

## **FORD OTOSAN MATERIAL COMMUNITY INVESTMENT TOPICS AND KEY ISSUES TO ADDRESS**

Ford Otosan carries out Community Investment activities in accordance with the Community Investment Policy, which can be found on the corporate website: [www.fordotosan.com.tr](http://www.fordotosan.com.tr)

As referred in the Policy, this document provides detailed information about the Material Community Investment Topics and Key Issues to Address.

### **MATERIAL COMMUNITY INVESTMENT AREAS**

In line with the Community Investment Policy's General Principles, our community investment activities focus primarily on Climate Crisis, Equal Opportunity and Diversity, Mobility Solutions, and Vehicle Quality and Safety.

We use key performance indicators to measure the projects carried out in material areas and inform our stakeholders about the results.

#### **➤ Climate Crisis**

At Ford Otosan, we follow the sustainability roadmaps of our Main Shareholders and the European Green Deal, which aims for Europe to achieve carbon neutrality by 2050, to develop innovative products and services with low environmental impact to benefit society. In all production processes and the products we manufacture, we focus on increasing the use of clean and efficient energy, reducing waste and emissions, and using natural resources efficiently to minimize our environmental impact. We aim to spread this approach across our value chain.

Climate crisis is currently the most significant risk factor. Given the increasing energy need and greenhouse gas emissions, the climate crisis is highly likely to impose major risks on social and economic life.

In our efforts to tackle the climate crisis, we focus on water, carbon footprint, air quality, biodiversity and circular economy as key topics in line with Ford Otosan's Environment and Energy Policy, Water Policy and Conflict Minerals Policy. We expect all our employees, dealers, suppliers and other business partners to comply with the relevant Ford Otosan policies and we work to ensure that they do.

#### **➤ Equal Opportunity and Diversity**

We aim to build our workplace, corporate culture and ways of doing business on equal opportunity and provide an inclusive work environment where differences and ethical values are respected, and all are welcomed without bias against language, religion, race, gender or sexual orientation. Our goal is to spread this approach across the country by raising awareness about these issues among our employees, dealers, suppliers and society in general.

In line with our Diversity Policy and Human Rights Policy, we focus on human rights, healthcare, education, empowering disadvantaged groups, science and technology and gender equality as key topics. Under the topic of gender equality, we follow UN Women's Empowerment Principles and the Declaration on Equality at Work and carry out nationwide activities to encourage women's participation in professional life and achieve equality in the workplace.

➤ **Mobility solutions**

Under the mobility solutions topic, we define our vision as “being the leading smart mobility ecosystem provider in Turkey.” We aim to identify and meet future mobility needs by building a smart mobility ecosystem. As part of the mobility systems we offer in cooperation with Ford Motor Company, one of our Main Shareholders, we intend to launch intelligent vehicles faster by leveraging connectivity, autonomous and electric vehicle and sharing technologies.

We aim to go beyond our mission of being a leader in commercial vehicle production and sales and become a company that also provides smart mobility solutions. Accordingly, we aim to collaborate with business partners, local administrations, startups, academics and society, develop mobility and new transportation solutions for communities by considering disadvantaged groups and people with disabilities and leveraging our high technology-driven engineering capabilities.

➤ **Vehicle Quality and Safety**

In our vehicles’ design and production processes, ensuring pedestrian and passenger safety is a top priority for us. Therefore, we use state-of-the-art technologies, innovative materials, and designs to offer our customers high-quality and safe vehicles. Furthermore, we comply with all applicable regulations in our markets as well as Ford Motor Company’s Vehicle Safety Design Guidelines and the generally accepted safety standards. In addition, we aim to spread awareness about safe driving techniques across society.

In addition to the previously mentioned four material areas, we mobilize our resources in crisis situations such as natural disasters that may occur in our country or pandemics and work in coordination with our employees, dealers, suppliers, business partners in our ecosystem and relevant authorities.

**Material Community Investment Topics and Key Issues to Address**

<b>Material Topics</b>	<b>Related Sustainable Development Goal</b>	<b>Key Issues to Address</b>
Climate Change	6 (Clean Water and Sanitation) 13 (Climate Action) 14 (Life Below Water) 17 (Partnerships for Goals)	<ul style="list-style-type: none"> <li>• We aim to instill a sense of responsibility and raise awareness about the environment and energy by providing training programs for our stakeholders.</li> <li>• We are committed to engaging with our stakeholders continuously by raising awareness about responsible water use and involving them in the efforts to conserve and regenerate water resources.</li> <li>• We recognize that joint efforts are required to conserve water resources and use water efficiently to combat droughts. Therefore, we are committed to supporting long-term projects through partnerships to generate solutions to the challenges faced in water management.</li> </ul>

Equal Opportunity and Diversity	4 (Quality Education) 5 (Gender Equality) 8 (Decent Work and Economic Growth) 10 (Reduced Inequalities)	<ul style="list-style-type: none"> <li>• We promote women’s active participation in the workforce.</li> <li>• We seek to achieve higher representation of women on the Board of Directors and in Senior Management roles.</li> <li>• We aim to create diversity in the employment of people with disabilities</li> <li>• We aim to support women in technology and innovation</li> <li>• We seek to play a leading role in increasing women’s employment in the automotive industry and also encourage our dealers and suppliers to support these efforts.</li> </ul>
Mobility Solutions	4 (Quality Education) 11 (Sustainable Cities and Communities)	<ul style="list-style-type: none"> <li>• We develop extensive mobility solutions to minimize environmental impact. We include vehicles and their components as well as all modes of transport, transportation infrastructures, people’s mobility habits and other relevant factors within this scope.</li> <li>• We aim to introduce smarter mobility solutions with more safety and accessibility features.</li> </ul>
Vehicle Quality and Safety	12 (Responsible Production and Consumption)	<ul style="list-style-type: none"> <li>• We seek to play a leading role in researching, developing, and innovating vehicle safety and driver assistance technologies.</li> <li>• We aim to continue delivering information and training programs to spread safe driving techniques to wider audiences.</li> </ul>

### Key Performance Indicators

Material Topics	Key Performance Indicators
Equal Opportunity and Diversity	We aim for: <ul style="list-style-type: none"> <li>• One out of every four field workers and one out of every two office employees to be women in recruitment.</li> <li>• Keeping female member ratio on the Board of Directors to at least 25%.</li> <li>• Increasing female employment ratio to 50% in all manager positions by 2030.</li> <li>• Reaching 100K women through training, awareness and financial support projects for the community by 2026.</li> <li>• Increasing female employment ratio to 30% in STEM at Ford Otosan by 2026</li> <li>• Doubling female employment ratio in STEM area at our dealers by 2026.</li> <li>• Achieving 100% accessibility in all our locations and dealers by 2023.</li> </ul>

## **EMPLOYEE VOLUNTEERING**

All volunteering work of our employees is followed on the “Gönlüm Senle” (“My Heart is With You”) Volunteering Platform with the approval and cooperation of Ford Otosan management. The activities should be voluntary and carried out with a professional approach without creating any conflicts of interest, in line with Ford Otosan Policies.

We encourage our employees to participate in Community Investments and support their volunteering work by granting administrative leave for such efforts. In this context, we aim for 35% of our employees to actively support social investments by 2030, and we plan to monitor their participation on the volunteering platform.

## **RESOURCE USE**

In principle, Ford Otosan sets an upper limit for donations in each calendar year, except for periods of large investment and severe economic crisis, to the extent allowed by applicable regulations and financial conditions. This limit is then submitted to the General Assembly for approval. Currently, the upper limit for donations is set at 0.3% of the previous year’s Sales Revenues.

The resources allocated for Community Investments are used in the projects that both the Vehbi Koç Foundation (<https://www.vkv.org.tr/>) and we carry out.

## **IMPACT MEASUREMENT AND COMMUNICATION**

We measure the results of our Community Investments and assess the social impact of the projects, which are deemed to have continuity and reach the beneficiaries.

Ford Otosan communicates its Community Investment approach and performance to its stakeholders through the Sustainability Report, corporate website and social media channels.