

FORD OTOSAN GIFTS AND ENTERTAINMENT POLICY

1. PURPOSE AND SCOPE

The aim of the Gifts and Entertainment Policy (“**the Policy**”) is to act as the set of rules to Ford Otomotiv Sanayi A.Ş. and its Subsidiaries¹ (“**Ford Otosan**”) to make the right decisions when providing or accepting gifts and entertainment while conducting business on behalf of the Company. This Policy has been prepared by considering the ethical principles of Ford Otosan's Main Shareholders.

All employees, directors, officers of Ford Otosan shall comply with this Policy which is an integral part of Ford Otosan Code of Conduct and Ethical Rules². Ford Otosan also expects and takes necessary steps to ensure that all its major shareholders and its Business Partners - to the extent applicable - complies with and/or acts in line with this Policy.

2. DEFINITIONS³

“**Business Partners**” include suppliers, distributors, dealers, authorized services, all third party suppliers with whom we have business relationship, representatives, independent contractors, consultants etc. that act on behalf of Ford Otosan and employees and representatives of the above.

“**Cash Equivalent**” includes but not limited to money in cash, gift certificates, cards, discounts, securities, gold coins or fuel coupons or similar ticket compliments with specified value.

“**Entertainment**” consists of meals, lodging and accommodation, travel and transportation, sporting and cultural or other social events.

“**Gift**” means any item of value, whether given or received directly or indirectly, such as discounts, gift cards, promotions, promise of employment, cash, loans, memberships, services, favors, presents or goods.

“**Government/Public Official**” broadly refers to a variety of individuals including but not limited to the following:

- Employees working at government bodies domestically or in a foreign country,
- Employees of government business enterprises (domestic or in a foreign country),
- Employees of political parties, political candidates, (domestic or in a foreign country),
- Any person who holds a legislative, administrative or judicial position, (domestic or in a foreign country),
- Judges, jury members, or other officials who work at domestic, foreign, international or supranational courts,
- Officials or representatives working at national, international parliaments or supranational organizations;
- Citizens or foreign arbitrators resorted to, who have been entrusted with a task within the arbitration procedure, in order to resolve a legal dispute.

¹ Companies in which Ford Otosan has directly or indirectly: a) majority of its capital or majority of its voting shares, b) the right to elect a number of members constituting the majority that can take decisions in the management body, shall considered as Subsidiaries within the meaning of this Policy. Ford Otosan recommends other companies that fall outside of this definition, but of which Ford Otosan is a shareholder, to adopt this Policy and its principles.

² Please see <https://www.fordotosan.com.tr/en/corporate/about-ford-otosan/policies> for Ford Otosan Code of Conduct and Ethical Rules, Gifts and Entertainment Policy and other related policies.

³ For the terms used but not defined in this Policy, please see Ford Otosan Anti-Bribery and Corruption Policy.

“**Main Shareholders**” means the main shareholders of Ford Otosan which are Ford Motor Company and Koç Holding A.Ş.

“**PEPs (Politically Exposed Persons)**”⁴ are the individuals who are or have been entrusted with prominent public functions domestically or by a foreign country, for example heads of state or heads of government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, important political party officials. Definition of “PEP” applies to family members or close associates, any individual publicly known, and relatives by blood and marriage up to the second degree of these individuals, persons living together in the same house and companies in which these persons have more than 50% of the shares or management control by these individuals, or individuals or companies known by the public to be a close personal or professional associate.

3. GENERAL PRINCIPLES

Gifts and entertainments are commonly used in building and reinforcing business relationships. However, these are legitimate tools only if they are in accordance with the following criteria:

- Reasonable, occasional and with a modest value.
- Recorded in Ford Otosan’s books and records in an accurate and transparent manner.
- In accordance with accepted business practices (no intentions of bribes or improper advantage, payoffs or kickbacks).
- Consistent with applicable laws and regulations.

Any gift or entertainment should be provided or accepted in goodwill. The intentions, implications and impacts of it should be carefully evaluated. In this respect, employees should make sure that providing or accepting the particular gift or entertainment:

- Does not influence decision-making of Ford Otosan or other parties and does not lead others to perceive such an influence.
- Does not detriment Ford Otosan if it becomes public knowledge.
- Does not lead any conflict of interest.

In Ford Otosan, all gifts and entertainment activities must be in accordance with the principles given above as well as the limits given throughout this Policy and related procedures of Ford Otosan. Gifts and Entertainment are not allowed to be perceived as bribery, corruption, corruptly influence, improper advantage, facilitation payments in any way. Ford Otosan Anti-Bribery and Corruption Policy principles should be followed for any Gift and Entertainment.

The approvals and sufficient description regarding the gift or entertainment must be documented properly and the related transaction must be accurately and transparently recorded to Ford Otosan’s books and records.

In order to avoid any doubt, it should be noted that our general principles listed above are not only valid for official transactions but will also apply to all Ford Otosan business and transactions.

Employees should request guidance from Ford Otosan Compliance Leadership or the Ethics Coordinator, in a case of doubt upon the appropriateness of offering or accepting a gift or entertainment.

⁴ <https://www.fatf-gafi.org/documents/documents/peps-r12-r22.html>

4. APPLICATION OF THE POLICY

4.1. Gifts

Ford Otosan employees must not offer or accept gifts as cash or cash equivalent or given in the form of services as well as other non-cash benefits such as promotions, memberships, promise of employment or other forms of favors.

No gifts can be accepted, except for promotions and conveniences, the value of which does not exceed 50 Euros or that does not create the impression of an irregularity. In any case, the sum of gifts to be given or received from a single person or organization or their personnel ("single source") cannot exceed the said value. On the other hand, any Gift that may adversely affect the ability to make a fair and impartial decision or that may be considered contrary to generally accepted commercial practices should be rejected regardless of the monetary limit specified, that is, even if it falls below the limit specified in this article, and such Gifts should not be given to third parties.

In case of any doubt regarding the giving or receiving of any Gift or the presentation or acceptance of Hospitality, the reason, frequency of the relevant transaction or for any other reason whether it is in compliance with the customs and commercial practices and this Policy, Compliance Leadership or Ethics Coordinator should be consulted.

It is appropriate for employees to give/receive Gifts with very limited monetary value within the framework of routine activities and within the principles stated above. These may include calendars, key chains or similar promotional materials, preferably bearing the company logo. However, Gifts of a personal nature that could be perceived as personal, such as a watch with a name or a pen with the recipient's initials, should be avoided.

Except for Gifts and Entertainments given with the approval of the Human Resources Leadership in accordance with company procedures, no leadership of Ford Otosan or employees can give Gifts or Entertainments to other employees or their families in any way on behalf of Ford Otosan.

Employees can only accept a Gift within the limits specified in this Policy and in line with the general principles. When Gifts are given to employees that are not acceptable under this Policy, the Gift must be refused by returning the Gift with a note and email or simply an email referencing this Policy.

4.2. Entertainment

Business meals and events are common practices in business life. Ford Otosan and its Business Partners may cover each other's meal, travel and accommodation expenses when they are actively working on or performing marketing activities to work on a business project. However, the nature of the event is essential when deciding whether or not to offer or accept a form of entertainment. At minimum, the following criteria must be met in such cases:

- There must be a legitimate business interest due to an ongoing or possible business relationship with the counterparty.
- The event must remain one-off and not repeated in a regular manner.
- The event cannot be excessive (the value or nature of the event is not proportionate with the business relationship. (For instance, an expensive concert or a sporting event whose ticket is hard to find)
- Any event that will be held in inappropriate venues (such as nightclubs or adult entertainment venues etc.) or that may damage Ford Otosan's reputation if known by the public, should not be attended.

- The entertainment activity cannot lead negative impact on fair and unbiased judgment or cause others to perceive such an impact.
- Without prejudice the above principles, entertainments provided by third parties but not attended by those third parties are not allowed.
- Payment of travel expenses of Ford Otosan employees by third parties is unacceptable. However, in certain cases (for example, if the event to be attended is a conference/seminar and the employee will be a speaker at this event) may be considered as an exception with the pre-approval of the Compliance Leadership.

The documentation upon offered entertainment activities must include full details describing the attending parties and the associated business relationship (business reason) as well as a description of the event and supporting documentation. The related expenses must be accurately and transparently recorded in Ford Otosan books and records, in the relevant expense account associated with the business relationship.

Approval must be obtained from the Compliance Leadership before accepting any Entertainment offered by the third parties to the Ford Otosan employees and before offering any Entertainments to the Public officials/Politically Exposed Persons by Ford Otosan.

Employees providing the entertainment activities are responsible to deliver the aforementioned documentation to be retained by the Financial Affairs Department.

4.3. Interactions with Government Officials/PEPs

Interactions with government officials and PEPs are subject to strict regulatory rules. Both local and international laws prohibit granting anything of value to government officials or PEP's to build up, win or maintain a business.

Gifts or entertainment to government officials and PEPs may give rise to concerns about a bribery or corruption. In this respect, these type of gifts and entertainment must be in moderate terms, in line with relevant regulations and could not be perceived as bribe, payoff or kickback.

AUTHORITY AND RESPONSIBILITIES

All employees and directors of Ford Otosan are responsible for complying with this Policy, implementing, and supporting Ford Otosan's relevant procedures and controls in accordance with the requirements in this Policy. Ford Otosan also expects and takes necessary steps to ensure that all its Business Partners to the extent applicable complies with and/or acts in line with this Policy.

If there is a discrepancy between the local regulations, applicable in the countries where Ford Otosan operates, and this Policy, subject to such practice not being a violation of the relevant local laws and regulations, the stricter of the two, supersede.

In case of becoming aware of any action that is inconsistent with this Policy, the applicable law or Ford Otosan Code of Conduct and Ethical Rules, Ford Otosan Human Resources Leader, Ford Otosan Ethic Representatives (Human Resources Leaders at company locations and Ethics Coordinator employed at the Internal Audit Leadership), Legal and Compliance Leader, Internal Audit Leader or Compliance Leader should be contacted. You can send all your questions or notices regarding ethical violation by calling "0850 305 50 10", e-mailing to fordotosan.ethicspoint.com or fordotosanmobile.ethicspoint.com; or via <https://www.fordotosan.com.tr/en/corporate/about-ford-otosan/notification-form>. You may also report to Koç Holding's Ethics Hotline via the following link: koc.com.tr/hotline or e-mail to Ford Motor Company's Ethics Hotline SpeakUp@ford.com.

Ford Otosan employees may consult the Legal and Compliance Leadership in Ford Otosan for their questions related to this Policy and its application. Violation of this Policy may result in significant disciplinary actions including dismissal. If this Policy is violated by any third parties, all necessary legal actions shall be taken including termination of their contracts and collection of losses incurred by Ford Otosan from responsible parties.

5. REVISION HISTORY

This Policy takes effect on 29.12.2021 as of the date approved by the Board of Directors of Ford Otomotiv Sanayi A.Ş and is maintained by the Legal and Compliance Leadership.