through ISPC (In-Station Process Control).
- Once production is completed, the vehicles undergo water and road tests. Using detailed checklists, we verify that each vehicle meets customer expectations.
- We conduct sampling inspections through observation audits, in which selected vehicles are subjected to in-depth evaluations and precise measurements at scheduled intervals. These audits are carried out from the customer's perspective, allowing us to identify areas for improvement.

We implement Ford Motor Company's Lean Production System across our manufacturing facilities, applying lean production techniques to minimize waste throughout our production processes.

## Quality Management Approach (Continued)

The Mega Quality Platform has been launched to enable rapid access to quality data. Additionally, the Quality Customer Experience Portal (QUXP) consolidates customer feedback into a single platform, providing valuable insights to guide the development of future vehicle models.

Quality Management System Certificates	Craiova	Eskişehir	Yeniköy	Gölcük	Sancaktepe
ISO 9001 – Quality Management System	✓	✓	✓	✓	✓
ISO 50001 – Energy Management System		✓	✓	✓	✓
ISO 27001 – Information Security Management System				✓	✓
ISO 14001 – Environmental Management System	✓	✓	✓	✓	✓
ISO 45001 – Occupational Health and Safety Management System		✓	✓	✓	✓
ISO 10002 –Customer Satisfaction and Complaint Management System					✓

By moving quality management to digital platforms, we build a more effective and agile structure. Through the Mega Quality Platform, we enable rapid access to quality data and facilitate knowledge sharing among our teams. We also use the QUXP to consolidate customer feedback on a single platform and as a strategic information source shaping our future vehicle designs and development processes.

To ensure the highest level of quality in new projects, we utilize Ford Otosan’s global Failure Mode Analysis (FMA) module, helping us implement systems and features with a continuous product quality improvement approach and solutions exceeding customer expectations.

Through our Warranty Analysis Project, we proactively monitor parts that are frequently replaced at dealerships across different vehicle models. Working in close collaboration with our engineering teams, we conduct root cause analyses to identify and address underlying issues. The resulting improvements help increase customer satisfaction and reduce repeat service visits.

We use the data generated to lower warranty costs and enhance operational efficiency. Thanks to the project, we enhance vehicle quality and proactively solve potential issues, contributing to long-term improvements.

### Maintenance and Lifecycle Management

For the Ford Trucks product range, we schedule periodic maintenance based on predefined service content and either mileage or engine operating hours. When a maintenance reminder is displayed to the driver on the vehicle screen, service is performed upon the customer’s request. These actions extend the vehicle’s lifespan, improve performance, and ensure operational continuity.

### Performance Improvements

The strengths of our management systems and development areas were assessed in detail through internal and external audits conducted in 2025.

#### Strengths identified in audits

**Effectiveness of internal audit processes:** Internal audits are systematically planned and conducted, and nonconformity management is maintained within a robust structure.

**Digitalization of HR processes and employee engagement:** Digital human resources systems are effectively used, training records are continuously kept, and practices aimed at improving employee engagement are available.

**Technology use in production areas:** Automation, energy-saving solutions, occupational health and safety practices, and efficient laboratory processes.

**Modern production environment:** Digital systems are used in production areas, workspaces are modernized, and progress is made in process digitalization.

### Development areas identified in audits

Increased document visibility in production areas: Access to process and SOP documentation should be faster and more user-friendly in work areas.

Expanding FMEA content: FMEA should be expanded to address the impact of maintenance processes on products and processes more comprehensively.

Digitalizing measurement traceability: Calibration and measurement traceability processes should be fully digitalized to improve accuracy, speed, and traceability.

In 2025, Ford's senior management was hosted at our plants as part of quality activities, and digital quality applications and innovative approaches received positive feedback. Ford Otosan also hosted the 17th Quality Summit with Koç Holding companies.

#### 2026 Priorities

- Preliminary work is planned for new variants of the Transit family slated for launch in 2026.
- Working groups established for Euro NCAP's new passive safety criteria for the HCV segment after 2030 will be closely monitored. Development of technologies for next-generation heavy commercial vehicles will continue.
- New production management systems will be implemented for production and quality systems with the goal of standardizing and digitalizing daily time and data management at the plants.
- Data from different sources will be consolidated into a single production management dashboard to simplify decision-making processes and facilitate management flow.



# Future. Now for Community



# Future Now For Community

At Ford Otosan, we contribute to the development of our country by creating added value and support the efforts to align with the UN Sustainable Development Goals through our social investment projects. Guided by our **"Future Now for Community"** vision, we embrace our responsibility for leaving a better world for future generations and prioritize social benefit in all our activities.

We shape our social investment projects in line with our **Social Investment Policy, Human Rights Policy, Ethical Principles, and Sustainability Targets**. In 2025, we prioritized projects focused on education and equal opportunity. We aim to create a wide sphere of impact by involving our business partners, dealers, suppliers, and other stakeholders in our projects. We generate solutions for social and environmental issues such as equal opportunities in education, women's participation in the workforce, accessible mobility solutions, and climate crisis.

In 2025, we allocated **TL 559 million** to donations, grants and projects for community investments, and implemented several environment, education, health, culture and other initiatives. We aim to maximize the benefits of our community investment projects. To measure the impact of these investments and the social value they create for communities, we plan to conduct social impact analyses in the years ahead. This approach will enable us to monitor our social impact transparently and to disclose more data to our stakeholders.

## Ford Otosan Community Investment Budget Allocation

2025

Vehbi Koç Foundation	TL 500,000,000
Education	TL 32,871,819
Social Aid and Other	TL 27,016,544

### TL 559,888,364



Total resources allocated to community investments in 2025

At Ford Otosan, we follow our Community Investment Policy in implementing community investments. To view the Community Investment Policy, please click [here](#).

In 2025, we continued to focus our community investments primarily on **equal opportunity and quality education**.

Therefore, we intensified our efforts to increase women's participation in the workforce, promote **gender equality**, and encourage women to take more active roles in **STEM** (science, technology, engineering, and math) fields. We also highlighted **employee volunteering** projects, further expanding our sphere of influence.

In alignment with our community investment approach, we focus on two measurable targets to increase our social impact through projects that support education, employment, and social development:

**Reaching 100,000 women and girls** until the end of 2026 through community-focused education, awareness, and financial support projects.

**Increasing** the ratio of volunteers participating in social activities among all employees to **35%** by 2030.

For more information on our efforts toward these targets and progress indicators, please see **Progress Indicators and Strategic Objectives** section.



# Community Investment Areas

Our community investments are structured dynamically to enable quick action. In community investment projects implemented under extraordinary circumstances such as force majeure or crisis situations, we consider additional evaluation criteria. We allocate our resources effectively and conduct regular risk assessments with our crisis management teams to increase sensitivity to crises.

We prioritize projects that **increase resilience and provide long-term benefits** by collaborating with our business partners and local administrations. This approach allows us to develop **targeted support programs** for the communities most affected by crises.

## Community Investment Principles:

- 01** The community investments should be clearly linked to Ford Otosan's activities and business strategy.
- 02** The purposes of the community investments should be in alignment with the social and environmental objectives of the United Nations Sustainable Development Goals.
- 03** The investments should be within the scope of Ford Otosan's material sustainability topics.
- 04** The investments' objectives and outcomes should be measurable.
- 05** The community investments should meet the needs and priorities of the regions where Ford Otosan operates.
- 06** The investments should be designed in a such way that they could be scaled and deployed in different organizations and regions.
- 07** The investments should allow for collaborations with institutions or individuals such as NGOs, international organizations and universities for viable solutions.

## Priority Community Investment Areas:

In our Community Investment initiatives, we primarily focus on **Climate Change, Diversity, Equity and Inclusion, Mobility Solutions, and Vehicle Quality and Safety.**



Priority Community Investment Area

Related Sustainable Development Goals

Our Approaches and Commitments

Climate Change



- We aim to instill a sense of responsibility and raise awareness about the environment and energy by organizing training activities for stakeholders.
- We constantly engage with stakeholders to raise awareness about responsible water consumption and to involve them in conserving and recycling water resources.
- We are committed to supporting long-term projects through collaborations to develop solutions for the conservation of water resources, tackling droughts and joining forces for efficient use of water.

Diversity, Equity and Inclusion



- We support women in taking a more active role in professional life.
- We aim to increase the ratio of women on the Board of Directors and in senior management roles.
- We aim to create more and diverse jobs for people with disabilities.
- We engage in activities to support women in technology and innovation.
- We lead the way in increasing women’s employment in the automotive industry and encourage our dealers and suppliers to do the same.

Mobility Solutions



- We develop mobility solutions to minimize environmental impact. We include vehicles and their components, all modes of transportation, transportation infrastructures, and people’s mobility habits in our development efforts.
- We aim to offer safer, smarter and more accessible mobility solutions.

Vehicle Quality and Safety



- We aim to take the lead in vehicle safety and driver assist technology, R&D and innovation.
- We continue to provide training programs to spread knowledge about safe driving techniques.

### Progress Indicators and Strategic Objectives

Ford Otosan aligns its social investments with its long-term goals and measurable progress indicators and views its volunteering and women’s empowerment efforts as an integral part of its corporate strategy.

Working toward its goal of increasing the ratio of volunteers involved in social activities to 35% of total employees by 2030, the company has achieved a gradual and steady increase in recent years. This ratio rose from 8.2% in 2024 to 12% by year-end 2025. To keep this momentum going, Ford Otosan has focused developing a more systematic and accessible volunteering process, starting with reviving the “My Heart is With You” platform. Leveraging the guidance of the Private Sector Volunteers Association (ÖSGD), preliminary analyses and reports have been prepared to develop corporate policies and incentive mechanisms. The company also supported the process of establishing the Koç Volunteers initiative and taken firm steps to involve Ford Otosan volunteers in this structure. The objective of this approach is to evolve volunteering from individual participation into a sustainable component of corporate culture.

As part of efforts to create social impact for women and in line with the target of reaching 100,000 women and girls until 2026 through education, awareness, and financial support projects, a significant expansion in reach has been achieved. As a result of the activities from 2022 to 2025, the 100k target has been successfully achieved and exceeded, reaching a total of 115,079 women and girls as of 2025. During this period, the “Women Elevating Women” program, scholarship and entrepreneurship support, STEM-focused education and mentorship projects, and activities in earthquake-affected regions were addressed as whole, adopting a multi-faceted impact approach in response to different age groups, socio-economic conditions, and regional needs. The STEM – My Future Dream and My Future Dream Centers (GHM) projects, particularly scaled up in the past two years, were among the key drivers accelerating target attainment.

#### Ratio of volunteers participating in social activities among all employees (%)

2025 ratio	12%
Target	35%

#### Number of women and girls reached through community-focused education, awareness, and financial support projects

2025	115,079*
Target	100,000

\*Cumulative number for the 2022-2025 period

For more information, please see the “Sustainability Targets” section.



# Community Investment Projects

## Diversity, Equity and Inclusion Investments

Supporting young people across the country, **facilitating access to quality education**, and **contributing to socio-economic development** are key priorities for us. Therefore, we strive to lead startups and next-generation and businesses that create social benefit as an important part of our sustainability approach.

In line with our principles of equal opportunity, diversity and inclusion, we view gender equality as a material sustainability topic. Accordingly, we remain committed to increasing female employment in our fields of operation, particularly in automotive and technology, and supporting women's professional and personal development.

## Gender Equality in the Startup Ecosystem

In our community investment approach, promoting gender equality and generating social impact are positioned as priority objectives. For this purpose, we invested in Arya Venture Capital Investment Fund, founded in partnership with the Arya Women's Investment Platform and Türkiye İş Bank. With this investment, we support early-stage startups that have at least one female founder or develop solutions that improve the lives of women.

Under the Driventure umbrella, we adopt a data-driven approach to address the problem of underrepresentation of female entrepreneurs and leaders in the mobility and advanced technology sectors, aiming to create a more inclusive startup ecosystem through investments, trainings, and funding opportunities that are aligned with the principles of diversity and equal opportunity.

As of year-end 2025, **26 of the 75 startups in our Driventure portfolio that we support with funding have at least 50% female representation in their founding and senior management teams**. We shape our investment decisions by considering commercial viability and prioritizing social impact and take steps to encourage the scaling of startups that support women's leadership. Our efforts will continue to increase equal opportunities in the ecosystem in the coming period.

We play an active role in transforming the startup ecosystem in Türkiye and participate in various platforms. In addition to directly investing in the AiBuild startup this year, we also made investments in various funds within the ecosystem.

We extend financing (investment or grant) and mentoring support to entrepreneurs, provide strategic guidance, and offer networking and collaboration opportunities.

As we continue to strengthen our partnerships with startups that create value in fields like sustainability, environmental technologies, mobility, and energy efficiency, we actively reflect our affirmative approach toward startups with female co-founders in our investment decisions, mentoring processes, and stakeholder programs through Driventure. As of 2025, 35% of the startups we support through Driventure have at least 50% female representation in senior management positions. The "Future of Mobility Accelerator" program, launched in 2025, further solidified this approach. Out of the 11 startups that we support under this program, three (FutureVerde, Naklio, Vignetim) have been co-founded by women. Furthermore, during the call period for the "Develop Your City" program, executed in partnership with Kocaeli Metropolitan Municipality, we aimed to reach more female entrepreneurs and expand our impact in promoting equal opportunity together with our ecosystem stakeholders. In the coming period, we plan to continue to actively participate in programs with women-founded startups, offer more mentoring support, and focus on reaching young female entrepreneurs, particularly through university-stakeholder events.

## My Future Dream Project

**My Future Dream Project** is a comprehensive social investment initiative that aims to support women and girls in pursuing careers in STEM (science, technology, engineering and math) fields and promote gender equality. The project that started with offering technology and innovation-focused training and mentoring opportunities for women now organizes science-focused activities for young girls as well to create awareness at an early age. Our overall objective is to prepare women for the workforce and leadership positions while also inspiring young girls for STEM fields.

We run the project on online platforms and aim to reach **100,000 women and girls** until the end of 2026 as we scale our impact. Within this scope, a total of 73,103 **women participants** were reached through the awareness activities conducted throughout 2025, as well as personal leadership and professional empowerment trainings, job readiness webinars, and mentee-mentor programs. Accordingly, the total number of participants reached under the project since 2022 increased to 115,079.

The project is made possible with the support of **Vehbi Koç Foundation** and led by **Mikado** in collaboration with the Association for Innovative Solutions for Sustainable Development, Kodluyoruz Association, Microfon, the Türkiye Artificial Intelligence Initiative (TRAI), UP School, Women in Technology Association (WTech), Junior Achievement Education Foundation (GBEV), Türkiye Informatics Foundation (TBV), Başlangıç Noktası, Coderspace, SistersLab, Bilim Sende and Bir İz Association. In 2025, we collaborated with various NGOs and foundations for **active donations and project partnerships** to strengthen and create more social impact. In addition to providing data science, artificial intelligence, and mobile/web development trainings with Kodluyoruz, Up School, and the Turkish Artificial Intelligence Initiative, we also ran awareness-raising campaigns on technology-law, digital marketing, cybersecurity, and artificial intelligence with the Turkish Informatics Foundation and the Young Success Education Foundation. Bilim Sende and Bir İz Association performed science demos for girls, while English language courses by Microfon also continued.

My Future Dream Project Trainings	Number of Trainings
Awareness – Children	1,623
Awareness – Adults	163
Technical Trainings	28
Women’s Empowerment	67

We expanded the reach of the project by targeting **middle school students as a beneficiary group** for the first time. We partnered with the **Bilim Sende** initiative and hosted middle school students at **“My Future Dream: Science on Stage”** theater performances to raise awareness. These events were organized in cooperation with the **Ministry of National Education** and the **Ministry of Family and Social Services**.

For high school students, we launched the **“My Future Dream –Future-Readiness through Digital Transformation”** Project in collaboration with the **Bir-İz Association** and the **Ministry of National Education**. The project engaged a total of 22,196 ninth- and tenth-grade students from **84 high schools across 27 provinces**, enabling them to experience **9 different STEM professions** through simulations, aiming to raise awareness among young people about technology and future professions from a young age. The project is coordinated by the Innovative Solutions for Sustainable Development Association, and while work is ongoing to measure its impact and results. First quantitative and qualitative data will be obtained soon.

### My Future Dream Program Social Return on Investment Study

As part of the My Future Dream program, we began measuring social impact in 2025, systematically monitoring the outputs and results of our activities. These studies will strengthen the continuity and long-term social contribution of our projects.

By analyzing the outcomes, we aim to identify all positive, negative, anticipated, and unforeseen changes observed in the organizations and individuals benefiting from the program. This will allow us to evaluate the program’s impact across all aspects and continuously improve the quality of services provided to stakeholders.

The objectives of the analysis process include determining the weighted values of the changes, allocating program’s resources to areas that create the highest value for stakeholders, and preventing resource waste in areas that generate insufficient value. The SROI (Social Return on Investment) approach, based on calculating the financial returns of changes, allows us to compared the investment made in the project with the social value created in the same unit (monetary value).

The program’s Social Return on Investment (SROI) analysis includes all stakeholders who invest their time, financial resources, and expertise/services, etc. in the project and all stakeholders who benefit from this investment.



## Ford Otosan Hope City My Future Dream Centers

We continue to support the **Hope Cities**, which consist of a total of **5 thousand containers**, built in **Adiyaman, Hatay, İskenderun, Kahramanmaraş and Malatya** with the coordination of Koç Group companies and **AFAD** and home to approximately **20 thousand people**. Our work at **My Future Dream Centers** located in **Hatay, Kahramanmaraş and Adiyaman** is supported by **Vehbi Koç Foundation** and the **Innovative Solutions for Sustainable Development Association (SYKÇD)**.

As My Future Dream Centers' activities continued in 2025, numerous Ford Otosan volunteers, supported by Koç Volunteers, actively participated in the work carried out in the Hope Cities. Throughout the year, various events were organized, including Republic Day celebrations, career programs, book sharing and distribution, and support for female producers.

In 2025, **10,464 participants** benefited from various activities organized at My Future Dream Centers. **Social activities** included: Newspaper and Magazine Analysis Workshops, Kitchen and Ceramics Workshops, sports events, Quiet Space Hour and free time practices, board games, Youth Committee activities, Gender Workshops, film screenings, special day events (International Day for the Elimination of Violence Against Women, Human Rights Day, etc.) and a Youth Camp.

We also organized **skill development activities** to support the academic, digital and professional development of the participants. These programs included: Digital Literacy, Education Support, Career Counseling, Academy, Vocational Workshops, and Video and Content Creation Workshops.

On the other hand, psychosocial support efforts included group therapies, single-session psychosocial support (PSS), and individual therapy sessions. For case follow-up and protective purposes, our social service specialists conducted protection interviews. Our outreach efforts continued with a focus on promoting the programs and providing information.

Starting from 2026, My Future Dream Centers will move forward with a different name and approach, under the coordination of the Vehbi Koç Foundation. Ford Otosan, through its volunteers, will continue supporting Hope Cities. The **My Future Dream: AI and Career Journey** project, co-funded with Ford Philanthropy, will also increase Ford Otosan's contributions to the region.

## Ford Trucks Female Truck Driver Academy

At **Ford Trucks**, we launched the **Female Truck Driver Academy** project to promote gender equality in the heavy commercial vehicle sector. With the project, we aim to increase the employment of women drivers, break down gender biases in the sector and close the gap in qualified drivers. We partnered with **HED Academy** and **Otokoç** for the project to offer an intensive six-week training program. In addition to theory, we provide women candidates with comprehensive practical training on truck driving and equip them with general information about the sector. We also assist the candidates in obtaining their driver's licenses prior to the training. At the end of the project, we offer graduates the opportunity to work in our partnering logistics providers, supporting their sustainable employment in the sector. Once the candidates who applied and were accepted to the program in 2025 complete their training, the first cohort of female truck drivers will graduate from the academy in 2026.



## Women Elevating Women

The **Women Elevating Women** project, run in partnership with Young Guru Academy (YGA) and UpSchool with support from Ford Otosan and Ford Philanthropy, exceeded its target of 1,200 female university students by 132.25%, reaching a total of 1,587 participants by year-end 2025. During the eight-week program, the participants not only received technical training on topics such as programming, artificial intelligence, data management, cloud technologies, and entrepreneurship, but also developed their collaboration, leadership, and communication skills in line with YGA's Double-Winged Social Impact approach. Within the scope of the program, a case study was shared with the **200 most active female participants**. As a result of the evaluation process, **20 female participants** who were deemed successful earned the opportunity to participate in a field study conducted in the earthquake region in **collaboration with YGA and Ford Otosan**.

## Medical Support for Our Female Employees in Romania

In line with our people-centric approach based on gender equality at our Ford Otosan Romania facility, we run **medical preventive health campaigns** for women and address the healthcare needs of all our employees equally, regardless of gender. **In 2025**, Ford Otosan Craiova organized a **Medical Information and Awareness Campaign on the risk of HPV** for all its employees. The objective of such health-focused initiatives is to improve the employees' well-being and increase their awareness.

## Jobs 4 All

As part of its diversity, equity and inclusion approach, Ford Otosan implements the Jobs 4 All at its Romanian facility, aiming to increase the participation of individuals with disabilities in the workforce, enhance their inclusion in social life, and support their individual autonomy.

The program involves collaboration with private schools, NGOs, and other local organizations. This stakeholder approach has resulted in the **recruitment of more than 70 people with disabilities by year-end 2025**. The program embodies the meaning of an inclusive work culture reflected in the field.

## An Inclusive Art Project with the WINDOW Association

In 2025, Ford Otosan Romania partnered with the **WINDOW Association** and hosted an innovative **theatre-dance performance inspired by the unique Romanian Sign Language**. Bringing an inclusive approach to the arts, the project features a cast that includes **three hearing-impaired Ford Otosan Craiova employees**. This initiative has not only helped raise social awareness but also enabled the active participation of employees in cultural production.

For more information on equal opportunity and diversity, please visit the [Inclusive Work Environment](#) section under **For People**.



## Grants and Scholarships

Ford Otosan is committed to promoting equal opportunity in education and supporting young people's personal and professional development by offering multi-faceted scholarship and development programs.

### Anatolian Scholars

At Ford Otosan, we support young people from underserved regions in the country who prepared for the university with limited means and passed the placement exam with high scores. **Since 2011**, within the scope of the **Anatolian Scholars Program** that we have been implementing, support was provided to 20 scholarship recipients in 2025, bringing the total number of students who have received scholarships since the program's inception to 40.

### Ford Otosan Let the Girls Attend School Fund

We have partnered with Turkish Education Foundation's (TEV) Kocaeli Branch **since 2014**. In 2025, **TEV Ford Otosan Let the Girls Attend School Fund** granted scholarships to 80 female students. The number of students benefiting from this scholarship since the launch of the program now stands at 660.

## Vocational High School Scholarships

The Vocational High School Scholarship Program launched with the objective of developing a qualified workforce in vocational high schools continued in 2025, extending educational support to students at our partnering schools. The program covers vocational and technical Anatolian high schools in Bursa, Eskişehir, Istanbul, and İzmir, offering scholarships to students in the 9th, 10th, 11th, and 12th grades. As of 2025, a total of 85 students from 6 schools have benefited from this scholarship program.

We have collaborated with vocational schools in Romania since 2020, aiming to support vocational training and encourage young people's enrollment. Within this framework, we sign agreements with the objective of helping students train in various specialization areas and supporting their education with scholarships. As of 2025, a total of 46 students are enrolled in this program, which creates tangible social benefit in both education and employment thanks to its sustainable structure. The 35 students who graduated from this program as of 2025 have been recruited by our company and joined the workforce. Based on this approach, we strive to create long-lasting social impact by directly linking vocational training to employment.

## Advancing Vocational Education

As a company that recognizes of the importance of supporting qualified vocational training for sustainable development, we donate the vehicles and equipment used in the testing stages at the plants to vocational high schools and vocational junior colleges. In Gölcük, Kocaeli, we are retrofitting a primary school building with 35 classrooms and renovating an old school building. With our E-Graduate project, which we aim to complete in 2026, we will monitor the development of students interning at Ford Otosan on a digital platform and facilitate their transition into the workforce, further strengthening the education-employment relationship.

We signed an agreement with the Ministry of National Education in 2025 for a vocational high school integrated with the industry. During the year, we also completed the construction of the Ford Otosan Vocational and Technical Anatolian High School, integrated with the industry, within the Ford Otosan Kocaeli Plants in Gölcük. In the first phase, the school opened with the "Electrical-Electronics Technology" and "Machinery and Design Technology" departments. Student admissions will begin in the second semester of the 2025-2026 academic year. While attending the school, the students will receive on-the-job training within the industry and benefit from guaranteed employment opportunities upon graduation.

As the agreement between the Turkish Ministry of National Education and Ford Otosan is ongoing, we continue to cooperate with 29 Vocational and Technical Anatolian High Schools and 5 Vocational Junior Colleges. In the 2024-2025 and 2025-2026 academic years, 431 students from vocational junior colleges and 504 students from vocational high schools completed their internships at Ford Otosan through the "Vocational Training in Business" program. In 2025, we recruited 111 former interns as new employees.

In 2025, 50 intern students received "Industrial Robot Programming Training" in the laboratories we established at Kocaeli University's Ford Otosan İhsaniye Automotive Vocational Junior College. We also submitted a request to the Council of Higher Education (YÖK) to open "Robotics and Artificial Intelligence" and "Manufacturing and Execution Systems" departments at the same school to meet our production needs. These departments were duly opened upon approval of our request. We also contributed to the preparation and development of the course content and curriculum for these programs. At the school, 14 expert internal trainers from Ford Otosan provided 756 hours of training to 333 vocational school students across 18 courses.

With our Master Trainer training and certification process, we ensure that our team members who are qualified in their field of expertise receive the legally valid document required to train the next generation of professionals. The Master Trainer Certificate is obtained from Vocational Training Centers affiliated with the Ministry of National Education. To earn this certificate, the applicant is required to hold a qualification certificate or a business opening certificate or to have received at least an associate's degree level vocational training. Our colleagues who successfully complete the 40- hour Master Trainer course, which we organize in Vocational Training Centers, receive the master trainer certificate. The number of our master trainers rose to 278, including 18 employees who received their master trainer certificates in 2025. Through this program, we aim to contribute to the qualified workforce by sharing our professional know-how and expertise.

At our Craiova Plant, collaborating with universities constitutes an important part of our social responsibility approach. As our partnerships with local universities continued in 2025, we recruited 34 graduates from bachelor's and master's programs. We also hired 11 students as interns and hosted more than 200 students at factory visits, helping them gain practical experience in the industry and observe production processes on site. These efforts support the career development of young talent and contribute to the continuity of a qualified workforce.



## Employee Events

The annual **Family Day** organized at our Craiova facility is an exemplary corporate event that brings together thousands of our employees, their families, and loved ones and reinforces a sense of community and bonds. In 2025, **more than 11,000 participants** gathered for a program featuring entertainment, sustainability-themed activities, and factory tours. Reinforcing Ford Otosan's values and strengthening employee engagement, the event became one of the most impactful social activities of the year.

We also organize special events for children every year before the Christmas season and present them gifts, while also giving them an opportunity to engage in various activities. This tradition continued in 2025 with Ford Otosan hosting an educational theatre performance from the Tabăra de Zbor flight camp, founded by one of our "ambassadors."

## Employee Volunteering

### "My Heart is With You" Employee Volunteering Platform

Working toward our goal of **increasing** the ratio of volunteers participating in social activities among all employees to **35%** by 2030, we manage our employee volunteering activities on the **Gönlüm Senle** (My Heart is With You) platform. We provide **inclusive and accessible workplace conditions** to facilitate our coworkers' active participation in volunteering processes and offer equal access to volunteering platforms.

To build a **more systematic, measurable, and sustainable** structure for our volunteering activities in the coming period, we plan to implement various steps that strengthen impact measurement, expand platform's usage, and diversify volunteering areas. Accordingly, we aim to:

- Measure and evaluate the impact of volunteering activities more effectively through situational analyses and strategy developments.
- Promote the "Gönlüm Senle" Platform through internal communications and dissemination activities to enhance its recognition and usage.
- Maximize our employees' contribution to society and the environment by diversifying our volunteering activities and stakeholders.

In line with this approach, we are in the process of drawing a comprehensive roadmap aimed at increasing participation and creating greater social impact.

In 2025, **722 coworkers participated in employee volunteering activities**, and **236** of these employees also joined the initiatives under the umbrella of Koç Volunteers program. In addition to engaging in activities focused on education, equal opportunities, and nature, Koç Volunteers also worked in earthquake-affected regions throughout the year.

During this period, Ford Otosan also contributed to the establishment of the Koç Volunteers initiative and implemented a total of **10 volunteering projects in three key categories** under the aforementioned themes. In addition, 83 Ford Otosan volunteers actively contributed to mentoring within the scope of the **My Future Dream Project. "İyilik Haritası"** (Kindness Map) and **"Ekimde Bi' İyilik Var"** projects, implemented during the year, were two high-impact volunteering activities in terms of employee participation and social impact within Ford Otosan.



## İyilik Haritası (Kindness Map)

İyilik Haritası (Kindness Map) provides a platform that brings together volunteering Ford Otosan trainers, who want to share their knowledge and skills with our colleagues and their families. Through this project, we aim to create opportunities where our employees can demonstrate their talents, strengthen team bonds by fostering social connections across different locations, and establish a collaborative learning environment.

In 2025, we supported the personal and professional development of nearly 1,900 employees and their families in more than 90 sessions led by our dedicated volunteers. We structure our training programs across a wide range of topics, including health and well-being, personal development, history and culture, arts and entertainment, and technical and professional development.

Our employees' children may choose various topics and content, from creative drama and origami to sign language, while our employees may prefer other themes from health, stress management, and mindfulness to somatic experiencing and creative writing, history or specific technology-related courses. All of these training sessions are available both **in-person and online**, tailored to different levels and designed with flexible content. Leveraging the Kindness Map Program, we continue building a collaborative and sustainable volunteering ecosystem.

For more information on the Kindness Map Program, please click [here](#).

## “Ekim’de Bir İyilik Var” Project

In this project, executed in partnership with **Cerebral Palsy Türkiye** and with the participation of Ford Otosan volunteers, we supported technology-based rehabilitation and special education processes, helping **46 children with special needs** access the needed treatment. We also encouraged our employees to take **10,000 steps every day** and introduced awareness communications and activations promoting emotional, physical, and social well-being, centering.

On this journey, **our colleagues voluntarily formed their own teams** and organized various activities to raise donations for children with special needs.

In this awareness campaign, our employees, including **136 volunteers in 35 teams**, took a total of **12,403,834 steps**, raising **TL 681,850** in donations **for children with cerebral palsy**. All of these activities helped strengthen the employee experience and created social impact.

To access the social media accounts for these projects, please click [here](#).

## First Robotics Mentors

Since 2017, Ford Otosan employees have volunteered as mentors for high school students in the annual FRC First Robotics competition, designed to inspire young people to pursue engineering and technology. By encouraging participation in this prestigious competition, focused on engineering, robotics, and social skills among Turkish high schools, we aim to create interest in science and technology. Our colleagues provide guidance in various topics from engineering projects to social skill development, supporting students to unlock their potential.

In 2025, we provided mentoring and engineering support to university students participating in the Teknofest competitions, where our experts also served as technical judges.



# Vehbi Koç Foundation and Ford Otosan's Contributions

## Education

### Kocaeli School Investments

Within the scope of ongoing efforts carried out in collaboration with Ford Otosan and the Vehbi Koç Foundation, and under the coordination of the Kocaeli Provincial Directorate of National Education, investments aimed at strengthening the educational infrastructure in Kocaeli continue. In this context, the Vehbi Koç Foundation Semahat Arsel Primary School in Gölcük, consisting of 35 classrooms and whose foundation was laid in June 2025, has been transferred to the Ministry of National Education. The school is planned to be opened for students in the 2026–2027 academic year. The construction and furnishing process of the new 26-classroom primary school planned to be built in the Başiskele district is being carried out by the Vehbi Koç Foundation with the support of Ford Otosan. It is aimed for the school to be completed and put into service by the 2027–2028 academic year. In addition, renovation works and the construction of an additional building at Yaylacık Başiskele Atatürk Middle School have been completed. Within the scope of the project, a 24-classroom middle school building, an indoor sports hall, a separate service building, and landscaping works were carried out. These investments contribute to the modernization of the region's educational infrastructure and support increased access for students to contemporary learning environments. The projects stand among the current examples of Ford Otosan's sustainable and high-quality contribution to education.

### Vehbi Koç Foundation Scholarships

As Ford Otosan, in 2025, we direct our donations to the Foundation in a way that contributes to the general scholarship pool and support the evaluation of these contributions within the scope of Vehbi Koç Foundation scholarships. Since 1969, the Vehbi Koç Foundation has provided scholarships to more than 57,000 students with the aim of promoting equal opportunities in education. In the 2024–2025 academic year, the Foundation granted scholarships to a total of 7,241 students across Türkiye. The scholarship programs, which aim to support students in need who demonstrate academic success, cover undergraduate education, vocational education, nursing, assistantship programs, donated schools, and scholarships for children of Koç Group employees. Scholarship applications are submitted each September through an online portal designed to facilitate the application process. Scholarships are granted to students for the duration of their education, provided that they continue to meet the eligibility criteria, until graduation from their respective levels of study.

### Beykoz Koç Middle School – Model School

Beykoz Koç Middle School, the 18th public school donated to the Ministry of National Education by the Vehbi Koç Foundation, was constructed with a capacity of 520 students using a "Model School" approach. Designed by the international educational architecture firm Cannon Design, the school features 11,320 m<sup>2</sup> of enclosed space, a 5,500 m<sup>2</sup> garden, a multi-purpose sports hall, a library, a conference room, an amphitheater, and technology laboratories — all aimed at meeting students' 21st-century needs.

### My Future Dream Project

Led by Ford Otosan, with the contributions of the Vehbi Koç Foundation and implemented by Mikado Impact, the My Future Dream Project aims to empower women and girls in STEM fields. Details of the educational, mentorship, and awareness activities under the project can be found in the **"For Community"** section of the Annual Report.

## Vocational Development

### Ford Otosan İhsaniye Vocational School & Eskişehir Technical University

We continue to strengthen the vocational training infrastructure within the framework of the Vehbi Koç Foundation collaboration. In 2025, within the scope of the laboratories we established at Kocaeli University – Ford Otosan İhsaniye Automotive Vocational School, we provided Industrial Robot Programming Training to 50 intern students. In the same year, following our application to the Council of Higher Education (YÖK), the "Robotics and Artificial Intelligence" and "Manufacturing and Execution Systems" departments were opened. Within the scope of the ESTÜ–Ford Otosan Academy carried out in partnership with Eskişehir Technical University, we conducted environmental sustainability training sessions. Our 14 expert internal trainers provided a total of 756 hours of training to 333 Vocational School students across 18 courses at Kocaeli University.

### Industry-Integrated Vocational and Technical High School

In 2025, we signed a protocol with the Ministry of National Education of the Republic of Türkiye for an industry-integrated vocational high school. We constructed Ford Otosan Vocational and Technical Anatolian High School within the Ford Otosan Kocaeli Plants in the Gölcük district of Kocaeli. In the first phase, we opened the "Electrical-Electronics Technology" and "Machinery and Design Technology" tracks. We will begin accepting students in the second semester of the 2025–2026 academic year and will provide job guarantees to graduates.

## Culture

### Gölcük Culture and Social Life Center

Through the Vehbi Koç Foundation Ford Otosan Gölcük Culture and Social Life Center, we continue to contribute to the social and cultural development of the local community. In addition to the Center's natural surroundings, garden, and award-winning architectural structure, we offer a rich cultural environment through personal development courses, exhibitions, and performing arts. With our wide range of events — from classical music recitals to jazz concerts, theater to children's shows and art workshops — we serve an average of 10,000 visitors and art enthusiasts free of charge each month. In 2025, our Center hosted the children's productions "Fish Town," "Zebra the Musical," "The Bremen Town Musicians," "Children's Festival," and "Pinocchio." We also welcomed the theatrical productions "Anlatamadım," "Abur Cubur Talkshow," "Mexican Standoff," and "Petty Murders in Marriage." That same year, we hosted Haluk Arda Oskay's photography exhibition "Beyond Crimson" and Sezar Yıldırım's painting exhibition "Rose Garden" at our Center.

## Measuring Impact

At Ford Otosan, we recognize that ensuring the sustainability, accessibility, and social benefits of our community investment initiatives is paramount for an effective social investment approach. Therefore, we prepare regular reports and perform social impact assessments to measure and continuously improve the benefits of such activities. Through social impact assessments, we analyze the outcomes of our projects and gather feedback from stakeholders to inform our decisions on project continuation. This practice ensures a more systematic and holistic approach to evaluating the impact of our community investments.

My Future Dream STEM Project was implemented as a holistic impact model during the 2024–2025 period, in line with Ford Otosan's social investment priorities, to support the empowerment of women and girls in technology and innovation fields. Within the scope of the project, social impact analyses were conducted using two different methods in accordance with its modular structure: "Post-Training Evaluation Surveys" for short-term trainings, and "Pre-Test – Post-Test" method along with "Focus Group Discussions" for long-term and in-depth components. This approach enabled accurate measurement of participants' learning and development journeys both quantitatively and qualitatively.

According to the results of the 2024 implementation period:

- Technical knowledge and skills development increased by 113.22%.
- 96% reported feeling more confident in their career preparation.
- Motivation to work in STEM fields increased to 84%, and willingness to continue development programs rose to 85%.

In 2025, the impact deepened further:

- **Personal Empowerment Trainings:** 1,087 women evaluated their knowledge increase at 9.2/10 and their psychological resilience at 9.2/10.
- **Leadership Academy:** Participants, many of whom received leadership training for the first time, evaluated their knowledge level at 9.4 and their leadership confidence at 9.3.
- **Mentorship Program:** Mentees who responded to the survey evaluated their career clarity at 9.2/10, their confidence at 8.8, and their motivation to work in STEM at 8.5.
- **Technical Trainings:** 1,413 participants stated that 94% of their expectations from technical development trainings were met.
- **English Trainings:** 1,307 women reported that their confidence in English job interviews increased from 4.4 to 6.3 (out of 10), and their confidence in applying to institutions requiring English proficiency increased from 4.9 to 6.9 (out of 10); a 56% positive change in application behavior was observed.
- **Awareness Program:** More than 70,000 people, including women and girls, were reached.

Overall, the project stood out as a high-impact and sustainable social investment model that holistically strengthened women's technical and professional competencies, career preparation, self-confidence, and leadership capacity over the two-year period.

The impact measurement studies conducted under My Future Dream Centers, which aim to support the individual and social empowerment of young people affected by the earthquake, were completed as of 2025. The program implemented in the Adiyaman, Hatay and Kahramanmaraş Hope Cities was measured through the evaluation of individual psychological support, group activities, and social/academic development activities within the framework of the Change Theory. The analysis results show that young people made significant progress in three main areas:

- **Psychosocial Well-being:** The well-being scores of young people who participated in the individual psychological support process increased by an average of 8.42 points.
- **Skills and Educational Development:** 75% of the 411 young people who participated in the GHM Academy stated that the trainings provided contributed highly to their career development.
- **Social Participation:** Among the 939 young people who participated in social activities, evaluation scores related to collaboration, taking responsibility, and strengthening social ties ranged between 4.65–4.69 (out of 5).

These findings show that the program strengthened young people's psychological resilience, contributed to their education and skills development, and increased their active participation in social life. Ford Otosan continues its efforts to ensure that the post-disaster youth support model evolves into a structure that produces measurable and sustainable impact.

### Planned Community Investments and Projects

Aiming to expand our social impact in a lasting and sustainable manner, we plan to launch more projects and initiatives supporting young people's education, technology and career journeys in the times to come.

The objective of **My Future Dream: AI and Career Journey** is implemented by UPSchool with the financial support of Ford Otosan, GlobalGiving, and Ford Philanthropy, as well as the contributions of Vehbi Koç Foundation. The project equips young people with competencies in AI and employability, while also offering enriched content such as CV and LinkedIn support, role model meetings, mentorship matching, and career days to guide their career journeys.

The objective of the **LeaderSHEp in STEM Project** is implemented through a partnership between Ford Otosan and Değişim Liderleri Derneği (DLD), with the support of GlobalGiving and Ford Philanthropy. It offers a comprehensive opportunity for young women aged 18–25 studying in STEM fields in Eskişehir to enhance their skills in leadership, communication, teamwork, and their career journeys.

## Investments for Tackling Climate Change

Ford Otosan hosted various events and organized trainings aimed at employees, students, and local stakeholders to raise environmental sustainability awareness and encourage knowledge sharing. The company participated in a Zero Waste themed event organized by the FOÇEV Club in cooperation with the Provincial Environmental Directorate to mark World Environment Day and organized an event at a kindergarten to create awareness about Zero Waste.

In addition to providing responsible production and consumption training for the employees, the company also continued to increase awareness about reducing environmental impact through various activities. As part of academy and industry collaborations, Ford Otosan participated as a panelist in the Exemplary Practices in Climate Change Adaptation and Clean Production event organized by the Eskişehir Chamber of Industry. A company representative also served as a jury member, evaluating the Istanbul University seniors' final papers for their Biodiversity course.

ESTÜ–Ford Otosan Academy, a collaboration with Eskişehir Technical University, provided environmental sustainability trainings. The content of the university's Environmental Legislation course was updated in line with the latest regulations and developments.

## Vehicle Quality and Safety Investments

### Advanced Driving Training

During the reporting period, we restructured the **Defensive Driving Techniques** training programs with the aim of helping participants anticipate potential dangers and risks in traffic, strengthening safe driving culture, and spreading the **"Zero Accident Target"** wider with a safe driving approach. Within the year, Defensive Driving Techniques trainings were organized in three locations with broad participation, including leaders who drive company cars, chauffeurs, and other employees who use the pool cars.

## Awards

Romania;

Ford Otosan won three awards at the Automotive Industry Forum & Awards for Excellence Gala hosted by Automotive Today and The Diplomat:

- CEO of the Year Award
- Outstanding Contribution to the Industry
- Supply Chain Excellence

Additionally, the Jobs 4 All project, implemented to employ people with disabilities, was honored with the Silver Excellence Award at the Romania PR Awards Gala. Ford Otosan also won the **"Most Desired Employer in Romania"** award at the Randstad Employer Brand Awards, which are presented according to public perception -based evaluations.

Türkiye;

Our efforts to support the empowerment of women in technology and innovation were crowned with multiple awards: **OSD Corporate Social Responsibility Project**; The Hammer Awards – **Best Team in Gender Equality**; and **Bronze in the Diversity, Equity and Inclusion** category at the Organizations Contributing to Sustainable Development Goals Awards presented by the Corporate Social Responsibility Association of Türkiye.

We offer a broad range of programs, including mentoring, STEM and digital skills training, personal development modules, role model meetings, and awareness-raising activities for female students at middle and high school levels. To date, we reached 73,064 participants through 1,881 events. On project basis, we have engaged with a total of 115,079 participants as of year-end 2025.

Our efforts as part of the Women Elevating Women Project were honored with the Silver Hammer in the **Best Team Supporting Quality Education and Young People** category at The Hammers Awards.

# Performance Indicators



# Performance Indicators

## Economic Performance Indicators

Economic and Operational Indicators (TL million)	2024	2025
<b>Sales Revenues</b>	778,801	830,828
<b>EBITDA</b>	55,893	66,566
<b>Net Profit</b>	50,869	33,986
<b>Employee Salaries and Benefits</b>	45,134	45,057
<b>Dividends</b>	30,799	28,555
<b>Taxes and Liabilities Paid Directly to the State as a Taxpayer</b>	1,646	1,102
<b>Total R&amp;D Budget</b>	8,076	8,300
<b>Total Supplier Expenditures</b>	243,125	300,947
<b>Total Local Supplier Expenditures</b>	201,037	252,061

## Environmental Performance Indicators

Environmental Trainings	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
<b>Number of Participants (Employees)</b>	8,571	1,475	10,046	7,057	645	7,702	15,576 ☑	248 ☑	15,824 ☑
<b>Number of Participants (Subcontractors)</b>	1,769	1,698	3,467	2,750	2,347	5,097	3,344 ☑	1,445 ☑	4,789 ☑

Environmental Expenditures and Fines (Million TL)	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
<b>Environmental Investments and Expenditures</b>	166.43	88.15	254.58	348	198	546	465 ☑	230 ☑	695 ☑
<b>Environmental Fines</b>	0	0	0	0.35	0	0.35	0 ☑	0 ☑	0 ☑

Greenhouse Gas Emissions (tonCO <sub>2</sub> e)	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
<b>Scope 1 Emissions</b>	108,011	23,780	131,791	102,850	26,657	129,507	86,248 ☑	20,356 ☑	106,604 ☑
<b>Scope 2 Emissions (Market-based)</b>	0	34,900	34,900	0	31,886	31,886	40.77* ☑	25,590 ☑	25,630 ☑
<b>Scope 2 Emissions (Location-based)</b>	N/A	N/A	N/A	N/A	N/A	234,871	120,806 ☑	49,913 ☑	170,719 ☑
<b>Scope 3 Emissions</b>	91,902,566	16,194,587	108,097,153	86,116,268	16,957,624	103,073,892	86,448,998 ☑	13,984,951 ☑	100,435,615 ☑
<b>Total Emissions**</b>	92,010,577	16,253,267	108,263,844	86,219,118	17,016,167	103,235,285	86,535,286 ☑	14,030,897 ☑	100,567,849 ☑

\*This refers to the greenhouse gas emissions of Bluepath Robotics Technology Trade and Industry Inc., a company established with 100% Ford Otosan capital and operating outside Ford Otosan facilities.

\*\* The calculation includes the market-based Scope 2 value.

TR: Türkiye RO: Romania ☑ Audited Data

Air Emissions (ton CO <sub>2</sub> e)	2025 TR	2025 RO	2025 TR+RO
VOC (Volatile Organic Compounds)	892.03	1,965.85	2,857.88

Scope 3 GHG Emissions (ton CO <sub>2</sub> e)	2025 TR	2025 RO	2025 TR+RO
Scope 3 Category 1 Emissions	7,923,518	2,611,621	10,535,139
Scope 3 Category 2 Emissions	70,218	11,778	81,997
Scope 3 Category 3 Emissions	51,854	12,862	64,716
Scope 3 Category 4 Emissions	188,447	42,690	231,137
Scope 3 Category 5 Emissions	722	248	971
Scope 3 Category 6 Emissions	Not calculated by country breakdown	Not calculated by country breakdown	1,667
Scope 3 Category 7 Emissions	5,066	15	5,081
Scope 3 Category 8 Emissions	0	0	0
Scope 3 Category 9 Emissions	240,765	46,782	287,548
Scope 3 Category 10 Emissions	0	4,876	4,876
Scope 3 Category 11 Emissions	77,847,850	11,245,946	89,093,796
Scope 3 Category 12 Emissions	82,667	8,132	90,799
Scope 3 Category 13 Emissions	0	0	0
Scope 3 Category 14 Emissions	8,686	0	8,686
Scope 3 Category 15 Emissions	29,203	0	29,203
<b>Scope 3 Total Emissions</b>	<b>86,448,998 </b>	<b>13,984,951 </b>	<b>100,435,615 </b>

TR: Türkiye RO: Romania Audited Data

Energy Consumption (GJ)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Direct Renewable Energy Consumption	0	0	0	0	0	0	0	0
Direct Non-Renewable Energy Consumption	1,679,004.12	656,548.08	1,606,492.89	388,295*	1,994,787.89*	1,412,646	364,141	1,776,787
Indirect Renewable Energy Consumption	1,240,909.26	398,099.15	1,297,350.36	460,216.06	1,757,566.42	1,095,162	384,397	1,479,558
Indirect Non-Renewable Energy Consumption	0	0	0	279,469.08	279,469.08	0	295,265	295,265
<b>Total Energy Consumption (Direct and Indirect)</b>	<b>2,919,913.38</b>	<b>1,054,647.23</b>	<b>2,903,843.25</b>	<b>1,127,980*</b>	<b>4,031,823*</b>	<b>2,507,808 </b>	<b>1,043,802 </b>	<b>3,551,610 </b>

\*A typographical error was made during the design phase in the 2024 report; this is the corrected version.

Consumptions per Vehicle	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Greenhouse Gas Emissions per Vehicle Produced (tonCO <sub>2</sub> e/vehicle)	0.27	0.31	0.28	0.27	0.23	0.26	0.19	0.19	0.19
Energy Consumption per Vehicle Produced (GJ/Vehicle)	4.21	3.44	3.96	7.60	4.19	6.25	5.55	4.2	5.0

TR: Türkiye RO: Romania Audited Data

Waste (Tons)	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
<b>Recovered Hazardous Waste</b>	12,107.52	2,421	14,528.52	20,779.86	2,762.98	23,542.84	24,297	3,395	27,692
<b>Recovered Non-Hazardous Waste</b>	101,693.36	40,694	142,387.36	114,136.72	11,926.48	126,063.20	128,443	49,508	177,951
<b>Disposed Hazardous Waste</b>	1.54	102.95	104.49	2.12	55.34	57.46	1.53	1.68	3.22
<b>Hazardous Waste Disposed by Landfilling</b>	N/A	N/A	N/A	N/A	N/A	N/A	1.53	1.59	3.12
<b>Hazardous Waste Incinerated with Energy Recovery</b>	N/A	N/A	N/A	N/A	N/A	N/A	365	0	365
<b>Hazardous Waste Incinerated without Energy Recovery</b>	N/A	N/A	N/A	N/A	N/A	N/A	0	0.10	0.10
<b>Hazardous Waste Disposed by Other Methods</b>	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0
<b>Hazardous Waste with Unspecified Disposal Method</b>	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0
<b>Disposed Non-Hazardous Waste</b>	0	28.45	28.45	0	0.33	0.33	1,069	33	1,102
<b>Non-Hazardous Waste Disposed by Landfilling</b>	N/A	N/A	N/A	N/A	N/A	N/A	1,069	33	1,102
<b>Non-Hazardous Waste Incinerated with Energy Recovery</b>	N/A	N/A	N/A	N/A	N/A	N/A	0.90	0	0.90

TR: Türkiye RO: Romania Audited Data

Waste (Tons)	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Non-Hazardous Waste Incinerated without Energy Recovery	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0
Non-Hazardous Waste Disposed through Other Methods	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0
Non-Hazardous Waste with Unspecified Disposal Method	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0
Hazardous Waste Sent to Temporary Storage	321.22	0.00	321.22	52.2	0	52.2	0	0.003	0.003
Non-Hazardous Waste Sent to Temporary Storage	0.00	2,084	2,084	0	39,850.34	39,850.34	3.78	0	3.78
<b>Total Waste</b>	114,124.63	45,330.40	159,454.04	134,970.90	54,595.47	189,566.37	154,180	52,938	207,118

Recovered Water (m³)	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Recovered Water	199,661	55,657	255,318	50,594	0	50,594	72,964	0	72,964

Waste Water (m³)	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Industrial Waste Water Discharge	300,278	112,228	412,506	305,410	386,286	691,696	383,372	136,142	519,514
Domestic Waste Water Discharge	N/A	N/A	N/A	N/A	N/A	N/A	439,100	241,970	681,070

TR: Türkiye RO: Romania Audited Data

Water Consumption (m <sup>3</sup> )	2023 TR	2023 RO	2023 TR+RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Water Consumption	N/A	N/A	N/A	N/A	N/A	N/A	555,844 ☑	0* ☑	555,844 ☑

Water Withdrawal (m <sup>3</sup> )	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Underground Water	1,313,453	0	1,357,467	0	1,357,467	1,366,272 ☑	0 ☑	1,366,272 ☑
Municipal Water	9,498	503,372	8,382	408,686	417,068	12,044 ☑	378,112 ☑	390,156 ☑
Rain Water	N/A	N/A	0	118,476	118,476	0 ☑	0 ☑	0 ☑
Total Water Withdrawal	1,322,951	503,372	1,365,849	527,162	1,893,011	1,378,316 ☑	378,112 ☑	1,756,428 ☑

Sustainable Products	2023 TR+RO	2024 TR+RO	2025 TR+RO
Sustainable Products and Services (Number)	16,638	32,403	102,958
Revenues from Sustainable Products and Services (TL Thousand)	19,234,716	39,091,898	139,565,485
Ratio of Revenues from Sustainable Products and Services to Total Revenues (%)	4.70	6.6	16.8

\*At Ford Otosan Craiova, water withdrawal and wastewater discharge are present; therefore, net water consumption is not calculated.

TR: Türkiye RO: Romania ☑ Audited Data

## Social Performance Indicators

OHS Performance (Employees)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Occupational Disease Rate (Employees)	0.27	0	0.2	0	0.16	0.34	0	0.27
Occupational Disease Rate (Female Employees)*	N/A	N/A	N/A	N/A	N/A	0.52	0	0.34
Occupational Disease Rate (Male Employees)*	N/A	N/A	N/A	N/A	N/A	0.29	0	0.24
Number of Accidents (Employees)	184	5	319	10	329	189	6	195
Number of Accidents (Female Employees)*	N/A	N/A	N/A	N/A	N/A	44	2	46
Number of Accidents (Male Employees)*	N/A	N/A	N/A	N/A	N/A	145	4	149
Number of Fatal Accidents (Employees)	4**	0	0	0	0	0	0	0
Number of Fatal Accidents (Female Employees)*	N/A	N/A	N/A	N/A	N/A	0	0	0
Number of Fatal Accidents (Male Employees)*	N/A	N/A	N/A	N/A	N/A	0	0	0
Lost Day Rate (Employees)	4.68	0.1	6.9	0.79	5.61	0.07	0.03	0.06
Lost Day Rate (Female Employees)*	N/A	N/A	N/A	N/A	N/A	0.05	0.01	0.04
Lost Day Rate (Male Employees)*	N/A	N/A	N/A	N/A	N/A	0.08	0.04	0.07

\*Gender breakdown of OHS performance employee metrics was added in 2025.

\*\*The accidents occurred during transportation outside company premises.

TR: Türkiye RO: Romania Audited Data

OHS Performance (Employees)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Incident Rate (Employees)	4.95	1.42	7.36	0.30	5.89	4.65	0.53	3.75
Incident Rate (Female Employees)*	N/A	N/A	N/A	N/A	N/A	4.56	0.39	3.10
Incident Rate (Male Employees)*	N/A	N/A	N/A	N/A	N/A	4.67	0.65	4.01
Total Members in Active OHS Committees	179	22	188	22	210	68	22	90
Representatives in Active OHS Committees	20	11	25	11	36	25	11	36
OHS Training Hours per Employees (person*hour)	32.82**	0.99	21	2.54	16.31	26.89	1.33	20.52
OHS Training Hours per Female Employees (person*hour)	N/A	N/A	N/A	N/A	N/A	32.5	0.89	20.44
OHS Training Hours per Male Employees (person*hour)	N/A	N/A	N/A	N/A	N/A	25.07	1.69	20.56
Total OHS Training Hours (Total Employees)	478,904	6,264	404,964	14,469	419,433	504,807	8,271	513,078
OHS Training Hours (Female Employees)*	N/A	N/A	N/A	N/A	N/A	149,750	2,539	152,289
OHS Training Hours (Male Employees)*	N/A	N/A	N/A	N/A	N/A	355,058	5,732	360,790

\*Gender breakdowns for OHS Performance employee metrics were introduced in 2025.

\*\*This increase is due to repeated statutory and process-based OHS trainings provided as a result of employee rotation following the opening of the Yeniköy plant.

TR: Türkiye RO: Romania Audited Data

OHS Performance (Subcontractors)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Occupational Disease Rate (Total Subcontractors)	0	0	0	0	0	0	0	0
Occupational Disease Rate (Female Subcontractors)*	N/A	N/A	N/A	N/A	N/A	0	0	0
Occupational Disease Rate (Male Subcontractors)*	N/A	N/A	N/A	N/A	N/A	0	0	0
Number of Accidents (Subcontractors)	22	0	49	2	51	25	0	25
Number of Accidents (Female Subcontractors)*	N/A	N/A	N/A	N/A	N/A	10	0	10
Number of Accidents (Male Subcontractors)*	N/A	N/A	N/A	N/A	N/A	15	0	15
Number of Fatal Accidents (Subcontractors)	1**	0	0	0	0	0	0	0
Number of Fatal Accidents (Female Subcontractors)*	N/A	N/A	N/A	N/A	N/A	0	0	0
Number of Fatal Accidents (Male Subcontractors)*	N/A	N/A	N/A	N/A	N/A	0	0	0
Lost Day Rate (Subcontractors)	4.42	0	6.90	0.53	5.73	0.02	0	0.01
Lost Day Rate (Female Subcontractors)*	N/A	N/A	N/A	N/A	N/A	0.02	0	0.02
Lost Day Rate (Male Subcontractors)*	N/A	N/A	N/A	N/A	N/A	0.01	0	0.01
Incident Rate (Subcontractors)	4.42	0	6.89	1.05	5.85	3.16	0	2.65
Incident Rate (Female Subcontractors)*	N/A	N/A	N/A	N/A	N/A	3.95	0	3.58
Incident Rate (Male Subcontractors)*	N/A	N/A	N/A	N/A	N/A	2.79	0	2.27

\*Gender breakdowns for OHS Performance employee metrics were introduced in 2025.

\*\*The fatality was due to medical reasons and an infection contracted during hospitalization, not a work-related incident.

TR: Türkiye RO: Romania Audited Data

OHS Performance (Subcontractors)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
<b>Total OHS Training Hours (Total Subcontractors)</b>	32,563	0	15,786	2,347	18,133	32,181	1,445	33,626
<b>OHS Training Hours per Subcontractors (person*hour)</b>	N/A	N/A	22.33	N/A	N/A	11.26	1.00	7.81

OHS Performance (Employees + Subcontractors)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
<b>Number of Accidents (Total)</b>	206	5	368	12	380	214	6	220
<b>Number of Accidents (Female)*</b>	N/A	N/A	N/A	N/A	N/A	54	2	56
<b>Number of Accidents (Male)*</b>	N/A	N/A	N/A	N/A	N/A	160	4	164
<b>Lost Day Rate (Total)</b>	4.65	0.1	6.9	0.67	5.59	0.06	0.03	0.06
<b>Lost Day Rate (Female)*</b>	N/A	N/A	N/A	N/A	N/A	0.05	0.01	0.03
<b>Lost Day Rate (Male)*</b>	N/A	N/A	N/A	N/A	N/A	0.07	0.04	0.06
<b>Incident Rate (Total)</b>	4.89	1.42	7.29	1.20	8.23	4.40	0.53	3.58
<b>Incident Rate (Female)*</b>	N/A	N/A	N/A	N/A	N/A	4.43	0.39	3.17
<b>Incident Rate (Male)*</b>	N/A	N/A	N/A	N/A	N/A	4.40	0.65	3.74

\*Gender breakdowns for OHS Performance employee metrics were introduced in 2025.

TR: Türkiye RO: Romania Audited Data

Employee Demographics	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
<b>Employees</b>	3,914	13,465	2,905	3,417	4,562	14,478	3,039	3,549	7,691	18,027	4,607	14,164	2,845	3,386	7,452	17,550
<b>Total Employees</b>	17,379		6,322		19,130		6,588		25,718		18,771		6,231		25,002	
<b>Subcontractor Employees</b>	711	1,455	N/A	N/A	868	1,765	278	2,160	1,146	3,925	864	1,995	143	1,301	1,007	3,296
<b>Total Subcontractor Employees</b>	2,166		1,698		2,633		2,438		5,071		2,859		1,444		4,303	

Employees by Category	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
<b>Field Employees</b>	2,525	10,175	2,721	2,942	3,217	11,248	2,914	3,200	6,131	14,448	3,164	11,053	2,718	3,028	5,882	14,081
<b>Office Employees</b>	1,389	3,290	184	475	1,435	3,230	125	349	1,560	3,579	1,443	3,111	127	358	1,570	3,469

Employees by Agreement Type	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
<b>Permanent Employment Contract</b>	3,735	12,553	2,229	2,859	3,932	12,451	2,178	2,772	6,110	15,223	4,471	13,582	2,119	2,728	6,590	16,310
<b>Fixed-Term Employment Contract</b>	179	912	676	558	720	2,027	861	777	1,581	2,804	136	582	726	658	862	1,240

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Employees Covered by Collective Labor Agreement	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Employees Covered by Collective Labor Agreement	12,698	6,322	14,465	6,588	21,053	14,217	6,231	20,448

Unionized Employees	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Number of Unionized Employees	12,700	5,832	14,041	5,553	19,594	14,216	4,594	18,810

Employees by Age Groups	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
30 and younger employees	2,110	5,999	275	551	2,720	7,476	315	658	3,035	8,134	2,492	6,726	226	591	2,718	7,317
30-50 employees	1,786	7,173	1,600	1,594	1,908	6,736	1,629	1,586	3,537	8,322	2,079	7,061	1,506	1,557	3,585	8,618
50 and over employees	18	293	1,030	1,272	24	266	1,095	1,305	1,119	1,571	36	377	1,113	1,238	1,149	1,615

Employees by Employment Type	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Full-Time Employees	3,914	13,458	2,905	3,412	4,651	14,477	3,037	3,543	7,688	18,020	4,607	14,163	2,844	3,383	7,451	17,546
Part-Time Employees	0	7	0	5	1	1	2	6	3	7	0	1	1	3	1	4

TR: Türkiye RO: Romania Audited Data

Equal Opportunity	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Senior Executives	6	28	0	2	7	26	0	3	7	29	6	27	1	3	7	30
Mid-Level Managers	117	456	5	10	122	433	5	13	127	446	128	435	5	11	133	446
First-Level Managers	141	344	8	52	151	360	8	57	159	417	175	398	9	57	184	455
Specialists	1,125	2,462	105	273	1,155	2,411	112	276	1,267	2,687	1,134	2,251	112	287	1,246	2,538
Employees in STEM Field	3,455	12,472	2,721	2,942	4,462	14,277	2,535	2,690	6,697	16,967	4,407	13,956	2,795	3,262	7,202	17,218
Employees with Disabilities	70	351	13	33	78	331	4	38	82	369	95	412	31	66	126	478
Employees in Revenue Generating Functions	3,252	12,454	2,426	2,582	4,029	13,638	2,991	3,427	7,020	17,065	3,955	13,316	2,320	2,513	6,275	15,829
Managers in Revenue Generating Functions	N/A	N/A	N/A	N/A	142	621	17	49	159	670	161	648	4	34	165	682

Equal Opportunity	2023 TR+RO		2024 TR+RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male
Board Members	3	8	3	9	2	10

TR: Türkiye RO: Romania Audited Data

Employees by Nation	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Turkish Employees	17,341	N/A	19,086	7	19,093	18,733	8	18,741
Romanian Employees	N/A	4	2	6,577	6,579	0	6,214	6,214
Other	38	6,318	42	4	46	38	9	47

Parental Leaves	2023 TR	2023 RO	2024 TR	2024 RO	2025 TR	2025 RO
Female employees on parental leave	141	56	304	45	158	58
Male employees on parental leave	547	12	606	12	551	75
Female employees returning from parental leave	143	31	210	20	128	11
Return-to-Work Ratio (%)	87.80%	100%	80.46%	88.89%	72%	N/A

TR: Türkiye RO: Romania Audited Data

Employee Turnover	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
<b>New Hire Employees</b>	1,215	3,397	818	646	1,303	3,731	275	371	1,578	4,102	562	1,788	83	165	645	1,953
<b>Hires Aged 30 and Under</b>	N/A		N/A		N/A		N/A		N/A		1,762		113		1,875	
<b>Hires Aged 30–50</b>	N/A		N/A		N/A		N/A		N/A		515		105		620	
<b>Hires Aged 50 and Over</b>	N/A		N/A		N/A		N/A		N/A		73		30		103	
<b>Employees Leaving</b>	418	2,371	267	303	558	2,663	179	290	737	2,953	605	2,101	256	299	861	2,400
<b>Employees Leaving (Voluntary)</b>	257	910	45	81	328	933	72	111	400	1,044	307	948	47	51	354	999
<b>Employees Leaving (Involuntary)</b>	161	1,461	222	222	230	1,730	107	179	337	1,909	298	1,153	209	248	507	1,401

TR: Türkiye RO: Romania Audited Data

Employee Turnover Rate Breakdown (%)	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Employee Turnover Rate (%)	10.68%	17.61%	9.19%	8.87%	11.99%	18.39%	5.89%	8.17%	9.58%	16.38%	13.13%	14.83%	9%	8.83%	11.55%	13.68%
Total Employee Turnover Rate (%)	16.05%		9.02%		16.84%		7.12%		14.35%		14.42%		8.91%		13.04%	
Employee Turnover Rate (Voluntary) (%)	6.57%	6.76%	1.55%	2.37%	7.05%	6.44%	2.34%	3.13%	5.20%	5.79%	6.66%	6.69%	1.65%	1.51%	4.75%	5.69%
Total Employee Turnover Rate (voluntary) (%)	6.72%		1.99%		6.59%		2.78%		5.61%		6.69%		1.57%		5.41%	
Employee Turnover Rate (Involuntary) (%)	4.11%	10.85%	7.64%	6.50%	4.94%	11.95%	3.52%	5.04%	4.38%	10.59%	6.47%	8.14%	7.35%	7.32%	6.8%	7.98%
Total Employee Turnover Rate (involuntary) (%)	9.33%		7.02%		10.25%		4.34%		8.73%		7.73%		7.33%		7.63%	
Turnover Rate of Employees Aged 30 and Under (%)	N/A		N/A		N/A		N/A		N/A		21.00%		13.71%		20.48%	
Turnover Rate of Employees Aged 30–50 (%)	N/A		N/A		N/A		N/A		N/A		7.59%		5.62%		7.10%	
Turnover Rate of Employees Aged 50 and Over (%)	N/A		N/A		N/A		N/A		N/A		16.71%		11.53%		12.30%	
Turnover Rate of First-Level Managers (%)	N/A		N/A		N/A		N/A		N/A		8.73%		9.09%		8.76%	
Turnover Rate of Mid-Level Managers (%)	N/A		N/A		N/A		N/A		N/A		5.33%		6.25%		5.35%	
Turnover Rate of Senior-Level Managers (%)	N/A		N/A		N/A		N/A		N/A		3.03%		25.00%		5.41%	
Turnover Rate of Non-Managerial Employees (%)	N/A		N/A		N/A		N/A		N/A		14.91%		8.90%		13.36%	

Promotions	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Promotions (Office Employees)	54	126	71	135	51	116	118	233	169	349	55	135	93	200	148	335

Employees Subject to Performance Management	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Total Office Employees Subject to Performance Management	4,469	641	4,549	474	5,023	4,458 ☺	745 ☺	5,203 ☺
Total Field Employees Subject to Performance Management	8,939	639	11,750	650	12,400	12,993 ☺	765 ☺	13,758 ☺

Employee Engagement (%)	2023 TR	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Total Employee Engagement Rate (%)	51.4%	55.6%	69%	59%	54.1% ☺	64% ☺	56.9% ☺
Female Employee Engagement Rate (%)	60.6%	60.9%	72.2%	-	59.3% ☺	65.4% ☺	61.9% ☺
Male Employee Engagement Rate (%)	49.0%	54%	66%	-	52.4% ☺	60.6% ☺	54% ☺
Senior Executives Engagement Rate (%)	100.0%	100%	100%	-	100% ☺	N/A*	100% ☺
Mid-Level Managers Engagement Rate (%)	86.5%	85%	100%	-	88.7% ☺	N/A*	88.8% ☺
First-Level Managers Engagement Rate (%)	75.3%	68%	80.4%	-	72% ☺	87.7% ☺	73.7% ☺
Specialist Employees Engagement Rate (%)	58.1%	47%	74.6%	-	48.9% ☺	74.6% ☺	51.3% ☺

\*The employee engagement score for this position in Romania is not disclosed due to confidentiality considerations arising from the limited number of employees.

TR: Türkiye RO: Romania ☺ Audited Data

Employee Engagement (%)	2023 TR	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Employee Engagement Ages 25 and Under (%)	52.2%	60%	71%	-	54.3%	61%	54.9%
Employee Engagement Ages 26-29 (%)	49.6%	48.7%	64.8%	-	47.5%	59.3%	48.8%
Employee Engagement Ages 30-34 (%)	51.6%	52.5%	70.3%	-	51.3%	62.2%	53.5%
Employee Engagement Ages 35-44 (%)	49.4%	57.8%	65.7%	-	58.3%	63.7%	59.8%
Employee Engagement Ages 45-54 (%)	59.5%	65.5%	72.4%	-	66.1%	64.2%	65%
Employee Engagement Ages 55 and Over (%)	94.3%	79.5%	69.4%	-	72.7%	68.6%	68.7%

\*The employee engagement score for this position in Romania is not disclosed due to confidentiality considerations arising from the limited number of employees.

Employee Tenure (Years)	2023 TR		2023 RO		2024 TR		2024 RO		2024 TR+RO		2025 TR		2025 RO		2025 TR+RO	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Average Tenure of Senior Executives	16	21	0	34.5	14	21	0	4	14	25	13	21	0	20	11	21
Average Tenure of Mid-Level Managers	13	15	25	24	13	15	5	4	18	19	13	15	26	21	14	15
Average Tenure of First-Level Managers	10	10	25	24	9	10	7	5	16	15	9	10	28	20	10	11
Average Tenure of Office Specialists	4	6	19	19	4	5	3	3	7	8	4	6	16	16	5	7
Average Tenure of Field Positions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4	6	8	10	5	7
Average Employee Tenure*	N/A		N/A		N/A		N/A		N/A		6		10		7	

\*The Board of Directors and senior management are excluded.

TR: Türkiye RO: Romania Audited Data

Gender Pay Gap by Positions (Ratio of Average Women's Pay to Average Men's Pay) Out of 1	2023		2024		2025	
	TR	RO	TR	RO	TR+RO	TR+RO
Senior executives pay gap (base salary)	1.01	0*	1.03	0*	1.03	1.00 ☺ N/A ☺ 0.99 ☺
Senior executives pay gap (base salary + benefits)	0.91	0*	1.00	0*	1.00	1.00 ☺ N/A ☺ 1.00 ☺
Managers pay gap (base salary)	0.89	1.21	0.97	1.15	1.11	0.92 ☺ 1.22 ☺ 0.95 ☺
Managers pay gap (base salary + benefits)	0.86	1.21	0.96	1.00	0.99	0.90 ☺ 1.22 ☺ 0.93 ☺
Non-managerial positions pay gap (base salary)	0.99	0.91	0.93	0.86	0.88	0.97 ☺ 0.92 ☺ 0.97 ☺
Non-managerial positions pay gap (base salary + benefits)	0.99	0.91	0.97	0.90	0.92	0.97 ☺ 0.92 ☺ 0.98 ☺

\*In Romania, there are senior male executives; there are no female executives.

Training and Development Programs	2023 TR			2023 RO			2024 TR			2024 RO			2024 TR+RO		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Total Training Time (hours)	625,238	1,376,395	2,001,633	26,452	66,682	93,134	969,361	2,362,651	3,332,012	20,307	64,657	84,964	989,667	2,427,309	3,416,976
Total Training Time, Including OHS (hours)	748,841	1,753,571	2,502,412	29,892	69,506	99,398	1,070,475	2,666,500	3,736,975	21,563	66,325	87,888	1,092,038	2,732,826	3,824,863
Total Training Time per Employee (person*hours)	191.4	130.3	144.1	10.29	20.34	14.73	230	184	195	7	19	13	142	152	149
Total training time office employees (hours)	115,428	218,570	333,998	2,896	7,727	10,623	66,208	113,310	179,519	3,632	12,305	15,937	69,841	125,615	195,456

TR: Türkiye RO: Romania ☺ Audited Data

Training and Development Programs	2023 TR			2023 RO			2024 TR			2024 RO			2024 TR+RO		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Average training time for office employees (person*hours)	83.1	66.4	71.3	15.74	16.27	16.12	46	35	38	29	35	34	45	35	38
Total training time field employees (hours)	633,413	1,535,000	2,168,413	26,996	61,779	88,775	1,004,267	2,553,190	3,557,457	17,930	54,021	71,951	1,022,197	2,607,211	3,629,407
Average training time for field employees (person*hours)	251.0	151.0	170.9	9.92	21.00	15.68	312	227	246	6	17	12	167	180	176
Total Leadership training time (hours)	9,047	26,816	35,863	176	1,232	1,408	7,618	51,217	58,835	1,184	5,284	6,468	8,802	56,501	65,303

Training and Development Programs	2025 TR			2025 RO			2025 TR+RO		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Total Training Time (hours)	454,093	1,546,980	2,001,073	24,008	77,576	101,584	478,101	1,624,556	2,102,657
Total Training Time, Including OHS (hours)	603,843	1,902,037	2,505,880	26,547	83,308	109,855	630,390	1,985,346	2,615,735
Total Training Time per Employee (person*hours)	131	134	134	8.4	22.8	16.27	139.47	157.09	149.77
Total training time office employees (hours)	32,134	67,881	100,015	4,002	9,739	13,741	36,136	77,620	113,756
Average training time for office employees (person*hours)	22	22	22	31.5	27.2	28.3	23.02	22.38	22.58
Total training time field employees (hours)	571,709	1,834,156	2,405,865	22,545	73,569	96,114	594,254	1,907,726	2,501,979
Average training time for field employees (person*hours)	181	166	169	8.28	24.3	16.69	100.96	135.42	125.27
Total Leadership training time (hours)	10,816	26,383	37,199	888	2,280	3,168	11,704	28,663	40,367

TR: Türkiye RO: Romania Audited Data

Total Training Expenditure (TL)	2023 TR	2023 RO	2024 TR	2024 RO	2024 TR+RO	2025 TR	2025 RO	2025 TR+RO
Training Expenditure	62,021,823	1,609,126	147,648,417	9,507,680	157,156,097	116,320,732 ☺	16,367,884 ☺	132,688,616 ☺

Incidents Reported to Ethics Channels	2023 TR+RO	2024 TR+RO	2025 TR+RO
Total Incidents	378	515	413
Total Confirmed Incidents	82	107	106
Violation of Company Rules and Procedures	57	87	70
Mobbing	4	2	1
Harassment/Discrimination	8	3	21
Conflict of Interest	N/A	2	-
Fraud/Theft/Bribery	5	4	6
Money Laundering	N/A	-	-
Other	8	9	8

Imposed Disciplinary Sanctions for Reported Violations	2023 TR+RO	2024 TR+RO	2025 TR+RO
Total Number	33	47	81

Social Investment Budget Distribution (TL)	2023 TR	2024 TR	2025 TR
Total	576,928,003	456,933,828	559,888,364 ☺
Vehbi Koç Foundation*	354,055,837	300,760,095	500,000,000 ☺
Training	10,653,631	76,978,632	32,871,819 ☺
Health	431,797	5,048,594	-
Social Aids and Other	211,787,738	74,146,507	27,016,545 ☺

\*In 2025, within the scope of collaborations carried out with the Vehbi Koç Foundation, investments amounted to TRY 70,852,523 in social equality of opportunity projects, TRY 243,417,971 in educational initiatives, and TRY 44,652,758 in cultural and arts activities.

Social Target Progress	2025 TR
Number of women/girls reached through awareness, education, and financial support projects aimed at society (Target Year: 2026, Baseline: 2022)	115,079 (115%) ☺
Ratio of supported start-ups with 50% women representation in management positions	26/75 start-ups (35%) ☺

TR: Türkiye RO: Romania ☺ Audited Data

Supplier Numbers		2025 TR
<b>Total Number of Suppliers</b>		3,116
<b>Number of Local Suppliers</b>		2,224
<b>Number of Tier1 Suppliers</b>	591 suppliers 842 suppliers do not have manufacturing locations.	
<b>Number of Critical Tier1 Suppliers</b>		151
<b>Number of Critical NonTier1 Suppliers</b>		15

Supplier Numbers		2025 TR
<b>Payment Amount to Critical Suppliers (TL)</b>		271,224,620,307
<b>Number of Suppliers Assessed for ESG</b>	Total: 286 (271 Tier1 suppliers and 15 nonTier1 logistics suppliers)	
<b>Number of Suppliers Identified with Negative Impact</b>		9
<b>Number of Suppliers Included in the Capacity Building Program</b>		261
<b>Total Supplier Training Hours</b>	Total : 7405.79 Environmental: 3544.09 Social: 1445.2 Governance: 1967.6 Ethics: 318 Financial: 130.9	

Net Promoter Score (NPS) (%) – Passenger and Commercial Vehicles	2023 TR Total	2024 TR Female	2024 TR Male	2024 TR Total	2025 TR Female	2025 TR Male	2025 TR Total
<b>Türkiye Customer NPS (%)</b>	84.0	81.95	81.95	81.35	83.1	81.4	81.20
<b>Sales Customer NPS (%)</b>	89.2	84.4	86	85.3	92	89.9	90.2
<b>Service Customer NPS (%)</b>	78.9	79.5	77.9	77.4	82	80.8	80.6

TR: Türkiye RO: Romania Audited Data

Net Promoter Score (NPS) (%) – Heavy Commercial Vehicles	2023 TR Total	2024 TR Female	2024 TR Male	2024 TR Total	2025 TR Female	2025 TR Male	2025 TR Total
<b>Türkiye Customer NPS (%)</b>	78	39.2	56.7	64.8	45.5	55.3	55.5
<b>Sales Customer NPS (%)</b>	88	N/A	N/A	72.9	90	75.6	76.1
<b>Service Customer NPS (%)</b>	68	39.2	56.7	56.7	43	54.6	54.8

Romania operations are limited to production and the domestic market, sales and after-sales customer activities are managed centrally by the Ford brand. Customer satisfaction is monitored by Ford Europe.

TR: Türkiye RO: Romania Audited Data

# Annexes



## GRI Content Index

**Statement of Use:** Ford Otosan has reported in accordance with the GRI Standards for the January 1–December 31, 2025 period.

**GRI 1 Standard:** GRI 1: Foundation 2021

### GRI 1: FOUNDATION 2021

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI: 2 General Disclosures 2021</b>	2-1 Organizational details	About the Report	P. 3
		About Ford Otosan	P. 8
	2-2 Entities included in the organization's sustainability reporting	About the Report	P. 3
	2-3 Reporting period, frequency and contact point	About the Report	P. 3
	2-4 Restatements of information		GRI Content Index: No statement from the previous reporting period has been restated.
	2-5 External assurance	Assurance Statement of Non-Financial Data	P. 236
	2-6 Activities, value chain and other business relationships	Value Creation Journey	P. 23
		Value Chain Management	P. 34
	2-7 Employees	Employee and Human Rights	P. 137
		Employee Engagement	P. 149
		Social Performance Indicators	P. 199
	2-8 Workers who are not employees	Social Performance Indicators	P. 199
	2-9 Governance structure and composition	Board of Directors and Board Committees	P. 63
		Corporate Governance	P. 64
	2-10 Nomination and selection of the highest governance body	Governance Structure	P. 63
		Board Committees Corporate Governance Compliance Report	<a href="https://kap.org.tr/tr/api/file/download/4028328d9c4c12ca019c72686eb971f9#page=80">https://kap.org.tr/tr/api/file/download/4028328d9c4c12ca019c72686eb971f9#page=80</a>
2-11 Chair of the highest governance body	Board Committees	P. 63	
2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure	P. 63	
	Board Committees Corporate Governance Compliance Report	<a href="https://kap.org.tr/tr/api/file/download/4028328d9c4c12ca019c72686eb971f9#page=80">https://kap.org.tr/tr/api/file/download/4028328d9c4c12ca019c72686eb971f9#page=80</a>	
2-13 Delegation of responsibility for managing impacts	Board Committees	P. 63	
	Sustainability Management	P. 26	
	Risk and Opportunity Management	P. 75	
2-14 Role of the highest governance body in sustainability reporting	Sustainability Management	P. 26	
2-15 Conflicts of interest	Board Committees	P. 63	
	Corporate Governance Compliance Report	<a href="https://kap.org.tr/tr/api/file/download/4028328d9c4c12ca019c72686eb971f9#page=80">https://kap.org.tr/tr/api/file/download/4028328d9c4c12ca019c72686eb971f9#page=80</a>	
2-16 Communication of critical concerns	Ethics, Transparency, Internal Control and Internal Audit	P. 68	

**GRI 1: FOUNDATION 2021**

	<b>Disclosure</b>	<b>Section</b>	<b>Page No, Source and/or Direct Answers</b>
<b>GRI: 2 General Disclosures 2021</b>	2-17 Collective knowledge of the highest governance body	Governance Structure Board Committees	P. 63
	2-18 Evaluation of the performance of the highest governance body	Governance Structure Board Committees Remuneration Policy for Board of Directors and Senior Executives	P. 63 <a href="https://www.fordotosan.com.tr/documents/Politikalar/remuneration-policy_eng.pdf">https://www.fordotosan.com.tr/documents/Politikalar/remuneration-policy_eng.pdf</a>
	2-19 Remuneration policies	Corporate Governance Remuneration Policy for Board of Directors and Senior Executives Recognition, Appreciation and Rewarding	P. 64 <a href="https://www.fordotosan.com.tr/documents/Politikalar/remuneration-policy_eng.pdf">https://www.fordotosan.com.tr/documents/Politikalar/remuneration-policy_eng.pdf</a> P. 152
	2-20 Process to determine remuneration	Corporate Governance Recognition, Appreciation and Rewarding Remuneration Policy for Board of Directors and Senior Executives	P. 64 P. 152 <a href="https://www.fordotosan.com.tr/documents/Politikalar/remuneration-policy_eng.pdf">https://www.fordotosan.com.tr/documents/Politikalar/remuneration-policy_eng.pdf</a>
	2-21 Annual total compensation ratio		Confidential.
	2-22 Statement on sustainable development strategy	Future. Now Material Sustainability Topics	P. 31 P. 48
	2-23 Policy commitments	Ethics, Transparency, Internal Control and Internal Audit	P. 68
	2-24 Embedding policy commitments	Ethics, Transparency, Internal Control and Internal Audit	P. 68
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	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Communications	P. 35
	2-27 Compliance with laws and regulations	Ethics, Transparency, Internal Control and Internal Audit	P. 68
	2-28 Membership associations	Memberships Affiliations	P. 231
	2-29 Approach to stakeholder engagement	Stakeholder Communications Material Topics	P. 35 P. 48
	2-30 Collective bargaining agreements	Social Performance Indicators	P. 199

### Material Topics

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	3-2 List of material topics	Material Topics	P. 48

### Climate Action and Resilience

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<b>GRI: 3 Material Topics 2021</b>	3-3 Management of material topics	Material Sustainability Topics	P. 48	
		For Environment	P. 111	
		Emissions and Energy Management	P. 114	
		Water and Waste Management	P. 119	
<b>GRI 103: Energy 2025</b>	103-1 Energy policies and commitments	Environmental Performance Indicators	P. 193	
		103-2 Energy consumption and self-generation within the organization	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
		103-3 Upstream and downstream energy consumption	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
		103-4 Energy intensity	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
		103-5 Reduction in energy consumption	Energy and Emissions Management	P. 114
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Energy and Emissions Management	P. 114	
		Environmental Performance Indicators	P. 193	
		305-2 Energy indirect (Scope 2) GHG emissions	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
		305-3 Other indirect (Scope 3) GHG emissions	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
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		305-5 Reduction of GHG emissions	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
<b>GRI 305: Emissions 2016</b>	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Energy and Emissions Management	P. 114	

### Climate Action and Resilience

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<b>GRI 102: Climate Change 2025</b>	102-1 Transition plan for climate change mitigation	Material Topics For Environment Energy and Emissions Management	P. 48 P. 111 P. 114
	102-2 Climate change adaptation plan	Material Topics For Environment Energy and Emissions Management	P. 48 P. 111 P. 114
	102-3 Just transition	Material Topics For Environment Energy and Emissions Management	P. 48 P. 111 P. 114
	102-4 GHG emissions reduction targets and progress	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
	102-5 Scope 1 GHG emissions	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
	102-6 Scope 2 GHG emissions	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
	102-7 Scope 3 GHG emissions	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
	102-8 GHG emissions intensity	Energy and Emissions Management Environmental Performance Indicators	P. 114 P. 193
	102-9 GHG removals in the value chain	Material Topics For Environment Energy and Emissions Management Supply Chain Management	P. 48 P. 111 P. 114 P. 127
	102-10 Carbon credits		No carbon credits were utilized within the reporting period.

### Low-Carbon Products and Services

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics For Environment Product Sustainability R&D Management	P. 48 P. 111 P. 124 P. 82

### Responsible Supply Chain

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics Supply Chain Management Employee and Human Rights	P. 48 P. 127 P. 137
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	Supply Chain Management	P. 127
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management	P. 127
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	P. 127
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Employee and Human Rights	P. 137
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management	P. 127

### Risk Management and Regulatory Compliance

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Risk and Opportunity Management Material Topics	P. 48 P. 75
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Risk and Opportunity Management	P. 75

### Smart and Innovative Mobility

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics Innovation Management	P. 48 P. 99

### Occupational Health, Safety and Employee Well-being

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Occupational Health and Safety Social Performance Indicators	P. 157 P. 199
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Occupational Health and Safety	P. 157
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Social Performance Indicators	P. 157 P. 199
	403-3 Occupational health services	Occupational Health and Safety	P. 157
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	P. 157
	403-5 Worker training on occupational health and safety	Occupational Health and Safety Social Performance Indicators	P. 157 P. 199
	403-6 Promotion of worker health	Occupational Health and Safety	P. 157
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	P. 157
	403-8 Workers covered by OHS management system	Occupational Health and Safety Social Performance Indicators	P. 157 P. 199
	403-9 Work-related injuries	Occupational Health and Safety Social Performance Indicators	P. 157 P. 199
	403-10 Work-related ill health	Occupational Health and Safety Social Performance Indicators	P. 157 P. 199

### Talent Acquisition, Development and Retention

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Talent and Career Management	P. 147
		Employee Development	P. 152
		Social Performance Indicators	P. 199
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Employee Development	P. 152
		Social Performance Indicators	P. 199
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent and Career Management	P. 147
		Employee Development	P. 152
		Social Performance Indicators	P. 199
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent and Career Management	P. 147
Employee Development		P. 152	
Social Performance Indicators		P. 199	

### Vehicle Quality and Safety

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Vehicle Quality and Safety	P. 172
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Vehicle Quality and Safety	P. 172
		416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Vehicle Quality and Safety

### Clean Technology Opportunities and Alternative Fuels

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		For Environment	P. 82
		R&D Management	P. 111

### Circular Economy and Waste

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Product Sustainability	P. 119
		Water and Waste Management	P. 124
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	Product Sustainability R&D Management	P. 82 P. 119
	301-2 Recycled input materials used	Product Sustainability Water and Waste Management	P. 119 P. 124
	301-3 Reclaimed products and their packaging materials	Product Sustainability Water and Waste Management	P. 119 P. 124
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Water and Waste Management	P. 119
	306-2 Management of significant waste-related impacts	Water and Waste Management	P. 119
	306-3 Waste generated	Water and Waste Management Environmental Performance Indicators	P. 119 P. 193
	306-4 Waste diverted from disposal	Water and Waste Management Environmental Performance Indicators	P. 119 P. 193
	306-5 Waste directed to disposal	Water and Waste Management Environmental Performance Indicators	P. 119 P. 193

### Human Rights

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Employee and Human Rights	P. 137
		Diversity, Equity and Inclusion	P. 138
		Employee Engagement	P. 149
		Social Performance Indicators	P. 199
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Diversity, Equity and Inclusion Social Performance Indicators	P. 138 P. 199
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee and Human Rights Employee Engagement Social Performance Indicators	P. 137 P. 149 P. 199
	401-3 Parental leave	Employee Engagement Social Performance Indicators	P. 149 P. 199

### Human Rights

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Operations or suppliers in which the right to freedom of association and collective bargaining may be at risk were not observed within the reporting year.
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor		No operations or suppliers were found to present child labor risk within the reporting year.
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		No operations or suppliers were found to present child labor risk within the reporting year.

### Equal Opportunity, Diversity and Inclusion

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Board of Directors and Board Committees Ethics, Transparency, Internal Control and Internal Audit Material Topics Employee Development Diversity, Equity and Inclusion	P. 63 P. 68 P. 48 P. 152 P. 138
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Board of Directors and Board Committees Diversity, Equity and Inclusion	P. 63 P. 138
	405-2 Ratio of basic salary and remuneration of women to men	Employee Development	P. 152
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Ethics, Transparency, Internal Control and Internal Audit	P. 68

### R&D Capacity

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics Innovation Management R&D Management	P. 48 P. 99 P. 82

### Waste and Wastewater

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Water and Waste Management	P. 119
		Environmental Performance Indicators	P. 193
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water and Waste Management	P. 119
	303-2 Management of water discharge-related impacts	Water and Waste Management	P. 119
	303-3 Water withdrawal	Water and Waste Management Environmental Performance Indicators	P. 119 P. 193
	303-4 Water discharge	Water and Waste Management Environmental Performance Indicators	P. 119 P. 193
	303-5 Water consumption	Water and Waste Management Environmental Performance Indicators	P. 119 P. 193

### Corporate Governance

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	About the Report	P. 3
		Shareholding Structure and Investor Relations	P. 8
		Ford Otosan Milestones	P. 32
		Value Creation Model	P. 68
		Ethics, Transparency, Internal Control and Internal Audit	P. 48 P. 75
		Material Topics	P. 137
		Risk and Opportunity Management	P. 149
		Employee and Human Rights	P. 75
		Employee Engagement	
		Risks and Opportunities	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Shareholding Structure and Investor Relations Ford Otosan Milestones Value Creation Model	P. 8 P. 32
	201-2 Financial implications and other risks and opportunities due to climate change	Risk and Opportunity Management	P. 75
	201-3 Defined benefit plan obligations and other retirement plans	Employee Engagement	P. 149

### Corporate Governance

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 205: Anti-Corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Ethics, Transparency, Internal Control and Internal Audit Risk and Opportunity Management	P. 68 P. 75
	205-2 Communication and training about anti-corruption policies and procedures	Ethics, Transparency, Internal Control and Internal Audit Employee and Human Rights Risk and Opportunity Management	P. 68 P. 137 P. 75
	205-3 Confirmed incidents of corruption and actions taken	Ethics, Transparency, Internal Control and Internal Audit	P. 68
<b>GRI 415: Public Policy 2016</b>	415-1: Political contributions		There were no political contributions or donations within the reporting year.

### Air Quality

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics Energy and Emissions Management	P. 48 P. 114
<b>GRI 305: Emissions 2016</b>	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Energy and Emissions Management	P. 114

### Ethics and Transparency

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
		Ethics, Transparency, Internal Control and Internal Audit	P. 68
		Employee and Human Rights Risk and Opportunity Management	P. 137 P. 75
<b>GRI 205: Anti-Corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Ethics, Transparency, Internal Control and Internal Audit Risk and Opportunity Management	P. 68 P. 75
	205-2 Communication and training about anti-corruption policies and procedures	Ethics, Transparency, Internal Control and Internal Audit Employee and Human Rights Risk and Opportunity Management	P. 68 P. 137 P. 75
	205-3 Confirmed incidents of corruption and actions taken	Ethics, Transparency, Internal Control and Internal Audit	P. 68

### Customer Experience

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Vehicle Quality and Safety Material Topics Customer Experience and Dealers	P. 172 P. 48 P. 165
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Vehicle Quality and Safety	P. 172
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		Incidents of non-compliance concerning the health and safety impacts of products and services were not observed within the reporting year.

### Data Privacy and Cybersecurity

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics Data Privacy and Cybersecurity	P. 48 P. 107
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		There were no substantiated complaints concerning breaches of customer privacy and loss of customer data within the reporting year.

### Biodiversity

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics	P. 48
<b>GRI 101: Biodiversity 2024</b>	101-1 Policies to halt and reverse biodiversity loss	Biodiversity	P. 123
	101-2 Management of biodiversity impacts	Biodiversity	P. 123
	101-4 Identification of biodiversity impacts		No species has been found to be directly impacted by our operations. Preliminary risk assessments have been conducted for all our locations using the IBAT (Integrated Biodiversity Assessment Tool) and SBTN Materiality Tool. A preventive approach is adopted to protect endangered species and conserve vulnerable habitats.

**Biodiversity**

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 101: Biodiversity 2024</b>	101-5 Locations with biodiversity impacts		No species has been found to be directly impacted by our operations. Preliminary risk assessments have been conducted for all our locations using the IBAT (Integrated Biodiversity Assessment Tool) and SBTN Materiality Tool. A preventive approach is adopted to protect endangered species and conserve vulnerable habitats.
	101-6 Direct drivers of biodiversity loss		No species has been found to be directly impacted by our operations. Preliminary risk assessments have been conducted for all our locations using the IBAT (Integrated Biodiversity Assessment Tool) and SBTN Materiality Tool. A preventive approach is adopted to protect endangered species and conserve vulnerable habitats.
	101-7 Changes to the state of biodiversity		No species has been found to be directly impacted by our operations. Preliminary risk assessments have been conducted for all our locations using the IBAT (Integrated Biodiversity Assessment Tool) and SBTN Materiality Tool. A preventive approach is adopted to protect endangered species and conserve vulnerable habitats.
	101-8 Ecosystem services		No species has been found to be directly impacted by our operations. Preliminary risk assessments have been conducted for all our locations using the IBAT (Integrated Biodiversity Assessment Tool) and SBTN Materiality Tool. A preventive approach is adopted to protect endangered species and conserve vulnerable habitats.

### Local Development and Social Investments

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics For Community Community Investment Areas Community Investment Projects	P. 48 P. 176 P. 178 P. 181
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Community Investment Areas Community Investment Projects	P. 178 P. 181
<b>GRI 411: Local Communities 2016</b>	411-1 Incidents of violations involving rights of indigenous peoples		There were no incidents of violations involving rights of indigenous peoples within the reporting year.
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Community Investment Areas Community Investment Projects	P. 178 P. 181
	413-2 Operations with significant actual and potential negative impacts on local communities		There are no operations with significant actual and potential negative impacts on local communities.

### Cultural and Agile Transformation

	Disclosure	Section	Page No, Source and/or Direct Answers
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material Topics For People	P. 48 P. 135

# Corporate Memberships

## Organizations with Ford Otosan in Management Level Roles

Organization	Platform / Representation	Ford Otosan's Role
<b>Women in Tech Association (W-Tech)</b>	<b>Board of Directors / Member</b>	In 2025, the Women in Tech Association collaborated with "My Future Dream" Project and organized activities and modules to support women and girls in STEM fields. As part of the "My Future Dream" Project's Awareness Raising Program, W-Tech provided 33 training sessions, reaching a total of 7,194 participants.
<b>Automotive Manufacturers Association(OSD)</b>	<b>Technical Legislation Committee / Chair</b>	In 2025, the committee's work included: evaluation of superstructure applications for GSR II compliant vehicles; infrastructure work for the registration of M2, M3, N2, and N3 category vehicles in ARTES; electronic conformity certificate legislation and infrastructure activities; end-of-series applications; OSD EU IPA projects; Highway Traffic Regulation; Euro 7 Türkiye draft and implementation; harmonization of EU battery legislation in Türkiye; updates on cameras and video recording devices, required for specific vehicle categories; and monitoring developments in international regulations to assess their impact on products and incorporating them into national legislation. As a member of the International Organization of Motor Vehicle Manufacturers (OICA) and the European Automobile Manufacturers Association (ACEA), OSD follows and contributes to the work of industry associations on technical legislation. OSD also collaborates with public institutions to share the Association's opinion on draft regulations.
<b>Automotive Manufacturers Association(OSD)</b>	<b>Supply Industry Sustainability Committee / Chair</b>	With its pioneering vision and strategic sustainability initiatives, Ford Otosan serves as the Chair of the Supply Industry Sustainability Committee, established in April 2025 to address the needs of the industry. The committee's work included: analyzing the effects of critical issues such as the Carbon Border Adjustment Mechanism (CBAM), deforestation regulations, battery due diligence obligations and carbon footprint, and eco-design regulations on the automotive supply chain and coordinating compliance processes. Regarding the Global Twin (Green and Digital) Transition process, the objectives include creating transition roadmaps for supply industry companies affected by technological advancements in vehicles, developing pre-competitive collaboration models to maintain localization rates, and strengthening main-supply industry integration.
<b>Automotive Manufacturers Association(OSD)</b>	<b>After-sales Services Committee / Chair</b>	The Automotive Manufacturers Association (OSD) After-Sales Services Committee, chaired by the Ford Otosan Spare Parts Marketing and Business Development Leader, held regular meetings throughout 2025 to address the pressing needs of the automotive after-sales industry. The committee continued to work on determining a common approach in line with industry developments and coordinating with relevant stakeholders. In 2025, the committee's work focused on topics such as remanufactured parts applications, damaged and totaled vehicle repair processes, part selection in repairs, customer rights and satisfaction, alignment between survey processes and after-sales service practices, sustainability and environmental benefits in after-sales processes. The committee also evaluates national legislation and industry practices and their impact on after-sales service processes from a holistic perspective. In its activities, the committee works to coordinate the exchange of views with public institutions and relevant stakeholders to develop a common approach for the industry and incorporate the association's opinions into regulatory frameworks. Through these efforts, the committee also aims to increase customer satisfaction in after-sales services, support environmental sustainability, and achieve uniformity in practice.
<b>Heavy Commercial Manufacturers Association (TAID)</b>	<b>Board of Directors / Chair</b>	Our Ford Trucks International Markets Leader continues to serve as the Chair of the Board of Directors of TAID (Heavy Commercial Vehicles Association). Under the leadership of our Chair, the Association carried out a wide range of activities throughout 2025 that contributed to the development of the sector. Key initiatives included the following: <ul style="list-style-type: none"> <li>•Through close engagement with relevant public institutions—particularly the Ministry of Industry and Technology and the Ministry of Trade—views were exchanged on topics directly affecting the sector, such as the "Regulation on the Trade of Motor Vehicles," and sectoral assessments along with concrete recommendations were shared.</li> <li>•The Heavy Commercial Vehicles Summit, organized in collaboration with TREDER, brought together key industry stakeholders and provided a comprehensive platform to discuss current developments and future perspectives. Within the scope of the Summit, a panel moderated under the guidance of our Leader addressed strategic topics including climate change, decarbonization, electric vehicles, alternative fuels, and green logistics.</li> <li>•In addition, an information session was organized for association members by a representative of the International Transporters Association, during which the current state of the logistics sector and key areas for development were shared in detail.</li> </ul>

Organization (NGO)	Platform	FO's Representation
HEAVY COMMERCIAL VEHICLES ASSOCIATION (TAID)	Board of Directors	Chair
BATTERY AND RECYCLING MANUFACTURERS ASSOCIATION (AKÜDER)	General Assembly	Member
AMERICAN CHAMBER OF COMMERCE (AMCHAM)	General Assembly	Member
DENİZ TEMİZ ASSOCIATION (TURMEPA)	General Assembly	Member
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	US Business Council	Member
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	German Business Council	Member
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	General Assembly	Member
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	UK Business Council	Member
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	Poland Business Council	Chair
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	Logistics Business Council	Member
FOREIGN ECONOMIC RELATIONS BOARD (DEIK)	Morocco Business Council	Member
WORLD ECONOMIC FORUM (WEF)	Advanced Manufacturing and Value Chains - Global Lighthouse Network (GLN) Committee	Member
ETHICS & REPUTATION SOCIETY (TEİD)	General Assembly	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	Commercial Vehicle Joint Committee	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	CV-BOD Sherpa	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	Commercial Vehicle Board of Directors	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	CV Joint Committee	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	Circular Economy	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	Sustainability Committee	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	WG MS –Material Substance & REACH	Member
EUROPEAN AUTOMOBILE MANUFACTURER'S ASSOCIATION (ACEA)	WG Battery	Member
INTERNATIONAL ASSOCIATION FOR THE PROTECTION OF INTELLECTUAL PROPERTY – (AIPPI Türkiye)	General Assembly	Member
INTELLIGENT TRANSPORT SYSTEMS AND SERVICES - EUROPE (ERTICO)	General Assembly	Member
INTERACTIVE ADVERTISING BUREAU (IAB TÜRKİYE)	General Assembly	Member
ISTANBUL CHAMBER OF INDUSTRY (ISO)	Land Vehicles Main Industry and Vehicle Body Industry Professional Committee	Member
KOCAELİ CHAMBER OF INDUSTRY (KOSANO)	Board of Directors	Member
CORPORATE COMMUNICATIONS ASSOCIATION (KİD)	General Assembly	Member

Organization (NGO)	Platform	FO's Representation
INTERNATIONAL CHAMBER OF COMMERCE TÜRKİYE NATIONAL COMMITTEE (ICC Türkiye)	Board of Directors	Member
AUTOMOTIVE DISTRIBUTORS AND MOBILITY ASSOCIATION (ODMD)	IT Committee	Member
AUTOMOTIVE DISTRIBUTORS AND MOBILITY ASSOCIATION (ODMD)	Legal Committee	Member
AUTOMOTIVE DISTRIBUTORS AND MOBILITY ASSOCIATION (ODMD)	Board of Directors	Member
AUTOMOTIVE DISTRIBUTORS AND MOBILITY ASSOCIATION (ODMD)	Sustainability Committee	Member
AUTOMOTIVE DISTRIBUTORS AND MOBILITY ASSOCIATION (ODMD)	Technical Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Supply Industry Sustainability Committee	Chair
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	R&D Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Legal Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Energy Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Smart Mobility Systems Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Board of Directors	Vice Chair
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Human Resources Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Technical Legislation Committee	Chair
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Logistics Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Public Affairs Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	After-sales Services Committee	Chair
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Environmental Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	General Assembly	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Foreign Trade Committee	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Occupational Health and Safety Committee (OHS)	Member
AUTOMOTIVE MANUFACTURERS ASSOCIATION (OSD)	Education Working Group	Member
AUTOMOTIVE DISTRIBUTORS AND MOBILITY ASSOCIATION (ODMD)	Foreign Trade Committee	Chair
PORTABLE BATTERY MANUFACTURERS AND IMPORTERS ASSOCIATION (TAP)	General Assembly	Member
WOMEN IN TECH ASSOCIATION	Board of Directors	Vice Chair
TURKISH INDUSTRY AND BUSINESS ASSOCIATION (TÜSİAD)	General Assembly	Member
FOREIGN TRADE ASSOCIATION OF TÜRKİYE (TURKTRADE)	General Assembly	Member
TÜRKİYE LEARNING AND DEVELOPMENT ASSOCIATION (TEGEP)	General Assembly	Member

Organization (NGO)	Platform	FO's Representation
TURKISH PEOPLE MANAGEMENT ASSOCIATION (PERYÖN)	General Assembly	Member
TURKISH QUALITY ASSOCIATION (KALDER)	General Assembly	Member
TURKISH QUALITY ASSOCIATION (KALDER)	Eskişehir Branch	Vice Chair
PORT OPERATORS ASSOCIATION OF TÜRKİYE (TÜRKLİM)	Logistics Committee	Member
UNION OF CHAMBERS AND COMMODITY EXCHANGES OF TÜRKİYE (TOBB)	Automotive Industry Assembly	Member
TECHNOLOGY DEVELOPMENT FOUNDATION OF TÜRKİYE (TTGV)	General Assembly	Member
TURKISH INDUSTRY AND BUSINESS ASSOCIATION (TÜSİAD)	Education Working Group	Member
ULUDAĞ EXPORTERS' UNION (UİB)	Board of Directors	Member
INTERNATIONAL INVESTORS ASSOCIATION (YASED)	Legal Committee	Member
INTERNATIONAL INVESTORS ASSOCIATION (YASED)	General Assembly	Member
INTERNATIONAL INVESTORS ASSOCIATION (YASED)	Automotive and Supply Industry Working Group	Member
INTERNATIONAL INVESTORS ASSOCIATION (YASED)	Technology and Innovation Working Group	Chair
TURKISH INVESTOR RELATIONS SOCIETY (TÜYİD)	Publishing Group and Education Group	Member

## Membership Fees Paid to Associations

### Top Five Membership Fees Paid to Associations in 2025



Turkish Employers' Association of Metal Industries (MESS)

TL 10,402,200



OTOMOTİV SANAYİİ DERNEĞİ  
AUTOMOTIVE MANUFACTURERS ASSOCIATION

Automotive Manufacturers Association (OSD)

TL 9,493,700



DRIVING MOBILITY FOR EUROPE

European Automobile Manufacturers Association (ACEA)

TL 4,336,438



ITS EUROPE

ERTICO - ITS Europe

TL 1,210,472



U.S. Chamber of Commerce

U.S. CHAMBER OF COMMERCE

TL 607,491

# Assurance Statement for Non-Financial Data

(Convenience translation of a sustainability report and non-financial independent assurance report originally issued in Turkish)



Shape the future with confidence

## Independent Assurance Report

To General Assembly of Ford Otomotiv Sanayi Anonim Sirketi  
İstanbul, Türkiye

This report is intended solely for the management of Ford Otomotiv Sanayi Anonim Sirketi for the purpose of reporting of Selected Sustainability Information ("Selected Information") listed below in its 2025 Sustainability Report that has been prepared for the period running from January 1, 2025, to 31 December 2025.

### Subject Matter Information and Applicable Criteria

In line with the request of Ford Otomotiv Sanayi Anonim Sirketi, our responsibility is to provide limited assurance in accordance with Selected Information listed below within the scope of the reporting approach of Ford Otomotiv Sanayi Anonim Sirketi, specified in Ford Otosan 2025 Sustainability Report- Reporting Guidelines ("Reporting Guidelines") included in pages 239-277 of 2025 Sustainability Report.

### The Scope of Our Assurance

The scope of our assurance is limited to the examination of social indicators and environmental indicators marked with ✓ listed in the Selected Information shown below, which are reported in pages 192-215 of the 2025 Sustainability Report.

### Environmental Performance Indicators

#### Environmental Trainings

- Number of Participants (Employees)
- Number of Participants (Subcontractors)

#### Environmental Expenditures and Fines (Million TL)

- Environmental Investments and Expenditures
- Environmental Fines

#### Greenhouse Gas Emissions (tons CO<sub>2</sub>e)

- Scope 1 Emissions
- Scope 2 Market Based Emissions
- Scope 2 Location Based Emissions
- Scope 3 Emissions
- Total Emissions
- Scope 3 Category 1 Emissions
- Scope 3 Category 2 Emissions
- Scope 3 Category 3 Emissions
- Scope 3 Category 4 Emissions
- Scope 3 Category 5 Emissions
- Scope 3 Category 6 Emissions
- Scope 3 Category 7 Emissions
- Scope 3 Category 8 Emissions
- Scope 3 Category 9 Emissions
- Scope 3 Category 10 Emissions
- Scope 3 Category 11 Emissions
- Scope 3 Category 12 Emissions
- Scope 3 Category 13 Emissions
- Scope 3 Category 14 Emissions
- Scope 3 Category 15 Emissions

#### Energy Consumption (GJ)

- Direct Renewable Energy Consumption
- Direct Non-Renewable Energy Consumption
- Indirect Renewable Energy Consumption
- Indirect Non-Renewable Energy Consumption
- Total Energy Consumption (Direct and Indirect)

#### Consumptions per Vehicle

- Greenhouse Gas Emissions per Vehicle Produced (tonCO<sub>2</sub>e/vehicle)
- Energy Consumption per Vehicle Produced (GJ/vehicle)

#### Waste (tons)

- Recovered Hazardous Waste

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- Recovered Non-Hazardous Waste
- Disposed Hazardous Waste
- Hazardous Waste Disposed by Landfilling
- Hazardous Waste Incinerated with Energy Recovery
- Hazardous Waste Incinerated without Energy Recovery
- Hazardous Waste Disposed by Other Methods
- Hazardous Waste with Unspecified Disposal Method
- Disposed Non-Hazardous Waste
- Non-Hazardous Waste Disposed by Landfilling
- Non-Hazardous Waste Incinerated with Energy Recovery
- Non-Hazardous Waste Incinerated without Energy Recovery
- Non-Hazardous Waste Disposed through Other Methods
- Non-Hazardous Waste with Unspecified Disposal Method
- Hazardous Waste Sent to Temporary Storage
- Non-Hazardous Waste Sent to Temporary Storage
- Total Waste

#### Recovered Water (m<sup>3</sup>)

- Recovered Water

#### Waste Water (m<sup>3</sup>)

- Industrial Waste Water Discharge
- Domestic Waste Water Discharge

#### Water Consumption (m<sup>3</sup>)

- Water Consumption

#### Water Withdrawal (m<sup>3</sup>)

- Municipal Water
- Underground Water
- Rain Water
- Total Water Withdrawal

### Social Performance Indicators

#### OHS Performance (Employees)

- Occupational Disease Rate (Employees)
- Occupational Disease Rate (Female Employees)
- Occupational Disease Rate (Male Employees)
- Number of Accidents (Employees)
- Number of Accidents (Female Employees)
- Number of Accidents (Male Employees)
- Number of Fatal Accidents (Employees)
- Number of Fatal Accidents (Female Employees)
- Number of Fatal Accidents (Male Employees)
- Lost Day Rate (Employees)
- Lost Day Rate (Female Employees)
- Lost Day Rate (Male Employees)
- Incident rate (Employees)
- Incident rate (Female Employees)
- Incident rate (Male Employees)
- Total OHS Training Hours (Total Employees)
- OHS Training Hours (Female Employees)
- OHS Training Hours (Male Employees)
- OHS Training Hours per Employees (person\*hour)
- OHS Training Hours per Female Employees (person\*hour)
- OHS Training Hours per Male Employees (person\*hour)

#### OHS Performance (Subcontractors)

- Occupational Disease Rate (Subcontractors)
- Occupational Disease Rate (Female Subcontractors)
- Occupational Disease Rate (Male Subcontractors)
- Number of Accidents (Subcontractors)

# Assurance Statement for Non-Financial Data

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- Number of Accidents (Female Subcontractors)
  - Number of Accidents (Male Subcontractors)
  - Number of Fatal Accidents (Subcontractors)
  - Number of Fatal Accidents (Female Subcontractors)
  - Number of Fatal Accidents (Male Subcontractors)
  - Lost Day Rate (Subcontractors)
  - Lost Day Rate (Female Subcontractors)
  - Lost Day Rate (Male Subcontractors)
  - Incident rate (Subcontractors)
  - Incident rate (Female Subcontractors)
  - Incident rate (Male Subcontractors)
  - Total OHS Training Hours (Total Subcontractors)
  - OHS Training Hours per Subcontractors (person\*hour)
- OHS Performance (Employees + Subcontractors)
- Number of Accidents (Total)
  - Number of Accidents (Female)
  - Number of Accidents (Male)
  - Lost Day Rate (Total)
  - Lost Day Rate (Female)
  - Lost Day Rate (Male)
  - Incident Rate (Total)
  - Incident Rate (Female)
  - Incident Rate (Male)
- Employee Demographics
- Total Female employees
  - Total Male employees
  - Total Employees
  - Total Female subcontractor employees
  - Total Male subcontractor employees
  - Total subcontractor employees
- Employees by Category
- Female Field employees
  - Male Field employees
  - Total Field Employees
  - Female Office employees
  - Male Office employees
  - Total Office Employees
- Employees by Agreement Type
- Female employees by Permanent employment contract
  - Male employees by Permanent employment contract
  - Female employees by Fixed-term employment contract
  - Male employees by Fixed-term employment contract
- Employees Covered by Collective Labor Agreement
- Employees by Collective Labor Agreement
- Unionized Employees
- Number of Unionized Employees
- Employees by Age Groups
- 30 and younger female employees
  - 30 and younger male employees
  - 30-50 female employees
  - 30-50 male employees
  - 50 and over female employees
  - 50 and over male employees
- Employees by Employment Type
- Full-time Female employees
  - Full-time Male employees
  - Part-time Female employees
  - Part-time Male employees
- Equal Opportunity
- Female Senior executives
  - Male Senior executives
  - Female Mid-level managers
  - Male Mid-level managers
  - Female First-level managers
  - Male First-level managers
  - Female Specialists
  - Male Specialists
  - Female employees in revenue generating functions
  - Male employees in revenue generating functions
  - Female Managers in revenue generating functions
  - Male Managers in revenue generating functions
  - Female Employees in STEM field
  - Male Employees in STEM field
  - Female Employees with disabilities
  - Male Employees with disabilities
- Employees by Nation
- Turkish employees
  - Romanian employees
  - Other
- Parental Leaves
- Female employees on parental leave
  - Male employees on parental leave
  - Female employees returning from parental leave
  - Return-to-Work Ratio (%)
- Employee Turnover
- New hire female employees
  - New hire male employees
  - Hires Aged 30 and Under
  - Hires Aged 30-50
  - Hires Aged 50 and Over
  - Female Employees Leaving
  - Male Employees Leaving
  - Female Employees Leaving (voluntary)
  - Male Employees Leaving (voluntary)
  - Female Employees Leaving (involuntary)
  - Male Employees Leaving (involuntary)
- Employee Turnover Rate Breakdown (%)
- Total Employee Turnover Rate (%)
  - Female Employee Turnover Rate (%)
  - Male Employee Turnover Rate (%)
  - Total Employee Turnover Rate (voluntary) (%)
  - Female Employee Turnover Rate (voluntary) (%)
  - Male Employee Turnover Rate (voluntary) (%)
  - Total Employee Turnover Rate (involuntary) (%)
  - Female Employee Turnover Rate (involuntary) (%)
  - Male Employee Turnover Rate (involuntary) (%)
  - Turnover Rate of Employees Aged 30 and Under (%)
  - Turnover Rate of Employees Aged 30-50 (%)
  - Turnover Rate of Employees Aged 50 and Over (%)
  - Turnover Rate of First-Level Managers (%)
  - Turnover Rate of Mid-Level Managers (%)
  - Turnover Rate of Senior-Level Managers (%)
  - Turnover Rate of Non-Managerial Employees (%)
- Employees Subject to Performance Management
- Total Office Employees Subject to Performance Management
  - Total Field Employees Subject to Performance Management
- Employee Engagement (%)
- Total Employee Engagement Rate (%)
  - Female Employee Engagement Rate (%)
  - Male Employee Engagement Rate (%)
  - Senior Executives Engagement Rate (%)
  - Mid-Level Managers Engagement Rate (%)

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# Assurance Statement for Non-Financial Data

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- First-Level Managers Engagement Rate (%)
- Specialist Employees Engagement Rate (%)
- Employee Engagement Ages 25 and Under (%)
- Employee Engagement Ages 26-29 (%)
- Employee Engagement Ages 30-34 (%)
- Employee Engagement Ages 35-44 (%)
- Employee Engagement Ages 45-54 (%)
- Employee Engagement Ages 55 and Over (%)
- Average Tenure of Female Senior Executives
- Average Tenure of Male Senior Executives
- Average Tenure of Female Mid-Level Managers
- Average Tenure of Male Mid-Level Managers
- Average Tenure of Female First-Level Managers
- Average Tenure of Male First-Level Managers
- Average Tenure of Female Office Specialists
- Average Tenure of Male Office Specialists
- Average Tenure of Female Employees on Field Positions
- Average Tenure of Male Employees on Field Positions
- Average Employee Tenure
- Gender Pay Gap by Positions (Ratio of Average Women's Pay to Average Men's Pay) out of 1
  - Senior executives pay gap (base salary)
  - Senior executives pay gap (base salary + benefits)
  - Managers pay gap (base salary)
  - Managers pay gap (base salary + benefits)
  - Non-managerial positions pay gap (base salary)
  - Non-managerial positions pay gap (base salary + benefits)
- Training and Development Programs
  - Total training time (hours)
  - Total female employee training time (hours)
  - Total male employee training time (hours)
  - Total training time, including OHS (hours)
  - Total female employee training time, including OHS (hours)
  - Total male employee training time, including OHS (hours)
  - Total training time per employee (person\*hours)
  - Total training time per female employee (person\*hours)
  - Total training time per male employee (person\*hours)
  - Total training time office employees (hours)
  - Total training time female office employees (hours)
  - Total training time male office employees (hours)
  - Average training time for office employees (person\*hours)
  - Average training time for female office employees (person\*hours)
  - Average training time for male office employees (person\*hours)
  - Total training time field employees (hours)
  - Total training time female field employees (hours)
  - Total training time male field employees (hours)
  - Average training time for field employees (person\*hours)
  - Average training time for female field employees (person\*hours)
  - Average training time for male field employees (person\*hours)
  - Total Leadership training time (hours)
  - Leadership training time for female employees (hours)

- Leadership training time for male employees (hours)
- Total Training Expenditure (TL)
  - Training expenditure
- Social Investment Budget Distribution
  - Total
  - Vehbi Koç Foundation
  - Training
  - Health
  - Social Aids and Other
- Net Promoter Score (NPS) (%) - Passenger and Commercial Vehicles
  - Türkiye Customer NPS (%)
  - Türkiye Female Customer NPS (%)
  - Türkiye Male Customer NPS (%)
  - Sales Customer NPS (%)
  - Sales Female Customer NPS (%)
  - Sales Male Customer NPS (%)
  - Service Customer NPS (%)
  - Service Female Customer NPS (%)
  - Service Male Customer NPS (%)
- Net Promoter Score (NPS) (%) - Heavy Commercial Vehicles
  - Türkiye Customer NPS (%)
  - Türkiye Female Customer NPS (%)
  - Türkiye Male Customer NPS (%)
  - Sales Customer NPS (%)
  - Sales Female Customer NPS (%)
  - Sales Male Customer NPS (%)
  - Service Customer NPS (%)
  - Service Female Customer NPS (%)
  - Service Male Customer NPS (%)
- Supplier Numbers
  - Total Number of Suppliers
  - Number of Local Suppliers
  - Number of Tier 1 Suppliers
  - Number of Critical Tier 1 Suppliers
  - Number of Critical Non-Tier 1 Suppliers
  - Payment Amount to Critical Suppliers (TRY)
  - Number of Suppliers Assessed for ESG
  - Number of Suppliers Identified with Negative Impact
  - Number of Suppliers Included in the Capacity Building Program
  - Total Supplier Training Hours
- Social Target Progress
  - Number of women/girls reached through awareness, education, and financial support projects aimed at society
  - Share of supported initiatives with 50% women representation in management positions

**Ford Otomotiv Sanayi Anonim Sirketi Responsibilities**  
Ford Otomotiv Sanayi Anonim Sirketi's management is responsible for the preparation, collection, and presentation of the information for the Selected Information in accordance with Reporting Guideline. In addition, the Ford Otomotiv Sanayi Anonim Sirketi's management is responsible for ensuring that the documentation provided to the practitioner is complete and accurate. The management of Ford Otomotiv Sanayi Anonim Sirketi is also responsible for maintaining an internal control system that provides reasonable assurance that the relevant documentation is free from material misstatement, whether due to error or fraud.



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**Our Responsibilities**  
We conducted our assurance engagement in accordance with the Assurance Engagement Standard ("AES") 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA"). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information.  
We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.  
Our firm applies the International Standard on Quality Control (ISQC) issued by the International Auditing and Assurance Standards Board and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.  
The assurance engagement performed represents a limited assurance engagement. The nature, timing, and extent of the procedures performed in a limited assurance engagement are more limited than those required in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.  
The procedures selected depend on the practitioner's judgment. The procedures include inquiry of the personnel responsible for collecting and reporting on the Selected Information and additional procedures aimed at obtaining evidence about the Selected Information.  
**Procedures Applied**  
In respect of the Selected Information mentioned above the procedures performed include the following procedures:

7. Evaluated the disclosure and presentation of the Selected Information in the 2025 Sustainability Report.

**Our Conclusion**  
Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Ford Otomotiv Sanayi Anonim Sirketi has not prepared, in all material respects with the Selected Information for the year ended in December 31, 2025, the relevant requirements of the criteria as defined in Reporting Guidelines.

**Limitations**  
We permit this report to be disclosed in addition to Ford Otomotiv Sanayi Anonim Sirketi 2025 Sustainability Report for the year ended on December 31, 2025; to enable the management of Ford Otomotiv Sanayi Anonim Sirketi to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Ford Otomotiv Sanayi Anonim Sirketi for our work, for this independent limited assurance report, or for the conclusions we have reached.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Sirketi  
A member firm of Ernst & Young Global Limited



1 April 2026  
İstanbul, Türkiye

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## Ford Otosan 2025 Sustainability Report – Reporting Guideline

This reporting guideline (“Guideline”) provides information on the data preparation and reporting methodologies of indicators within the scope of limited assurance in Ford Otosan 2025 Sustainability Report (“2025 Sustainability Report”) of Ford Otomotiv Sanayi A.Ş. (“Company”).

The indicators include social and environmental indicators. It is the responsibility of the Company’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Guide.

The data included in this guideline is for the fiscal year ending on December 31, 2025, and as detailed in the “Key Definitions and Reporting Scope” section comprises the Eskişehir, Yeniköy and Gölcük plants in Türkiye, the Sancaktepe R&D center, Spare Parts Warehouse campuses, and the Craiova plant in Romania, which are all under the umbrella of Ford Otomotiv Sanayi A.Ş. The indicators, which include contractors within the scope, are specified in the “Basic Definitions and Reporting Scope” section, while contractors are not included in the indicators that are not specified.

### General Reporting Principles

In preparing this guidance document, the following principles have been considered:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information.
- Information Reporting – to highlight the primary principles of comparability/consistency with other data including prior data and understandability/transparency providing clarity to users.

### Key Definitions and Reporting Scope

For the purpose of this report, the Company has defined the following:

Key Definitions and Reporting Scope		
	Indicator	Scope
Social	<b>OHS Performance (Employees)</b>	
	Occupational Disease Rate (Employees)	During the reporting period, this represents the ratio of the number of employees whose cases fall under the definition of “occupational disease” according to the Occupational Health and Safety Law No. 6331, as reported to and monitored by the Social Security Institution, to the total working hours during the reporting period.  The ratios concerning male and female employees are calculated based on the working hours of male and female. Romania’s employee working hour data is based on assumptions. Data for the Türkiye and Romania operations are reported separately by gender breakdown and in total.
	Occupational Disease Rate (Female Employees)	
	Occupational Disease Rate (Male Employees)	
	Number of Accidents (Employees)	During the reporting period, this indicates the number of injuries sustained by company employees during work-related activities that prevent them from working the following day, monitored according to notifications made to the Social Security Institution. Data for the Türkiye and Romania operations are reported separately by gender breakdown and in total.
	Number of Accidents (Female Employees)	
	Number of Accidents (Male Employees)	

### Key Definitions and Reporting Scope

	Indicator	Scope
<b>Social</b>	Number of Fatal Accidents (Employees)	During the reporting period, this represents the number of fatal cases resulting from work-related activities. Fatal cases in Türkiye and Romania operations are reported separately and in total.
	Number of Fatal Accidents (Female Employees)	
	Number of Fatal Accidents (Male Employees)	
	Lost Day Rate (Employees)	During the reporting period, this represents the ratio of the number of lost-time injuries—defined as work-related incidents involving company employees that are reported to the Social Security Institution and that prevent the employee from coming to work for the next shift or the next working day—to the total working hours in the reporting period. The ratios concerning male and female employees are calculated based on the respective working hours of male and female. Romania’s employee working hour data is based on assumptions. Data for the Türkiye and Romania operations are reported separately by gender breakdown and in total.
	Lost Day Rate (Female Employees)	
	Lost Day Rate (Male Employees)	
	Incident rate (Employees)	During the reporting period, this represents the ratio of the number of injury incidents—reported to the Social Security Institution and monitored accordingly—that occur during work-related activities and prevent the employee from returning to work for the next shift or the next working day, to the total working hours in the reporting period. The ratios concerning male and female employees are calculated based on the respective working hours of male and female. Romania’s employee working hour data is based on assumptions. Data for the Türkiye and Romania operations are reported separately by gender breakdown and in total.
	Incident rate (Female Employees)	
	Incident rate (Male Employees)	
	Total OHS Training Hours (Total Employees)	During the reporting period, this indicator refers to the total number of Occupational Health and Safety training hours—whether mandatory or non-mandatory—conducted in accordance with the hazard classification specified under Law No. 6331 on Occupational Health and Safety, attended by Company employees, and tracked through the Company’s training monitoring platform managed by the Human Resources departments in the Türkiye and Romania locations during the reporting period. The data is reported separately by gender breakdown and in total.
	OHS Training Hours (Female Employees)	
	OHS Training Hours (Male Employees)	
	OHS Training Hours per Employees (person*hour)	During the reporting period, this indicates the ratio of total OHS training hours (mandatory or not) to the number of employees receiving training within Türkiye and Romania operations. The training hours per female and male employee are calculated by dividing the total training hours by the number of female and male employees in the reporting year.
	OHS Training Hours per Female Employees (person*hour)	
OHS Training Hours per Male Employees (person*hour)		

**Key Definitions and Reporting Scope**

	<b>Indicator</b>	<b>Scope</b>
<b>Social</b>	<b>OHS Performance (Subcontractors)</b>	
	Occupational Disease Rate (Subcontractors)	During the reporting period, this represents the ratio of the number of subcontractor employees whose cases fall within the definition of an “occupational disease” under the Occupational Health and Safety Law No. 6331, as reported to and monitored by the Social Security Institution, to the total subcontractor working hours during the reporting period. The ratios concerning male and female subcontractor employees are calculated based on the respective working hours of male and female. Romania’s employee working hour data is based on assumptions. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Occupational Disease Rate (Female Subcontractors)	
	Occupational Disease Rate (Male Subcontractors)	
	Number of Accidents (Subcontractors)	During the reporting period, this represents the number of lost-day accidents involving subcontractor employees during work-related activities that prevent them from attending the next shift or the next working day, monitored according to notifications submitted to the Social Security Institution. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Number of Accidents (Female Subcontractors)	
	Number of Accidents (Male Subcontractors)	
	Number of Fatal Accidents (Subcontractors)	During the reporting period, this represents the number of lost-day accidents involving subcontractor employees during work-related activities that prevent them from attending the next shift or the next working day, monitored according to notifications submitted to the Social Security Institution. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Number of Fatal Accidents (Female Subcontractors)	
	Number of Fatal Accidents (Male Subcontractors)	
	Lost Day Rate (Subcontractors)	During the reporting period, this represents the number of fatal lost-day accidents involving subcontractor employees during work-related activities. The ratios related to female and male subcontractor employees are calculated based on the working hours female and male. Romania’s employee working hour data is based on assumptions. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Lost Day Rate (Female Subcontractors)	
	Lost Day Rate (Male Subcontractors)	
	Incident rate (Subcontractors)	During the reporting period, this represents the ratio of the number of work-related incidents involving subcontractor employees that prevent them from attending the next shift or the next working day, and which are monitored according to notifications submitted to the Social Security Institution, to the total working hours during the reporting period. The ratios related to female and male subcontractor employees are calculated based on the working hours female and male. Romania’s employee working hour data is based on assumptions. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Incident rate (Female Subcontractors)	
	Incident rate (Male Subcontractors)	
Total OHS Training Hours (Total Subcontractors)	During the reporting period, this refers to the total Occupational Health and Safety (OHS) training hours—mandatory or non-mandatory—attended by subcontractor employees within the Türkiye and Romania operations, delivered according to the hazard classification defined under the Occupational Health and Safety Law No. 6331.	

### Key Definitions and Reporting Scope

	Indicator	Scope
Social	OHS Training Hours per Subcontractors (person*hour)	During the reporting period, this represents the ratio of the total Occupational Health and Safety (OHS) training hours—mandatory or non-mandatory—attended by subcontractor employees within Türkiye and Romania operations, to the total number of participants.
	<b>OHS Performance (Employees + Subcontractors)</b>	
	Number of Accidents (Total)	During the reporting period, this represents the number of injuries sustained by company and subcontractor employees during work-related activities that prevent them from attending the next shift or the next working day, monitored according to notifications submitted to the Social Security Institution. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Number of Accidents (Female)	
	Number of Accidents (Male)	
	Lost Day Rate (Total)	During the reporting period, this represents the number of fatal lost-day accidents involving company and subcontractor employees during work-related activities. Data for Türkiye and Romania operations are reported separately by gender and in total.
	Lost Day Rate (Female)	
	Lost Day Rate (Male)	
	Incident Rate (Total)	During the reporting period, this represents the ratio of the number of work-related incidents involving company and subcontractor employees that prevent them from attending the next shift or the next working day, and which are monitored according to notifications submitted to the Social Security Institution, to the total working hours.
	Incident Rate (Female)	
	Incident Rate (Male)	
	<b>Employee Demographics</b>	
	Total Female employees	This indicator represents the total number of employees, broken down by female and male, who were tracked through the Company's Human Resources data platform during the reporting period and whose Statements of Employment were submitted to the Social Security Institution. Interns are not included in the total number of employees. The number includes operations in Türkiye and Romania.
	Total Male employees	
	Total Employees	
	Total Female subcontractor employees	This refers to the total number of actively working subcontractor employees—broken down by women and men—monitored through the Human Resources subcontractor employee list for the Company's Türkiye operations during the reporting period, and matched with the Social Security Institution's Employment Entry Declaration of the service provider from which services are procured. Intern employees are not included in the total subcontractor employee count. It covers operations in Türkiye and Romania.
Total Male subcontractor employees		
Total subcontractor employees		

### Key Definitions and Reporting Scope

	Indicator	Scope
Social	<b>Employees by Category</b>	
	Female Field employees	This indicator refers to the total number of office and field employees, broken down by female and male, who are tracked through the Company's Human Resources data platform and whose Statements of Employment were submitted to the Social Security Institution within the reporting period. Interns are not included in the number of employees by category. The number includes operations in Türkiye and Romania.
	Male Field employees	
	Total Field Employees	
	Female Office employees	
	Male Office employees	
	Total Office Employees	
	<b>Employees by Agreement Type</b>	
	Female employees by Permanent employment contract	This indicator refers to the total number of employees, broken down by female and male, who work under fixed-term and indefinite-term contracts in the Company, as defined in the Labor Law No. 4857 for Türkiye operations and 53/2003 for Romania operations, and who are tracked through the Company's Human Resources data platform during the reporting period. Interns are not included in the number of employees by contract type. The number includes Türkiye and Romania operations.
	Male employees by Permanent employment contract	
	Female employees by Fixed-term employment contract	
	Male employees by Fixed-term employment contract	
	<b>Employees Covered by Collective Labor Agreement</b>	
	Employees by Collective Labor Agreement	This indicator refers to field employees who are monitored via the Company's Human Resources platform and monitored with the Unions within the reporting period. Interns are not included. The number includes Türkiye and Romania operations.
	<b>Unionized Employees</b>	
	Number of Unionized Employees	This indicator refers to the employees of the Company who are members of any labor union within the reporting period. Interns are not included. The number includes operations in Türkiye and Romania.
	<b>Employees by Age Groups</b>	
	30 and younger female employees	This indicator refers to the number of employees of the Company who were tracked through the Company's Human Resources data platform and whose Statements of Employment were submitted to the Social Security Institution within the reporting period, according to the age groups of under 30, between 30-50, over 50, and with a gender breakdown of female and male. Interns are not included. The numbers include operations in Türkiye and Romania. Year of birth is considered while calculating age groups.
	30 and younger male employees	
	30-50 female employees	
	30-50 male employees	
50 and over female employees		
50 and over male employees		

### Key Definitions and Reporting Scope

	Indicator	Scope
<b>Social</b>	<b>Employees by Employment Type</b>	
	Full-time Female employees	This indicator refers to the number of employees working in the Company in the reporting period, classified as Full Time and Part Time, as defined in the Labor Law No. 4857 for Türkiye operations and No. 53/2003 for Romania operations, tracked through the Company's Human Resources data platform, and broken down by female and male. Interns are not included in the number of Full Time and Part Time employees. The numbers include Türkiye and Romania operations.
	Full-time Male employees	
	Part-time Female employees	
	Part-time Male employees	
	<b>Equal Opportunity</b>	
	Female Senior executives	This indicator refers to the number of employees, male and female, in director and above positions, tracked through the Company's Human Resources data platform, during the reporting period. The data includes Türkiye and Romania operations.
	Male Senior executives	
	Female Mid-level managers	This indicator refers to the number of employees, male and female, in manager and assistant manager positions, tracked through the Company's Human Resources data platform during the reporting period. The data includes Türkiye and Romania operations.
	Male Mid-level managers	
	Female First-level managers	This indicator refers to the number of employees, male and female, in team leader positions, tracked through the Company's Human Resources data platform during the reporting period. The data includes Türkiye and Romania operations.
	Male First-level managers	
	Female Specialists	This indicator refers to the number of office employees, male and female, who are not working in managerial positions and are tracked through the Company's Human Resources data platform during the reporting period. The data includes Türkiye and Romania operations.
	Male Specialists	
	Female Employees in STEM field	This indicator refers to the number of employees who conduct analyses in accordance with the definition of STEM (Science, Technology, Engineering, Math) in their job descriptions, monitored via the Company's Human Resources data tracking platform, during the reporting period. The data includes Türkiye and Romania operations.
	Male Employees in STEM field	
	Female Employees with disabilities	This indicator refers to the number of employees who are defined as disabled in the Law No. 5378 on Disabled Persons for the Company's Türkiye operations and in the Law No. 448/2006 on the Protection and Development of Disabled Rights for its Romania operations during the reporting period. The data includes Türkiye and Romania operations.
	Male Employees with disabilities	
	Female employees in revenue generating functions	This indicator refers to the number of employees in revenue generation functions, who are tracked through the Company's Human Resources data platform during the reporting period. The data includes Türkiye and Romania operations.
	Male employees in revenue generating functions	

## Key Definitions and Reporting Scope

	Indicator	Scope
Social	Female Managers in revenue generating functions	This indicator refers to the number of managers in revenue generation functions, who are tracked through the Company's Human Resources data platform during the reporting period. The data includes Türkiye and Romania operations.
	Male Managers in revenue generating functions	
	<b>Employees by Nation</b>	
	Turkish employees	This indicator refers to the total number of employees of Turkish, Romanian and other nationalities who are followed by the Company's Human Resources data platform and whose Statements of Employment were submitted to the Social Security Institution during the reporting period. Interns are not included in the number of employees by nationality. The data includes Türkiye and Romania operations.
	Romanian employees	
	Other	
	<b>Parental Leaves</b>	
	Female employees on parental leave	This indicator refers to the number of female employees who went on maternity leave within the scope of the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave for the Company's Türkiye operations during the reporting period, and the number of male employees who went on parental leave within the scope of the Company's Labor Law No. 4857. For the Company's Romania operations, the indicator refers to the number of female employees on maternity leave and the number of male employees on parental leave within the scope of the Labor Law No. 53/2033.
	Male employees on parental leave	
	Female employees returning from parental leave	During the reporting period, this refers to the number of female employees returning from maternity leave within the scope of the Regulation on Part-Time Work Following Maternity Leave or Unpaid Leave for the Company's operations in Türkiye. For the Company's operations in Romania, it refers to the number of female employees returning from maternity leave under the Labor Code dated 53/2033.
	Return-to-Work Ratio (%)	Represents the proportion of female employees who returned from maternity leave in the previous reporting year and continued employment until the end of the relevant reporting year. Includes Türkiye Operations.
	<b>Employee Turnover</b>	
	New hire female employees	This indicator refers to the number of male and female employees recruited by the Company for its Türkiye operations during the reporting period and declared to the Social Security Institution and the relevant Ministry for Romania operations with the Statements of Employment during the reporting year. Interns are not included in the number of employees hired. The data includes Türkiye and Romania operations.
	New hire male employees	
Hires Aged 30 and Under	The indicator refers to the number of employees aged 30 and under who were hired during the reporting period. The data includes Türkiye and Romania operations.	
Hires Aged 30–50	The indicator refers to the number of employees aged between 30 and 50 who were hired during the reporting period. The data includes Türkiye and Romania operations.	

### Key Definitions and Reporting Scope

	Indicator	Scope
<b>Social</b>	Hires Aged 50 and Over	The indicator refers to the number of employees aged 50 and above who were hired during the reporting period. The data includes Türkiye and Romania operations.
	Female Employees Leaving	This indicator refers to the number of voluntary and non-voluntary male and female employees left by the Company for its Türkiye operations during the reporting period and declared to the Social Security Institution and the relevant Ministry for Romania operations with a Statement of Termination during the reporting year. Interns are not included in the number of employees who left their jobs.
	Male Employees Leaving	
	Female Employees Leaving (voluntary)	
	Male Employees Leaving (voluntary)	
	Female Employees Leaving (involuntary)	
	Male Employees Leaving (involuntary)	
	<b>Employee Turnover Rate Breakdown (%)</b>	
	Total Employee Turnover Rate (%)	This indicator refers to the ratio of the number of employees who left their jobs voluntarily and non-voluntarily, declared by the Company to the Social Security Institution with the Statement of Termination during the reporting period, to the Total Number of Female and Male Employees. It is followed by gender and voluntary/non-voluntary breakdown. The data is reported separately for the Türkiye and Romania locations. Interns are not included in the number of employees who left their jobs.
	Female Employee Turnover Rate (%)	
	Male Employee Turnover Rate (%)	
	Total Employee Turnover Rate (voluntary) (%)	
	Female Employee Turnover Rate (voluntary) (%)	
	Male Employee Turnover Rate (voluntary) (%)	
	Total Employee Turnover Rate (involuntary) (%)	
Female Employee Turnover Rate (involuntary) (%)		
Male Employee Turnover Rate (involuntary) (%)		
Turnover Rate of Employees Aged 30 and Under (%)	Represents the ratio of all employees aged 30 and under who left the company during the reporting period to the total number of employees aged 30 and under. Both field and office employees are included. Indicator covers Türkiye and Romania operations.	
Turnover Rate of Employees Aged 30-50 (%)	Represents the ratio of all employees aged 30-50 (31-49) who left the company during the reporting period to the total number of employees in this age group. Both field and office employees are included. Indicator covers Türkiye and Romania operations.	

## Key Definitions and Reporting Scope

	Indicator	Scope	
Social	Turnover Rate of Employees Aged 50 and Over (%)	Represents the ratio of all employees aged 50 and above who left the company during the reporting period to the total number of employees aged 50 and above. Both field and office employees are included. Indicator covers Türkiye and Romania operations.	
	Turnover Rate of First-Level Managers (%)	Represents the ratio of all first-level managers who left the company during the reporting period to the total number of first-level managers. Both field and office employees are included. Indicator covers Türkiye and Romania operations.	
	Turnover Rate of Mid-Level Managers (%)	Represents the ratio of all mid-level managers who left the company during the reporting period to the total number of mid-level managers. Both field and office employees are included. Indicator covers Türkiye and Romania operations.	
	Turnover Rate of Senior-Level Managers (%)	Represents the ratio of all senior-level managers who left the company during the reporting period to the total number of senior-level managers. Both field and office employees are included. Indicator covers Türkiye and Romania operations.	
	Turnover Rate of Non-Managerial Employees (%)	Represents the ratio of all non-management field and office employees who left the company during the reporting period to the total number of non-management employees. Indicator covers Türkiye and Romania operations.	
	<b>Employees Subject to Performance Management</b>		
	Total Office Employees Subject to Performance Management	This indicator refers to the number of employees, reported by office and field breakdown and disaggregated by gender (male and female), who were subjected to performance appraisals conducted during the reporting period, by meeting the criteria determined by the management, and who were followed through the Human Resources platform for the Company's Türkiye and Romania operations. Interns are not included.	
	Total Field Employees Subject to Performance Management		
	<b>Employee Engagement (%)</b>		
	Total Employee Engagement Rate (%)	Employee Engagement is measured through surveys conducted by an external company. The survey evaluates team performance and collaboration, and also measures scores across the First Leader's Impact Index, Net Promoter Score, Wellbeing, Connection, and Talent categories. Results are reported separately for Türkiye and Romania.	
	Female Employee Engagement Rate (%)		
	Male Employee Engagement Rate (%)		
	Senior Executives Engagement Rate (%)		
	Mid-Level Managers Engagement Rate (%)		
	First-Level Managers Engagement Rate (%)		

### Key Definitions and Reporting Scope

	Indicator	Scope
Social	<b>Employee Engagement (%)</b>	
	Specialist Employees Engagement Rate (%)	Employee Engagement is measured with surveys by an external company. The survey evaluates employee engagement, and team performance and collaboration as part of our agile working methodology. First Leader's Impact Index, Net Promoter Score, Wellbeing, Connection and Talent categories are also measured with scored. The number are reported separately for Türkiye and Romania.
	Employee Engagement Ages 25 and Under (%)	
	Employee Engagement Ages 26-29 (%)	
	Employee Engagement Ages 30-34 (%)	
	Employee Engagement Ages 35-44 (%)	
	Employee Engagement Ages 45-54 (%)	
	Employee Engagement Ages 55 and Over (%)	
	<b>Employee Tenure (Years)</b>	
	Average Tenure of Female Senior Executives	Represents the total years of internal experience of all senior-level female managers divided by the total number of senior-level female managers. Includes Türkiye and Romania operations.
	Average Tenure of Male Senior Executives	Represents the total years of internal experience of all senior-level male managers divided by the total number of senior-level male managers. Includes Türkiye and Romania operations.
	Average Tenure of Female Mid-Level Managers	Represents the total years of internal experience of all mid-level female managers divided by the total number of mid-level female managers. Includes Türkiye and Romania operations.
	Average Tenure of Male Mid-Level Managers	Represents the total years of internal experience of all mid-level male managers divided by the total number of mid-level male managers. Includes Türkiye and Romania operations.
	Average Tenure of Female First-Level Managers	Represents the total years of internal experience of all first-level female managers divided by the total number of first-level female managers. Includes Türkiye and Romania operations.
	Average Tenure of Male First-Level Managers	Represents the total years of internal experience of all first-level male managers divided by the total number of first-level male managers. Includes Türkiye and Romania operations.
Average Tenure of Female Office Specialists	Represents the total internal experience years of all female employees whose current position is office-based divided by the number of office-based female employees. Includes Türkiye and Romania operations.	
Average Tenure of Male Office Specialists	Represents the total internal experience years of all male employees whose current position is office-based divided by the number of office-based male employees. Includes Türkiye and Romania operations.	

### Key Definitions and Reporting Scope

	Indicator	Scope
Social	<b>Employee Tenure (Years)</b>	
	Average Tenure of Female Employees on Field Positions	Represents the total internal experience years of all female employees whose current position is field-based divided by the number of field-based female employees. Includes Türkiye and Romania operations.
	Average Tenure of Male Employees on Field Positions	Represents the total internal experience years of all male employees whose current position is field-based divided by the number of field-based male employees. Includes Türkiye and Romania operations.
	Average Employee Tenure	Excluding Senior Management and the Board of Directors, the indicator represents the total years of service in current positions for all office and field employees who are first- and mid-level managers, divided by the total number of first- and mid-level managers currently working in office and field roles. Includes Türkiye and Romania operations.
	<b>Gender Pay Gap by Positions (Ratio of Average Women's Pay to Average Men's Pay) out of 1</b>	
	Senior executives pay gap (base salary)	During the reporting period, it shows the ratio of the average base salary of female senior office executives to those of male senior office executives. Reported by Türkiye, Romania, and total.
	Senior executives pay gap (base salary + benefits)	During the reporting period, it shows the ratio of the average base salary and other benefits of the Company's female senior office executives to those of male senior office executives. Reported by Türkiye, Romania, and total.
	Managers pay gap (base salary)	During the reporting period, it shows the ratio of the average base salary of female office employees in managerial positions to the average base salary of male office employees in managerial positions. Reported by Türkiye, Romania, and total.
	Managers pay gap (base salary + benefits)	During the reporting period, it shows the ratio of the average base salary and other benefits of female office employees in managerial roles to those of male office employees. Reported by Türkiye, Romania, and total.
	Non-managerial positions pay gap (base salary)	During the reporting period, it shows the ratio of the average base salary of all nonmanagement (field + office) female employees to all nonmanagement (field + office) male employees. Reported by Türkiye, Romania, and total.
Non-managerial positions pay gap (base salary + benefits)	During the reporting period, it shows the ratio of the average base salary and other benefits of all nonmanagement (field + office) female employees to those of male nonmanagement employees. Reported by Türkiye, Romania, and total.	

### Key Definitions and Reporting Scope

	Indicator	Scope
<b>Social</b>	<b>Training and Development Programs</b>	
	Total training time (hours)	This indicator refers to the total training hours, excluding OHS, attended by Company employees, which are monitored and recorded through the training tracking platform of Human Resources during the reporting period. Interns are not included. The data for the Türkiye and Romania operations is reported separately by gender breakdown and in total.
	Total female employee training time (hours)	
	Total male employee training time (hours)	
	Total training time, including OHS (hours)	This indicator refers to the total training hours during the reporting period, including the OHS trainings attended by the Company's employees, which are tracked and recorded through the training tracking platform of Human Resources. Interns are not included. The data for the Türkiye and Romania operations is reported separately by gender breakdown and in total.
	Total female employee training time, including OHS (hours)	
	Total male employee training time, including OHS (hours)	
	Total training time per employee (person*hours)	This indicator refers to the ratio of the total training hours, including OHS, attended by the Company's employees, which are monitored through the training tracking platform of Human Resources during the reporting period, to the Total Number of Employees. Interns are not included. For the Türkiye and Romania operations, the data has been calculated based on the number of employees in each gender category.
	Total training time per female employee (person*hours)	
	Total training time per male employee (person*hours)	
	Total training time office employees (hours)	This indicator refers to the total training hours, including OHS, attended by the Company's office employees, which are monitored through the training tracking platform of Human Resources during the reporting period. Interns are not included. The data for the Türkiye and Romania operations is reported separately by gender breakdown and in total.
	Total training time female office employees (hours)	
	Total training time male office employees (hours)	
	Average training time for office employees (person*hours)	This indicator refers to the ratio of the total training hours, including OHS, attended by the Company's office employees, which are monitored through the training tracking platform of Human Resources during the reporting period, to the Total Number of Office Employees. Interns are not included. For the Türkiye and Romania operations, the data has been calculated based on the number of employees in each gender category.
	Average training time for female office employees (person*hours)	
	Average training time for male office employees (person*hours)	
	Total training time field employees (hours)	This indicator refers to the total training hours, including OHS, attended by the Company's field employees, which are monitored through the training tracking platform of Human Resources during the reporting period. Interns are not included. The data for the Türkiye and Romania operations is reported separately by gender breakdown and in total.
	Total training time female field employees (hours)	
	Total training time male field employees (hours)	
	Average training time for field employees (person*hours)	This indicator refers to the ratio of the total training hours, including OHS, attended by the Company's field employees, which are monitored through the training tracking platform of Human Resources during the reporting period, to the Total Number of Field Employees. Interns are not included. For the Türkiye and Romania operations, the data has been calculated based on the number of employees in each gender category.
Average training time for female field employees (person*hours)		
Average training time for male field employees (person*hours)		

## Key Definitions and Reporting Scope

	Indicator	Scope
Social	<b>Training and Development Programs</b>	
	Total Leadership training time (hours )	This indicator refers to the total training hours provided for first-level and above managers to develop Leadership and Management Skills during the reporting period. Interns are not included. The data for the Türkiye and Romania operations is reported separately by gender breakdown and in total.
	Leadership training time for female employees (hours)	
	Leadership training time for male employees (hours)	
	<b>Total Training Expenditure (TL)</b>	
	Training expenditure	This indicator refers to the Company's spending mapped as training expenditure in the accounting system and followed up with invoices during the reporting period. The data includes Türkiye and Romania operations.
	<b>Social Investment Budget Allocation (TL)</b>	
	Total	This indicator represents all social investments recorded in the Company's accounting systems during the reporting period.
	Vehbi Koç Foundation	This amount represents all social investments in the areas of equal opportunity, education, and culture & arts made in Vehbi Koç Foundation and recorded in the Company's accounting systems during the reporting period.
	Training	This amount represents all social investments made in education and recorded in the Company's accounting systems during the reporting period.
	Health	This amount represents all social investments made in healthcare and recorded in the Company's accounting systems during the reporting period.
	Social Aids and Others	This amount represents all social investments made in social aid and other and recorded in the Company's accounting systems during the reporting period.
	<b>Net Promoter Score (NPS) (%) - Passenger and Commercial Vehicles</b>	
	Türkiye Customer NPS (%)	During the reporting period, this represents the satisfaction score calculated based on customer responses collected by the Company's survey tracking system for passenger cars and light/medium commercial vehicles receiving sales and service operations in Türkiye. The metric reflects the shared results across total, female, and male customer categories.
	Türkiye Female Customer NPS (%)	
	Türkiye Male Customer NPS (%)	
Sales Customer NPS (%)	During the reporting period, this represents the satisfaction score calculated based on customer responses collected by the Company's survey tracking system for passenger cars and light/medium commercial vehicles receiving sales services. The metric reflects the shared results across female and male customer categories and includes Türkiye operations.	
Sales Female Customer NPS (%)		
Sales Male Customer NPS (%)		

### Key Definitions and Reporting Scope

	Indicator	Scope
Social	<b>Net Promoter Score (NPS) (%) - Passenger and Commercial Vehicles</b>	
	Service Customer NPS (%)	During the reporting period, this represents the satisfaction score calculated based on customer responses collected by the Company's survey tracking system for passenger cars and light/medium commercial vehicles receiving service operations. The metric reflects the shared results across female and male customer categories and includes Türkiye operations.
	Service Female Customer NPS (%)	
	Service Male Customer NPS (%)	
	<b>Net Promoter Score (NPS) (%) - Heavy Commercial Vehicles</b>	
	Türkiye Total Customer NPS (%)	During the reporting period, this represents the satisfaction score calculated based on customer responses collected through the Company's survey tracking system for heavy commercial vehicle customers receiving sales and service operations and total Türkiye services. The metric reflects total, female, and male customer segments. Türkiye operations are included.
	Türkiye Female Customer NPS (%)	
	Türkiye Male Customer NPS (%)	
	Sales Total Customer NPS (%)	During the reporting period, this represents the satisfaction score calculated based on customer responses collected through the Company's survey tracking system for heavy commercial vehicle customers receiving sales services. The metric reflects total, female, and male customer segments, and Türkiye operations are included.
	Sales Female Customer NPS (%)	
	Sales Male Customer NPS (%)	
	Service Total NPS (%)	During the reporting period, this represents the satisfaction score calculated based on customer responses collected through the Company's survey tracking system for heavy commercial vehicle customers receiving service operations. The metric reflects total, female, and male customer segments, and Türkiye operations are included.
	Service Female Customer NPS (%)	
	Service Male Customer NPS (%)	
	<b>Supplier Numbers</b>	
	Total Number of Suppliers	The indicator refers to the total number of suppliers providing Direct and Indirect services to the Company during the reporting period
	Number of Local Suppliers	The indicator refers to the number of suppliers that manufacture in the geographies where the Company operates during the reporting period.
	Number of Tier 1 Suppliers	The indicator refers to the total number of direct suppliers of the Company during the reporting period
	Number of Critical Tier 1 Suppliers	The indicator refers to the number of Direct suppliers defined as critical by the Company during the reporting period.
	Number of Critical Non Tier 1 Suppliers	The indicator refers to the number of Indirect suppliers that meet the Company's definition of "critical suppliers" during the reporting period.
Payment Amount to Critical Suppliers (TL)	The indicator refers to the payment amount made to suppliers defined as critical by the Company.	
Number of Suppliers Assessed for ESG	The indicator refers to the total number of Direct and Indirect suppliers to the Company during the reporting period.	

**Key Definitions and Reporting Scope**

	Indicator	Scope
Social	<b>Supplier Numbers</b>	
	Number of Suppliers Identified with Negative Impact	The indicator refers to the number of suppliers that received a negative score in the ESG assessment or were found to have noncompliances during the audit during the reporting period.
	Number of Suppliers Included in the Capacity Building Program	The indicator refers to the number of Tier1 suppliers (those providing vehicle parts) and indirect suppliers (logistics service providers) that participated in supplier webinars and in-person training sessions.
	Total Supplier Training Hours	The indicator refers to the total person*hours of training delivered to suppliers—through both physical and webinar sessions during the reporting period—covering conceptual frameworks, global trends, regulations, and best practice examples in Environmental, Social, Governance, Ethics, and Financial topics.
	<b>Social Target Progress</b>	
	Number of women/girls reached through awareness, education, and financial support projects aimed at society	Starting from the base year, this reflects the number of women and girls participating in the company's awareness, education, and financial support projects.
	Share of supported initiatives with 50% women representation in management positions	Starting from the defined base year, this represents the proportion of all initiatives supported by the Company in which women constitute 50% of management-level positions.

**Key Definitions and Reporting Scope**

Type	Indicator	Scope
Environmental	<b>Greenhouse Gas Emissions (tons CO2e)</b>	
	Scope 1 Emissions	During the reporting period, this includes the Company's direct emissions from consumption sources in its Türkiye and Romania operations in line with the GHG Protocol (Stationary Combustion Sources, Mobile Combustion Sources, Process Oils, Stationary Refrigerant Sources, Vehicle Air Conditioning Sources, Welding and Fire Extinguisher Cylinders, VOCs (Volatile Organic Compounds)).
	Scope 2 Market Based Emissions	During the reporting period, it refers to emissions measured based on the Company's energy supply contracts for steam and certificates for electricity purchased for production purposes (in accordance with the definitions of the GHG Protocol Scope 2 Guidance).
	Scope 2 Location Based Emissions	During the reporting period, it refers to emissions calculated using the average grid emission factors for electricity and steam in Türkiye and Romania, where the Company operates, for the steam and electricity purchased for production purposes (in accordance with the definitions of the GHG Protocol Scope 2 Guidance).

### Key Definitions and Reporting Scope

Type	Indicator	Scope
<b>Environmental</b>	<b>Greenhouse Gas Emissions (tons CO<sub>2</sub>e)</b>	
	Scope 3 Emissions	During the reporting period, this includes the Company's indirect greenhouse gas emissions arising from external sources, other than its direct operations, in line with the GHG Protocol.
	Total Emissions	During the reporting period, this includes the total amount of the Company's Scope 1, Scope 2 (market based), and Scope 3 emissions.
	Scope 3 Category 1 Emissions	During the reporting period, the indirect greenhouse gas emissions arising from the materials (metal, plastic, liquid, electronic, and others) and services purchased by the Company for its operations in Türkiye and Romania are included.
	Scope 3 Category 2 Emissions	During the reporting period, the sources of indirect greenhouse gas (GHG) emissions from capital goods used in the Company's operations in Türkiye and Romania include the Company's buildings, machinery, production lines, equipment, molds, and energy systems. The greenhouse gas emissions have been calculated using the Company's global expenditure-based data.
	Scope 3 Category 3 Emissions	During the reporting period, this category includes the well-to-tank greenhouse gas emissions arising from fuel consumption reported under Scope 1 for the Company's operations in Türkiye and Romania, as well as the transmission and distribution-related greenhouse gas emissions from electricity consumption reported under Scope 2. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 4 Emissions	During the reporting period, this category includes greenhouse gas emissions arising from the transportation of raw materials and components in the Company's production-related transport and distribution processes in Türkiye and Romania, covering road, air, rail and maritime transport activities. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 5 Emissions	During the reporting period, this category includes emissions resulting from the treatment and disposal of hazardous and non-hazardous waste generated by the Company's operations in Türkiye and Romania, carried out by third parties. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 6 Emissions	This category includes indirect greenhouse gas (GHG) emissions from the Company's business travel activities, covering employees' work-related travel, including international and domestic road, rail, and air transportation. These emissions have been calculated using the greenhouse gas emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 7 Emissions	This category includes greenhouse gas emissions arising from employees' commuting between their homes and workplaces. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.

### Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Greenhouse Gas Emissions (tons CO<sub>2</sub>e)</b>	
	Scope 3 Category 8 Emissions	There are no emissions for the Company in this category.
	Scope 3 Category 9 Emissions	This category includes emissions generated during the distribution and transportation of the Company's sold products by road, air, rail, and sea in the reporting year. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 10 Emissions	This category includes greenhouse gas emissions arising from the processing of the Company's sold products (intermediate products) during the reporting year.
	Scope 3 Category 11 Emissions	This category covers greenhouse gas emissions resulting from the use of HCV, LCV, MCV, and passenger vehicles produced at the Company's own manufacturing facilities over their expected 10-year service life, as well as emissions from the refrigerants contained in these vehicles.
	Scope 3 Category 12 Emissions	In the reporting year, this category includes the greenhouse gas emissions arising from the end-of-life treatment of the Company's sold products, calculated through life cycle assessment.
	Scope 3 Category 13 Emissions	There are no emissions for the Company in this category.
	Scope 3 Category 14 Emissions	This category includes the Scope 1 and Scope 2 greenhouse gas emissions generated by the dealers with whom the Company collaborates for after-sales distribution.
	Scope 3 Category 15 Emissions	This category includes the Scope 1, Scope 2, and Scope 3 greenhouse gas emissions of the Company's subsidiaries, proportional to the Company's ownership share.
	<b>Energy Consumption (GJ)</b>	
	Direct Renewable Energy Consumption	During the reporting period, this includes the Company's energy consumption from renewable sources within its Türkiye and Romania operations.
	Direct Non-Renewable Energy Consumption	During the reporting period, this refers to the total amount of non-renewable direct energy consumption—monitored through invoices and internal meters—for the Company's Türkiye and Romania operations. It includes Stationary Combustion (Natural Gas, Diesel, LPG, Propane, Methanol), Mobile Combustion (Diesel, Gasoline), Process Gases, and VOC consumption.
	Indirect Renewable Energy Consumption	During the reporting period, this refers to the total electricity consumption monitored through invoices for the Company's Türkiye and Romania operations under indirect renewable energy use. Türkiye locations procure 100% renewable electricity (I-REC certified), and the Romania location also sources 100% renewable electricity.

### Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Energy Consumption (GJ)</b>	
	Indirect Non-Renewable Energy Consumption	During the reporting period, this refers to the total amount of non-renewable steam consumption sourced from outside the Company for its Türkiye and Romania operations.
	Total Energy Consumption (Direct and Indirect)	During the reporting period, this includes the total amount of direct renewable energy, direct non-renewable energy, indirect renewable energy, and indirect non-renewable energy consumption for the Company's Türkiye and Romania operations.
	<b>Consumptions per Vehicle</b>	
	Greenhouse Gas Emissions per Vehicle Produced (tonCO <sub>2</sub> e/vehicle)	During the reporting period, this indicator shows the Scope 1 and Scope 2 emissions of the Company's Türkiye and Romania operations per total vehicle produced at the Company's Türkiye and Romania facilities.
	Energy Consumption per Vehicle Produced (GJ/vehicle)	This indicator represents the ratio of total renewable and non-renewable energy consumption per total vehicle produced in the Company's Türkiye and Romania locations during the reporting period.
	<b>Water Consumption (m<sup>3</sup>)</b>	
	Water Consumption	During the reporting period, this refers to the amount obtained by subtracting the industrial waste water discharge and domestic discharge from the fresh water withdrawn by the Company for its operations in Türkiye and Romania.
	<b>Water Withdrawal (m<sup>3</sup>)</b>	
	Municipal Water	During the reporting period, this refers to the amount of municipal water withdrawal tracked through invoices received from service providers and reported on a monthly basis. The data includes Türkiye and Romania operations.
	Underground Water	This indicator refers to the underground water consumption amount monitored monthly by the Company's internal meters during the reporting period. The data includes Türkiye and Romania operations.
	Rain Water	This indicator refers to the rain water consumption amount monitored monthly and reported through invoices for during the reporting period. The data includes Türkiye and Romania operations.
	Total Water Withdrawal	This indicator refers to the total of the Company's municipal water, underground water and rain water consumption amounts during the reporting period.
	<b>Recovered Water (m<sup>3</sup>)</b>	
	Recovered Water	This indicator refers to the amount of water recycled by the Company in its operations in Türkiye and Romania during the reporting period.
	<b>Waste Water (m<sup>3</sup>)</b>	
	Industrial Waste Water Discharge	During the reporting period, this refers to the process wastewater generated from the Company's operational activities in Türkiye and Romania, excluding rainwater and domestic wastewater.
Domestic Waste Water Discharge	During the reporting period, this indicates the amount of domestic wastewater discharged by the Company's operations in Türkiye and Romania.	

## Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Waste (tons)</b>	
	Recovered Hazardous Waste	During the reporting period, this represents the amount of hazardous waste processed under relevant R-coded recovery operations by licensed waste treatment facilities, as declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations.
	Recovered Non-Hazardous Waste	During the reporting period, this represents the amount of non-hazardous waste processed under relevant R-coded recovery operations by licensed waste treatment facilities, as declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations.
	Disposed Hazardous Waste	During the reporting period, this represents the amount of hazardous waste that is declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under relevant D-coded disposal operations where no recovery is applied.
	Hazardous Waste Disposed by Landfilling	During the reporting period, this represents the amount of hazardous waste that is declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under relevant D-coded landfill disposal operations where no recovery is applied.
	Hazardous Waste Incinerated with Energy Recovery	During the reporting period, this represents the amount of hazardous waste that is declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and processed by licensed waste treatment facilities under relevant R-coded incineration operations with energy recovery.
	Hazardous Waste Incinerated without Energy Recovery	During the reporting period, this represents the amount of hazardous waste that is declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under relevant D-coded incineration operations without energy recovery.
	Hazardous Waste Disposed by Other Methods	During the reporting period, this represents the amount of hazardous waste that is declared through the Waste Declaration in the T.C. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under relevant D-coded disposal methods other than incineration and landfilling, where no recovery is applied.
	Hazardous Waste with Unspecified Disposal Method	During the reporting period, this represents the amount of hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and accepted by licensed waste treatment facilities under D-coded disposal operations for temporary storage, where the final disposal method has not yet been determined.

### Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Waste (tons)</b>	
	Disposed Non-Hazardous Waste	During the reporting period, this represents the amount of non-hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under D-coded disposal operations where no recovery is applied.
	Non-Hazardous Waste Disposed by Landfilling	During the reporting period, this represents the amount of non-hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under relevant D-coded landfill disposal operations where no recovery is applied.
	Non-Hazardous Waste Incinerated with Energy Recovery	During the reporting period, this represents the amount of non-hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and processed by licensed waste treatment facilities under relevant R-coded incineration operations with energy recovery.
	Non-Hazardous Waste Incinerated without Energy Recovery	During the reporting period, this represents the amount of non-hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under relevant D-coded incineration operations without energy recovery.
	Non-Hazardous Waste Disposed through Other Methods	During the reporting period, this represents the amount of non-hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and managed by licensed waste treatment facilities under D-coded disposal methods other than incineration and landfilling, where no recovery is applied.
	Non-Hazardous Waste with Unspecified Disposal Method	During the reporting period, this represents the amount of non-hazardous waste declared through the T.R. Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System for the Company's Türkiye operations, and through the relevant authority of the Romanian Trade Registry Office for the Company's Romania operations, and accepted by licensed waste treatment facilities for temporary storage under D-coded operations, where the final disposal method has not yet been determined.
	Hazardous Waste Sent to Temporary Storage	During the reporting period, this refers to the amount of hazardous waste declared to the Integrated Environmental Information System for the Company's Türkiye operations and to the Romanian Trade Registry Office for the Company's Romania operations, and accepted by licensed waste treatment facilities for interim storage under the relevant R code.
	Non-Hazardous Waste Sent to Temporary Storage	During the reporting period, this refers to the amount of non-hazardous waste declared to the Integrated Environmental Information System for the Company's Türkiye operations and to the Romanian Trade Registry Office for the Company's Romania operations, and accepted by licensed waste treatment facilities for interim storage under the relevant R code.
	Total Waste	During the reporting period, this represents the total amount of hazardous and non-hazardous waste that has been recovered, disposed of, or sent to temporary storage by the Company.

## Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Environmental Trainings</b>	
	Number of Participants (Employees)	This indicator refers to the number of Company employees who participated in environmental trainings, which are monitored and recorded on the Company's training tracking platform of Human Resources during the reporting period. The data includes Türkiye and Romania operations.
	Number of Participants (Subcontractors)	This indicator refers to the number of subcontractor employees who participated in environmental trainings, which are monitored and recorded on the Company's training tracking platform of Human Resources during the reporting period. The data includes Türkiye and Romania operations.
	<b>Environmental Expenditures and Fines (TL Million)</b>	
	Environmental Investments and Expenditures	This indicator refers to the expenses related to the measurement and analysis for environmental management, waste disposal, chemical substance disposal, personnel expenses, certification and permit expenses, consultancy and training expenses, maintenance and repair expenses, contract fees with service provider companies, and investments and expenses to protect the environment during the reporting period, which can be mapped with the Company's financial reporting systems. The data includes Türkiye and Romania operations.
	Environmental Fines	This indicator refers to the total amount of environmental fines in TL, which can be mapped by the Company's financial reporting systems during the reporting period, issued and communicated to the company by the Turkish Ministry of Environment, Urbanization and Climate Change for its operations in Türkiye, and to the European Commission for its Romania operations. The data includes Türkiye and Romania operations.

## Data Preparation

## Social Indicators

## Occupational Health and Safety Data

The following definitions and formulas are used in the calculation of occupational health and safety indicators.

The workplace accidents recorded during the reporting period, fatal cases in these accidents, and the number of employees reported as occupational diseases are taken into account.

Number of accidents means the total number of work accidents. It was tracked and calculated with the table listing SSI notifications. The following ratios are calculated and reported according to the KTS 4.1 Occupational Health and Safety Performance Indicators Standard shared by Koç Holding.

Romania's employee working hour data is calculated using an assumption method by proportioning it to the number of female and male employees.

## Occupational Disease Rate

*Formula- TR (Employees – Subcontractors):*

*(Total Occupational Disease Incidents \* 1,000,000) / Total Working Hours*

## Lost Day Rate

*Formula – TR (Employees – Subcontractors):*

*(Number of Lost Time Accidents \* 1,000) / Total Working Hours*

## Incident Rate

*Formula – TR (Employees – Subcontractors) :*

*(Total Number of Accidents \* 1,000,000) / Total Working Hours*

## Average OHS Training Time per Employee

*Formula:*

*TR - Total OHS Training Hours / Total Number of Participants*

## Employee Demographics

The total number of employees refers to the total number of employees employed by the companies as of the end of the reporting year and based on the information in their human resources systems as of December 31, 2025.

The following definitions and formulas are used in the calculation of indicators.

### Equal Opportunity Metrics

#### ***Number of Employees in the STEM Field***

Within the Company's Türkiye operations, employees working in the following departments—"Growth & Smart Mobility Business Area, Digital Products and Services Leadership, Plant Leadership (Eskişehir), Finance Platform Area Leadership, Finance-Accounting, Deputy General Manager of Finance-Accounting, Ford Trucks Business Area, Quality Platform Area, Engineering and Technology Development, Supply Chain Platform Area, Commercial Vehicle Product Leadership"—are reported as STEM employees if their position descriptions fall within the definitions listed below.

Within the Company's Romania operations, the departments categorized under STEM are defined as follows: industrial engineering, financial, stamping & body, paint, trim line, central, vehicle operations manufacturing engineering, environment, quality, powertrain operations, launch, information technologies, material planning and logistics, plant vehicle team, supply chain audit, purchasing, innovation and maintenance.

STEM employees within the Company's Türkiye operations are defined as follows:

Among field employees:

For Science, employees whose position descriptions include one or more of the following tasks—measurement techniques and tools, basic data analysis, materials science, business management.

For Technology, the definition includes computer technologies, vehicle technologies, machinery technologies, manufacturing/assembly technologies, and automation.

For Engineering, the definition includes quality control, maintenance, lean manufacturing, total quality management, tooling and mold work, work-process flow management, OHS, drafting, 3D solid modeling (CAD), electric vehicles, and batteries.

For Mathematics, the definition includes problem-solving and root cause analysis, logic, basic statistics, statistical process control, and FMEA.

Among office employees:

For Science, employees whose position descriptions include one or more of the following tasks—data science, data analysis, business analysis, business management, finance, accounting, health and medicine.

For Technology, the definition includes computer technologies, machinery technologies, manufacturing and assembly technologies, and automation.

For Engineering, the definition includes mechanical engineering, materials science and engineering, chemical engineering, physics engineering, computer engineering, software engineering, civil engineering, mechatronics engineering, industrial engineering, and OHS.

For Mathematics, employees whose position descriptions include one or more of the following tasks—problem-solving and root cause analysis, logic, statistics, and FMEA.

#### ***Number of Employees in Revenue Generating Functions***

*For Türkiye facilities: The indicator includes production, sales-marketing, next-gen manufacturing, R&D departments. Represents the total number of employees in Ford Trucks, Ford Türkiye, Commercial Vehicles, Engineering and Technology Development Leaderships.*

*For Romania facility: The indicator includes trim line, stamping and body, plant vehicle team, powertrain, paint, launch departments.*

### **Number of Managers in Revenue Generating Functions**

For Türkiye facilities: The indicator includes the production, sales-marketing, next-gen manufacturing, R&D departments. Represents the total number of managers in Ford Trucks, Ford Türkiye, Commercial Vehicles, Engineering and Technology Development Leaderships.

For Romania facility: The indicator includes the trim line, stamping and body, plant vehicle team, powertrain, paint, launch departments.

### **Return-to-Work Rate of Female Employees from Maternity Leave**

Formula:

*Number of female employees who completed their maternity leave in the previous reporting year and actively remained employed until the end of the reporting year / (Number of female employees who completed their maternity leave in the previous reporting year and returned to work but later left + number of female employees who returned to work and continued employment) \* 100*

### **Employee Turnover**

Employee turnover is monitored by total, female, male, voluntary (with gender breakdown), involuntary (with gender breakdown), and by age and grade levels.

Formula:

*Total Employee Turnover Rate (%) = (Total number of employees who left the company during the reporting period / Total number of employees in the company during the reporting period) \* 100*

*Female Employee Turnover Rate (%) = (Total number of female employees who left the company during the reporting period / Total number of female employees in the company during the reporting period) \* 100*

*Male Employee Turnover Rate (%) = (Total number of male employees who left the company during the reporting period / Total number of male employees in the company during the reporting period) \* 100*

*Turnover Rate for Employees Aged 30 and Under (%) = Number of employees aged 30 and under who left the company during the reporting period / Number of employees aged 30 and under employed in the company during the reporting period\*100*

*Turnover Rate for Employees Aged 30–50 (%) = Number of employees aged 30–50 who left the company during the reporting period / Number of employees aged 30–50 employed in the company during the reporting period\*100*

*Turnover Rate for Employees Aged 50 and Over (%) = Number of employees aged 50 and over who left the company during the reporting period / Number of employees aged 50 and over employed in the company during the reporting period\*100*

*First-Line Manager Turnover Rate (%) = Number of first-line managers who left the company during the reporting period / Number of first-line managers employed in the company during the reporting period\*100*

*Mid-Level Manager Turnover Rate (%) = Number of mid-level managers who left the company during the reporting period / Number of mid-level managers employed in the company during the reporting period\*100*

*Senior Manager Turnover Rate (%) = Number of senior managers who left the company during the reporting period / Number of senior managers employed in the company during the reporting period\*100*

*Non-Manager Employee Turnover Rate (%) = Number of non-managerial employees who left the company during the reporting period / Number of non-managerial employees employed in the company during the reporting period\*100*

### Employee Turnover (Voluntary) (%)

The number of employees who leave voluntarily is defined as undesirable exits by the Company, and people who leave their jobs due to resignation, underage retirement and marriage are reported.

Formula:

*Total Voluntary Employee Turnover Rate (%) = (Total number of employees who voluntarily left the company during the reporting period / Total number of employees in the company during the reporting period) \* 100*

*Female Voluntary Employee Turnover Rate (%) = (Total number of female employees who voluntarily left the company during the reporting period / Total number of female employees in the company during the reporting period) \* 100*

*Male Voluntary Employee Turnover Rate (%) = (Total number of male employees who voluntarily left the company during the reporting period / Total number of male employees in the company during the reporting period) \* 100*

### Employee Turnover (Non-voluntary) (%)

The number of employees who leave involuntarily is defined as the expected exits by the Company, and cases of retirement, death, military service, Koç Group transfer, resignation with performance evaluation result of "should be better" or whose 9box score is 1 are reported.

Formula:

*Non-Voluntary (Involuntary) Employee Turnover Rate (%) = (Total number of employees who left the company involuntarily during the reporting period / Total number of employees in the company during the reporting period) \* 100*

*Non-Voluntary (Involuntary) Female Employee Turnover Rate (%) = (Total number of female employees who left the company involuntarily during the reporting period / Total number of female employees in the company during the reporting period) \* 100*

*Non-Voluntary (Involuntary) Male Employee Turnover Rate (%) = (Total number of male employees who left the company involuntarily during the reporting period / Total number of male employees in the company during the reporting period) \* 100*

### Employee Engagement (%)

Employee Engagement is calculated based on their responses to six engagement questions (on a 6-point scale).

- 1 - Strongly disagree.
- 2 - Disagree.
- 3 - Somewhat disagree.
- 4 - Somewhat agree.
- 5 - Agree.
- 6 - Strongly agree.

In the Sustainability Report, these values were converted to ratios out of 100 and limited assurance was obtained.

A score of 4.5 and above out of 6 is considered "Engaged", 4.5-3.5 is "Almost Engaged", 3.5-2 is "Not Engaged", and a score below 2 is "Definitely Not Engaged."

*Formula:*

*Engagement Score = (Question1+Question2+Question3+Question4+Question5+Question6)/6*

**Gender Pay Gap by Positions (Ratio of Average Women's Pay to Average Men's Pay) out of 1**

*Senior Executive (Base Salary) = (Average base salary of female senior office executives) / (Average base salary of male senior office executives).*

*Senior Executive (Base Salary + Other Benefits) = (Average base salary + other benefits of female senior office executives) / (Average base salary + other benefits of male senior office executives).*

*Manager (Base Salary) = (Average base salary of female office managers) / (Average base salary of male office managers).*

*Manager (Base Salary + Other Benefits) = (Average base salary + other benefits of female office managers) / (Average base salary + other benefits of male office managers).*

*Non-Management Employee (Base Salary) = (Average base salary of female non-management employees) / (Average base salary of male non-management employees).*

*Non-Management Employee (Base Salary + Other Benefits) = (Average base salary + other benefits of female non-management employees) / (Average base salary + other benefits of male non-management employees).*

*When calculating average salaries, the figures were divided by the number of female and male office employees in the reporting year.*

**Learning and Development Programs**

*Formulas:*

*Total Training Hours per Employee (person\*hour) = Total Training Hours Including OHS / Total Number of Employees*

*Total Training Hours per Female Employee (person\*hour) = Training Hours for Female Employees Including OHS / Number of Female Employees*

*Total Training Hours per Male Employee (person\*hour) = Training Hours for Male Employees Including OHS / Number of Male Employees*

*Average Training Hours per Office Employee (person\*hour) = Training Hours for Office Employees Including OHS / Total Number of Office Employees*

*Training Hours per Female Office Employee (person\*hour) = Training Hours for Female Office Employees Including OHS / Number of Female Office Employees*

*Training Hours per Male Office Employee (person\*hour) = Training Hours for Male Office Employees Including OHS / Number of Male Office Employees*

*Average Training Hours per Field Employee (person\*hour) = Total Field Employee Training Hours including OHS / Total Number of Field Employees*

*Training Hours per Female Field Employee (person\*hour) = Training Hours for Female Field Employees including OHS / Number of Female Field Employees*

*Training Hours per Male Field Employee (person\*hour) = Training Hours for Male Field Employees including OHS / Number of Male Field Employees*

### **Customer Net Promoter Score (%)**

Customer NPS (Net Promoter Score) is calculated on a five-point scale by vehicle segments based on the answers to the recommendation question by customers who receive passenger, commercial and heavy commercial sales and service.

3,2,1 – Customers who would not recommend

4 - Neutral

5 – Customers who would recommend

*Formula: (Ratio of customers who rated 5 points to total customers) – (Ratio of customers who rated 1-2-3 points to total customers) \* 100*

### **Supplier Numbers**

#### **Total Number of Suppliers**

*The indicator refers to the total number of suppliers providing Direct and Indirect services to the Company during the reporting period.*

*Direct suppliers include Tier-1 suppliers, meaning those that supply vehicle parts. Indirect suppliers include industrial materials, investment, and service items (such as logistics, catering etc.)*

#### **Number of Local Suppliers**

*Suppliers operating within the borders of Türkiye are referred to as local suppliers.*

### **Number of Tier-1 Suppliers**

*Direct suppliers include Tier-1 suppliers, meaning those that supply vehicle parts.*

### **Number of Critical Tier-1 Suppliers**

*Significant Suppliers are suppliers critical to the Company's operations. These include suppliers identified as having a potential non-compliance ESG impact or those carrying significant risk or forming a high-risk supplier group.*

### **Number of Critical Non-Tier-1 Suppliers**

*The indicator refers to the number of our critical logistics service providers.*

### **Payment Amount to Critical Suppliers (TL)**

*The indicator refers to the turnover within Ford Otosan related to the suppliers defined above.*

### **Number of Suppliers Assessed for ESG**

*The indicator refers to the number of Tier-1 suppliers (those providing vehicle parts) and indirect suppliers (logistics service providers) that are included in the environmental, social, and governance (ESG) sustainability assessment.*

### **Number of Suppliers Identified with Negative Impact**

*The indicator refers to the number of suppliers that scored below 50 out of 100 in the ESG assessment.*

### **Number of Suppliers Included in the Capacity-Building Program**

*The indicator refers to the number of Tier-1 suppliers (those providing vehicle parts) and indirect suppliers (logistics service providers) that participated in supplier webinars and in-person training sessions.*

### **Total Supplier Training Hours**

*During the reporting period, the total Environmental, Social, Governance, Ethics, and Finance training hours provided to suppliers are multiplied by the number of participating suppliers.*

## Social Target Progress

**Number of women/girls reached through awareness, education, and financial support projects aimed at society** (Target year: 2026, Base year: 2022)

Starting from the target year, this reflects the number of women and girls participating in the company's awareness, education, and financial support projects.

**Share of supported initiatives with 50% women representation in management positions** (Target year: 2026, Base year: 2022)

Formula:

The number of supported initiatives that have 50% women representation at the founder, co-founder, or C-level management positions starting from the base year / The total number of initiatives supported by the Company from the base year

## Environmental Indicators

### Greenhouse Gas Emissions

Total greenhouse gas emissions (ton CO<sub>2</sub>) = Scope 1 emissions (ton CO<sub>2</sub>) + Scope 2 emissions (ton CO<sub>2</sub>) + Scope 3 emissions (ton CO<sub>2</sub>)

### Scope 1 Emissions

The Company's Scope 1 emissions for Türkiye and Romania include direct non-renewable energy consumption from Stationary Combustion (Natural Gas, Diesel, LPG, Propane, Methanol), Mobile Combustion (Diesel, Gasoline), Process Gases, Fixed Refrigerant Sources, Vehicle Air-Conditioning Systems, Welding and Fire Extinguisher Cylinders, as well as VOC emissions.

Under direct non-renewable energy consumption, the Company reports emissions from natural gas consumption, mobile combustion, and stationary combustion as primary fuel sources.

For Türkiye, all stationary and mobile combustion emission factors are sourced from the IPCC. For Romania, natural gas emission factors are sourced from the EPA, while other stationary and mobile combustion emission factors are sourced from the IPCC.

### Methodology and Assumptions Used in Emission Calculations

Scope 1 emission calculations are performed by multiplying activity data with corresponding emission factors. This metric is calculated using the following formula:

Scope 1 Emissions from Stationary and Mobile Combustion = Annual Fuel Consumption (unit) × Conversion Factor (TJ/unit) × Emission Factor (tCO<sub>2</sub>e/TJ) (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O)

Natural gas data are converted from cubic meters to gigajoules (GJ) in accordance with the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories. After natural gas consumption values are obtained from invoices as Sm<sup>3</sup>, they are multiplied by the density (kg/m<sup>3</sup>) and lower heating value (TJ/kg) obtained from the natural gas suppliers at each location to calculate the TJ value, which is then converted into GJ.

Diesel, LPG, propane, and methanol consumption from stationary combustion, as well as diesel and gasoline consumption from mobile combustion, are extracted from the system in liters (L). These values are multiplied by density (kg/L) and lower heating value (TJ/kg) to calculate the TJ value, which is subsequently converted into GJ.

Refrigerant and Air-Conditioning Gas Fugitive Emissions = Refrigerant Gas Capacity (tons) × Global Warming Potential (GWP)

The Scope 1 emissions include blended gases such as R410A (a mixture of R32 and R125), R404A (a mixture of R125, R143A, and R134A), and R407C (a mixture of R32, R125, and R134A). Their emission factors are based on the proportional composition of each gas.

Fire Suppression System Fugitive Emissions = Fire Suppression Gas Capacity (tons) × CO<sub>2</sub> Ratio × Global Warming Potential (GWP)

Since no internationally accepted formula exists for solvents incinerated at the incineration plant, the IPCC methodology for stationary combustion has been used. In calculating the amount of solvent sent to the incinerator, the annual mass balance report prepared by TÜBİTAK has been applied.

Various cutting fluids and heat-treatment fluids are used in the production facilities. Because lower heating values and carbon content information for these fluids were not provided by the manufacturers, the above methodology has been applied.

**Direct GHG Emissions**  
**GREENHOUSE GAS EMISSIONS FROM STATIONARY COMBUSTION**

Fuel Type	Density Conversion Coefficient kg/lt - kg/m <sup>3</sup>	Lower Calorific Value TJ/kg	Emission Factor - CO <sub>2</sub> ton/TJ	Emission Factor - CH <sub>4</sub> ton/TJ	Emission Factor - N <sub>2</sub> O ton/TJ	Reference
Diesel (lt)	0.830	0.000043	74,100	0.003	0.0006	IPCC 2006, Energy- SC- Table 2.3
LPG (kg)	N/A	0.00047	63,100	0.001	0.0001	IPCC 2006, Energy- SC- Table 2.3
Natural Gas (Sm <sup>3</sup> )	Kocaeli-0.711 Eskişehir-0.733 Sancaktepe-0.735 Romania-0.77	0.000048	56,100 (Türkiye) 50,291 (Romania)	0.001	0.0001	IPCC 2006, Energy- SC- Table 2.3 (Türkiye) US EPA – GHG Emission Factors Hub (2025) (Romania)
Propane (kg)	N/A	0.000047	63,100	0.001	0.0001	IPCC 2006, Energy- SC- Table 2.3
Methanol (kg)	N/A	0.000027	70,800	0.003	0.0006	IPCC 2006, Energy- SC- Table 2.3

**Direct GHG Emissions  
GREENHOUSE GAS EMISSIONS FROM VOC (VOLATILE ORGANIC COMPOUNDS)**

Fuel Type	Density Conversion Coefficient kg	Lower Calorific Value TJ/kg	Emission Factor - CO <sub>2</sub> ton/TJ	Emission Factor - CH <sub>4</sub> ton/TJ	Emission Factor - N <sub>2</sub> O ton/TJ	Reference
VOC (kg)	1.0	0.00004	73,300	0.003	0.0006	IPCC 2006, 2019 Refinement to the 2006 IPCC Guidelines

**Direct GHG Emissions  
GREENHOUSE GAS EMISSIONS FROM MOBILE COMBUSTION**

Fuel Type	Density Conversion Coefficient kg	Lower Calorific Value TJ/kg	Emission Factor - CO <sub>2</sub> ton/TJ	Emission Factor - CH <sub>4</sub> ton/TJ	Emission Factor - N <sub>2</sub> O ton/TJ	Reference
Diesel (lt)	0.830	0.000043	74,100	0.0039	0.0039	IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2
Gasoline (lt)	0.735	0.000044	69,300	0.025	0.0080	IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2 (Gasoline)

**Direct GHG Emissions  
REFRIGERANT GAS FUGITIVE GREENHOUSE GAS EMISSIONS**

Fuel Type	Global Warming Potential (GWP) CO <sub>2</sub>	Reference
Acetylene	3.383	Stoichiometric calculation
R410A	2256	IPCC 2006, AR6
R32	771	IPCC 2006, AR6
R134A	1530	IPCC 2006, AR6
R407C	1908	IPCC 2006, AR6
R404A	4728	IPCC 2006, AR6
1234yf	0.501	IPCC 2006, AR6

**Scope 2 Emissions**

Scope 2 greenhouse gas emissions include all GHG emissions resulting from the Company's electricity and steam consumption. The calculations are performed in tonnes of CO<sub>2</sub> equivalent. The following formula is used in these calculations.

For Türkiye, the most up-to-date emission factors have been obtained from the 2025 edition of the International Energy Agency (IEA), using the values provided for both Türkiye and Romania

$$Emission\ Amount\ (tCO_2e) = Activity\ Data \times Emission\ Factor$$

**INDIRECT GREENHOUSE GAS EMISSIONS**

Fuel Type	Emission Factor tons CO <sub>2</sub> /MWh	Reference
Electricity (Türkiye)	0.397	IEA, 2025 edition
Electricity (Romania)	0.228	IEA, 2025 edition
Steam (Romania)	0.312	On site and regional (grid based)

## Scope 3 Emissions

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3- Category 1. Purchased goods and services – raw materials	GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p.162.	Cradle-to-gate emission factors of the purchased goods per unit of mass or unit of product (e.g. kg CO2e/kg or kg CO2e/hour spent)	Ford Otosan has based its emission calculations for purchased goods on five vehicle models across four vehicle categories: heavy commercial vehicles, medium commercial vehicles, light commercial vehicles, and passenger cars. The weight and material information of the parts manufactured in-house by Ford Otosan were obtained from the relevant teams and evaluated together with raw data, and included in the calculations under the categories of metal, plastic, liquid, electronic, and other materials. In addition to material type and production method, the CO <sub>2</sub> emissions arising from logistics activities between Tier 1 and Tier 2 suppliers were also included in the calculations.
	Average data method		
	Sum of purchased goods: $\Sigma(\text{Mass of purchased good or service (kg)} \times \text{Emission factor per unit mass of purchased good or service (kg CO2e/kg)})$		
Scope 3- Category 1b. Purchased services	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p.162	Cradle-to-gate emission factors of the purchased services per unit of mass or unit of Product (e.g. kg CO2e/hour spent)	Ford Otosan's calculations for purchased services involved matching the purchased values with the relevant emission factors in the USEEIO model.
	Average data method		
	Sum of purchased services: $\Sigma(\text{Unit of good or service purchased (e.g., piece)} \times \text{Emission factor of purchased good or service per reference unit (e.g., kg CO2e/piece)})$		
Scope 3-Category 2. Capital goods	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p.164	Cradle-to-gate emission factors of the capital goods per unit of mass or unit of product	Ford Otosan's capital goods calculations involved matching the monetary values of purchases with the relevant emission factors in the USEEIO (v1.1) model.
	Average data method		
	Sum of capital goods: $\Sigma(\text{Mass of capital good (kg)} \times \text{Emission factor per unit mass of capital good (kg CO2e/kg)})$ or $\Sigma(\text{Unit of capital good (e.g., unit)} \times \text{Emission factor per reference unit of capital good (e.g., kg CO2e/unit)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3-Category 3. Fuel- and Energy-Related Activities	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 165	Average data method <ul style="list-style-type: none"> <li>• Country average transmission &amp; distribution loss rate (%)</li> <li>• Regional average transmission &amp; distribution loss rate (%)</li> <li>• Global average transmission &amp; distribution loss rate (%)</li> </ul>	Fuel consumption data and electricity consumption data from Scope 1 and Scope 2 emissions are used to calculate this category. Emission factors are obtained from the DEFRA emission factors database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.
	Average data method		
	Total by supplier, region, or country: $\Sigma(\text{Electricity consumption (kWh)} \times \text{electricity lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{transmission and distribution (T\&D) loss rate (\%)} + (\text{Steam consumption (kWh)} \times \text{steam lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{T\&D loss rate (\%)})) + (\text{Heating consumption (kWh)} \times \text{heating lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{T\&D loss rate (\%)})) + (\text{Cooling consumption (kWh)} \times \text{cooling lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{T\&D loss rate (\%)}))$		
Scope 3-Category 4. Upstream transportation and distribution	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 167	Emission factor by mode of transport (e.g., rail, air, etc.) or vehicle types (e.g., articulated lorry, container vessel, etc.), expressed as the amount of greenhouse gases (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O) emitted per unit of mass (tonne) or volume (e.g., TEU) and per unit of distance travelled (e.g., km).	For this category, specific transported weight data and specific transportation distance data were obtained from each of Ford Otosan's logistics providers. Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.
	Method based on distance		
	Sum of transport modes and/or vehicle types: $\Sigma(\text{mass of goods purchased (tonnes or volume)} \times \text{distance travelled in transport leg (km)} \times \text{emission factor of transport mode or vehicle type (kg CO}_2\text{e/tonne or volume/km)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3 - Category 5. Waste generated in operations	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 170	Sum of waste types: (Amount of waste generated (tons or m <sup>3</sup> ) × Emission factor specific to waste type and waste processing method (kg CO <sub>2</sub> e/ton or m <sup>3</sup> ))	This data is based on the calculation of the total hazardous and scrap waste procured by Ford Otosan and reported to the Ministry during the relevant reporting period, using DEFRA emission factors. This category includes solid waste management by specific disposal method.
	Waste-specific method		
	Sum of waste types: $\Sigma(\text{Amount of waste generated (tons or m}^3) \times \text{Emission factor specific to waste type and waste treatment method (kg CO}_2\text{e/ton or m}^3)$	Emission factors for each mode of transport	
Scope 3-Category 6. Business travel	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 171	Emission factors for each mode of transport: <ul style="list-style-type: none"> <li>• Emission factors representing kilograms of CO<sub>2</sub>e emitted per kilometer or passenger-kilometer for each mode of transport (e.g., air, rail, metro, bus, taxi, etc.)</li> <li>• Electricity emission factors for electric vehicles (if applicable), expressed in emission units per kilometer or passenger-kilometer</li> </ul>	Flight distance data was multiplied by air travel emission factors. Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.
	Method based on distance		
	Sum of vehicle types: $\Sigma(\text{Distance traveled by vehicle type (vehicle-km or passenger-km)} \times \text{vehicle-type-specific emission factor (kg CO}_2\text{e/vehicle-km or kg CO}_2\text{e/passenger-km)})+(\text{optional})$ $\Sigma (\text{Number of annual stays (nights)} \times \text{hotel emission factor (kg CO}_2\text{e/night)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3-Category 7. Employee commuting	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 172.	Emission factors for each mode of transport (usually expressed in units of greenhouse gas (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, or CO <sub>2</sub> e) emitted per passenger-kilometer travelled)	These data cover emissions from daily employee commuting by shuttle buses (road). Distance traveled data was provided by the supplier. Employee commuting data was multiplied by air travel emission factors. Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.
	Method based on distance		
	First, the total distance traveled for each vehicle type is summed across all employees: Total distance traveled by vehicle type (vehicle-km or passenger-km) = $\Sigma$ (Daily one-way distance from home to work (km) $\times$ 2 $\times$ annual number of commuting days). Then, total emissions from vehicle types are calculated: kg CO <sub>2</sub> e from employee commuting = $\Sigma$ (Total distance traveled by vehicle type (vehicle-km or passenger-km) $\times$ vehicle-type-specific emission factor (kg CO <sub>2</sub> e/vehicle-km or kg CO <sub>2</sub> e/passenger-km)) + (optionally) for each energy source used for remote working: $\Sigma$ (Amount of energy consumed (kWh) $\times$ energy source-specific emission factor (kg CO <sub>2</sub> e/kWh))		
Scope 3-Category 9. Downstream transportation and distribution	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 174	Emission factor by mode of transport (e.g., rail, air etc.) or vehicle types (e.g., articulated lorry, container vessel, etc.), expressed in units of greenhouse gases (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O) per unit of mass (tonne) or volume (e.g., TEU) travelled (e.g., km)	For this category, specific transported weight data and specific transportation distance data were based on Ford Otosan customers. Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard
	Method based on distance		
	Sum across transport modes and/or vehicle types: $\Sigma$ (Mass of purchased goods (tons or volume) $\times$ distance traveled during transportation (km) $\times$ Emission factor for transportation mode or vehicle type (kg CO <sub>2</sub> e/ton or volume/km)		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3-Category 10. Processing of sold products	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 176.	Companies must collect either: <ul style="list-style-type: none"> <li>• Average emission factors for downstream processes for the conversion of the intermediate products sold, expressed in emission units per unit of product (e.g., kg CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O) (e.g., kg CO<sub>2</sub>/kg final product).</li> </ul> Or: <ul style="list-style-type: none"> <li>• Life cycle emission factors of products sold</li> <li>• Life cycle emission factors of final products</li> </ul>	
	Average data method		
	Sum of intermediate products: $\Sigma(\text{Mass of intermediate product sold (kg)} \times \text{Emission factor of processing of sold products (kg CO}_2\text{e/kg final product)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3-Category 11. Use of sold products	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 177	Emission factors for fuels	<p>For all vehicle types sold (HCV, MCV, LCV and passenger cars), the total mileage driven in use was calculated by taking the annual averages of the date and odometer readings recorded during customers' service visits. These data were combined with the assumption of a 10-year vehicle lifetime to determine the total use-phase mileage for each vehicle control model.</p> <p>Fuel and electricity consumption for each control model were calculated using WLTP values for MCV, LCV and passenger cars, and vehicle-specific VECTO data for HCVs. To better reflect real-world driving conditions, the consumption values were uplifted by 10%. Well-to-wheel carbon intensity values for fuel, electricity and AdBlue are obtained from reliable sources; these values are multiplied by energy consumption to compute well-to-wheel CO<sub>2</sub>e emissions for each vehicle type. N<sub>2</sub>O emissions are also included in the calculations based on their greenhouse-gas effect.</p> <p>Over the vehicle's lifetime, an average of 1.5 refrigerant recharges is assumed, and the type of refrigerant used (R134a or R1234yf) is considered separately for each control model. Accordingly, the CO<sub>2</sub>e impact from refrigerants is added to the total calculation.</p>
	Products that directly consume energy (fuel or electricity) during use		
	<p>Sum of fuel consumed during product use:  <math>\Sigma(\text{Total expected life of the product (10 years} \times \text{real-world annual mileage)} \times \text{number of vehicles sold during the reporting period} \times \text{real-world energy consumption per km (WLTP / VECTO} + 10\% \text{ real-world factor kWh/km or L/km)} \times \text{well-to-wheel emission intensity factor for energy source by country/region (kg CO}_2\text{e/kWh Electricity or kg CO}_2\text{e/L Fuel)} + \text{AdBlue well-to-wheel CO}_2\text{e impact for diesel vehicles} + \text{CO}_2\text{e impact from N}_2\text{O emissions for all internal combustion vehicles} + \text{refrigerant impact for all vehicles})</math></p>		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3 – Category 12: End-of-life treatment of sold products	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 179	Average waste treatment-specific emission factors based on all waste disposal types	The emission factor data set is provided in Ecoinvent v3.6 as used vehicle disposal scenario data
	Method specific to waste type		
	Sum of waste treatment methods for aftermarket products and packaging: $\Sigma(\text{total aftermarket product and packaging mass (kg)} \times \text{waste treatment method percentage of total waste} \times \text{waste treatment method emission factor (kg CO}_2\text{e/kg)})$		
Scope 3-Category 14. Franchises	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 182		A calculation is made by multiplying the electricity and natural gas consumption of a franchise with high square footage by the square footage of other franchises.
	Average data method		
	Sum of franchises: $\Sigma(\text{Scope 1 emissions} + \text{Scope 2 emissions of each franchise (kg CO}_2\text{e)})$		
Scope 3-Category 15. Investment	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 182.	Scope 1 and Scope 2 emissions of the investee company	Emissions from Otokar's Scope 1, Scope 2, and Scope 3 greenhouse gas inventory have been included in the calculation in proportion to Ford Otosan's ownership share (0.59%).  In addition, the total Scope 1 and Scope 2 emissions of Bluepath, 100% owned subsidiary of Ford Otosan, have been included in this category.
	Method specific to investment	<ul style="list-style-type: none"> <li>The investor's equity stake in the investee company</li> <li>If significant, companies should also collect scope 3 emissions of investee company (if investee companies are unable to provide scope 3 emissions data, scope 3 emissions may need to be estimated using the Average-data method)</li> </ul>	
	Sum of equity investments: $\Sigma(\text{scope 1 and scope 2 emissions of equity investment} \times \text{equity share (\%)})$		

## Vehicle-Based Tracking Metrics

*Greenhouse Gas Emissions per Vehicle Produced (tonCO<sub>2</sub>e/vehicle) = Scope 1 and Scope 2 emissions (tonCO<sub>2</sub>e)\* / Total number of vehicles produced*

\*Although Scope 1 and Scope 2 emissions were divided by the total number of vehicles produced in the previous reporting period, the reporting guideline incorrectly stated that Scope 3 emissions were also included in the calculation. However, Scope 3 emissions are not included in the calculation for either 2024 or 2025.

*Energy Consumption per Vehicle Produced (GJ/vehicle) = Total energy consumption (GJ) / Total number of vehicles produced*

## Total Water Consumption (m<sup>3</sup>)

**Total Water Consumption:** During the reporting period, this represents the amount obtained by subtracting industrial waste water discharge and domestic wastewater discharge from the fresh water withdrawn for the Company's operations in Türkiye and Romania.

**Industrial Waste Water Discharge:** This refers to process wastewater generated during operations, excluding rainwater and domestic wastewater.

Formula:

*Total Water Consumption = Total Water Withdrawal – Industrial Waste Water Discharge – Domestic Wastewater Discharge*

In accordance with the Water Supply and Sewerage Service Framework Regulation issued by the Romanian Government, it is assumed that the total volume of water discharged is equal to the total volume of water withdrawn. Within this scope, for the Romania location, the formula Total Water Consumption = Total Water Withdrawal – Industrial Wastewater Discharge – Domestic Wastewater Discharge has been applied, and the result has been considered to be zero.

## Total Water Withdrawal (m<sup>3</sup>)

**Municipal Water:** The amount of water withdrawn by the Company from municipal service providers.

**Groundwater:** The amount of water withdrawn from subsurface water sources at the facility.

**Rainwater:** The amount of water collected from precipitation at the facility.

Formula:

*Total Water Withdrawal (m<sup>3</sup>) = Municipal water withdrawal (m<sup>3</sup>) + Groundwater withdrawal (m<sup>3</sup>) + Rainwater (m<sup>3</sup>)*

# Abbreviations

- ABR:** Annual Business Review
- ACEA:** European Automobile Manufacturers' Association
- AFAD:** Disaster and Emergency Management Authority
- AGV:** Autonomous Guided Vehicle
- AI:** Artificial Intelligence
- AIMs:** Automotive Inventory Management Systems
- AITOC:** Artificial Intelligence supported Tool Chain in Manufacturing Engineering
- APAK:** Control of Waste Batteries and Accumulators
- APEM:** AI Powered Energy Management
- ARDEB:** Research Support Programs (TÜBİTAK)
- ASCENT:** Advanced Supply Chain Enablement for N-Tier
- AUS:** Smart Mobility Systems
- AVAS:** Acoustic Vehicle Warning System
- AWD:** All Wheel Drive
- BADV:** Business Against Domestic Violence
- BAI:** Business Agility Institute
- BCP:** Business Continuity Plans
- BDS:** Independent Audit Standards (Türkiye)
- BESS:** Battery Energy Storage System
- BEV:** Battery Electric Vehicle
- BIST Sustainability Index:** Borsa İstanbul Sustainability Index
- BIST:** Borsa İstanbul
- Bir-iz:** Bir iz Association for Community Mental Health
- Bloomberg GEI:** Bloomberg Gender-Equality Index
- BMS:** Battery Management System
- BSTB:** Republic of Türkiye Ministry of Industry and Technology
- C-SAT:** Customer Satisfaction
- CAGR:** Compound Annual Growth Rate
- CAPEX:** Capital Expenditures
- CASE:** Council for Advancement and Support of Education Europe Region
- CAV:** Connected Autonomous Vehicles
- CAVE:** Computer Assisted Virtual Environment
- CBAM:** Carbon Border Adjustment Mechanism
- CCTXP:** Certified Customer Experience Professional
- CDO:** Climate Data Operators
- CDP:** Carbon Disclosure Project (formerly)
- CEO:** Chief Executive Officer
- CERV:** Citizens, Equality, Rights and Values
- CFO:** Chief Financial Officer
- CIO and CDO:** Chief Information Officer & Chief Digital Officer
- CMB:** Capital Markets Board
- CO<sub>2</sub>:** Carbon dioxide
- CoT:** Cloud of Things
- CPS:** Cyber-Physical Systems
- CRM:** Critical Raw Materials
- CSA:** Corporate Sustainability Assessment
- CSDDD:** Corporate Sustainability Due Diligence Directive
- CSO:** Chief Strategy Officer
- CX:** Customer Experience
- DBP:** Digital Battery Passport
- DCDC:** Direct Current Converter
- DCM:** Digital Corporate Memory
- DEEP:** Technical Assistance for Assessment of Türkiye's Potential on Transition to Circular Economy
- DEI:** Diversity, Equity and Inclusion
- DFPS:** Digital Ford Production System
- DJSI:** Dow Jones Sustainability Index
- DLP:** Data Loss Prevention
- DOC:** Diesel Oxidation Catalyst
- DPnS:** Digital Platform and Services
- DR:** Disaster Recovery
- DSS:** Dealer Sales System
- DTC:** Diagnostic Trouble Code
- ECE R155:** Cybersecurity Regulation
- ECE:** Economic Commission for Europe
- ECU:** Engine Control Unit
- EDR:** Endpoint Detection and Response
- EES:** Employee Engagement Survey
- ELVD:** End-of-Life Vehicles Directive
- ELVR:** End-of-Life Vehicle Regulation
- EOl:** End of Life
- EOlV:** End-of-Life Vehicle
- EPD:** Environmental Product Declaration
- EPP:** Endpoint Protector
- ERGO/HIS:** Ergonomics and Industrial Hygiene Operating System
- ERM:** Enterprise Risk Management
- ESG:** Environmental, Social and Governance
- ESKİ:** Eskişehir Water and Sewage Administration
- ESRS:** European Sustainability Reporting Standards
- ESS:** Energy Storage System
- ESTÜ:** Eskişehir Technical University
- ETD:** Engineering and Technology Development
- ETS:** Emissions Trading System
- EU GSR:** European Union General Safety Regulations
- EU:** European Union
- Euro NCAP:** The European New Car Assessment Programme
- EV:** Electrical Vehicle
- EMP:** Employee Value Proposition
- EY:** Güney Bağımsız Denetim ve SMMM A.Ş. (Ernst & Young)
- FC:** Fuel Cell
- FCEV:** Fuel Cell Electric Vehicle
- FMA:** Failure Mode Analysis
- FMEA:** Failure Mode and Effects Analysis
- FMS:** Ford Manufacturing System
- FO&US:** Ford Otosan & Used Storage
- FOÇEV:** Ford Otosan Environmental Club
- FOSN:** Ford Otosan Supplier Network
- FRG:** Financial Reporting Council
- FRG:** First Run Capability
- FROTO:** Ford Otosan Stocks
- FTSE4Good:** Financial Times Stock Exchange For Good Index
- GaN:** Gallium Nitride
- GB:** National Standards of the People's Republic of China
- GCC:** Gulf Cooperation Council
- GDEX:** Gas-Diffusion Electrocrystallization
- GDPR:** General Data Protection Regulation
- GHG:** Greenhouse Gas
- GHM:** My Future Dream Centers
- GJ:** Gigajoule
- GRI:** Global Reporting Initiative
- GSR Batch 2:** European Union General Safety Regulation Batch 2
- GWP:** Global Warming Potential
- HAD:** Highly Automated Driving
- HAP:** Hazardous Air Pollutants
- HC:** Headcount
- HCV:** Heavy Commercial Vehicles
- HIL:** Hardware-In-the-Loop
- HR:** Human Resources
- HRD:** Human Resources Department
- HSC:** Health and Safety Committee
- HSM:** Hardware Security Module
- HVO:** Hydrotreated Vegetable Oil
- I-REC:** International Renewable Energy Certificate
- IAA:** International Commercial Vehicles Germany
- IAS:** International Accounting Standard
- IBAT:** Integrated Biodiversity Assessment Tool
- IBC:** Intermediate Bulk Container
- ICA:** International Cooperative Alliance
- ICE:** Internal Combustion Engine
- IDC:** International Data Corporation
- IDM:** Identity Management
- IDPS:** Intrusion Detection and Prevention System
- IEA:** International Energy Agency
- IFRS:** International Financial Reporting Standards
- IIoT:** Industrial Internet of Things
- IIRC:** International Integrated Reporting Council
- ILO:** International Labour Organization
- IoT:** Internet of Things
- IPCC:** Intergovernmental Panel on Climate Change
- IPPC:** Directive on Integrated Pollution Prevention and Control
- IPPC:** Integrated Pollution Prevention and Control Directive

**IR:** Integrated Reporting <IR> Framework  
**IRF:** International Road Federation  
**ISO 14001:** Environmental Management System Standard  
**ISO 26262:** Functional Safety Standard  
**ISO 31000:** Risk Management Standard  
**ISO 50001:** Energy Management System Standard  
**ISO:** Istanbul Chamber of Industry  
**ISPC:** In-Station Process Control  
**ISSDA:** Innovative Solutions for Sustainable Development Association  
**ISU:** Kocaeli Water and Sewage Administration  
**IT:** Information Technologies  
**ITS:** Intelligent Transport Systems  
**IUCN:** International Union for Conservation of Nature  
**IVOTY:** International Van of the Year Award  
**İŞKUR:** Turkish Employment Agency  
**KAGIDER:** Women Entrepreneurs Association of Türkiye  
**KalDer:** Quality Association of Türkiye  
**KPI:** Key Performance Indicators  
**KVKK:** Turkish Personal Data Protection Law  
**kW:** Kilowatt  
**kWh:** Kilowatt-hours  
**LCA:** Life-Cycle Assessment  
**LCV:** Light Commercial Vehicle  
**LIDAR:** Light Detection and Ranging  
**LLS:** Lower Leg Stiffener  
**LTIFR:** Lost Time Injury Frequency Rate  
**LWD:** Lost Work Day  
**LXP:** Learning Experience Platform  
**MBA:** Master of Business Administration  
**MCV:** Medium Commercial Vehicle  
**MEC:** Multi-Access Edge Computing  
**METU:** Middle East Technical University  
**MHEV:** Mild Hybrid Electrical Vehicle  
**ML:** Machine Learning  
**MOTAT:** Mobile Hazardous Waste Transportation  
**MRV:** Monitoring, Reporting, and Verification  
**MSCI:** Morgan Stanley Capital International Index  
**MTG:** Engineering and Technology Development  
**MW:** Megawatt  
**MWAL:** Microwave Assisted Leaching  
**MWh:** Megawatt-hours

**NDP:** Normalization Plan  
**NextETRUCK:** Efficient and Low-Cost Logistics with Next-Generation Zero Emission Electric Trucks  
**NGO:** Non-Governmental Organizations  
**NICE:** Neutral and Inclusive Communication in Corporate Environments  
**NOx:** Nitrogen Oxide  
**NPS:** Net Promoter Score  
**OBC:** On-Board Charger  
**OBM:** On-Board Monitoring  
**ODMD:** Automotive Distributors and Mobility Association  
**OECD:** Organisation for Economic Co-operation and Development  
**OEM:** Original Equipment from Manufacturer  
**OHS:** Occupational Health and Safety  
**OICA:** International Organization of Motor Vehicle Manufacturers  
**OKR:** Objectives and Key Results  
**OSD:** Automotive Manufacturers Association  
**OT-IT:** Operational Technology- Information Technology  
**OTA:** Over-the-air Software Update  
**ÖSGD:** Private Sector Volunteers Association  
**PA:** Polyamide  
**PC:** Passenger Car  
**PC:** Polycarbonate  
**PDA:** Personal Data Assistant  
**PDAI:** Product Development AI  
**PDP:** Public Disclosure Platform (KAP)  
**PERYÖN:** People Management Association of Türkiye  
**PHEV:** Plug-in Hybrid Electrical Vehicle  
**PHSA:** President's Health and Safety Award  
**PM:** Particulate Matter  
**PN:** Particle Number  
**POA:** Public Oversight, Accounting and Auditing Standards Authority  
**PoC:** Proof of Concept  
**POP:** Persistent Organic Pollutants  
**PPAP:** Production Part Approval Process  
**PPE:** Personal Protective Equipment  
**PR:** Public Relations  
**PSS:** Psychosocial Support

**PTO:** Powertrain Operation  
**PV:** Photovoltaic  
**QBR:** Quarterly Business Review  
**QDM:** Quality Document Management System  
**QNPS:** Quality Net Promoter Score  
**QOS:** Quality Operating System  
**QUXP:** Quality Customer Experience Portal  
**R&D:** Research & Development  
**RCP:** Representative Concentration Pathways  
**REE:** Rare Earth Elements  
**RFID:** Radio Frequency Identification  
**RO:** Romania  
**ROA:** Return on Assets  
**ROE:** Return on Equity  
**RPA:** Robotic Process Automation  
**S&P:** Standard & Poor's Index  
**SASB:** Sustainability Accounting Standards Board  
**SBTi:** Science Based Targets initiative  
**SBTN:** Science Based Targets Network  
**SCT:** Special Consumption Tax  
**SDG:** Sustainable Development Goals  
**SDS:** Sustainable Development Scenario  
**SDV:** A Software-Defined Vehicle  
**SER:** Supplier Engagement Rating  
**SIT:** Systematic Inventive Thinking  
**SiC:** Silicon Carbide  
**SM:** Senior Management  
**SMS:** Service Management System  
**SOAR:** Security Orchestration, Automation and Response  
**SOC:** Security Operations Center  
**SoC:** System on a Chip  
**SOx:** Sulfur Oxide  
**SPP:** Solar Power Plant  
**SROI:** Social Return on Investment  
**SSS:** Frequently Asked Questions  
**STEM:** Science, Technology, Engineering, Mathematics  
**SUMS:** Software Update Management System  
**TAİD:** Heavy Commercial Vehicles Association  
**TARA:** Threat Analysis and Risk Assessment  
**TAYSAD:** Automotive Suppliers Association of Türkiye  
**TCFD:** Task Force on Climate-Related Financial Disclosures

**TEV:** Turkish Education Foundation  
**TFRS:** Turkish Financial Reporting Standards  
**Tier-1:** Tier one supplier  
**TLS:** Transport Layer Security  
**TR:** Türkiye  
**TSRS:** Turkish Sustainability Reporting Standards  
**TVM:** Time Value of Money  
**UN WEPs:** UN Women's Empowerment Principles  
**UN:** United Nations  
**UNECE ECE R167:** Direct View Regulation  
**UNECE:** United Nations Economic Commission for Europe  
**UNGC:** United Nations Global Compact  
**USA:** United States of America  
**VHA:** Vehicle Health Alert  
**VKV:** Vehbi Koç Foundation  
**VOC:** Volatile Organic Compound  
**VoC:** Voice of the Customer  
**VSOC:** Vehicle Security Operation Center  
**WBAR:** Waste Batteries and Accumulators Regulation  
**WEF:** World Economic Forum  
**WEPs:** Women's Empowerment Principles  
**WIC:** Workplace Inclusion Champion  
**WRI:** World Resources Institute  
**YGA:** Young Guru Academy  
**YÖK:** Council of Higher Education  
**ZEFES:** Zero Emission Freight EcoSystem  
**ZEV:** Zero Emission Vehicle

# 2025 TSRS Compliant Sustainability Report



# About the Report

This report presents the consolidated sustainability-related financial disclosures of Ford Otomotiv Sanayi A.Ş. (the “Company” or “Ford Otosan”) and its subsidiaries (collectively, the “Group”), prepared in accordance with the Turkish Sustainability Reporting Standards (TSRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (POA). Ford Otosan is a publicly held company incorporated in Türkiye and listed on Borsa Istanbul (BIST). The report covers the financial reporting period of January 1, 2025 – December 31, 2025, and has been prepared in compliance with the TSRS, which was published in the Official Gazette on December 29, 2023, and became applicable for annual reporting periods beginning on or after January 1, 2024.

The TSRS framework references two core sustainability standards and sector-specific implementation guidelines issued by the POA:

- **TSRS 1:** General Provisions for Disclosure of Sustainability-Related Financial Information
- **TSRS 2:** Climate-Related Disclosures
- **Guidance on Sector-Based Implementation of TSRS 2:** Volume 63 – Automobiles

In line with TSRS 1 General Provisions for Disclosure of Sustainability-Related Financial Information and TSRS 2 Climate- Related Disclosures, this report discloses information on climate- related risks and opportunities that may be beneficial for users of general-purpose financial reports when making funding and investment decisions. It focuses on risks and opportunities that could reasonably be expected to affect Ford Otosan’s cash flows, access to finance, or cost of capital over the short, medium, or long term. As outlined in the “Transition Exemptions” section, certain sustainability-related risks and opportunities are not included within the scope of this 2025 TSRS-Compliant Sustainability Report.

Climate-related risks and opportunities that may reasonably affect the Company’s future financial position are discussed in the Strategy and Risk Management sections, which constitute the core content of this report based on their materiality levels. Conversely, climate-related risks and opportunities that fall below Ford Otosan’s defined materiality thresholds and are not expected to impact its financial adequacy are excluded. Financial materiality assessments are based on adjusted EBITDA.

The financial and non-financial information disclosed in this report is designed to be comparable, verifiable, timely, and understandable, and is presented fairly in line with the principles set out in the TSRS.

The data and assumptions used for sustainability- and climate- related financial disclosures are consistent with Turkish Accounting Standards/Turkish Financial Reporting Standards and generally accepted accounting principles, as well as with the data and assumptions applied in the preparation of the Company’s financial statements.

## Connect to Financial Statements

The sustainability- and climate-related disclosures presented in this report pertain to Ford Otosan and should be assessed in conjunction with the Company’s consolidated financial statements. Covering the 12-month period ending on December 31, 2025, this report is aligned with the same reporting period used for the consolidated financial statements.

Relevant financial information referenced in this report can be accessed through [Ford Otosan’s 2025 Consolidated Financial Statements](#). The currency used for all financial disclosures related to sustainability and climate is consistent with that used in the financial statements.

## Assurance

In line with the independent audit requirements of the Public Oversight, Accounting and Auditing Standards Authority (POA), Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (EY) has issued a limited assurance statement in accordance with GDS 3000 “Assurance Engagements Other Than Independent Audits or Limited Independent Audits of Historical Financial Information.” This limited assurance statement is provided in the **Annexes** of the report.

In addition, EY has conducted a limited assurance engagement pursuant to GDS 3410 “Assurance Engagements Regarding Greenhouse Gas Declarations.” The corresponding assurance statement is included on page 236 of the 2025 Ford Otosan Sustainability Report.

## Transition Exemptions

Pursuant to the POA Board Decision no. 01/38488 dated December 25, 2025, the period for the transition exemptions in paragraphs TSRS 1 E4, TSRS 1 E5 and TSRS 1 E6(b) has been extended by one year for companies preparing sustainability reports in accordance with TSRS for the first time in the 2024 reporting period.

Accordingly, Ford Otosan benefits from transition exemptions under TSRS 1 Article E5 and Article E4 in the relevant reporting period.

## Reporting Boundaries and Measurement Approach

Ford Otosan applies the operational control approach to determine its organizational boundaries for reporting greenhouse gas (GHG) emissions. Under this approach, the GHG emissions of subsidiaries over which the Company has operational control are included in the emissions inventory. Details regarding the scope and methodology of all metrics disclosed in Ford Otosan's 2025 TSRS-Compliant Sustainability Report are provided in the Additional Disclosures on Calculating Metrics section.

## About Ford Otosan

Ford Otosan (Ford Otomotiv Sanayi A.Ş.) is a publicly traded company, with Ford Motor Company and Koç Holding each holding a 41%\* stake, and the remaining 18% shares in free float. Founded in 1959, Ford Otosan had, as of 2025, a production capacity of 934,500 vehicles, 430,000 engines, 112,000 rear axles, and 18,500 transmissions. This makes the Company Ford Europe's largest commercial vehicle production hub. Ford Otosan's registered address is: Akpınar Mahallesi, Hasan Basri Cad. No: 2, Sancaktepe, Istanbul.

Since 2004, Ford Otosan has consistently ranked among Türkiye's top three exporters. It has led the automotive industry for 14 consecutive years and has been the national champion in goods exports for 10 years. Operating from five major locations, the Company employs more than 25,000 people.

Ford Otosan is the most valuable automotive company on Borsa Istanbul by market capitalization. With more than 2,000 R&D employees, it operates the largest single-location R&D center in the Turkish automotive industry. The Company also exports engineering services and is responsible for the design, engineering, and manufacturing of Ford Trucks, Ford's sole heavy commercial vehicle brand. Under the Ford Trucks business unit, Ford Otosan appoints international distributors and dealerships, provides services, and supplies spare parts.

Ford Otosan's operations are spread across multiple facilities: The Kocaeli Facility includes the Gölcük Plant, which produces 2-ton vans, and the Yeniköy Plant, which manufactures 1-ton vans. The Eskişehir Facility hosts the Ford Trucks Plant, as well as engine and powertrain production for both trucks and 2-ton vans. The Craiova Plant in Romania produces Puma vehicles, the next-generation Transit Courier, and Ecoboost engines.

The Company's subsidiary, Ford Otosan Netherlands BV, established in the Netherlands, carries out management activities related to the Company's overseas organizational structures. In Türkiye, the Group also operates a spare parts distribution center and an R&D center in Sancaktepe, Istanbul, which also house the sales and marketing units.

Ford Otosan's subsidiaries included in the consolidation, their fields of operation and capital shares are listed below:

\*Ford Deutschland Engineering GmbH: Ford Motor Company is the 100% owner of this company.

## Ford Otosan's Subsidiaries

Trade Name	Field of Operation	Ford Otosan's Share in Capital (%)
<b>Ford Otosan Netherlands BV</b>	Carrying out the overseas organizational structures of the Group and centrally managing the export market structures of Ford Trucks	100
<b>Ford Otosan Romania SRL</b>	Manufacturing, assembly, import and sales of motor vehicles and spare parts	100
<b>Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş. (**)</b>	Research and development, consultancy, engineering and incubation	100
<b>Gembox Teknoloji Girişimleri Anonim Şirketi</b>	Research and development, consultancy, engineering and incubation activities, investing in established companies and startups in these fields	100

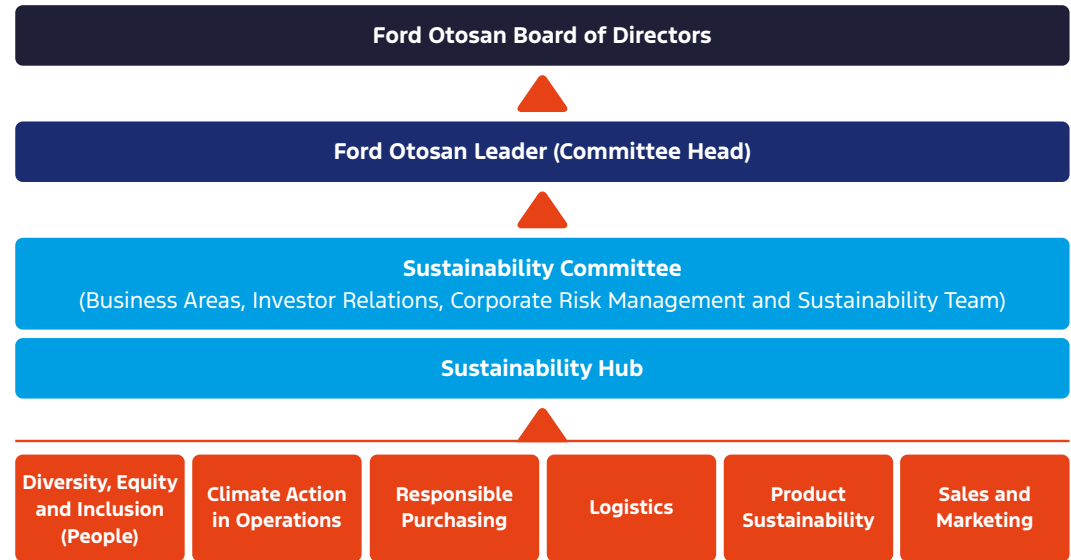
(\*\*) Rakun Mobilite Teknoloji ve Ticaret A.Ş. was renamed Bluepath Robotics Teknoloji Ticaret ve Sanayi A.Ş. on December 11, 2025, and the change was published in the trade registry gazette.

# Governance

Ford Otosan manages sustainability- and climate-related risks and opportunities in a strategic direction by considering the stakeholders’ focus on the topic, industry trends, and stakeholder impact. A framework developed by the General Manager and the Sustainability Committee and approved by the Board of Directors is managed with a holistic approach. Actions for sustainability- and climate-related risks and opportunities are planned and coordinated by the Sustainability Hub and working groups at the operational level in line with stakeholder expectations and the company’s strategies and objectives. The Early Determination and Management of Risk Committee and Audit Committee, under the Board of Directors, review the impact of sustainability- and climate-related risks and opportunities as well as the statements in the TSRS-compliant Sustainability Report and approve them. This system is designed to function in integration with sustainability policies, performance targets, and corporate risk management processes, supporting effective monitoring of climate-related issues.

At Ford Otosan and its subsidiaries, the responsibility for monitoring, managing, and overseeing sustainability- and climate-related risks and opportunities has been delegated to both a dedicated management-level position and a management-level committee to cover all facilities. Ford Otosan manages risks and opportunities in line with the ISO 31000 Risk Management System, aiming to proactively identify, assess, and address potential risks that could impact the Company and its subsidiaries. This approach ensures alignment with corporate strategies and objectives and supports the development of effective risk and crisis management action plans. Sustainability- and climate-related risks are governed under Ford Otosan’s Enterprise Risk Management (ERM) methodology, which outlines the procedures for identifying, measuring, prioritizing, and monitoring key risks.

The sustainability- and climate related risks are tracked by relevant departments under the guidance of the Risk Management Leadership function. Key areas of focus include Climate Change, Product Sustainability, Water Efficiency, Waste Management, Human Rights, Diversity, Equity and Inclusion, Occupational Health and Safety, Responsible Supply Chain, Sustainability in Dealers, Sustainability Regulations and Reporting, cybersecurity risks, natural disaster risks within the scope of business continuity, external environment, and Customer Satisfaction.



## Board of Directors' Role and Responsibilities

At Ford Otosan, the Board of Directors holds the highest level of responsibility for sustainability management. Sustainability policies and strategies are centrally managed across all of Ford Otosan's operations, including its facilities in Türkiye and Romania, as well as all subsidiaries.

In setting the Company's strategy, the Board evaluates climate-related risks and opportunities and takes them into account when making decisions on major transactions. The Board of Directors serves as the ultimate approval body for the actions required to implement the sustainability strategy upon the guidance and reporting of the Corporate Governance Committee, the Audit Committee, and the Early Determination and Management of Risk Committee, advised by the Sustainability Committee.

The Board is briefed at least once a year on sustainability and climate risks and opportunities. The Board also evaluates performance improvements, challenges, and action plans for high-impact risks annually. Potential investments are subject to an integrated decision-making process that considers both financial and environmental impacts, including exposure to climate-related risks and opportunities. In assessing alternatives with comparable financial feasibility, trade-offs arising from climate and environmental impacts are considered as factors guiding investment decisions. The Board also oversees the monitoring of sustainability and climate performance indicators integrated into the remuneration system for senior executives and their alignment with long-term goals.

## Committee Structure and Duties

### Early Determination and Management of Risk Committee

The Early Determination and Management of Risk Committee has been established to proactively identify risks that may threaten the existence, development, or continuity of the Company, and to oversee the implementation of necessary mitigation measures.

The Committee is responsible for anticipating, assessing, calculating impact and probability, managing, and reporting all strategic, operational, financial, sustainability, legal, and other risks that could jeopardize the existence, growth, and continuity of Ford Otosan and its subsidiaries, in accordance with the Company's corporate risk profile. The Committee provides guidance and recommendations to the Board on the implementation of measures to address identified risks, the consideration of risks in decision-making processes, and the establishment and integration of effective internal control systems. The Committee evaluates the risk management system and reporting principles as well as the potential impacts of strategic, operational, financial, external environmental, technology-innovation, sustainability, reputational, and legal compliance risks and opportunities. It also reviews periodic risk reports and advises the Board on measures to be taken regarding situations exceeding boundaries.

The Corporate Risk Management Leadership convenes 6 times a year with senior department managers and leaders to address risks and opportunities, proactively monitors emerging risks, assesses their long-term impact on Ford Otosan, and regularly informs Ford Otosan Leaders and the Risk Committee. Additionally, sustainability regulations and trends are reviewed monthly with the participation of Türkiye and Craiova Business Area Leaders, the Romania Plant Leader, and the regulatory, environmental, and compliance departments.

The Corporate Risk Management Leadership submits reports to the Early Determination and Management of Risk Committee 6 times a year to provide up-to-date information on risks and opportunities. Risks are categorized as "Medium" risks with potentially high impact, "High," and "Extremely High" depending on their level of impact at these meetings and duly presented to the Board of Directors. Committee members possess expertise in sustainability, risk management, environment, and related industries and also seek technical advice from internal and external experts when necessary.

## Sustainability Committee

At Ford Otosan, the Sustainability Committee is the management-level body responsible for developing, implementing, and monitoring the progress of sustainability- and climate-related strategies. This committee and its working groups ensure that sustainability governance covers all Ford Otosan locations. The Committee's outputs are implemented through Sustainability Area Teams, organized by business area and function, and relevant leaders.

The Sustainability Committee is chaired by the General Manager and the Deputy General Manager serves as a reviewer of the Committee's decisions. The Committee consists of: General Manager and Deputy General Manager, Corporate Communications and Sustainability Leader, Product Development Leader, Investor Relations Leader, Supply Chain Leader, Human Resources and Transformation Leader, New Projects and Investments Leader, Finance and Accounting Leader (CFO,) Legal and Compliance Leader, Corporate Risk Management Leader, Government Affairs Coordinator, and Ford Trucks Business Unit Leader and Commercial Vehicles Leader.

The Sustainability Committee's core responsibilities include defining and implementing strategies and policies to enhance ESG performance; providing strategic guidance, sharing expertise, and promoting best practices across business units; monitoring progress against sustainability goals and action plans outlined in the corporate strategy; and systematically planning and executing activities in ESG areas. The Sustainability Committee is further responsible for overseeing the management of risks that may impact Ford Otosan's reputation or operations and reviewing environmental, climate, social, supply chain risks, sustainability strategy and roadmap in light of evolving global developments and sectoral trends. The Committee also evaluates proposals submitted by working groups on various sustainability matters. The Committee determines strategies and policies to eliminate or mitigate impacts of climate-related risks and opportunities, and to accurately assess the impacts of opportunities.

Convening regularly throughout the year, the Committee reviews the goals of sustainability teams and assesses environmental, social, and governance performance, medium, high, and extremely high risks and opportunities with potentially high impact related to climate change, evaluates regulatory developments and planned strategic investments, and updates required actions. Progress toward targets, development areas, and climate-related risks and opportunities categorized as "Medium" level with high potential impact, "High," and "Extremely High" are reported to the Board of Directors through the Early Determination and Management of Risk Committee, and necessary investment approvals are secured.

In evaluating strategic investments, the Committee bases its decisions on specific criteria. The Committee assesses the potential return, risks, costs, and strategic alignment of projects and also considers key factors such as sustainability and climate impacts. Members of the Sustainability Committee bring diverse experience and expertise in areas such as sustainability and climate regulations, strategic planning, target setting, risk management, and reporting.

More information on the members' expertise is provided in the "**Senior Management's Role and Involvement in Decision-Making Processes**" section.

## Sustainability Hub and Working Groups

Operating under the guidance of the Sustainability Committee, the Sustainability Hub oversees the development of annual business plans and investments by working groups to implement the sustainability strategy approved by the Board of Directors.

The Sustainability Hub facilitates the evaluation of project proposals aligned with the goals, as well as high-impact and high-probability sustainability risks and opportunities, and presents them to the Sustainability Committee.

The Sustainability Hub supports the systematic development and implementation of policies in social, environmental, economic, and governance areas. Furthermore, the Sustainability Hub leads the Sustainability Area Teams, which guide the relevant working groups, integrating targets and activities aligned with the company's sustainability strategy into their work plans and performance indicators.

The Sustainability Hub contributes its industry and regulatory expertise to the assessment of climate-related risks and opportunities. This process is coordinated and led by the Corporate Risk Management team. The role of the Sustainability Hub is to advise the relevant working groups and support the process with its technical opinions. The Corporate Risk Management Leadership regularly assesses all risks identified across the company and presents "Medium" risks with a high potential impact level, "High", or "Extremely High" to the Early Determination and Management of Risk Committee. The Sustainability Hub contributes to these assessments by providing up-to-date impact-probability analyses and technical feedback on climate and sustainability risks. Risk monitoring, periodic assessments with the teams, and consolidation of risks to be presented to the Committee are carried out by the Corporate Risk Management Leadership. The Sustainability Hub presents its risk mitigation efforts and plans, and/or the changing impact and probability of risk, to the Early Determination and Management of Risk Committee through Corporate Risk Leadership throughout the year.

### Working Groups

The working groups that play a role in determining annual business plans and investments under the guidance of the Sustainability Committee are: Logistics, Responsible Sourcing, Climate Action in Operations, Community Investment, Diversity, Equity and Inclusion, Product Sustainability, and Sales-Marketing. Throughout the year, the working groups monitor their progress toward the strategy at weekly meetings led by the Sustainability Hub.

## Senior Management's Role and Involvement in the Process

All sustainability-related matters are the responsibility of the Sustainability Committee, which is chaired by the General Manager. The Ford Otosan Deputy General Manager acts as a reviewer for the decisions made by the sustainability committee.

**General Manager's** sustainability-related responsibilities include:

- Reporting the Committee's progress toward targets and development areas to the Board of Directors, implementing investments approved by the Board.
- Evaluating and managing climate and water-related risks and opportunities.
- Communicating evolving global sustainability trends to the Board of Directors.
- Establishing long-term sustainability targets and securing Board approval.
- Collaborating with the Early Determination and Management of Risk Committee to review identified risks, performance improvement areas, and challenges on an annual basis, and obtaining Board approval for the required actions.
- Comparing the current state of sustainability initiatives with the overarching Company strategy and updating the strategy as needed.
- Appointing appropriate leaders to each working group.
- Determining investment and financing needs for projects and initiatives aimed at enhancing sustainability performance and presenting them to the Board of Directors.
- Overseeing the corporate water strategy, which encompasses all company operations and supply chain activities.
- Allocating the necessary human resource, technological investments, and financial resources to ensure the efficient use of natural resources.

As the Chair of the Sustainability Committee, the **General Manager** possesses extensive knowledge of sustainability strategies, risks, and regulations, a Harvard Business School education, and seven years of relevant experience.

**The Deputy General Manager**, a Committee member for four years, received general sustainability training through the Ford Global Executive Leadership (GEL) program. Together, General Manager and Deputy General Manager are responsible for overseeing the corporate water and carbon strategies, covering both operations and supply chain activities across Ford Otosan and its subsidiaries, assessing and managing climate- and water-related risks and opportunities, reviewing risks, performance progress, and challenges annually with the Early Determination and Management of Risk Committee, and securing Board approval for relevant actions.

**Corporate Communications and Sustainability Leader** brings 16 years of experience in sustainability and climate regulations, strategy, target setting, risk, and reporting. Reporting to the General Manager and the Board of Directors, she monitors progress toward targets and audit processes. Her responsibilities also include developing the company's sustainability strategy and plans, strengthening the sustainability team structure, improving business processes, and ensuring compliance with sustainability regulations.

**Product Development Leader** has served on the Committee since assuming his position in 2023. He is responsible for the lifecycle sustainability of Ford Otosan products and for developing climate-friendly innovations and targets.

**Commercial Vehicles Leader**, an eleven-year Committee member, is responsible for investments in low-carbon technologies aimed at decarbonizing operations. He collaborates with the Chief New Projects and Investments Officer to lead actions that mitigate and prevent the impacts of climate change within production.

**New Projects and Investments Leader** is responsible for leading actions and assessing opportunities related to mitigating and preventing the impacts of climate change in production and new investments.

**Supply Chain Leader**, a Committee member for six years, oversees the transformation of the supply chain to reduce carbon emissions and is tasked with measuring and categorizing suppliers' sustainability performance.

**Human Resources and Transformation Leader**, with 19 years of experience in Diversity, Equity, and Inclusion (DEI) and Occupational Health and Safety (OHS), is responsible for monitoring and advancing DEI and OHS programs and targets across the Company. Additionally, he leads the analysis of low-carbon scenarios for operational and supply chain activities, develops associated roadmaps, and tracks the progress of Ford Otosan and its subsidiaries toward 2050 net-zero emissions target.

The company organizes sustainability- and climate-related trainings, advancing employees' knowledge and skills on these topics. Both new and current leaders receive training four times a year on various topics: the conceptual framework of sustainability, the United Nations Sustainable Development Goals, mandatory and voluntary sustainability reporting standards such as GRI, TSRS, SASB and CSRD, global sustainability indices, global initiatives such as UN WEPS, UNGC, SBTi, Ford Otosan's corporate sustainability management, double materiality assessment, Ford Otosan's value chain, long-term sustainability targets, investments and projects as part of the sustainability strategy, and sustainability risks and opportunities. In 2025, the ESG training programs, previously offered only for critical suppliers, were expanded to include all domestic suppliers. The suppliers received comprehensive training on topics such as EU Carbon Border Adjustment Mechanism (CBAM) calculation, introduction to the Ministry of Trade's Responsible Program, emission calculation methods, TSRS reporting requirements, human rights, code of ethics, and compliance. The trainings were delivered by both internal and external experts. Additionally, suppliers shared their expertise in interactive sessions.

## Remuneration and Incentive Schemes

In line with its operating principles, the Remuneration Committee is responsible for determining and overseeing remuneration recommendations for Board members and senior executives, taking into account Ford Otosan's long-term objectives. The Committee determines the remuneration criteria, which are tied to the performance of the Company and the Executive Committee members. The Committee establishes remuneration criteria tied to both Company and individual performance and submits its recommendations to the Board of Directors to the extent these criteria have been met. The Committee convenes as often as required to fulfill its responsibilities.

In 2025, the Remuneration Committee focused on defining remuneration policies for Board members and senior executives that align with the Company's long-term goals and sustainable growth strategy, developing performance-based remuneration systems, and conducting all remuneration activities in accordance with the principles of transparency and fairness.

At Ford Otosan, the remuneration system for the Board members and senior executives is determined according to the Remuneration Policy for the Board of Directors and Executive Management. In this context, the fixed remuneration to be paid to Board members for their functions as members of the Board of Directors is determined annually by the General Assembly and disclosed to the public. On the other hand, the salaries of the senior executives consist of two components: fixed and performance based. The fixed salaries of senior management are determined in alignment with international standards and legal obligations by considering the macroeconomic conditions, prevailing market practices, the company's scale and long-term targets, and the respective positions of the individuals.

Following its "Future. Now" sustainability strategy and long-term climate targets, implemented in line with its corporate strategy, Ford Otosan has integrated climate-related issues into its senior management performance appraisal system. The remuneration system, regulated under the "**Remuneration Policy for the Board of Directors and Executive Management**" includes fixed and performance-based components.

The performance-based bonus comprises two components: company performance and individual performance. Employees in the Sustainability Working Group, including Ford Otosan Leader and senior executives, are evaluated based on key performance indicators (KPIs) determined in accordance with sustainability policies and strategies. In 2025, the share of sustainability indicators included in the individual performance criteria of Senior Management increased by 19 points compared to the previous year, reaching a maximum of 44%. Of this total, up to 12% relates to climate change-related indicators, which remained unchanged compared to the previous year, and efforts in this area are ongoing. The percentage allocations used within the remuneration mechanism are intended to reflect the relative weighting of different target areas within managers' overall target sets. Accordingly, the percentage assigned to climate-related targets within the remuneration mechanism represents the proportion of these targets within the performance evaluation framework; however, the direct financial impact on remuneration cannot be separately quantified.

The year-end bonuses and pay raises for all employees are determined by considering these performance indicators. Performance appraisals are conducted based on business results and the methods applied to achieve them. Employees subject to disciplinary action are reviewed, and those affected may not be considered in the promotion and career progression processes for a year.

In 2025, the following climate-related criteria were incorporated into senior management's performance scorecards: circular economy practices, compliance with sustainability regulations, occupational health and safety targets, waste reduction, reviewing the sustainability roadmap, customer satisfaction, vehicle quality, actions for diversity, equity and inclusion goals, talent management, actions for employee engagement, and employee volunteering. In addition to climate-related metrics, other performance evaluation criteria included review of the carbon roadmap, energy efficiency, water use, wastewater projects, digitalization in operational processes, electric vehicle launches, and digital ESG data management.

# RISK MANAGEMENT

## Risk Management Approach

Ford Otosan addresses all its risks within an integrated corporate risk management system in line with its corporate strategies and long-term goals, incorporating sustainability- and climate-related issues into this system. This integration enables the Company to consider potential impacts related to climate and sustainability in investment planning, target setting, and strategic decision-making processes. Risk management processes are aligned with the ISO 31000 Risk Management System and cover all operations of Ford Otosan and its subsidiaries.

The Company aims to prevent business disruption, meet stakeholder expectations, and create long-term value by assessing risks and opportunities. Risk-related activities, including the identification, evaluation, and tracking of strategic, operational, financial, compliance, reputational, technological, and external risks, are carried out by the Corporate Risk Management Leadership, which reports directly to the Finance Platform Area Leadership and presents its findings to the Early Determination and Management of Risk Committee. Risk management processes have largely remained the same as the previous reporting period.

All risk assessments across the company utilize both quantitative and qualitative inputs. Within this framework, risks are systematically identified, root cause and impact analyses are conducted, controls are defined, and mitigation actions are planned. Each risk is assessed based on its impact and probability, using a 5x5 Impact and Probability Matrix, with the impact evaluated via the Impact Level Measurement Table. Scenario analyses support the assessment of the short-, medium-, and long-term impacts of key climate-related risks and opportunities on the company's operations and supply chain.

## Identifying Risks and Opportunities

At Ford Otosan, risks and opportunities are identified with a holistic approach, addressing sustainability, strategic, operational, legal compliance, technology-innovation, reputation, external environment, and financial risk management aspects. Business units define risks in accordance with the Company's corporate risk management system. Sustainability Management Leadership provides support in incorporating global trends and regulatory changes into sustainability risks and opportunities.

The inputs used in identifying risks and opportunities are defined, quantified, and categorized by the Company in accordance with the International Sustainability Standards Board (ISSB) framework, which also includes the TCFD approach, and the Turkish Sustainability Reporting Standards (TSRS) published by the Public Oversight Authority.



The process is supported by stakeholder analyses, impact assessments, external trends, and industry benchmarks in light of global developments, international standards, stakeholder expectations, and the business and future strategies of the main shareholders, Ford Motor Company and Koç Holding. Physical and transition risks related to each location are evaluated with data obtained from scenario analyses.

This framework also includes assessing the impact of material environmental, social, and governance topics on operations from a financial materiality perspective. Financial impacts are analyzed using the Strategy Assessments and Financial Analyses of Ford Otosan, Ford Motor Company, and Koç Holding, along with insights from management, investors, and shareholders. Sustainability and climate-related risks and opportunities are reviewed and added to the corporate risk inventory, taking into account international and local standards such as the Guidance on Sector-Based Implementation of TSRS 2, Volume 63 – Automobiles, the MSCI ESG Materiality Map, S&P Sustainability Index Criteria, and the World Economic Forum (WEF) Global Risk Report, as well as the views of internal and external stakeholders. Additionally, opinions obtained through external stakeholder workshops, supplier sustainability committee meetings, and interactions with automotive industry associations are regularly integrated into the assessment process.

At Ford Otosan, scenario analyses are performed to support the identification and assessment of climate-related risks and opportunities. The outcomes of scenarios addressing various carbon regulations, market transformations, and physical climate impacts are used to update risk inventories, review impact-probability scores, and long-term strategic planning.

Scenario analysis results provide direction, particularly in prioritizing transition and physical risks and identifying opportunities with high potential.

## Assessing Risks and Opportunities

A standardized 5x5 Impact and Probability Matrix is used to assess risks and opportunities across the organization. This assessment approach is aligned with the ISO 31000 framework and provides a common methodology for both sustainability and all other risks. The risk management system also addresses long-term and emerging risks. Within this framework, risks are systematically identified, root cause and impact analyses are conducted, controls are defined, and mitigation actions are planned. Each risk is assessed based on its impact and probability, using a 5x5 Impact and Probability Matrix, with the impact evaluated via the Impact Level Measurement Table. Opportunities are identified in connection with the Company's risk assessments. Those that exceed the defined financial threshold are reported to the Early Determination and Management of Risk Committee. Risks and opportunities falling under the scope of the TSRS are determined using the same methodology.

As part of its Enterprise Risk Management (ERM) system, Ford Otosan systematically identifies sustainability- and climate-related risks, conducts root cause and impact analyses, defines relevant controls, and implements mitigation actions based on their assessed impact and probability.

Risk assessment involves the classification and prioritization of analyzed risks. Each risk is ranked by process owners using the Impact Level Measurement Table, which evaluates the severity of both pre-action and post-action scenarios.

### Impact Scale

Impact levels are scored on a scale of 1 to 5, reflecting the potential magnitude of a risk event, and consider both financial impact and the definitions below:

- **1 – Insignificant:** No injuries; short-term, non-permanent environmental impact.
- **2 – Minor:** Short-term environmental impact and/or operational disruption lasting a few days.
- **3 – Moderate:** Individual injuries and/or production or sales loss of less than one week.
- **4 – Major:** One fatality or multiple injuries, long-term environmental impact, and/or production/sales loss of up to one week.
- **5 – Catastrophic:** Multiple fatalities, long-term environmental impact, and total production or sales interruption for more than one week.

These classifications are defined in the Impact Level Measurement Table. Sustainability-related risks have been assessed in detail based on their potential financial magnitude, and their impacts have been quantified. Financial materiality assessments are based on adjusted EBITDA.

## Probability Scale

Probability levels are also rated on a scale from 1 to 5, indicating the likelihood of occurrence:

- **1 – Rare**
- **2 – Unlikely**
- **3 – Possible**
- **4 – Likely**
- **5 – Almost Certain**

These probability scores follow the definitions outlined in the Probability Level Measurement Table.

## Risk Values

The overall risk value is calculated by multiplying the impact and probability scores, with results categorized as follows:

- **1–3:** Low
- **4–6:** Moderate
- **8–12:** High
- **15–25:** Extreme

## Opportunity Evaluation

Opportunities are defined as:

- Benefits of mitigation actions (e.g., increased customer or employee satisfaction, cost savings, enhanced company value, or greater environmental and social contributions).
- Positive effects of mitigation efforts on other processes.
- Opportunities emerging from newly identified threats or new business development efforts

### Impact and Probability Table

		Impact (Etki)					
		Insignificant 1 (Önemsiz 1)	Impact Minor 2 (Etki Küçük 2)	Moderate 3 (Orta 3)	Major 4 (Major 4)	Catastrophic 5 (Feci 5)	
Possibility (Olasılık)	<b>Almost Certain (Neredeyse Kesin) 5</b>	M	H	E	E	E	
	<b>Likely (Olmaları Muhtemel) 4</b>	M	H	H	E	E	<b>E: Extreme Risk (Aşırı Yüksek Risk)</b>
	<b>Possible (Olabilir) 3</b>	L	M	H	H	E	<b>H: High Risk (Yüksek Risk)</b>
	<b>Unlikely (Muhtemel Olmayan) 2</b>	L	M	M	H	H	<b>M: Moderate Risk (Orta Risk)</b>
	<b>Rare (Neredeyse İmkansız) 1</b>	L	L	L	M	M	<b>L: Low Risk (Düşük Risk)</b>

### Prioritizing Risks and Opportunities

At Ford Otosan, the materiality of risks and opportunities is determined according to the results of impact and probability assessments using a standard methodology. The process considers the scale of the risk score, financial and other impacts that may occur if the risk materializes, regulatory compliance requirements, and potential impact on stakeholder expectations. All sustainability- and climate-related regulatory non-compliance risks - regardless of their impact - are presented to the Committee for necessary action.

Opportunities are presented to the Early Determination and Management of Risk Committee annually, after assessing their potential benefit to the company.

### Materiality Approach

Once the risk score is determined, risks are classified into four levels:

Low and medium-level risks are monitored by the designated process (risk) owner, who also evaluates potential opportunities for risk improvement.

For high, extremely high, and medium-level risks with potentially high impact, the process owners submit their action plans to the Early Determination and Management of Risk Committee 6 times a year. The company's opportunities related to material risks are also identified, and those exceeding the financial threshold are reported to the Early Determination and Management of Risk Committee.

### Materiality Results and Integration

In 2025, sustainability and climate risks were identified across the Türkiye and Romania locations in collaboration with departments. The main categories of these risks include talent loss, climate change mitigation, environment, occupational health and safety, supply chain, external environment, technology/innovation, legal compliance, diversity and inclusion, employee rights, and employee satisfaction. These risks were assessed throughout the year during departmental review meetings using a 5x5 impact-probability scale. A total of 22 risks were categorized as High or Extremely High or Medium-level with high potential impact and were reported to the Early Determination and Management of Risk Committee. Among these, 3 climate-related risks with financial impacts exceeding the defined threshold were identified, along with 3 related opportunities.

The progress on mitigation actions for Extremely High and High risks is addressed in Committee meetings, and critical deviations are reported to senior management. Similarly, highly material opportunities are closely monitored by business units and the sustainability team and incorporated into project plans.

## Monitoring and Reporting

At Ford Otosan, risks and opportunities are monitored through regular reporting mechanisms, business unit review meetings involving senior management, key performance indicators (KPIs), and oversight at the senior management-committee level. The objective of monitoring is to assess the evolution of risks over time, identify emerging risks, and track the effectiveness of action plans.

The meetings are held 6 times a year under the coordination of the Corporate Risk Management Leadership with risk managers, relevant Senior Management representatives, and the sustainability unit to monitor and manage climate risks and opportunities identified across all Ford Otosan locations and subsidiaries.

Climate change and sustainability risks are regularly monitored and evaluated as part of the company's enterprise risk management system. The Early Determination and Management of Risk Committee reviews latest developments regarding sustainability and climate risks and opportunities six times a year and submits recommendations to the Board of Directors. This committee assesses climate change, sustainability, operational, financial, strategic, regulatory, and external risks and opportunities with potentially high impact, classified as medium-level, high, and extremely high, 6 times a year. Opportunities are presented to the Early Determination and Management of Risk Committee once a year.

**Assessing risk impact and frequency:** The Company also evaluates the potential impacts and frequency of sustainability- and climate-related risks and opportunities on the environment, society, and the economy through departmental risk and opportunity review meetings. These meetings, held throughout the year, are conducted with senior department managers and risk officers under the coordination of the Risk Management Leadership.



# Strategy

## Climate-Related Risks and Opportunities

At Ford Otosan, sustainability- and climate-related risks and opportunities are managed with a value-creation approach, considering different areas of impact. Risks and opportunities are integrated into the corporate risk management system and decision-making mechanisms are guided by a sustainability-focused approach with support from investor relations, risk management, finance, and all related functions.

The scenario analyses used in climate-related risk assessments identify climate-related risks and opportunities that could reasonably affect the company's future financial adequacy. In 2025, risks related to water stress and supply chain compliance with regulations were assessed in parallel with the previous reporting period. However, the Carbon Pricing Mechanism risk from 2024 was evaluated more broadly as a risk related to National and International Carbon Pricing Mechanisms. In light of these analyses, climate-related opportunities were assessed and actions were taken. Following this framework, Ford Otosan is transforming its operations and assets to increase its resilience to the impacts of climate change and to manage the identified climate risks and opportunities.

## Timeframes

Ford Otosan aligned its strategic timeframes with those of its main shareholders in 2024, defining short-term as 0-5 years, medium-term as 5-10 years, and long-term as 10-15 years. The company classifies all climate-related risks and opportunities based on these timeframes and develops its strategic plans accordingly.

Maturity	Time Period
Short-term	0-5 years
Medium-term	5-10 years
Long-term	10-15 years



## Climate-Related Risks

Risk 1: Policy and Legal Risk – National and International Carbon Pricing Mechanisms	
Risk Type	Transition Risk
Risk Description	Policy and Legal Risk - National and International Carbon Pricing Mechanisms
Risk Term	Medium, Long
Risk Probability	Possible
Risk Level	High
Impact Type	Anticipated
Risk Occurring in Country/Region	Türkiye (Kocaeli and Eskişehir Plants), Craiova Plant, Spare Parts Warehouses (Germany, Poland)
Impacted Value Chain	Upstream - Shipments
Anticipated Financial Impact	Increase in Operating Costs
Risk Description (Detail)	Changes in national and international carbon pricing mechanisms, the introduction of new regulations, and the expansion of existing systems pose transition risks for the Company. Increased carbon prices, reduced free allowances, and expanded sectoral obligations under CBAM, the EU Emissions Trading System (ETS), and potential future national carbon pricing mechanisms could lead to increased operational costs and compliance obligations.
Impact on Cash Flow, Access to Financing and Capital Cost	<p>The financial impact of transitioning to Carbon Pricing Mechanisms, with potential policy and legal risks due to climate change in the future, cannot be quantified because of calculation uncertainties related to probability, timing, and impact.</p> <p>Transition scenario analyses indicate that cost pressure will remain limited in the short term but that operational risks related to reporting accuracy will come to the forefront. It is anticipated that the emissions arising from the shipment of vehicle parts to the Craiova Plant and the Spare Parts Warehouses in Poland and Germany will remain below the emission thresholds permitted under the CBAM regulation and will not have an impact on the financial statements. Developments related to national and international carbon pricing mechanisms are being closely monitored; however, due to uncertainties regarding scope and pricing, the financial impact has not yet been quantified. This assessment is consistent with scenario assumptions where free allocations continue gradually and carbon prices remain relatively low.</p> <p>However, in the medium and long term, the financial impact is expected to increase if the regulatory framework expands, free allocations are reduced or eliminated, and carbon prices rise. Transition scenario analyses suggest that if allocation schemes tighten and carbon pricing levels rise, production and purchasing costs would increase in the medium and long term due to carbon pricing mechanisms. CBAM and the EU Emissions Trading System are expected to affect the Craiova Plant and the Spare Parts Warehouses in Germany and Poland, while national carbon pricing mechanisms are expected to affect the locations in Türkiye.</p> <p>This risk would not require adjustments to the amounts of assets and liabilities in the financial statements to be carried over to the next financial reporting period.</p> <p>To comply with the CO<sub>2</sub> Emission Performance Standards for Heavy Duty Vehicles, VECTO (Vehicle Energy Consumption Calculation Tool), as addressed by the regulation, is used. In the previous TSRS-compliant sustainability report, stated that the regulation has the potential to directly affect the Company's export operations, product development strategies, and supply chain management, and a provision for the related financial risk was recognized in the 2025 Financial Statements. Following the actions implemented and homologation approvals obtained in the first quarter of 2026, the regulation is not expected to have a significant impact on the financial statements in the short and medium term.</p>

**Risk 1: Policy and Legal Risk – National and International Carbon Pricing Mechanisms**

<p>Ford Otosan’s Mitigation Actions</p>	<p>As of 2025, sustainability metrics have been incorporated into sourcing and supplier management processes. Accordingly, greenhouse gas emission management, reporting capability, and climate targets are considered in supplier selection and evaluation. Ford Otosan works with third-party consultants to support suppliers’ compliance with CBAM and increases awareness by providing CBAM training for suppliers.</p> <p>In 2025, as part of the Supplier Sustainability Assessment and Development Program, the Company started systematically monitoring suppliers’ emission calculations, and SBTi target setting through verification-based and globally recognized surveys and audits, aiming to improve the quality of data received from Tier-1 suppliers.</p> <p>In line with the emission reduction targets verified by the Science-Based Targets Initiative (SBTi) for 2025, Ford Otosan follows a net-zero roadmap and implements emission reduction projects within the company. With the AI-Powered Energy Management Project (APEM), we aim to achieve significant improvements in carbon emissions from energy consumption in our operations.</p> <p>In line with our vision of digitalization in energy management, we launched the Mega AI Project, a pilot application in the paint shop area of the Yeniköy Plant, and deployed AI-based energy forecasting and monitoring systems in 2025. The investment for the MEGA AI project in 2025 amounted to approximately TL 23,000,000. This system aims to manage emissions from energy consumption more effectively and to increase the visibility of future improvement potential.</p> <p>Work is ongoing for temporary exports of steel support materials from the Ford Otosan Craiova Plant, and a tracking mechanism to monitor material movements in temporary exports was deployed in March 2026. Regulatory reporting will not be required for steel support materials.</p>
<p>Impact on Strategy and Decision-Making Processes</p>	<p>As of 2025, sustainability metrics have been incorporated into supplier selection criteria in purchasing processes. Suppliers failing to meet these metrics are monitored by requesting action. In energy-consuming equipment purchases for the facilities, emission and potential carbon tax comparisons have been integrated into the procurement systems, with future plans to add this to the selection criteria.</p>

**Risk 2: Chronic Physical Risk – Water Stress**

<p>Risk Type</p>	<p>Physical Risk</p>
<p>Risk Description</p>	<p>Chronic Physical Risk - Water Stress</p>
<p>Risk Term</p>	<p>Short, Medium, Long</p>
<p>Risk Probability</p>	<p>Possible</p>
<p>Risk Level</p>	<p>Moderate - High</p>
<p>Impact Type</p>	<p>Anticipated</p>
<p>Risk Occurring in Country/Region</p>	<p>Türkiye, Romania</p>
<p>Impacted Value Chain</p>	<p>Direct Operations -- Production; Upstream - Supplier's Production</p>
<p>Anticipated Financial Impact</p>	<p>Reduction in Production Capacity and Revenue Loss</p>
<p>Risk Description (Detail)</p>	<p>Hydrological modeling studies conducted using regional climate projections show that changes in water potential and flow regime may occur in the basins where Ford Otosan facilities are located during the 2025-2040 period. The analyses reveal that changes in water potential differ according to the facilities and scenarios.</p> <p>Although there is a possibility of a limited increase in the short term in the basin supplying water to the Eskişehir plant, a negative downward trend is projected in the long term after 2030. In Kocaeli, an increase is predicted in the short term, while a limited and relatively balanced decrease is predicted in the medium and long term. In Sancaktepe, a significant decrease is predicted in the medium term, while the presence of both increases and decreases depending on the scenario in the long term widens the uncertainty range.</p> <p>In Craiova, a strong downward trend in water potential is particularly noticeable in the long term. Overall, it is predicted that climate signals are reflected more quickly in the streamflow regime in the Kocaeli and Sancaktepe facilities, while the changes are progressing more gradually in the Eskişehir and Craiova settlements, but will have a greater impact in the long term.</p> <p>A water risk analysis was conducted by evaluating the water potential calculated from the hydrological modeling outputs obtained specifically for the basins where the Ford Otosan facilities are located, together with the current and projected water use, production projections, and population projections for the relevant districts.</p>

### Risk 2: Chronic Physical Risk – Water Stress

Impact on Cash Flow, Access to Financing and Capital Cost	<p>The financial impact of potential chronic physical water stress risks due to climate change in the future cannot be quantified because of calculation uncertainties related to probability, timing, and impact. The short and medium-term financial impact of the risk has been analyzed in detail. A financial impact is anticipated to stem from the risk of reduced production capacity and disruption of supply shipments due to water stress in the regions where the Company and its suppliers operate.</p> <p>Planned water projects are anticipated to have a lower financial impact in the long term compared to short and medium-term impact</p>
Ford Otosan's Mitigation Actions	<p>As of 2025, Ford Otosan has moved to the implementation and dissemination phase of its water recovery and alternative water source initiatives to increase its operational resilience to water stress and reduce clean water consumption.</p> <p>Water recovery projects based on reverse osmosis (RO), ultrafiltration (UF), membrane bioreactor (MBR), and advanced treatment technologies have been implemented at the Gölcük, Yeniköy, and Eskişehir facilities; enabling the reuse of cooling tower blowdown water, domestic and industrial wastewater, and recovered water.</p> <p>While water recycling applications continue in cooling towers at the Yeniköy and Gölcük facilities, investments are planned for the installation of a greywater recovery system at the Yeniköy Plant.</p> <p>At the Eskişehir Plant, technical preparations have advanced for the Wastewater Recovery Project, which aims to reuse industrial and domestic wastewater by treating it through ultrafiltration, MBR, and reverse osmosis. For the sustainable management of groundwater resources, the remote monitoring of well water level, commissioned in 2024, was actively used in 2025 to digitally monitor water supply.</p> <p>At the Kocaeli locations, wastewater recovery systems established in cooperation with ISU were installed in 2025. The facilities will be fully commissioned in 2026. The objective of these investments is to reduce clean water withdrawal through recovery and treatment.</p> <p>At the Craiova facility in Romania, water recovery systems were used effectively in 2025 by monitoring water recovery and economic contribution.</p> <p>All these practices are aligned with Ford Otosan's goal of reducing clean water usage per vehicle by 40% by 2030 compared to the 2019 baseline. Water withdrawal, water recovery and water efficiency indicators are regularly monitored and reported. Water risk is considered a definitive factor in investment and capacity planning. Water-related risks and actions are monitored at the Sustainability Committee level.</p> <p>For an in-depth study of the short-, medium-, and long-term effects of water risk with financial impact exceeding the threshold value in more detail, a hydrological modeling-based water scenario analysis was conducted specifically for Ford Otosan locations in 2025. According to the results of this hydrological modeling-based water scenario analysis, changes in water potential differ between locations and timeframes. In the short term, a limited increase is predicted for Kocaeli sites, while a decreasing trend is anticipated for Craiova and Eskişehir. In the medium term, the downward trend becomes more pronounced across all locations. In the long term, the most significant risk emerges in Craiova, where a strong decrease in water potential is expected according to the high emission scenario. The scenario analysis was conducted with a holistic methodological approach by considering hydrological modeling applications conducted at the basin scale along with climate change projections.</p>
Impact on Strategy and Decision-Making Processes	<p>The priority of capacity increases at the plants in Türkiye and new investments may change.</p> <p>The Sustainability Committee oversees all relevant activities.</p> <p><b>Comparison with 2024:</b> The 2024 TSRS-Compliant Sustainability Report stated that feasibility studies were ongoing for a new wastewater recovery plant in Eskişehir, and that the project was planned to be started in 2025. The project was commissioned in 2025 and continues to be monitored.</p>

### Risk 3: Reputation and Market Risk – Liability Due to Non-Compliance with Regulations

Risk Type	Transition Risk
Risk Description	Reputation and Market Risk - Liability Due to Non-Compliance with Regulations (EU Battery Regulation, EU Deforestation Legislation, EU Corporate Sustainability Due Diligence Directive)
Risk Term	Short, Medium, Long
Risk Probability	Possible

**Risk 3: Reputation and Market Risk – Liability Due to Non-Compliance with Regulations**

Risk Level	Moderate - High
Impact Type	Anticipated
Risk Occurring in Country/Region	Türkiye, Romania and Spare Parts Warehouses (Germany, Poland)
Impacted Value Chain	Downstream - International Distribution; Upstream - Shipment
Anticipated Financial Impact	Revenue and Reputation Loss Due to Supply Disruption
Risk Description (Detail)	<p>Compliance with sustainability regulations (EU Battery Regulation, EU Deforestation Legislation, EU Corporate Sustainability Due Diligence Directive) encompassing the new supply chain is crucial. For suppliers within this scope, there is a risk that due diligence analysis from an environmental and human rights perspective will not be conducted, and the data required for product declarations will not be collected.</p> <p>For products within the scope of deforestation regulations, by 2025, these products may potentially not be cleared at the customs because of failure to submit the necessary documentation at every border crossing and failure to obtain the relevant declaration from the supplier, which will negatively impact production.</p> <p>This risk includes the possibility of halting production at the Ford Otosan Craiova Plant and imposition of punitive measures on spare parts warehouses in Germany and Poland. Parts that cannot be reported under deforestation regulations could not be cleared from customs, leading to disruptions in production and delivery plans and consequently sales losses.</p> <p>Within the framework of sustainability and supply chain due diligence regulations for batteries and battery raw materials enacted by the EU, the scope of the EU Battery Regulation has evolved from product-based audits to a comprehensive accountability approach covering the entire lifecycle and extending to downstream suppliers. This may lead to Ford Otosan's failure to identify, prevent, or collect necessary data for batteries and battery components used in electric and hybrid vehicles in a timely and adequate manner regarding environmental and social risks, including human rights, along the supply chain. The company may be exposed to risks impacting its operational and financial performance due to restrictions or disruptions in supplying products to the EU market, as well as administrative sanctions, supply chain disruptions, and higher compliance costs.</p>
Impact on Cash Flow, Access to Financing and Capital Cost	<p>Due to uncertainties in calculating the probability, timing, and impact of the potential future climate change-related transition risk of liability arising from non-compliance with regulations, the financial impact of the risk cannot be quantified with sufficient reliability. The potential consequences of non-compliance with the EU Battery Regulation, the EU Deforestation Regulation, and the Corporate Sustainability Due Diligence Directive include anticipated impacts such as administrative fines resulting from failure to meet regulatory requirements and the inability of products to pass customs at the EU border, resulting in disruptions in spare parts shipments, production disruptions, financial losses, as well as reputational and brand damage.</p> <p>Under EU Deforestation Legislation, if a declaration stating that the product was produced without causing deforestation is not provided, the products will not be able to cleared from customs, causing Ford Otosan Craiova Plant risks like production halts and penalties.</p> <p>It is assumed that failure to achieve full compliance due to supplier-related constraints within the scope of the EU Battery Regulation and the Corporate Sustainability Due Diligence Directive may adversely affect exports to the EU. Within the scope of compliance with the EU Battery Regulation, it is expected that due diligence requirements are fulfilled across the entire value chain for all products placed on the EU market. Following the postponement, the absence of designated verification bodies and the lack of published guidance documents give rise to uncertainties in assessing the potential financial impact. Under EU Deforestation Legislation, if a declaration stating that the product was produced without causing deforestation is not provided, the products will not be able to cleared from customs, causing Ford Otosan Craiova Plant risks like production halts and penalties.</p> <p>Suppliers' failure to achieve full compliance with the EU Battery Regulation and the EU Duty of Care Directive may negatively impact exports to the EU. Under the EU Battery Regulation, all products sold to the EU are required to meet duty of care throughout the supply chain.</p> <p>Due to the postponement, the absence of verifying bodies, and the lack of published guidance documents, uncertainties exist in calculating the financial impact. Quantitative estimates of the potential impacts of the risk on cash flow, access to financing, and cost of capital cannot be based on robust, comparable, and verifiable assumptions at this stage. Quantitative scenarios developed in the early stages may not accurately reflect the direction and mechanism of the risk. For these reasons, instead of producing quantitative results in scenario analyses, a qualitative approach has been adopted to evaluate the direction, relative severity, and potential impact mechanisms of the risk on the company under different speeds and scopes of regulatory transition. As the regulatory framework becomes clearer and verified supply chain data becomes more available, the scope of quantitative analyses may be expanded in the future.</p>

**Risk 3: Reputation and Market Risk – Liability Due to Non-Compliance with Regulations**

<p>Ford Otosan's Mitigation Actions</p>	<p>A strategic focus is managing these risks in the supply chain through supplier sustainability development and audits. The Supplier Sustainability Committee, established in 2024 within the company, oversees all relevant activities. In 2025, the Committee's activities continued with a structured governance approach in each quarter. These activities are supported by sustainability webinars, trainings and briefings for local suppliers.</p> <p><b>Under EU Deforestation Legislation</b>, a declaration must be submitted documenting that the product was produced without causing deforestation. Failure to provide this declaration poses the risk of halting production at the Ford Otosan Craiova Plant because the products will not be cleared through customs and penalties may be imposed. Penalties may also be imposed for the spare parts warehouses in Germany and Poland. Since parts supply for products not reported for deforestation will be held up at customs, the cost of production for vehicle models planned for short and medium-term supply and resulting lost sales are factored in. Suppliers subject to the regulation have been identified, and information is collected from suppliers to confirm that their production processes do not cause deforestation. Training has been organized for local suppliers, and efforts are underway to gather information from suppliers for the Ford Otosan Craiova Plant.</p> <p>In 2024, a human rights due diligence assessment was conducted, including workers across the supply chain. The Company updates its Supplier Code of Conduct and assesses suppliers' sustainability performance on business ethics and human rights through surveys. In 2025, surveys were conducted with 271 suppliers, and on-site audits were carried out for 24 suppliers evaluated by an independent third party in line with ESG criteria. Within the scope of the Ford Otosan Supplier Sustainability Committee, training and awareness activities were conducted for suppliers, with a total of 4,336 person-hours of training delivered in 2025. The Committee also organizes supplier trainings and shares Ford Otosan's best practices. In addition, survey-based assessments are conducted and on-site business ethics audits are performed for selected suppliers. Following the postponement, the Company will be subject to the Corporate Sustainability Due Diligence Directive as of 2029.</p> <p><b>Work is ongoing to align with the EU Battery Regulation.</b> A governance model has been established within the company to monitor Battery Regulation requirements, and efforts are underway to revise existing policies to meet the expectations of this regulation.</p> <p>As the Company continues to prepare for carbon footprint calculations and declarations specified in the Battery Regulation, an LCA was conducted for the battery of the Ford E-Transit, the first all-electric van produced in Türkiye. This assessment identified hot spots at the cell, module, and pack levels that impact battery carbon footprint.</p> <p>Starting from 2025, battery suppliers are required to submit a commitment to regulatory compliance regarding the sourcing of critical minerals, along with supporting documentation and a due diligence report. Under the Ford Otosan Conflict Minerals Policy and the Ford Otosan Supplier Code of Conduct, our suppliers are expected to comply with these requirements. These provisions form an integral part of all our supplier agreements. The suppliers' environmental, social, and governance (ESG) performance, their responsible supply chain management and responsible raw material sourcing practices are evaluated through surveys.</p> <p>With the EU Battery Regulation coming into full effect in 2027, Ford Otosan continues to prepare the system and process infrastructure for compliance.</p>
<p>Impact on Strategy and Decision-Making Processes</p>	<p>Suppliers' sustainability development and monitoring have become a strategic focus. A Supplier Sustainability Committee has been established as part of the governance framework.</p> <p>The Sustainability Committee oversees all relevant activities.</p>

## Climate-related Opportunities

### Opportunity 1: Energy Source – Using Renewable Energy Sources

Opportunity Description	Energy Source - Using Renewable Energy Sources
Opportunity Term	Short, Medium
Opportunity's Probability	Very Likely
Opportunity Level	Medium - High
Impact Type	Realized
Opportunity Arising in Region/Country	Türkiye and Romania
Impacted Value Chain	Direct Operations - Production
Anticipated Financial Impact	Market Advantage and Decrease in Costs
Opportunity Description (Detail)	As one of the actions taken to achieve the SBTi-approved net zero target by 2050, renewable energy investments (rooftop solar, photovoltaic wall, ground-mounted solar) are expected to reduce exposure to the pricing or taxation of carbon-based fuels (such as coal and natural gas), lower costs, and enable access to green loans and funds. Under this opportunity, renewable energy investments are also aimed at gaining a competitive advantage in the market.
Impact on Cash Flow, Access to Financing and Capital Cost	In the short and medium term, the financial impact of future climate change technology transition opportunities cannot be quantified due to uncertainties in calculating their probability, timing, and impacts. In the short term, financial advantages are anticipated from exemptions from future pricing and taxation for non-renewable resource consumption. In the medium term, increased access to new financing sources and positive reputational impacts could bring financial advantages, as they support our near-term SBTi target.
Ford Otosan's Actions	<p>As a focus of its "Future. Now" sustainability strategy, Ford Otosan has prioritized renewable energy investments in its short and medium-term plans. The Sustainability Committee oversees all relevant activities. To increase consumption of own-generated energy at the facilities, innovative applications such as rooftop and land-based solar power plants (SPPs) are developed and implemented.</p> <p>At the Yeniköy Plant, a photovoltaic glass wall with a capacity of 83 kWe, a first in Türkiye and in the Ford world, has been commissioned. Additionally, a rooftop solar power plant with an installed capacity of 2897 kWe began to meet facility's energy needs from renewable sources.</p> <p>In 2025, the earnings from electricity generation through solar power projects amounted to TL 51,132,224.</p> <p>In line with renewable energy targets, land-based solar power projects launched in 2024 are slated for completion by the end of 2028. Investments are managed with a cost-effectiveness approach manner, taking market conditions into account.</p> <p>The rooftop solar power project launched at the Sancaktepe R&amp;D Center in 2025 is expected to be completed and commissioned by 2026, aiming to reduce equity electricity consumption by 7%. As of February 2026, our total installed solar power capacity has reached 16.1 MWe.</p> <p>These investments support Ford Otosan's targets of reducing its Scope 1 and Scope 2 greenhouse gas emissions by 77% by 2034, including its locations in Türkiye and Romania, compared to the 2017 baseline, and reaching net-zero emissions across its entire value chain by 2050. Scope 1, Scope 2, and Scope 3 emissions, along with renewable energy generation capacity metrics, are monitored and reported as part of this target.</p> <p>The SPP investments in 2025 amounted to TL 120,000,000.</p> <p>Resources are allocated from equity for these risks and opportunities, with the exception of low-carbon technology studies specifically for the products. Low-carbon product development projects are supported by EU funds such as Horizon 2020 and Horizon Europe, as well as foundation, academic, and similar grants.</p>

### Opportunity 1: Energy Source – Using Renewable Energy Sources

Impact on Strategy and Decision-Making Processes	<p>As a key focus of the sustainability strategy, using renewable energy sources has become a material topic in investment plans. The Sustainability Committee oversees all relevant activities.</p> <p><b>Comparison with 2024:</b> The 2024 TSRS-compliant Sustainability Report stated: The Hasandede and Çiçektepe solar power plant projects in Afyonkarahisar, with a total installed capacity of 6.1 MW, are planned to be commissioned in 2025. The Aydıncık-1 and Aydıncık-2 projects in Kütahya, with a total installed capacity of 5.9 MW, totaling 22 MWh, are projected to be commissioned in 2026. The Hasandede and Çiçektepe SPPs were commissioned in 2025, while Aydıncık SPPs are expected to be commissioned in 2026. The amount paid for solar power plant investments in 2024 was 260,000,000 TL.</p>
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### Opportunity 2: Resource Efficiency – Reduction in Water Use and Consumption

Opportunity Description	Resource Efficiency - Reduction in Water Use and Consumption
Opportunity Term	Short, Medium
Opportunity's Probability	Very Likely
Opportunity Level	Moderate - High
Impact Type	Anticipated
Opportunity Arising in Region/Country	Türkiye (Marmara Basin and Sakarya Basin)
Impacted Value Chain	Direct Operations - Production; Upstream - Supplier's Production
Anticipated Financial Impact	Operating Cost Reduction and Resource Efficiency
Opportunity Description (Detail)	The Company aims to reduce water dependency in operations through efficiency initiatives. The opportunity involves effective management of water stress risk and reduction in direct costs.
Impact on Cash Flow, Access to Financing and Capital Cost	For the short and medium term, the financial impact of climate change adaptation opportunities stemming from reducing future water use and consumption cannot be quantified due to uncertainties in calculating the probability, timing, and impacts. The short-term goal is to meet water targets, gain reputation, and facilitate easier access to financing. In the medium term, investments in water recovery and efficiency projects could reduce dependence on water resources and deliver cost advantages.
Ford Otosan's Actions	<p>Ford Otosan has prioritized water efficiency in its investment plans as a focus of its "Future. Now" sustainability strategy. The Sustainability Committee oversees all relevant activities. To align with the Ford EU Global Water Ambition and the Koç Group Water Stewardship Strategy, the Company aims to reduce freshwater consumption per vehicle by 40% by 2030 through water recovery projects at the Gölcük, Yeniköy, and Eskisehir Plants. Metrics for water withdrawal and water recovery are monitored and reported within this target.</p> <p>Wastewater treatment systems were launched at the Gölcük and Yeniköy plants in 2024, recycling domestic and chemical wastewater, backwash water, and cooling tower blowdown water for use in production. Greywater treatment systems at the Yeniköy plant are likely to exceed this target.</p> <p>As part of the wastewater treatment plant renovation at the Eskisehir facility, feasibility studies are underway for an investment that will deliver 40% water recovery. Water is reused in closed-circuit cooling towers, and water usage is optimized with detailed water mapping projects covering water consumption points across all facilities.</p> <p>In Kocaeli, the wastewater treatment systems established in cooperation with ISU (Kocaeli Water and Sewage Administration) were completed in 2025, with plans to commission the facilities in 2026. Through these investments, the water used in production will be sourced from treated water, reducing clean water consumption. It is anticipated that progress will be achieved toward the target of reducing freshwater consumption per vehicle by 40% by 2030, and that these investments will also reduce costs associated with water consumption.</p>
Impact on Strategy and Decision-Making Processes	As a key focus of the sustainability strategy, reducing water use and consumption has become a priority in investment plans. The Sustainability Committee oversees all relevant activities.

### Opportunity 3: Markets – Stronger Competitiveness in Exports to Europe by Reducing Supply Chain Emissions

Opportunity Description	Markets - Stronger Competitiveness in Exports to Europe by Reducing Supply Chain Emissions
Opportunity Term	Short, Medium
Opportunity's Probability	Very Likely
Opportunity Level	Moderate - High
Impact Type	Anticipated
Opportunity Arising in Region/Country	Türkiye and Romania
Impacted Value Chain	Upstream - Raw Material, Supplier's Production, Shipment
Anticipated Financial Impact	Increased Revenue Due to Access to New Markets
Opportunity Description (Detail)	Compliance with new sustainability regulations across the supply chain is crucial. Ford Otosan, through its strong supplier relationships, encourages its suppliers to improve their sustainability performance through training and audits before new regulations take effect, and designs incentives by understanding their needs.
Impact on Cash Flow, Access to Financing and Capital Cost	In the short and medium term, the financial impact of strong engagements with the supply chain as part of adaptation to future climate change cannot be quantified due to uncertainties in calculating their probability, timing, and impacts. The opportunity could facilitate the realization of strategic objectives, strengthen market position, and increase revenues through access to new markets. In the short term, the potential cost of supplier changes could be mitigated through regulatory compliance advantages. In the medium term, Ford Otosan plans to align with its 2035 supply chain target and access financing.
Ford Otosan's Actions	<p>Ensuring suppliers' sustainability development and audit has become a strategic focus. The Sustainability Committee oversees all relevant activities. To mitigate the risk associated with the sustainability transformation of the supply chain, a Supplier Sustainability Committee was established with our critical suppliers in 2023, and 6-month, 1-year, and 2-year roadmaps were defined.</p> <p>The Committee continues to provide supplier training (ethics and talent management, environmental best practices, LCAs, supply chain management in financing, Science-Based Targets, and digital solutions for energy efficiency) and conducts annual sustainability performance measurement surveys for critical suppliers (production and logistics suppliers). Sustainability metrics were added to the supplier selection criteria in 2025.</p> <p>According to the terms and conditions of the agreements, Ford Otosan reserves the right to terminate suppliers who fail to meet regulatory requirements and all Ford Otosan policies and expectations. However, our priority is to work in collaboration with our suppliers, support their development, and strengthen their compliance processes.</p> <p>The sustainability performance of suppliers, the development areas in the Human Rights Due Diligence study, and the actions taken are monitored and reported to leverage this opportunity. The suppliers are expected to hold Management System certification.</p> <p>Emissions of 25 suppliers were verified under ISO 14064 or GHG standards. As a result of evaluations conducted to strengthen sustainability performance, we currently work with 66 suppliers and 2 logistics providers with SBTi (Science Based Targets initiative) verified greenhouse gas reduction targets.</p>
Impact on Strategy and Decision-Making Processes	<p>Ensuring suppliers' sustainability development and audit has become a strategic focus. A Supplier Sustainability Committee has been established within the governance framework. Ford Otosan Sustainability Committee oversees all relevant activities.</p> <p><b>Comparison with 2024:</b> The 2024 TSRS-Compliant Sustainability Report stated: "The Supplier Sustainability Committee plans to continue providing supplier training and conduct surveys."</p> <p>In 2025, the Committee continued its activities regularly in each quarter. SAQ surveys were conducted in global standards. Sustainability metrics were incorporated into supplier selection criteria. Training sessions (CBAM, TSRS, carbon accounting, solar power generation, water scenario analysis, etc.) were provided.</p>

## Business Model and Value Chain

The Business Model and Value Chain, assessed as “High” and “Extremely High” within a 5x5 matrix, address climate-related risks and opportunities in line with the sustainability strategy approved by the Board of Directors. These are reviewed regularly throughout the year by the Sustainability Committee. The assessments inform annual business planning, investment decisions, and project prioritization, thereby strengthening the resilience of the business model against climate-related risks. In the long term, chronic water stress and drought, potential non-compliance with carbon pricing mechanisms across the supply chain, and obligations arising from the European Union’s Corporate Sustainability Due Diligence Directive, Deforestation Regulation, and Battery Regulation stand out as priority risk areas throughout the value chain. While these risks may lead to increased costs and disruptions in production and supply processes, improving energy and resource efficiency, reducing carbon emissions, enhancing supplier compliance, and securing a sustainability-driven competitive advantage are identified as key opportunity areas. Ford Otosan aims to support sustainable growth across its value chain and further strengthen the resilience of its business model to climate change through a product portfolio focused on zero-emission vehicles and electric mobility solutions.

The impacts of climate-related risks and opportunities identified in 2024 on the business model and value chain remain valid in 2025, and the related processes and priorities are maintained in alignment with the previous reporting period.

## Strategy and Decision-Making

In line with its “Future. Now” sustainability vision, Ford Otosan develops strategies to strengthen resilience, adapt to, and manage the impacts of climate change. The company systematically integrates sustainability-related risks and opportunities into its strategy and decision-making processes, setting short-, medium-, and long-term targets in areas such as carbon transition, waste management, circular economy, and water management to enhance resilience against climate-related risks. Identified sustainability-related risks and opportunities are regularly evaluated by the Sustainability Committee, and these evaluations inform annual business planning and investment prioritization, with corresponding actions taken accordingly. Policies developed in areas such as climate change, environmental impacts, and supply chain resilience are implemented by relevant functions and embedded into business processes. Sustainability-related risks and opportunities are reviewed on an annual basis, and the existing strategy is updated in response to emerging risks. Sustainability targets are integrated into the corporate strategy across short-, medium-, and long-term horizons, with the aim of achieving sustainable transformation across the entire value chain through projects supported by collaboration and innovation.

Processes for integrating climate-related risks and opportunities into strategy and decision-making continued in 2025 in line with the previous reporting period, with no structural changes in these processes.

## Climate Transition Plan

Ford Otosan’s climate transition plan is built on greenhouse gas emission reduction commitments validated by SBTi, the EU regulatory framework (CBAM, Battery Regulation, Deforestation Regulation), and IEA WEO 2025 scenarios. The plan includes a target to reduce Scope 1 and Scope 2 emissions by 77% by 2034 compared to the 2017 baseline, and to achieve net-zero emissions across the entire value chain by 2050. Identified climate-related risks and opportunities directly inform the priorities of the transition plan. Renewable energy investments, the shift to electric vehicle production, and the sustainability transformation of the supply chain constitute its core components. The targets and investment priorities defined within the plan are regularly reviewed by the Sustainability Committee and integrated into annual business planning processes.

## Resource Allocation and Investment Priorities

Ford Otosan aligns financial and operational resource allocation with strategic planning and investment decisions to support the transformation defined under its climate transition plan. In this context, climate-related targets and the associated roadmap are addressed within the framework of capital expenditures, operating expenses, and supply chain practices. Identified climate-related risks and opportunities directly inform the Company’s strategic priorities and decision-making processes. The Company’s SBTi-validated net-zero roadmap and climate transition plan serve as key inputs in shaping investment decisions, the product portfolio, and supply chain policies.

To support energy transition and emission reduction targets, resources are allocated to renewable energy investments, energy efficiency initiatives, and digital energy management solutions. Solar power plant investments commissioned in Türkiye and at the Craiova plant, along with energy efficiency projects implemented across facilities in Türkiye and Romania, are among the key initiatives undertaken within this scope. Accordingly, a total capital allocation of TL 168,380,650 was made for renewable energy, digital energy management, and water-focused investments in the 2025 reporting period. These investments aim to reduce operational energy costs, lower greenhouse gas emission intensity, and strengthen long-term operational resilience.

**Trade-offs:** As part of its transition to zero-emission vehicle production, Ford Otosan is investing in battery technologies and electric mobility solutions. While this transition supports the long-term reduction of Scope 3 emissions from product use, it may also increase reliance on critical minerals (such as lithium and nickel) and elevate supply chain compliance risks in the short to medium term.

## Climate Resilience

Ford Otosan has comprehensively updated its scenario analyses in 2025 to assess its resilience against climate change-related physical and transition risks. Through these efforts, all operations in both Türkiye and Romania have been included within the scope of the analysis.

With this update, scenario analyses extend beyond risk identification and serve as a key decision-support tool, informing product and supply chain strategies, investment priorities (CAPEX), R&D focus areas, and long-term financial planning processes.

### Transition Risks Scenario Analysis

#### Applied Scenarios and Resources

For its climate-related scenario analysis, the Company used the following scenarios from the World Energy Outlook (WEO) 2025 published by the International Energy Agency (IEA):

- Current Policies Scenario (CPS)
- Stated Policies Scenario (STEPS)
- Net Zero Emissions by 2050 (NZE)

These scenarios incorporate different assumptions regarding climate policies and regulatory frameworks and are used to assess climate transition risks. The NZE scenario, developed by the IEA, represents a global energy transition pathway consistent with the 1.5°C target of the Paris Agreement. This scenario provides a transition perspective that is broadly aligned with the 1.5°C-aligned scenario families defined by the IPCC.

In the analysis of transition risks, assumptions related to policy and market dynamics are directly derived from the WEO 2025 scenarios. For regulatory and reputational risks, the macro trends outlined in WEO 2025 are used as underlying assumptions.

#### Scope and Objective of Scenario Analysis

A scenario analysis was conducted to enable Ford Otosan to assess how transition risks above the materiality threshold may evolve under different future conditions, to estimate their potential impacts, and to develop strategies to strengthen long-term resilience. In this context, multiple scenarios reflecting different transition pathways, policy stringency, and market responses were used. The scenarios applied to each risk category were designed to incorporate varying assumptions, taking into account the scope, pace of implementation, and market implications of the relevant regulations. As a result of the analysis, the potential quantitative (financial) and qualitative (operational, strategic, and reputational) impacts of the risks to which Ford Otosan may be exposed are identified.

The analysis was significantly updated in 2025, with a specific focus on transition risks relevant to Ford Otosan.

#### Timeframes

The timeframes used in the scenario analysis are defined in line with the Company's strategic planning periods:

**Short term (1-5 years):** 2025–2030

**Medium term (5-10 years):** 2030–2035

**Long term (10-15 years):** 2035–2040

These timeframes enable the assessment of transition risks across different periods.

#### Key Assumptions

The key assumptions used in the scenario analysis are defined as follows:

**Climate policies:** Assumptions related to the EU Carbon Border Adjustment Mechanism (CBAM), carbon pricing mechanisms, sector-specific regulations, and low-emission transport policies

**Macroeconomic assumptions:** GDP growth, population growth, and global demand trends (held constant across scenarios)

**Energy and technology assumptions:** Assumptions related to electrification, battery costs, energy prices, and alternative fuel technologies and the analysis includes the impact of changes in oil prices on demand for internal combustion engine vehicles, as well as the potential effects of changes in electricity prices on EV sales.

**Market transition:** Assumptions related to the share of electric vehicles in global sales and demand for vehicle technologies and scenario-based simulations were conducted to assess the pace at which declining electric vehicle prices may shift consumer preferences from internal combustion engine vehicles to electric vehicles.

These assumptions were determined based on the information and scenario inputs available as of the reporting date. The scenarios are used to support risk prioritization and site-level compliance planning for the relevant risks.

## Physical Climate and Water Risks Scenario Analysis

### Applied Scenarios and Resources

In the climate scenario analysis, the Representative Concentration Pathways (RCPs) defined by the Intergovernmental Panel on Climate Change (IPCC) were used. The following scenarios were applied:

- **RCP4.5:** Scenario representing moderate emission reductions
- **RCP8.5:** Scenario representing high emission increases

Climate projections for locations in Türkiye were derived from the outputs of the MPI-ESM-MR<sup>1</sup> global climate model and the RegCM4.3<sup>2</sup> regional climate model, developed within the scope of the Impact of Climate Change on Water Resources Project (İklimSu)<sup>3</sup>. For the Craiova facility in Romania, climate projections provided by the Copernicus Climate Change Service (C3S)<sup>4</sup> were used.

The regional climate projection data for locations in Türkiye were subject to bias correction. For the Craiova location, bias-corrected climate projection data were obtained. Comparability across locations was ensured by applying consistent timeframes and scenarios across all sites.

### Scenario Analysis Scope and Objective

The scenario analysis covers Ford Otosan's Eskişehir, Yeniköy-Gölcük (Kocaeli), and Sancaktepe (Istanbul) locations in Türkiye, as well as the Craiova facility in Romania. It aims to assess physical climate hazards and water-related risks at both the site and basin levels for each facility.

The objective of the analysis is to identify acute (sudden) and chronic (long-term) physical climate hazards that may arise due to climate change - including heat waves, cold waves, heavy precipitation, strong winds, wildfires, sea level rise, hydrological drought, and changes in water availability - across different timeframes, and to evaluate their potential impacts on the Company's operations, dealer network, and supply chain.

In this context, physical climate and water-related risks are assessed in an integrated manner, and the concentration of risks across specific sites and time periods is analyzed.

### Timeframes

The timeframes used in the scenario analysis are defined in line with the Company's strategic planning and reporting periods:

<sup>1</sup>MPI-ESM-MR: Max Planck Institute Earth Systems Model (MPI-ESM-MR).

<sup>2</sup>RegCM4: Regional Climate Model Version 4.

<sup>3</sup>İklimSu" ClimateWater Project: Regional climate projections from the project completed by the General Directorate of Water Management under the Turkish Ministry of Agriculture and Forestry.

**Short term (1-5 years):** 2025–2030

**Medium term (5-10 years):** 2030–2035

**Long term (10-15 years):** 2035–2040

These timeframes are defined based on relative changes and trends rather than absolute values, in line with climate projection practices.

### Methodological Approach and Key Assumptions

Physical climate and water-related risks are assessed by jointly considering hazard, exposure, and vulnerability components. The vulnerability component comprises sensitivity and adaptive capacity.

In the assessment of water-related risks, the HBV-Light<sup>5</sup> hydrological model was used to simulate water availability for the baseline period (2000–2024). Changes in water availability for the 2025–2040 period were then analyzed under the RCP4.5 and RCP8.5 scenarios. Hydrological modeling was conducted at the basin level for the locations of the facilities, and changes in flow regimes were evaluated in terms of both volume and seasonal distribution and timing.

For physical climate hazards (heat and cold waves, heavy precipitation, strong winds, wildfires, and hydrological drought), extreme climate indices derived from regional climate projections were used. In addition, sea level rise risk for coastal facilities was assessed using regional sea level projections<sup>4</sup>. All indicators were normalized to establish a comparable risk assessment framework across sites.

The results of the analysis are presented through risk heat maps illustrating changes in risk levels over time and across scenarios, as well as site-specific risk panels.

The risk scores obtained were classified into five categories: **"Very Low," "Low," "Medium," "High,"** and **"Very High."** These scores were calculated using an integrated risk assessment framework that considers the hazard component, reflecting the severity of each climate hazard, together with exposure and vulnerability components, which capture the operational characteristics of each site. Within this framework, risk levels are used to prioritize site-level adaptation planning for the relevant climate hazards.

<sup>4</sup>Copernicus Climate Change Service (C3S): Open-access and scientifically validated climate model outputs from the Copernicus Climate Change Service.

<sup>5</sup>HBV-Light: A version of the Swedish Meteorological and Hydrological Institute's (SMHI) HBV rainfall-runoff model developed by Seibert & Vis (2012). This physical-based conceptual model performs runoff simulations using daily total rainfall, daily average temperature, and potential evaporation data.

## Scenario Analysis Findings and Assessments by Facilities

**Yeniköy Plant:** Yeniköy is the most critical facility, where a High/Very High overall risk level is consistently observed across scenarios and timeframes. In the current period, total risk is assessed as High and increases to Very High in most projections. This risk profile is not driven by a single factor but results from the combined impact of physical climate hazards and water-related risks. In the breakdown of physical risks, heavy precipitation and strong winds are the primary drivers. Over time, the relative impact of heat waves increases, wildfires become more prominent, and the influence of cold waves declines. Although sea level rise is included in the analysis, it is not among the main drivers shaping the overall risk profile. On the water risk side, the moderate risk level observed in the current period shifts significantly to High in future timeframes, contributing to a persistently elevated overall risk level.

**Eskişehir Plant:** The Eskişehir facility currently exhibits a low-risk profile in the short term. However, risk levels are expected to increase to a moderate level in the medium and long term, particularly under the high-emission scenario (RCP 8.5). Overall risk shows a transition from low to moderate levels.

In the physical risk breakdown, heavy precipitation is a key contributing factor. As timeframes progress, the relative importance of wildfire risk and the contribution of heat waves increase, while the impact of cold waves declines.

On the water risk side, although its contribution is limited in the current period, it becomes more pronounced in the long term, with an increasing share in the overall risk profile. This trend is supported by the projected decline in water availability.

**Gölcük Plant:** The Gölcük Plant maintains a High risk level across most timeframes. Under the high-emission scenario (RCP 8.5), risk levels reach Very High in the medium and long term. Both physical climate hazards and water-related risks contribute to the overall risk profile.

In the physical risk breakdown, heavy precipitation is the most significant hazard, followed by strong winds. The relative contribution of heat waves is expected to increase over time. Although sea level rise is included in the analysis, its contribution to the overall physical risk profile remains limited.

In terms of water-related risks, the current moderate level is projected to increase to High under the RCP 8.5 scenario, resulting in an overall risk profile that remains at High/Very High levels.

**Sancaktepe (Istanbul) Plant:** The Sancaktepe Plant, a non-production site, is assessed as having a Very Low/Low risk profile across the portfolio. Currently, overall risk is at a Very Low level, and projections indicate that it will remain Low across most timeframes.

While water-related risks remain at Very Low/Low levels for most periods, they are projected to increase to a moderate level during the 2030–2035 period under the RCP4.5 scenario.

In the physical risk breakdown, heavy precipitation and strong winds are the main hazards. The contribution of wildfire risk is expected to increase over time. However, the overall physical risk level is expected to remain Low. Accordingly, maintaining the current low-risk profile through continued early warning systems and basic protective measures supporting business continuity is considered an appropriate approach for Sancaktepe.

**Craiova Plant:** The risk profile for the Craiova facility presents a differentiated outlook across hazard types. Currently, overall risk is assessed as High. In the medium term, risk levels are projected to decrease to Moderate; however, under the high-emission scenario (RCP 8.5), risk increases to Very High in the long term.

The physical risk component reflects a relatively balanced distribution. Over time, the impact of cold waves is expected to decrease, while the influence of wildfires, strong winds, and heat waves increases.

A key factor for Craiova is the significant increase in water-related risk in the long term, particularly under the high-emission scenario. This pronounced escalation positions water risk as a critical driver of the overall risk profile. Accordingly, while physical risk management remains important in the short term, water security planning, the evaluation of alternative water sources, and investments in water efficiency are expected to become priority areas in the medium and long term.

# Metrics and Targets

Ford Otosan monitors the impact of environmental risks and opportunities, particularly those related to climate change, on its business model, operations, and value chain through measurable indicators, and systematically tracks performance against defined targets.

The Company assesses the sustainability performance of its Tier-1 suppliers and logistics providers within the scope of CBAM risk assessment. As part of water stress risk assessments, it monitors water withdrawal and water recovery, and evaluates the sustainability performance of all critical suppliers through surveys and audits to mitigate the risk of non-compliance with supply chain-focused sustainability regulations. It also tracks improvement areas and corresponding actions.

Ford Otosan and its subsidiaries aim to further integrate greenhouse gas emissions from their operations into decision-making processes when evaluating new investments, while continuing their transition toward net-zero emissions across operations, as well as products and services. In line with its “Future. Now” sustainability vision and its commitment to limiting global warming to 1.5°C, as set out in the Paris Agreement, the Company became a signatory to the Science Based Targets initiative (SBTi) in 2022 and received validation for its short- and long-term greenhouse gas emission reduction targets in 2025. These targets cover operations in Türkiye and Romania.

In line with these targets, the Company has implemented action plans in priority areas such as water management, waste reduction, energy efficiency, and carbon footprint reduction. Efforts to achieve net-zero emissions in production facilities are ongoing, alongside the continued transition to renewable energy sources.

Ford Otosan is subject to Volume 63 – Automobiles under the Sector-Based Implementation Guidelines of the TSRS, and monitors Scope 1, Scope 2, and Scope 3 greenhouse gas emissions as key cross-sectoral climate metrics. In addition, metrics such as the number of vehicles produced and sold, fleet fuel economy, and use-phase emissions, as well as indicators used to manage climate-related risks and opportunities, are considered sector-specific metrics in line with the guidelines.

The Company publicly discloses these metrics in accordance with GRI and TSRS standards. GRI-aligned metrics are presented in the Annexes and Performance Indicators sections of the 2025 Sustainability Report. The definitions, formulas, and reporting boundaries of climate-related metrics are detailed in the “[Additional Disclosures on Calculating Metrics](#)” section of the Annexes. No significant changes were made to the methodologies used in calculating these metrics during the reporting period.

## Target Setting

Ford Otosan’s science-based greenhouse gas emission reduction targets are based on a sectoral decarbonization approach. The targets follow the SBTi Land Transportation Guidance, updated in March 2024, which requires automotive manufacturers to align their Scope 3 Category 11 (Use of Products Sold) emissions, typically the largest source, with the 1.5°C target. The guidance also calls for the phase-out of internal combustion engine (ICE) vehicles by 2035 in major markets, including the EU, China, US, Canada, UK, South Korea, Japan, and Australia, and globally by 2040. Ford Otosan’s greenhouse gas emission reduction targets are aligned with global decarbonization efforts and take into account laws and regulations promoted by the European Commission, which mandates that all new passenger and light commercial vehicles registered in Europe be zero-emission by 2035.

The Company’s emission reduction targets cover carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O), along with all seven greenhouse gases defined under the Greenhouse Gas Protocol Corporate Standard. Progress toward these targets is monitored through performance indicators such as Scope 1, Scope 2, and Scope 3 emissions, as well as emissions per vehicle produced and energy consumption.

## Climate-related Targets

Ford Otosan is advancing its climate action efforts by setting short-, medium-, and long-term targets. These targets focus on reducing environmental impacts across operations and the value chain, primarily through greenhouse gas emission reductions, water management, and energy efficiency. They are established in line with internationally recognized methodologies and are regularly monitored. Progress toward climate and broader sustainability goals is reported monthly to Senior Management through Target Progress Reporting.

### Climate Targets and Science-Based Net Zero Commitment

Ford Otosan monitors and reports both quantitative and qualitative targets defined to support its sustainability strategy, together with those required under applicable regulatory frameworks. Each target is defined with a clear timeframe, baseline, and metric, and progress is tracked through regular performance evaluations.

Within the scope of climate-related targets, the Company’s **Scope 1, Scope 2, and Scope 3 greenhouse gas emission reduction targets** are aligned **with a 1.5°C scenario** under the Paris Agreement and were validated by the **Science Based Targets initiative (SBTi) in 2025**. The Company is committed to achieving net-zero greenhouse gas emissions across its value chain by 2050. Ford Otosan assesses its performance against these targets using **quantitative data and trend analyses**, and transparently discloses progress and areas for improvement.

Ford Otosan’s Targets and Progress Toward Targets

Emission and Energy Management	SBTi-validated Targets	Baseline	Target Year	Progress in 2025
	Reducing absolute Scope 1 and Scope 2 emissions by 77%	2017	2034	In 2025, total Scope 1+Scope 2 greenhouse gas emissions were reduced by 18.1% compared to 2024.
	Reducing absolute Scope 3 emissions from the use of products sold by 58.8%	2021	2034	In 2025, total Scope 3 greenhouse gas emissions were reduced by 2.6% compared to 2024.
	Reducing absolute Scope 1 and Scope 2 emissions by 90%	2017	2050	In 2025, total Scope 1+Scope 2 greenhouse gas emissions were reduced by 18.1% compared to 2024.
	Reducing absolute Scope 3 emissions, including purchased goods and services, upstream/downstream transportation and distribution, and use of products sold, by 90%	2021	2050	In 2025, total Scope 3 greenhouse gas emissions were reduced by 2.6% compared to 2024.
	Achieving net zero greenhouse gas emissions across the entire value chain	-	2050	In line with our net-zero roadmap; we strengthened our emission reduction performance through 100% renewable electricity supply, energy efficiency projects and digital energy management, continuing to scale up low-carbon alternatives such as rail transport in our logistics operations. As of 2025, an electric version of each nameplate has been added to our portfolio. The Supplier Code of Conduct has been published.

	Targets	Base Line	Target Year	Progress in 2025
<b>Emission and Energy Management</b>	Achieving carbon neutrality in the supply chain*	-	2035	Concrete steps have been taken to accelerate transformation across the value chain through ESG assessments integrated into procurement decisions and the introduction of internal carbon pricing for suppliers. The Supplier Code of Conduct has been published. In 2025, the transformation of the supply chain was addressed as a strategic priority, and performance and sustainability criteria were integrated into processes, guided by ethical principles. On the path toward achieving a carbon-neutral supply chain, a total of 7,405.79 person-hours of sustainability and technical development training were provided to suppliers. The performance of 286 critical suppliers (271 Tier-1 suppliers and 15 logistics service providers) was assessed, and on-site audits were conducted for 24 suppliers. One of the targets monitored under the Supplier Sustainability Committee, carried out with our critical suppliers, is the verification of emissions data. In this context, emissions verification has been completed for 25 of our critical suppliers in accordance with ISO 14064 or GHG standards. According to survey data conducted in 2025, 66 of our suppliers have SBTi targets.
	Becoming carbon neutral in logistics operations	-	2035	As part of the Block Train Project, railway connection infrastructure works at the Ford Otosan Craiova Plant were completed in 2024, followed by a successful trial run. Block train shipments commenced in 2025. As part of the Block Train Project, railway connection infrastructure works at the Ford Otosan Craiova Plant were completed in 2024, followed by a successful trial run. Block train shipments commenced in 2025. Surveys were conducted to assess the sustainability performance of logistics providers. Based on the results, development areas were identified, workshops were organized to support improvement, and targets were defined.
	Selling zero-emission passenger vehicles and light/medium commercial vehicles in use-phase	-	2035	The launch of an electric version of each nameplate in the product portfolio marked a major milestone in scaling zero-emission mobility.
	Selling zero-emission heavy commercial vehicles in use-phase	-	2040	R&D activities on hydrogen fuel technologies, including fuel cells and hydrogen internal combustion engines, were further advanced, alongside the development of infrastructure for long-range, zero-emission solutions.
<b>Water Stewardship</b>	Reducing clean water consumption per vehicle by 40% across all facilities	2019	2030	Through the wastewater treatment plant established in Kocaeli in cooperation with İSU (Kocaeli Water and Sewerage Administration), water used in production is sourced from treated wastewater. By recovering municipal wastewater, the Company aims to reduce freshwater consumption while contributing to the long-term resilience of the regional ecosystem. As a result, clean water use per vehicle produced decreased from 2.99 m <sup>3</sup> /vehicle in 2024 to 2.51 m <sup>3</sup> /vehicle in 2025.

\*Covers Scope 1 and Scope 2 emissions of Tier 1 suppliers.

The metrics tracked in relation to the targets are provided in Table 1 and Table 2.

## Target Progress and Performance

Progress toward emission reduction targets is monitored through key performance indicators, including **Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, energy consumption, and emissions per vehicle produced**, calculated in accordance with the **Greenhouse Gas Protocol Corporate Standard**. There have been no changes to the targets compared to 2024.

In the 2025 reporting period, a **downward trend was observed** across Scope 1, Scope 2, and Scope 3 greenhouse gas emissions compared to the previous year. Energy efficiency initiatives contributed to these reductions. Progress against targets is regularly monitored and reported to senior management through established governance mechanisms.

Within the scope of SBTi-validated targets, Scope 1 emissions were 129,507 tCO<sub>2</sub>e in 2024 and amounted to 106,604 tCO<sub>2</sub>e in 2025. Scope 2 (market-based) emissions declined by 17.7%, from 31,886 tons of CO<sub>2</sub>e to 25,630 tons of CO<sub>2</sub>e. Scope 3 emissions were reduced by 2.6%, from 103,073,892 tons of CO<sub>2</sub>e to 100,435,615 tons of CO<sub>2</sub>e. In addition, 194 energy efficiency projects implemented in 2025 resulted in a total reduction of 36,381 tons of CO<sub>2</sub> emissions.

Energy costs are reduced by lowering external dependence through renewable energy investments. 100% of the electricity used in all facilities in Türkiye and Romania is **sourced from renewable energy**. In addition, the share of self-generated energy is increasing through rooftop and ground-mounted solar power plant investments. The energy portfolio is being transformed into a low-carbon structure through innovative applications such as heat walls, photovoltaic glass façades, and energy storage systems.

As part of efforts to reduce value chain emissions, **the transition to rail transport in logistics** represents a significant step. The block train system established between the Craiova and Kocaeli facilities, following the upgrade of the Craiova railway line, has led to a meaningful reduction in logistics-related emissions. Carbon emissions per ton-km have also been reduced through alternative solutions such as maritime transport. In the medium term, the Company plans to expand the use of electric and alternative fuel vehicles in land transport.

Supply chain transformation is a key component of the emission reduction strategy. **In 2024, 6-month, 1-year, and 2-year sustainability roadmaps, including carbon neutrality targets and related investments**, were developed in collaboration with critical suppliers. Progress against these roadmaps is monitored and evaluated on a **quarterly basis**. In addition, suppliers' energy consumption, greenhouse gas emissions, and sustainability investments are tracked through sustainability performance assessment surveys. **In 2025, sustainability metrics were integrated into supplier selection criteria**. Suppliers' energy consumption, greenhouse gas emissions, emissions calculation capabilities, and sustainability investments are regularly monitored through supplier surveys.

Based on survey results and applicable national and international regulations, on-site audits are conducted by independent third parties for suppliers identified through a risk- and impact-based approach. Where adverse impacts are identified, corrective and preventive action plans are developed, and their implementation is closely monitored. While contractual provisions allow for termination in cases where required improvements are not achieved, the primary approach is to support suppliers' development through collaboration and to enhance their level of compliance.

**The Supplier Code of Conduct**, published in 2025, defines expectations regarding human rights, environmental performance, business ethics, and responsible sourcing. The prohibition of child labor and forced labor, anti-discrimination, anti-bribery and anti-corruption practices, continuous environmental improvement, and responsible sourcing principles are established as minimum requirements across the supply chain. These principles form an integral part of supplier agreements.

Ford Otosan did not accumulate or purchase carbon credits during the reporting period. The Company continues to reduce its carbon footprint through R&D activities, as well as emission reduction and energy efficiency initiatives implemented across its operations.

## Cross-Sectoral Climate Metrics

### Greenhouse Gas Emissions

Ford Otosan regularly monitors **Scope 1, Scope 2, and Scope 3 greenhouse gas emissions as key cross-sectoral climate metrics under TSRS to track progress toward its climate-related targets**.

**Absolute gross Scope 1, Scope 2, and Scope 3** greenhouse gas emissions generated by Ford Otosan and its subsidiaries during the reporting period are measured in accordance with the **Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004)**, using an operational control approach, and are expressed in **metric tons of CO<sub>2</sub> equivalent**. The calculated emissions data are used for internal performance monitoring and external reporting purposes.

As part of a methodology update in 2025, emissions related to Supplier Park activities, which were reported under Scope 1 in 2024, have been reclassified under Scope 3. Changes were made to ensure that our Scope 1 and Scope 2 emissions accurately reflect our own operations. Our supplier data were calculated under Scope 3 Category 1 "Purchased Goods and Services" using a spend-based methodology. During the reporting period, **no significant changes occurred** in the scope of Scope 3 categories or in the definition of which entities within the value chain are included in the emissions calculations.

Ford Otosan calculates its Scope 2 greenhouse gas emissions using a location-based approach in line with the Greenhouse Gas Protocol Corporate Standard. The Company procures all electricity consumed at its locations in Türkiye from 100% renewable energy sources certified with I-REC, and sources 100% renewable electricity for its Romania operations.

Emissions from investments are accounted for under **Scope 3 Category 15 (Investments)**. In this context, the greenhouse gas emissions of Otokar Otomotiv Sanayi A.Ş. are included in the emissions inventory in proportion to Ford Otosan's ownership share (**0.59%**). The greenhouse gas inventory is prepared in **accordance with financial reporting boundaries**.

Ford Otosan obtained a limited assurance statement for its 2025 greenhouse gas emissions calculations, which is available **here**.

**Table 1. Greenhouse Gas Emission Metrics**

Greenhouse Gas Emissions (tons CO <sub>2</sub> e)	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Scope 1 Emissions	129,507	106,604
Scope 2 Market Based Emissions	31,886	25,630
Scope 2 Location Based Emissions	234,871	170,719
Scope 3 Emissions	103,073,892	100,435,615
Total Emissions (market-based)	103,235,285	100,567,849
Total Emissions (location-based)	103,438,270	100,712,938

**Table 2. Scope 3 Emission Categories**

Greenhouse Gas Emissions – Scope 3 Categories (tons CO <sub>2</sub> e)	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Scope 3 Category 1: Purchased Goods and Services	8,454,820	10,535,139
Scope 3 Category 2: Capital Goods	207,799	81,997
Scope 3 Category 3: Fuel- and Energy-Related Activities (not included in Scope 1 and Scope 2)	84,949	64,716
Scope 3 Category 4: Upstream Transportation and Distribution	229,764	231,137
Scope 3 Category 5: Waste Generate in Operations	1,215	971
Scope 3 Category 6: Business Travel	3,135	1,667
Scope 3 Category 7: Employee Commuting	7,461	5,081
Scope 3 Category 8: Upstream Leased Assets*	0	0
Scope 3 Category 9: Downstream Transportation and Distribution	258,334	287,548
Scope 3 Category 10: Processing of Sold Products	6,442	4,876
Scope 3 Category 11: Use of Sold Products	93,167,264	89,093,796
Scope 3 Category 12: End-of-life Treatment of Sold Products	614,219	90,799

Greenhouse Gas Emissions – Scope 3 Categories (tons CO <sub>2</sub> e)	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Scope 3 Category 13: Downstream Leased Assets*	0	0
Scope 3 Category 14: Franchises	7,466	8,686
Scope 3 Category 15: Investments	31,023	29,203
<b>Total (Scope 3)</b>	<b>103,073,892</b>	<b>100,435,615</b>

*Gembox Teknoloji Girişimleri A.Ş. is located within Ford Otosan's Sancaktepe Facility and therefore its emissions are included in the location's calculations. For Scope 3 Category 15, the GHG emission data of Otocar Otomotiv Sanayi A.Ş. is included in the emission calculations at a rate of 0.59%, due to Ford Otosan's affiliation. The greenhouse gas inventory calculated in 2025 was aligned with financial reporting boundaries.*

\*As no activities related to upstream or downstream leased assets took place within the reporting period, 0 emissions were reported for Category 8 and Category 13.

## Assets' Resilience and Adaptation to Climate Change

Ford Otosan integrates **physical and transition risks into its strategic planning and investment decisions** to manage the impacts of climate change on its assets and value chain. The potential impacts of climate-related risks on assets are monitored through scenario analyses and risk assessments.

Among physical risks, **water stress and access to water resources** have been identified as **the most critical risk areas** due to the essential role of water in ensuring operational continuity in production processes.

Ford Otosan has conducted physical climate and water risk analyses for its Eskişehir, Yeniköy–Gölcük (Kocaeli), and Sancaktepe (Istanbul) facilities in Türkiye, located across different climate zones and basins, as well as for its Craiova plant in Romania. The analysis was carried out using the Intergovernmental Panel on Climate Change (IPCC) climate risk framework. Hazard indicators derived from 10 km resolution regional climate projections, developed for Türkiye based on the RCP4.5 intermediate scenario and the RCP8.5 high-emission scenario from the Coupled Model Intercomparison Project Phase 5 (CMIP5), were evaluated together with hydrological model outputs (including changes in water regimes and water availability) obtained using the Hydrologiska Byråns Vattenbalansavdelning (HBV) rainfall–runoff model, as well as site-level operational indicators.

In addition to the baseline assessment, a comparable and monitorable risk assessment framework has been established for the short term (2025–2030), medium term (2030–2035), and long term (2035–2040). The analysis aims to identify the physical climate and water-related risks to which Ford Otosan facilities may be exposed and to evaluate these risks consistently across different scenarios and timeframes. Potential impacts of heat waves, cold waves, heavy precipitation, strong winds, wildfires, sea level rise, and hydrological drought on the facilities were assessed.

Scenario analysis results indicate that Yeniköy is the most critical facility, with persistent High/Very High risk levels across all scenarios and timeframes. Gölcük emerges as the second priority area, particularly due to the combined effects of heavy precipitation, other physical hazards, and water-related risks. While physical risks at the Craiova facility are relatively balanced, a significant increase in water-related risk under the long-term high-emission scenario is notable. In Eskişehir, the risk profile follows a more gradual upward trend, requiring continuous monitoring and a phased adaptation approach. The Sancaktepe facility, by contrast, remains within a generally low-risk range.

In terms of transition risks, the **EU Carbon Border Adjustment Mechanism (CBAM)**, increasingly stringent regulatory requirements, and the supply chain's capacity to comply with these requirements are identified as priority risk areas. The expiration of CBAM transitional arrangements in 2026, rising certification costs, and potential sanctions associated with non-compliance with reporting obligations are also taken into account.

Ford Otosan monitors and reports actions aimed at mitigating climate-related risks to its assets and enhancing adaptive capacity, including **CBAM compliance investments, short-term adaptation measures addressing water stress, and renewable energy investments (SPPs)**. These efforts are designed to reduce carbon costs and regulatory compliance risks, lower asset-level vulnerability to climate change, and support long-term financial resilience.

To enhance the resilience of its product portfolio to climate change, Ford Otosan had introduced an electric version of each nameplate, except for its fully electric truck, by 2025. In 2024, a total of 32,403 battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) were introduced to the market, accounting for 6.6% of our total revenue. In 2025, the number of BEVs and PHEVs launched increased significantly to 102,958 units, contributing 16.8% of our revenue within the calendar year.

## Internal Carbon Pricing Mechanism

Ford Otosan implements an internal carbon pricing mechanism to manage climate-related transition risks and to strengthen the integration of greenhouse gas emissions into the evaluation of new investments. The Company closely monitors prevailing carbon pricing mechanisms and determines its internal carbon price. The internal carbon price serves as a key tool for incorporating transition risks, particularly those associated with CBAM, the European Union Emissions Trading System (EU ETS), and long-term carbon market expectations, into investment decision-making processes.

For 2025, the internal carbon price has been set at 65 euro/ton CO<sub>2</sub>e, taking into account developments in the EU ETS. This mechanism is designed to more effectively reflect the cost of carbon in investment evaluations.

Accordingly, the Company aims to integrate carbon pricing into its CAPEX decision-making processes. In the initial phase, the mechanism will be applied to operational investments, with subsequent phases extending its scope to the supply chain and other relevant areas. Through internal carbon pricing, the cost of emissions is internalized and reflected in supplier-related processes.

## Sector-specific Metrics

For the Sector-Based Implementation of **TSRS 2 – Volume 63 – Automobiles**, Ford Otosan tracks sector-specific metrics and cross-sector climate metrics.

Accordingly, the Company reports metrics related to the **number of vehicles produced and sold, fleet fuel economy, and phase-of-use emissions**. Fleet fuel economy metrics are calculated based on weighted average sales values by region.

In addition, quantitative metrics related to **zero-emission vehicles, mild hybrid vehicles, and plug-in hybrid vehicles** sold are tracked as sector-based metrics. These provide input for monitoring climate-related risks and opportunities specific to the automotive industry.



## Sector-Based Implementation of TSRS 2 – Volume 63 – Automobiles

Table 3. Sustainability Disclosure Topics and Metrics

Topic	Metric	Category	Unit of Measure	Code	2024 (Ford Otosan and Consolidated Subsidiaries)				2025 (Ford Otosan and Consolidated Subsidiaries)			
					Vehicle Type	Europe	Türkiye	Asia & Africa	Vehicle Type	Europe	Türkiye	Asia & Africa
Fuel Economy and Use-Phase Emissions	Sales-weighted average passenger fleet fuel economy, by region	Quantitative	gCO <sub>2</sub> /km	TR-AU-410a.1	Passenger Vehicles	150.5	170.4	N/A	Passenger Vehicles	129.4	159.9	N/A
					Light Commercial Vehicles	171.7	171.7	159.8	Light Commercial Vehicles	145.9	173.8	163.4
Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles, and (3) plug-in hybrid vehicles sold	Quantitative	Number	Number	TR-AU-410a.2	<b>2024 (Ford Otosan and Consolidated Subsidiaries)</b>				<b>2025 (Ford Otosan and Consolidated Subsidiaries)</b>			
					<b>Vehicle Sales (Unit)</b>				<b>Vehicle Sales (Unit)</b>			
					Zero-Emission Vehicles (ZEV )		20,123		Zero-Emission Vehicles (ZEV )		71,179	
					Mild Hybrid Electric Vehicles (MHEV)		164,875		Mild Hybrid Electric Vehicles (MHEV )		128,005	
Plug-in Hybrid Vehicles (PHEV )		12,280		Plug-in Hybrid Vehicles (PHEV )		31,779						
Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	Discussion and Analysis	None	TR-AU-410a.3	<p>A fine of Euro 4,250 per vehicle sold in the European Union for each g/tkm of excess CO<sub>2</sub> emissions over the 2025 European Union CO<sub>2</sub> target could be imposed. The period for target calculation and fines will be between July 2025 and July 2026 for the 2025 VECTO reporting year. The Company developed two major projects to meet fleet CO<sub>2</sub> emissions targets in Europe for 2025 and beyond. These projects are expected to positively impact the fuel economy competitiveness of diesel trucks and play a significant role in the Company's market readiness for zero-emission transition. The Company continues its technical preparations and investments for the transition to EURO 7 emissions standards. This process represents an opportunity for increasing product competitiveness by complying with future regulations. In electrification, competencies are developed in critical areas such as battery technology, power electronics, and charging infrastructure through international collaborations within the scope of Horizon Europe projects. Specifically for hydrogen vehicles, the Company is developing technologies for zero-emission heavy commercial vehicles through projects such as the H2-Ecototrq hydrogen internal combustion engine and the FCEV F-MAX fuel cell tractor. These technologies aim to strengthen the domestic production infrastructure and provide sustainable solutions for the European logistics sector.</p>				<p>To comply with the CO<sub>2</sub> Emission Performance Standards for Heavy Duty Vehicles, VECTO (Vehicle Energy Consumption Calculation Tool), as addressed by the regulation, is used. In the previous TSRS-compliant sustainability report, it was stated that the regulation has the potential to directly affect the Company's export operations, product development strategies, and supply chain management, and a provision for the related financial risk was recognized in the 2025 Financial Statements. Following the actions implemented and homologation approvals obtained in the first quarter of 2026, the regulation is not expected to have a significant impact on the financial statements in the short and medium term. The Company developed two major projects to meet fleet CO<sub>2</sub> emissions targets in Europe for 2025 and beyond. These projects are expected to positively impact the fuel economy competitiveness of diesel trucks and play a significant role in the Company's market readiness for zero-emission transition. The Company continues its technical preparations and investments for the transition to EURO 7 emissions standards. This process represents an opportunity for increasing product competitiveness by complying with future regulations. In electrification, competencies are developed in critical areas such as battery technology, power electronics, and charging infrastructure through international collaborations within the scope of Horizon Europe projects. Specifically for hydrogen vehicles, the Company is developing technologies for zero-emission heavy commercial vehicles through projects such as the H2-Ecototrq hydrogen internal combustion engine and the FCEV F-MAX fuel cell tractor. These technologies aim to strengthen the domestic production infrastructure and provide sustainable solutions for the European logistics sector.</p>				

Table 4. Activity Metrics

Activity Metrics	Category	Unit of Measure	Code	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Number of vehicles manufactured	Quantitative	Number	TR-AU-000.A	632,683	700,174
Number of vehicles sold	Quantitative	Number	TR-AU-000.B	661,007	724,497

Table 5. Energy Consumption Metrics (GJ)

Energy Consumption (GJ)	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Direct Non-Renewable Energy Consumption	0	0
Direct Renewable Energy Consumption	1,994,787*	1,776,787
Indirect Renewable Energy Consumption	1,757,566	1,479,558
Indirect Non-Renewable Energy Consumption	279,469	295,265
<b>Total Energy Consumption (Direct and Indirect)</b>	<b>4,031,823*</b>	<b>3,551,610</b>

\*Correction of the typographic error in the 2024 report.

Table 6. Consumptions per Vehicle

Consumptions per Vehicle	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Greenhouse Gas Emissions per Vehicle Produced (tonCO <sub>2</sub> e/vehicle)	N/A	0.19
Energy Consumption per Vehicle Produced (GJ/vehicle)	N/A	5.00
Water Withdrawal per Vehicle Produced (m <sup>3</sup> /vehicle)	N/A	2.51

Table 7. Water Consumption Metric

Water Consumption (m <sup>3</sup> )	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Water Consumption	N/A	555,844

Table 8. Water Withdrawal Metrics

Water Withdrawal (m <sup>3</sup> )	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Municipal Water	417,068	390,156
Groundwater	1,357,467	1,366,272
Rain Water	118,476	0
Total Water Withdrawal	1,893,011	1,756,428

Table 9. Recovered Water Metric

Recovered Water (m <sup>3</sup> )	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Recovered Water	50,594	72,964

Table 10. Waste Water Discharge Metrics

Waste Water (m <sup>3</sup> )	2024 (Ford Otosan and Consolidated Subsidiaries)	2025 (Ford Otosan and Consolidated Subsidiaries)
Industrial Waste Water Discharge	691,696	519,514
Domestic Waste Water Discharge	N/A	681,070

# Annexes



## Ford Otosan 2025 TSRS Compliance Sustainability Report – Reporting Guideline

This reporting guideline (“Guideline”) provides information on the data preparation and reporting methodologies of indicators within the scope of limited assurance in Ford Otosan 2025 TSRS-Compliance Sustainability Report (“2025 Sustainability Report”) of Ford Otomotiv Sanayi A.Ş. (“Company”) and its subsidiaries (the “Group”).

The indicators include environmental indicators. It is the responsibility of the Company’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Guide.

The data included in this guideline is for the fiscal year ending on December 31, 2025, and as detailed in the “Key Definitions and Reporting Scope” section comprises the Eskişehir, Yeniköy and Gölçük facilities and Sancaktepe R&D center in Türkiye, the Craiova plant in Romania, Spare Parts Warehouse facilities, and Company’s subsidiaries the which are all under the umbrella of Ford Otomotiv Sanayi A.Ş. The indicators, which include contractors within the scope, are specified in the “Basic Definitions and Reporting Scope” section, while contractors are not included in the indicators that are not specified.

### General Reporting Principles

In preparing this guidance document, the following principles have been considered:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information.
- Information Reporting – to highlight the primary principles of comparability/consistency with other data including prior data and understandability/transparency providing clarity to users.

### Key Definitions and Reporting Scope

For the purpose of this report, the Company has defined the following:

#### Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Greenhouse Gas Emissions (tons CO<sub>2</sub>e)</b>	
	Scope 1 Emissions	During the reporting period, this includes the Company’s direct emissions from consumption sources in its Türkiye and Romania operations in line with the GHG Protocol (Stationary Combustion Sources, Mobile Combustion Sources, Process Oils, Stationary Refrigerant Sources, Vehicle Air Conditioning Sources, Welding and Fire Extinguisher Cylinders, VOCs (Volatile Organic Compounds)).
	Scope 2 Market Based Emissions	During the reporting period, it refers to emissions measured based on the Company’s energy supply contracts steam and certificates for electricity purchased for production purposes (in accordance with the definitions of the GHG Protocol Scope 2 Guidance).
	Scope 2 Location Based Emissions	During the reporting period, it refers to emissions calculated using the average grid emission factors for electricity and steam in Türkiye and Romania, where the Company operates, for the steam and electricity purchased for production purposes (in accordance with the definitions of the GHG Protocol Scope 2 Guidance).

## Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Greenhouse Gas Emissions (tons CO<sub>2</sub>e)</b>	
	Scope 3 Emissions	During the reporting period, this includes the Company's indirect greenhouse gas emissions arising from external sources, other than its direct operations, in line with the GHG Protocol.
	Total Emissions (market based)	During the reporting period, this includes the total amount of the Company's Scope 1, Scope 2 market-based, and Scope 3 emissions.
	Total Emissions (location based)	During the reporting period, this includes the total amount of the Company's Scope 1, Scope 2 location-based, and Scope 3 emissions.
	Scope 3 Category 1 Emissions	During the reporting period, the indirect greenhouse gas emissions arising from the materials (metal, plastic, liquid, electronic, and others) and services purchased by the Company for its operations in Türkiye and Romania are included.
	Scope 3 Category 2 Emissions	During the reporting period, the sources of indirect greenhouse gas (GHG) emissions from capital goods used in the Company's operations in Türkiye and Romania include the Company's buildings, machinery, production lines, equipment, molds, and energy systems. The greenhouse gas emissions have been calculated using the Company's global expenditure-based data.
	Scope 3 Category 3 Emissions	During the reporting period, this category includes the well-to-tank greenhouse gas emissions arising from fuel consumption reported under Scope 1 for the Company's operations in Türkiye and Romania, as well as the transmission and distribution-related greenhouse gas emissions from electricity consumption reported under Scope 2. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 4 Emissions	During the reporting period, this category includes greenhouse gas emissions arising from the transportation of raw materials and components in the Company's production-related transport and distribution processes in Türkiye and Romania, covering road, air, rail and maritime transport activities. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 5 Emissions	During the reporting period, this category includes emissions resulting from the treatment and disposal of hazardous and nonhazardous waste generated by the Company's operations in Türkiye and Romania, carried out by third parties. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
Scope 3 Category 6 Emissions	This category includes indirect greenhouse gas (GHG) emissions from the Company's business travel activities, covering employees' work-related travel, including international and domestic road, rail, and air transportation. These emissions have been calculated using the greenhouse gas emission factors from the 2025 DEFRA guidelines.	

## Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Greenhouse Gas Emissions (tons CO<sub>2</sub>e)</b>	
	Scope 3 Category 7 Emissions	This category includes greenhouse gas emissions arising from employees' commuting between their homes and workplaces. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 8 Emissions	There are no emissions for the Company in this category.
	Scope 3 Category 9 Emissions	This category includes emissions generated during the distribution and transportation of the Company's sold products by road, air, rail, and sea in the reporting year. These emissions have been calculated using the emission factors from the 2025 DEFRA guidelines.
	Scope 3 Category 10 Emissions	This category includes greenhouse gas emissions arising from the processing of the Company's sold products (intermediate products) during the reporting year.
	Scope 3 Category 11 Emissions	This category covers greenhouse gas emissions resulting from the use of HCV, LCV, MCV, and passenger vehicles produced at the Company's own manufacturing facilities over their expected 10-year service life, as well as emissions from the refrigerants contained in these vehicles.
	Scope 3 Category 12 Emissions	In the reporting year, this category includes the greenhouse gas emissions arising from the end-of-life treatment of the Company's sold products, calculated through life cycle assessment.
	Scope 3 Category 13 Emissions	There are no emissions for the Company in this category.
	Scope 3 Category 14 Emissions	This category includes the Scope 1 and Scope 2 greenhouse gas emissions generated by the dealers with whom the Company collaborates for aftersales distribution.
	Scope 3 Category 15 Emissions	This category includes the Scope 1, Scope 2, and Scope 3 greenhouse gas emissions of the Company's subsidiaries, proportional to the Company's ownership share, with whom the Company collaborates for aftersales distribution.
	<b>Energy Consumption (GJ)</b>	
	Direct Renewable Energy Consumption	During the reporting period, this includes the Company's energy consumption from renewable sources within its Türkiye and Romania operations.
	Direct Non-Renewable Energy Consumption	During the reporting period, this refers to the total amount of nonrenewable direct energy consumption—monitored through invoices and internal meters—for the Company's Türkiye and Romania operations. It includes Stationary Combustion (Natural Gas, Diesel, LPG, Propane, Methanol), Mobile Combustion (Diesel, Gasoline), Process Gases, and VOC consumption.
	Indirect Renewable Energy Consumption	During the reporting period, this refers to the total electricity consumption monitored through invoices for the Company's Türkiye and Romania operations under indirect renewable energy use. Türkiye locations procure 100% renewable electricity (IREC certified), and the Romania location also sources 100% renewable electricity.

## Key Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	<b>Energy Consumption (GJ)</b>	
	Indirect Non-Renewable Energy Consumption	During the reporting period, this refers to the total amount of nonrenewable steam consumption sourced from outside the Company for its Türkiye and Romania operations.
	Total Energy Consumption (Direct and Indirect)	During the reporting period, this includes the total amount of direct renewable energy, direct nonrenewable energy, indirect renewable energy, and indirect nonrenewable energy consumption for the Company's Türkiye and Romania operations.
	<b>Consumptions per Vehicle</b>	
	Greenhouse Gas Emissions per Vehicle Produced (tonCO <sub>2</sub> e/vehicle)	During the reporting period, this indicator shows the Scope 1 and Scope 2 emissions of the Company's Türkiye and Romania operations per total vehicle produced at the Company's Türkiye and Romania facilities.
	Energy Consumption per Vehicle Produced (GJ/vehicle)	This indicator represents the ratio of total renewable and non-renewable energy consumption per total vehicle produced in the Company's Türkiye and Romania locations during the reporting period.
	Water Withdrawal per Vehicle Produced (m <sup>3</sup> /vehicle)	During the reporting period, this indicator represents the ratio of the total freshwater withdrawn due to the Company's Türkiye and Romania operations to the total number of vehicles produced at the Company's Türkiye and Romania facilities.
	<b>Water Consumption (m<sup>3</sup>)</b>	
	Water Consumption	During the reporting period, this refers to the amount obtained by subtracting the industrial waste water discharge and domestic discharge from the fresh water withdrawn by the Company for its operations in Türkiye and Romania.
	<b>Water Withdrawal (m<sup>3</sup>)</b>	
	Municipal Water	During the reporting period, this refers to the amount of municipal water withdrawal tracked through invoices received from service providers and reported on a monthly basis. The data includes Türkiye and Romania operations.
	Underground Water	This indicator refers to the underground water consumption amount monitored monthly by the Company's internal meters during the reporting period. The data includes Türkiye and Romania operations.
	Rain Water	This indicator refers to the rain water consumption amount monitored monthly and reported through invoices for during the reporting period. The data includes Türkiye and Romania operations.
	Total Water Withdrawal	This indicator refers to the total of the Company's municipal water, underground water and rain water consumption amounts during the reporting period.
	<b>Recovered Water (m<sup>3</sup>)</b>	
	Recovered Water	This indicator refers to the amount of water recycled by the Company in its operations in Türkiye and Romania during the reporting period.
	<b>Waste Water Discharge (m<sup>3</sup>)</b>	
Industrial Waste Water Discharge	During the reporting period, this refers to the process wastewater generated from the Company's operational activities in Türkiye and Romania, excluding rainwater and domestic wastewater.	
Domestic Waste Water Discharge	During the reporting period, this indicates the amount of domestic wastewater discharged by the Company's operations in Türkiye and Romania.	

## Data Preparation

### Environmental Indicators

#### Greenhouse Gas Emissions

*Total emissions (location-based) (tCO<sub>2</sub>) = Scope 1 emissions (tCO<sub>2</sub>) + Scope 2 emissions (location-based) (tCO<sub>2</sub>) + Scope 3 emissions (tCO<sub>2</sub>)*

*Total emissions (market-based) (tCO<sub>2</sub>) = Scope 1 emissions (tCO<sub>2</sub>) + Scope 2 emissions (market-based) (tCO<sub>2</sub>) + Scope 3 emissions (tCO<sub>2</sub>)*

#### Scope 1 Emissions

The Company's Scope 1 emissions for Türkiye and Romania include direct nonrenewable energy consumption from Stationary Combustion (Natural Gas, Diesel, LPG, Propane, Methanol), Mobile Combustion (Diesel, Gasoline), Process Gases, Fixed Refrigerant Sources, Vehicle Air Conditioning Systems, Welding and Fire Extinguisher Cylinders, as well as VOC emissions.

Under direct nonrenewable energy consumption, the Company reports emissions from natural gas consumption, mobile combustion, and stationary combustion as primary fuel sources.

For Türkiye, all stationary and mobile combustion emission factors are sourced from the IPCC. For Romania, natural gas emission factors are sourced from the EPA, while other stationary and mobile combustion emission factors are sourced from the IPCC.

#### Methodology and Assumptions Used in Emission Calculations

Scope 1 emission calculations are performed by multiplying activity data with corresponding emission factors. This metric is calculated using the following formula:

*Scope 1 Emissions from Stationary and Mobile Combustion = Annual Fuel Consumption (unit) × Conversion Factor (TJ/unit) × Emission Factor (tCO<sub>2</sub>e/TJ) (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O)*

Natural gas data are converted from cubic meters to gigajoules (GJ) in accordance with the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories. After natural gas consumption values are obtained from invoices as Sm<sup>3</sup>, they are multiplied by the density (kg/m<sup>3</sup>) and lower heating value (TJ/kg) obtained from the natural gas suppliers at each location to calculate the TJ value, which is then converted into GJ.

Diesel, LPG, propane, and methanol consumption from stationary combustion, as well as diesel and gasoline consumption from mobile combustion, are extracted from the system in liters (L). These values are multiplied by density (kg/L) and lower heating value (TJ/kg) to calculate the TJ value, which is subsequently converted into GJ.

*Refrigerant and Air Conditioning Gas Fugitive Emissions = Refrigerant Gas Capacity (tons) × Global Warming Potential (GWP)*

The Scope 1 emissions include blended gases such as R410A (a mixture of R32 and R125), R404A (a mixture of R125, R143A, and R134A), and R407C (a mixture of R32, R125, and R134A). Their emission factors are based on the proportional composition of each gas.

*Fire Suppression System Fugitive Emissions = Fire Suppression Gas Capacity (tons) × CO<sub>2</sub> Ratio × Global Warming Potential (GWP)*

Since no internationally accepted formula exists for solvents incinerated at the incineration plant, the IPCC methodology for stationary combustion has been used. In calculating the amount of solvent sent to the incinerator, the annual mass balance report prepared by TÜBİTAK has been applied.

Various cutting fluids and heattreatment fluids are used in the production facilities. Because lower heating values and carbon content information for these fluids were not provided by the manufacturers, the above methodology has been applied.

**DIRECT GHG EMISSIONS GREENHOUSE GAS EMISSIONS FROM STATIONARY COMBUSTION**

Fuel Type	Density Conversion Coefficient kg/lt - kg/m <sup>3</sup>	Lower Calorific Value TJ/kg	Emission Factor - CO <sub>2</sub> - CO <sub>2</sub> ton/TJ	Emission Factor - CO <sub>2</sub> - CH <sub>4</sub> ton/TJ	Emission Factor - CO <sub>2</sub> - N <sub>2</sub> O ton/TJ	Reference
Diesel (lt)	0.830	0.000043	74,100	0.003	0.0006	IPCC 2006, Energy- SC- Table 2.3
LPG (kg)	N/A	0.00047	63,100	0.001	0.0001	IPCC 2006, Energy- SC- Table 2.3
Natural Gas (Sm <sup>3</sup> )	Kocaeli-0.711 Eskişehir-0.733 Sancaktepe-0.735 Romania-0.77	0.000048	56,100 (Türkiye) 50,291 (Romania)	0.001	0.0001	IPCC 2006, Energy- SC- Table 2.3 (Türkiye) US EPA – GHG Emission Factors Hub (2025) (Romania)
Propane (kg)	N/A	0.000047	63,100	0.001	0.0001	IPCC 2006, Energy- SC- Table 2.3
Methanol (kg)	N/A	0.000027	70,800	0.003	0.0006	IPCC 2006, Energy- SC- Table 2.3

**DIRECT GHG EMISSIONS GREENHOUSE GAS EMISSIONS FROM VOC (VOLATILE ORGANIC COMPOUNDS)**

Fuel Type	Density Conversion Coefficient kg	Lower Calorific Value TJ/kg	Emission Factor - CO <sub>2</sub> - CO <sub>2</sub> ton/TJ	Emission Factor - CO <sub>2</sub> - CH <sub>4</sub> ton/TJ	Emission Factor - CO <sub>2</sub> - N <sub>2</sub> O ton/TJ	Reference
VOC (kg)	1.0	0.00004	73,300	0.003	0.0006	IPCC 2006, 2019 Refinement to the 2006 IPCC Guidelines

**DIRECT GHG EMISSIONS MOBILE COMBUSTION GREENHOUSE GAS EMISSIONS**

Fuel Type	Density Conversion Coefficient kg/lt	Lower Calorific Value TJ/kg	Emission Factor - CO <sub>2</sub> - CO <sub>2</sub> ton/TJ	Emission Factor - CO <sub>2</sub> - CH <sub>4</sub> ton/TJ	Emission Factor - CO <sub>2</sub> - N <sub>2</sub> O ton/TJ	Reference
Diesel (lt)	0.830	0.000043	74,100	0.0039	0.0039	IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2
Gasoline (lt)	0.735	0.000044	69,300	0.025	0.0080	IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2 (Gasoline)

**DIRECT GHG EMISSIONS REFRIGERANT GAS FUGITIVE GREENHOUSE GAS EMISSIONS**

Fuel Type	Global Warming Potential (GWP) CO <sub>2</sub>	Reference
Acetylene	3.383	Stoichiometric calculation
R410A	2256	IPCC 2006, AR6
R32	771	IPCC 2006, AR6
R134A	1530	IPCC 2006, AR6
R407C	1908	IPCC 2006, AR6
R404A	4728	IPCC 2006, AR6
1234yf	0.501	IPCC 2006, AR6

**Scope 2 Emissions**

Scope 2 greenhouse gas emissions include all GHG emissions resulting from the Company's electricity and steam consumption. The calculations are performed in tonnes of CO<sub>2</sub> equivalent. The following formula is used in these calculations.

For Türkiye, the most up-to-date emission factors have been obtained from the 2025 edition of the International Energy Agency (IEA), using the values provided for both Türkiye and Romania.

$$\text{Emission Amount (tCO}_2\text{e)} = \text{Activity Data} \times \text{Emission Factor}$$

**INDIRECT GREENHOUSE GAS EMISSIONS**

Fuel Type	Emission Factor tons CO <sub>2</sub> /MWh	Reference
Electricity (Türkiye)	0.397	IEA, 2025 edition
Electricity (Romania)	0.228	IEA, 2025 edition
Steam (Romania)	0.312	On site and regional (grid based)

### Scope 3 Emissions

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3- Category 1. Purchased goods and services – raw materials	GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p.162.	Cradle-to-gate emission factors of the purchased goods per unit of mass or unit of product (e.g. kg CO <sub>2</sub> e/kg or kg CO <sub>2</sub> e/hour spent)	Ford Otosan has based its emission calculations for purchased goods on five vehicle models across four vehicle categories: heavy commercial vehicles, medium commercial vehicles, light commercial vehicles, and passenger cars. The weight and material information of the parts manufactured inhouse by Ford Otosan were obtained from the relevant teams and evaluated together with raw data, and included in the calculations under the categories of metal, plastic, liquid, electronic, and other materials. In addition to material type and production method, the CO <sub>2</sub> emissions arising from logistics activities between Tier 1 and Tier 2 suppliers were also included in the calculations.
	Average data method		
	Sum of purchased goods: $\Sigma(\text{Mass of purchased good or service (kg)} \times \text{Emission factor per unit mass of purchased good or service (kg CO}_2\text{e/kg)})$		
Scope 3- Category 1b. Purchased services	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p.162	Cradle-to-gate emission factors of the purchased services per unit of mass or unit of Product (e.g. CO <sub>2</sub> e/hour spent)	Ford Otosan’s calculations for purchased services involved matching the purchased values with the relevant emission factors in the USEEIO model.
	Average data method		
	Sum of purchased services: $\Sigma(\text{Unit of good or service purchased (e.g., piece)} \times \text{Emission factor of purchased good or service per reference unit (e.g. kg CO}_2\text{e/piece)})$		
Scope 3-Category 2. Capital goods	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p.164	Cradle-to-gate emission factors of the capital goods per unit of mass or unit of product (e.g. kg CO <sub>2</sub> e/kg or CO <sub>2</sub> e/hour spent)	Ford Otosan’s capital goods calculations involved matching the monetary values of purchases with the relevant emission factors in the USEEIO (v1.1) model.
	Average data method		
	Sum of capital goods: $\Sigma(\text{Mass of capital good (kg)} \times \text{Emission factor per unit mass of capital good (kg CO}_2\text{e/kg)}$ or $\Sigma(\text{Unit of capital good (e.g., unit)} \times \text{Emission factor per reference unit of capital good (e.g., kg CO}_2\text{e/unit)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3-Category 3. Fuel- and Energy-Related Activities	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 165	Average data method <ul style="list-style-type: none"> <li>• Country average transmission &amp; distribution loss rate (%)</li> <li>• Regional average transmission &amp; distribution loss rate (%)</li> <li>• Global average transmission &amp; distribution loss rate (%)</li> </ul>	Fuel consumption data and electricity consumption data from Scope 1 and Scope 2 emissions are used to calculate this category. Emission factors are obtained from the DEFRA emission factors database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.
	Average data method  Total by supplier, region, or country: $\Sigma(\text{Electricity consumption (kWh)} \times \text{electricity lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{transmission and distribution (T\&D) loss rate (\%)} + (\text{Steam consumption (kWh)} \times \text{steam lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{T\&D loss rate (\%)} + (\text{Heating consumption (kWh)} \times \text{heating lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{T\&D loss rate (\%)} + (\text{Cooling consumption (kWh)} \times \text{cooling lifecycle emission factor (kg CO}_2\text{e/kWh)} \times \text{T\&D loss rate (\%))$		
Scope 3-Category 4. Upstream logistics	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 167	Emission factor by mode of transport (e.g., rail, air, etc.) or vehicle types (e.g., articulated lorry, container vessel, etc.), expressed in units of greenhouse gases (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O) per unit of mass (tonne) or volume (e.g., TEU) travelled (e.g., km)	For this category, specific transported weight data and specific transportation distance data were obtained from each of Ford Otosan's logistics providers. Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.
	Method based on distance  Sum of transport modes and/or vehicle types: $\Sigma(\text{mass of goods purchased (tonnes or volume)} \times \text{distance travelled in transport leg (km)} \times \text{emission factor of transport mode or vehicle type (kg CO}_2\text{e/tonne or volume/km)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
<p>Scope 3 - Category 5. Wastes from operations</p>	<p>GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 170</p>	<p>Sum of waste types: (Amount of waste generated (tons or m<sup>3</sup>) × Emission factor specific to waste type and waste processing method (kg CO<sub>2</sub>e/ton or m<sup>3</sup>))</p>	<p>This data is based on the calculation of the total hazardous and scrap waste procured by Ford Otosan and reported to the Ministry during the relevant reporting period, using DEFRA emission factors. This category includes solid waste management by specific disposal method.</p>
	<p>Method specific to fuel type</p> <p>Sum of waste types: Σ(Amount of waste generated (tons or m<sup>3</sup>) × Emission factor specific to waste type and waste treatment method (kg CO<sub>2</sub>e/ton or m<sup>3</sup>))</p>	<p>Emission factors for each mode of transport</p>	
<p>Scope 3-Category 6. Business travel</p>	<p>GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 171</p>	<p>Emission factors for each mode of transport:</p> <ul style="list-style-type: none"> <li>• Emission factors representing kilograms of CO<sub>2</sub>e emitted per kilometer or passenger-kilometer for each mode of transport (e.g., air, rail, metro, bus, taxi, etc.)</li> <li>• Electricity emission factors for electric vehicles (if applicable), expressed in emission units per kilometer or passenger-kilometer</li> </ul>	<p>Flight distance data was multiplied by air travel emission factors.</p> <p>Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.</p>
	<p>Method based on distance</p> <p>Sum of vehicle types: Σ(Distance traveled by vehicle type (vehicle-km or passenger-km) × vehicle-type-specific emission factor (kg CO<sub>2</sub>e/vehicle-km or kg CO<sub>2</sub>e/passenger-km))+(optional) Σ (Number of annual stays (nights) × hotel emission factor (kg CO<sub>2</sub>e/night))</p>		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
<p>Scope 3-Category 7. Employee commuting</p>	<p>GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 172.</p>	<p>Emission factors for each mode of transport (usually expressed in units of greenhouse gas (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, or CO<sub>2</sub>e) emitted per passenger-kilometer travelled)</p>	<p>These data cover emissions from daily employee commuting by shuttle buses (road). Distance traveled data was provided by the supplier. Employee commuting data was multiplied by air travel emission factors. Emission factors were obtained from the DEFRA emission factor database. The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard.</p>
	<p>Method based on distance</p> <p>First, the total distance traveled for each vehicle type is summed across all employees:                      Total distance traveled by vehicle type (vehicle-km or passenger-km) = <math>\Sigma</math> (Daily one-way distance from home to work (km) × 2 × annual number of commuting days). Then, total emissions from vehicle types are calculated: kg CO<sub>2</sub>e from employee commuting = <math>\Sigma</math> (Total distance traveled by vehicle type (vehicle-km or passenger-km) × vehicle-type-specific emission factor (kg CO<sub>2</sub>e/vehicle-km or kg CO<sub>2</sub>e/passenger-km)) + (optionally) for each energy source used for remote working: <math>\Sigma</math> (Amount of energy consumed (kWh) × energy source-specific emission factor (kg CO<sub>2</sub>e/kWh))</p>		
<p>Scope 3 - Category 9. Downstream logistics</p>	<p>GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 174</p>	<p>Emission factor by mode of transport (e.g., rail, air, etc.) or vehicle types (e.g., articulated lorry, container vessel, etc.), expressed in units of greenhouse gases (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O) per unit of mass (tonne) or volume (e.g., TEU) travelled (e.g., km)</p>	<p>For this category, specific transported weight data and specific transportation distance data were based on a Ford Otosan customer. Emission factors were obtained from the DEFRA emission factor database.</p> <p>The calculation method is based on the Greenhouse Gas Protocol Corporate Value Chain - Scope 3 Standard</p>
	<p>Method based on distance</p> <p>Sum across transport modes and/or vehicle types: <math>\Sigma</math>(Mass of purchased goods (tons or volume) × distance traveled during transportation (km) × Emission factor for transportation mode or vehicle type (kg CO<sub>2</sub>e/ton or volume/km))</p>		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3-Category 10. Processing of sold products	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 176.	Companies must collect either: <ul style="list-style-type: none"> <li>• Average emission factors for downstream processes for the conversion of the intermediate products sold, expressed in emission units per unit of product (e.g., kg CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O) (e.g., kg CO<sub>2</sub>/kg final product).</li> </ul> Or: <ul style="list-style-type: none"> <li>• Life cycle emission factors of products sold</li> <li>• Life cycle emission factors of final products</li> </ul>	The emissions calculation is based on the Technical Guidance for Calculating Scope 3 Emissions: Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and on the average emission factor derived from product-based life cycle analysis of sold products
	Average data method		
	Sum of intermediate products: $\Sigma(\text{Mass of intermediate product sold (kg)} \times \text{Emission factor of processing of sold products (kg CO}_2\text{e/kg final product)})$		

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
<p>Scope 3-Category 11. Use of sold products</p>	<p>GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 177</p>	<p>Emission factors for fuels</p>	<p>For all vehicle types sold (HCV, MCV, LCV and passenger cars), the total mileage driven in use was calculated by taking the annual averages of the date and odometer readings recorded during customers' service visits. These data were combined with the assumption of a 10year vehicle lifetime to determine the total use phase mileage for each vehicle control model.</p>
	<p>Products that directly consume energy (fuel or electricity) during use</p>		
	<p>Sum of fuel consumed during product use:  <math>\Sigma(\text{Total expected life of the product (10 years} \times \text{real-world annual mileage)} \times \text{number of vehicles sold during the reporting period} \times \text{real-world energy consumption per km (WLTP / VECTO} + 10\% \text{ real-world factor kWh/km or L/km)} \times \text{well- to-wheel emission intensity factor for energy source by country/region (kg CO}_2\text{e/ kWh Electricity or kg CO}_2\text{e/L Fuel)} + \text{AdBlue well-to-wheel CO}_2\text{e impact for diesel vehicles} + \text{CO}_2\text{e impact from N}_2\text{O emissions for all internal combustion vehicles} + \text{refrigerant impact for all vehicles})</math></p>		<p>Fuel and electricity consumption for each control model were calculated using WLTP values for MCV, LCV and passenger cars, and vehicle-specific VECTO data for HCVs. To better reflect real world driving conditions, the consumption values were uplifted by 10%.</p> <p>Well-to-wheel carbon intensity values for fuel, electricity and AdBlue are obtained from reliable sources; these values are multiplied by energy consumption to compute well-to-wheel CO<sub>2</sub>e emissions for each vehicle type. N<sub>2</sub>O emissions are also included in the calculations based on their greenhouse gas effect.</p> <p>Over the vehicle's lifetime, an average of 1.5 refrigerant recharges is assumed, and the type of refrigerant used (R134a or R1234yf) is considered separately for each control model. Accordingly, the CO<sub>2</sub>e impact from refrigerants is added to the total calculation.</p>

Emission Source	Method Reference/Formula	Emission Factor / Lower Calorific Value	Reasons for Choice of Method and Assumptions
Scope 3 – Category 12: End-of-life treatment of sold products	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 179	Average waste treatment-specific emission factors based on all waste disposal types	The emission factor data set is provided in Ecoinvent v3.6 as used vehicle disposal scenario data
	Method specific to waste type		
	Sum of waste treatment methods for aftermarket products and packaging: $\Sigma(\text{total aftermarket product and packaging mass (kg)} \times \text{waste treatment method percentage of total waste} \times \text{waste treatment method emission factor (kg CO}_2\text{e/kg)})$		
Scope 3-Category 14. Franchises	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 182		A calculation is made by multiplying the electricity and natural gas consumption of a franchise with high square footage by the square footage of other franchises.
	Average data method		
	Sum of franchises: $\Sigma(\text{Scope 1 emissions} + \text{Scope 2 emissions of each franchise (kg CO}_2\text{e)})$		
Scope 3-Category 15. Investment	GHG Protocol, Technical Guidance for Accounting Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2013, p. 182.	Scope 1 and Scope 2 emissions of the investee company	Emissions from Otokar's Scope 1, Scope 2, and Scope 3 greenhouse gas inventory have been included in the calculation in proportion to Ford Otosan's ownership share (0.59%). In addition, the total Scope 1 and Scope 2 emissions of Bluepath, 100% owned subsidiary of Ford Otosan, have been included in this category.
	Method specific to investment	<ul style="list-style-type: none"> <li>The investor's equity stake in the investee company</li> <li>If significant, companies should also collect scope 3 emissions of investee company (if investee companies are unable to provide scope 3 emissions data, scope 3 emissions may need to be estimated using the Average-data method)</li> </ul>	
	Sum of equity investments: $\Sigma(\text{scope 1 and scope 2 emissions of equity investment} \times \text{equity share (\%)})$		

## Vehicle-Based Tracking Metrics

*Greenhouse Gas Emissions per Vehicle Produced (tonCO<sub>2</sub>e/vehicle) = Scope 1 and Scope 2 emissions (tonCO<sub>2</sub>e)\* / Total number of vehicles produced*

\*Although Scope 1 and Scope 2 emissions were divided by the total number of vehicles produced in the previous reporting period, the reporting guideline incorrectly stated that Scope 3 emissions were also included in the calculation. However, Scope 3 emissions are not included in the calculation for either 2024 or 2025.

*Energy Consumption per Vehicle Produced (GJ/vehicle) = Total energy consumption (GJ) / Total number of vehicles produced*

*Water Withdrawal per Vehicle Produced (m<sup>3</sup>/vehicle) = Total Water Withdrawal (m<sup>3</sup>) / Total Number of Vehicles Produced (units)*

## Total Water Consumption (m<sup>3</sup>)

**Total Water Consumption:** During the reporting period, this represents the amount obtained by subtracting industrial wastewater discharge and domestic wastewater discharge from the fresh water withdrawn for the Company's operations in Türkiye and Romania.

**Industrial Waste Water Discharge:** This refers to process wastewater generated during operations, excluding rainwater and domestic wastewater.

Formula:

*Total Water Consumption = Total Water Withdrawal – Industrial Waste Water Discharge – Domestic Wastewater Discharge*

In accordance with the Water Supply and Sewerage Service Framework Regulation published by the Romanian Government, the total volume of discharged water is assumed to be equal to the volume of water withdrawn. Within this scope, the following formula has been applied for the Romania location: Total Water Consumption = Total Water Withdrawal – Industrial Wastewater Discharge – Domestic Wastewater Discharge, and the result has been considered as zero.

## Total Water Withdrawal (m<sup>3</sup>)

**Municipal Water:** The amount of water withdrawn by the Company from municipal service providers.

**Groundwater:** The amount of water withdrawn from subsurface water sources at the facility.

**Rainwater:** The amount of water collected from precipitation at the facility.

Formula:

*Total Water Withdrawal (m<sup>3</sup>) = Municipal water withdrawal (m<sup>3</sup>) + Groundwater withdrawal (m<sup>3</sup>) + Rainwater (m<sup>3</sup>)*

# Limited Assurance Statement on TSRS-Compliant Sustainability Report



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with confidence

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(Convenience Translation of Auditor's Limited Assurance Report Originally Issued in Turkish)

## LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON THE INFORMATION PRESENTED UNDER THE TURKISH SUSTAINABILITY REPORTING STANDARDS OF FORD OTOMOTİV SANAYİ A.Ş. AND ITS SUBSIDIARIES

To the Shareholders of Ford Otomotiv Sanayi A.Ş.,

We have been assigned to perform a limited assurance engagement on the information ("Sustainability Information") presented in accordance with Türkiye Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Türkiye Sustainability Reporting Standards 2 "Climate-Related Disclosures", which is included in the "2025 TSRS Compliant Sustainability Report" section of the Sustainability Report of Ford Otomotiv Sanayi A.Ş. and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2025.

Our assurance engagement does not include the information related to other information included in the 2025 Sustainability Report and other information (including any images, audio files, website links or embedded videos) associated with Sustainability Information and 2025 Sustainability Report.

### Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, as summarized under the section "Summary of the Work we Performed as the Basis for our Assurance Conclusion", nothing has come to our attention that causes us to believe that the Sustainability Information included in the "2025 TSRS Compliant Sustainability Report" section of the Group's Sustainability Report for the year ending December 31, 2025, has not been prepared in accordance with the Türkiye Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA") in the Official Gazette dated December 29, 2023 and numbered 32414(M). We do not provide any assurance conclusion regarding the information related to other information included in the 2025 Sustainability Report and any other information (including any images, audio files, website links or embedded videos) associated with the Sustainability Information and 2025 Sustainability Report.

### Inherent Limitations in the Preparation of Sustainability Information

The Sustainability Information is subject to inherent uncertainties due to lack of scientific and economic information. The inadequacy of scientific data leads to uncertainties in the calculation of greenhouse gas emissions. Additionally, due to the lack of data regarding the likelihood, frequency, and impacts of potential physical and transition climate risks, the Sustainability Information is subject to uncertainties related to climate-related scenarios.

### Responsibilities of Management and Those Charged with Governance Regarding Sustainability Information

The Group's Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Türkiye Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- Additionally, the Group Management is responsible for selecting and implementing appropriate sustainability reporting methodologies as well as making reasonable assumptions and suitable estimates.

Those Charged with Governance is responsible for overseeing the Group's sustainability reporting process

### Responsibilities of the Independent Auditor Regarding the Limited Assurance of Sustainability Information

We are responsible for the following:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Group Management.

Since we are responsible for providing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation process of the Sustainability Information in order to ensure that our independence is not compromised.

### Professional Standards Applied

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

# Limited Assurance Statement on TSRS-Compliant Sustainability Report



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## Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, issued by the POA. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk management specialists. We have used the work of our expert team to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

## Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information, we:

- Face-to-face interviews were conducted with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period.
- The Group's internal documentation was reviewed and assessed to evaluate the sustainability related information.
- The disclosure and presentation of sustainability-related information have been evaluated.
- Through inquiries, obtained an understanding of Grup's control environment, processes and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, we did not obtain evidence about their implementation or we did not test their operating effectiveness.
- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied. However our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates.



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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Didem Tuşel Özdoğan, SMMM  
Partner

1 April 2026  
İstanbul, Türkiye

## Trade Name

# FORD OTOSAN

### Trade Name

Ford Otomotiv Sanayi A.Ş.

### Trade Registry No.

73232

### Mersis

0649002036300014

### Registered Capital

10.000.000.000 TL

### Paid-In Capital

3.509.100.000 TL

## Locations

### Kocaeli Plants

Denizevler Mah. Ali Uçar Cad. No: 53  
41670 Gölcük/Kocaeli  
T: 0262 315 50 00

### Sancaktepe Spare Parts Distribution Center

Akpınar Mah. Hasan Basri Cad. No: 2  
34885 Sancaktepe/İstanbul  
T: 0216 564 71 00

### Kocaeli Yeniköy Plant

Yeniköy Sepetlipınar Mah. Derya Cad. No: 1/1  
41275 Başiskele/Kocaeli  
T: 0262 315 50 00

### Sancaktepe Engineering Hub

Akpınar Mah. Hasan Basri Cad. No: 2  
34885 Sancaktepe/İstanbul  
T: 0216 664 90 90

### Eskişehir Plant

Yenice Mah. Ford Otosan Fabrika Sahası Küme Evler No: 1-1  
26670 İnönü/Eskişehir  
T: 0222 213 20 20

### Craiova Plant

Strada Henry Ford 29 Craiova/Romania  
T: +40 372 373 673

## Contact Us

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## Corporate Website

[www.fordotosan.com.tr/en](http://www.fordotosan.com.tr/en)

## **Sustainability Reporting Consulting**

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**Imnera Sustainability Consulting**  
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