



Corporate Governance Compliance Rating Report

FORD OTOSAN

Ford Otomotiv Sanayi A.Ş.

21 June 2024

Validity Period 21.06.2024-21.06.2025

LIMITATIONS

This Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for Ford Otomotiv Sanayi A.Ş.

has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on October 2 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated January 3 2014 and numbered 28871

The criteria established for the companies whose shares are traded at BIST are organized separately as First Group, Second Group and Third Group companies and investment partnerships, taking into consideration the group distinctions stated by CMB's Corporate Governance Principles in Item 2— Article 5 of communiqué no. II-17.1, published in the Official Gazette on 03.01.2014.

The Corporate Governance Compliance Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. is based on 106 copies of documents, data and files transmitted by the concerned firm electronically, including data open to general public and examinations made by our rating experts on site.

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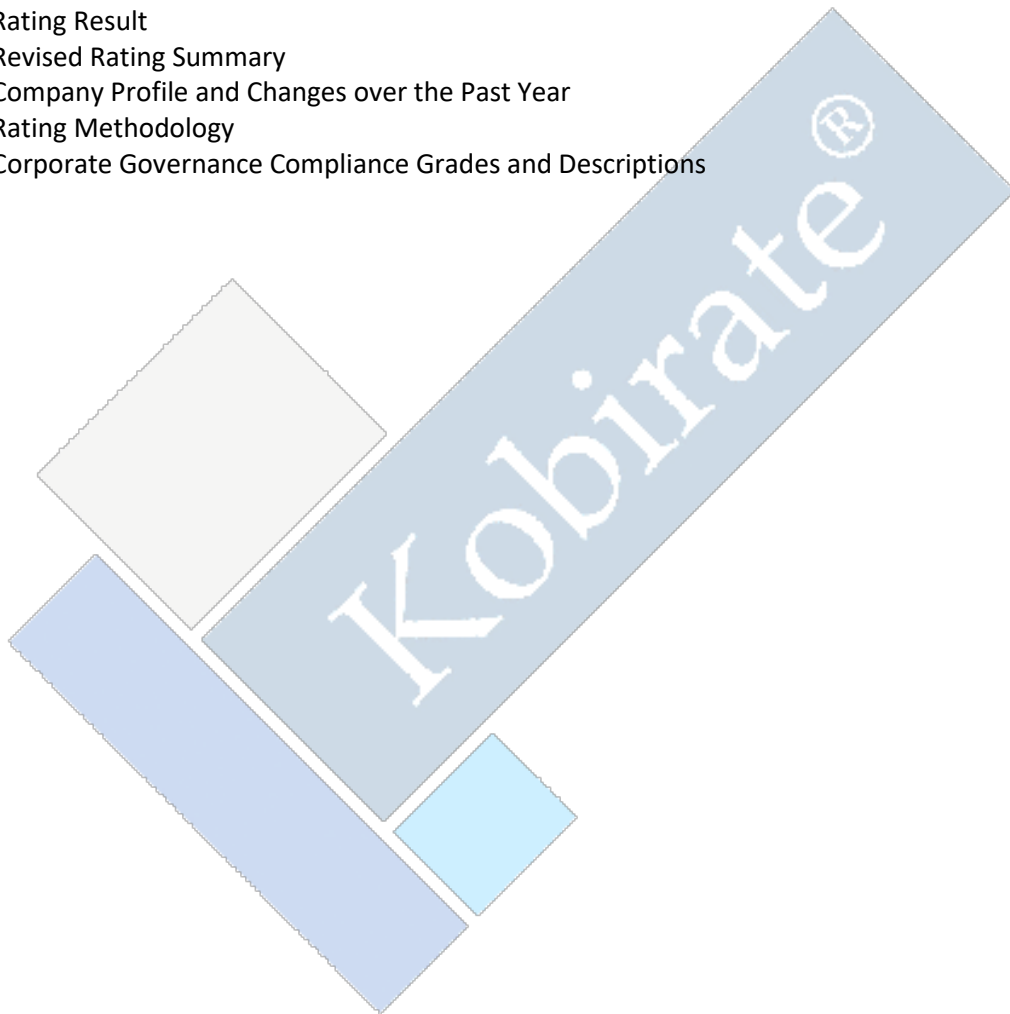
Although the rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. formed according to the methodology disclosed.

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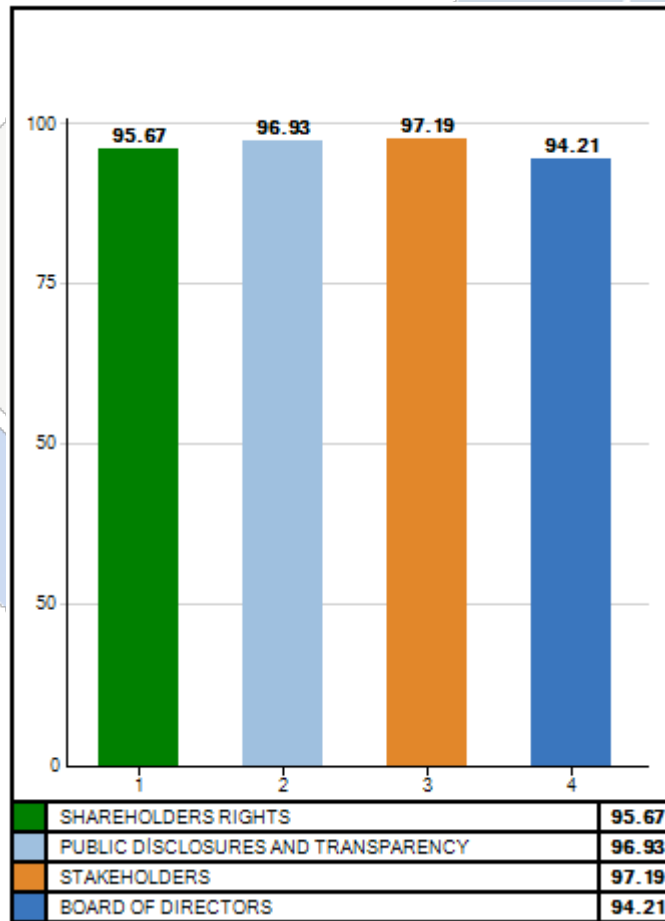
FORD OTOMOTİV SANAYİ A.Ş.

1. RATING RESULT

BIST FIRST GROUP COMPANY

CMB CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE GRADE

9.57





Kobirate A.Ş. Contact:

Rating Expert:

Serap ÇEMBERTAŞ (License Number: 700342)

(216) 3305620 Pbx

serapcembertas@kobirate.com.tr

www.kobirate.com.tr

Hasanpaşa Mahallesi Ali Ruhi Sokak No:2 Kat:2 Daire:2 34722 Kadıköy İstanbul

Corporate Governance Rating Committee

Burhan TAŞTAN

(License Number: 700545)

Can TEKİN

(License Number: 700573)

Nermin Z. UYAR

(License Number: 702999)

2. REVISED RATING SUMMARY

This report of rating of compliance of Ford Otomotiv Sanayi A.Ş. (Ford Otosan) with the Corporate Governance Principles is concluded through onsite examinations of the documents in the Company's headquarters and information open to the public, interviews held with executives and persons involved, and of the other examinations and observations. The study has been held in accordance with the Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. In the methodology and rating process, in addition to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, the Communiqué Amending the "Corporate Governance Communiqué (II-17.1) (II-17.1.a)" published by the Board has been considered in addition to the regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

According to the Capital Markets Board decision dated 25.01.2024 and numbered 6/121, Ford Otosan is in the Bist 1st Group Companies list. The Company has been evaluated by examining 456 criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST 1st Group Companies". At the end of the examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, the Stakeholders and the Board of Directors, the Corporate Governance Compliance Rating Grade of the Company has been revised to **9.57**.

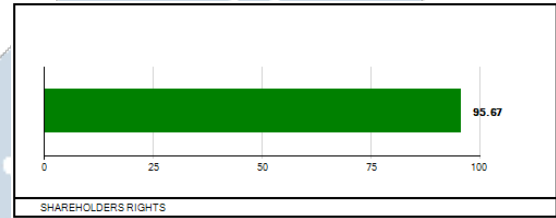
This result shows that Ford Otosan has achieved very high compliance with the Corporate Governance Principles issued by the Capital Market Board. Potential risks that the Company may be exposed to are identified and can be managed. The level of public disclosure and transparency is high. The rights of the shareholders and stakeholders are

treated fairly. The composition and operational conditions of the Board highly comply with the Corporate Governance Principles.

When the activities of the Company for the last one year are examined, it is seen that it has been strengthening and maintaining its compliance with Corporate Governance Principles.

In conclusion, this rating indicates that Ford Otomotiv Sanayi A.Ş. (Ford Otosan) highly deserves to be included in the BIST Corporate Governance Index.

▪ In the Shareholders section, the rating of Ford Otosan has been revised to **95.67**.



The reasons for the increase in the grade of the Company in this main section are:

- Updating the Profit Distribution Policy,
- The updated Profit Distribution Policy was submitted for the shareholders' approval at the ordinary general assembly held on 03.04.2024.

During the review period, the Company continued to inform shareholders and exercise their fundamental shareholder rights with the same sensitivity and efficiency.

Ford Otosan Investor Relations Department reports directly to the CFO.

The Department is under the responsibility of Investor Relations Leader, Ms. Bahar EFEOĞLU AĞAR, who was appointed to this position on 01.11.2021. Ms. AĞAR has Capital Market Level 3 and Corporate Governance Rating licenses. Ms. Duygu YALINKILINÇ and Mr. Hamza SÜMER serve as team members in the unit.

Due to the fact that the Investor Relations Department works under the CFO and reports are also made to the CFO, Ms. Saibe Gül ERTUĞ (Financial Affairs Leader-CFO) has been appointed as a member of the corporate governance committee. Investor Relations Leader Ms. Bahar EFEOĞLU AĞAR, however, provides the secretariat of the corporate governance committee and attends committee meetings with this task. The structuring of the Investor Relations Department in accordance with Article 11 of the Corporate Governance Principles will bring compliance with the principles to a higher level.

It has been found that the employees of the Investor Relations Department have adequate qualifications in terms of the knowledge and experience required for the task and that they play an effective role in protecting and facilitating shareholders' rights, starting with the right to obtain and review information.

The Investor Relations Department's job description has been made, its working procedure established, and it has been seen to cover the duties stated in the 11/5 item of CMB Corporate Governance Directive No II-17.1.

It has been determined that the Investors Relations Department regularly presents its activities and performance of shares to the Corporate Governance Committee. The Department has reported to the corporate governance committee once in 2023.

Shareholders' right to obtain information and to examine is not canceled or restricted by the Articles of Association or any department of the Company.

Any data that might affect the exercise of shareholders' rights is currently at the disposal of shareholders on the corporate Internet website.

The Company discloses to shareholders and the public in accordance with its "Disclosure

Policy," which is published on the Company's corporate website.

The Company held an extraordinary general assembly in 2023, in addition to its ordinary general assembly, where the activities of 2022 were discussed. The invitation for the general assembly held on 26.10.2023 was published on the Public Disclosure Platform (PDP) on 02.10.2023, in the Central Registry Agency e-general assembly system (EGAS) and the Turkish Trade Registry Gazette (TTSG) dated 04.10.2023 and numbered 10928. In accordance with the second item of the agenda, the appointment of Ms. Josephine Mary Payne to the Board of Directors, which became vacant following the resignation of Mr. David Joseph Cuthbert Johnston, one of the board members, was accepted during the year. In the 3rd item of the agenda, it was decided to distribute cash dividends of 10,443,081,600 TL to the shareholders. A detailed explanation of the subject is included in the "*Profit Distribution*" section of our report.

The General Assembly meeting to discuss operations of 2023 took place on 03.04.2024. The invitation to the general assembly meeting was published on the Public Disclosure Platform (PDP) and the Central Registry Agency e-general assembly system (EGAS) on 06.03.2024, and in the Turkish Trade Registry Gazette (TTRG) dated 12.03.2024 and numbered 11041. The meeting invitation was made at least 3 (three) weeks before the meeting date as stipulated by the principles.

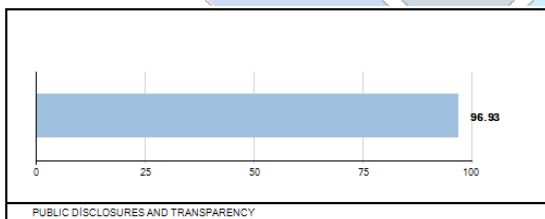
The general assembly information document provides detailed information on the distribution of company shares and the voting rights granted by the shares. In addition, whether the shareholders have a request to add an item to the agenda and the information that is required to be announced to the shareholders and the public in the corporate governance principles are also included.

Executives who are authorized to brief participants on special subjects and answer their questions have attended the general assembly meeting, namely; Mr. Haydar YENİGÜN (Member of the Board of Directors), Ms. Fatma Füsun AKKAL BOZOK (Independent Member of the Board of Directors), Mr. Güven ÖZYURT (Member of the Board of Directors – CEO), Ms. Josephine Mary PAYNE (Member of the Board of Directors – Ford Otosan Leader) and Ms. Saibe Gül ERTUĞ (Financial Affairs Leader - CFO). In addition, the representative of the independent audit firm conducting the Company's external audit was present at the meeting.

According to legal records, a net profit of 31,884,260,100 TL was obtained from the activities of 2023, and according to the consolidated financial statements prepared within the framework of the CMB legislation, a net profit of 49,055,669,150 TL was obtained. The "ii. Dividend Distribution" section of our report explains how the profit is used.

The profit distribution proposal and profit distribution table of the Board of Directors and the general assembly invitation were published on the Public Disclosure Platform in accordance with the dates specified in the principles.

▪ In the Public Disclosure and Transparency section, the Company's rating was revised as **96.93**.



The reasons for the increase in the grade of the Company in this main section are:

In the Annual Activity Report;

- Including explanations regarding privileged shares,
- Providing information about the transactions conducted by the members of the governing body with the Company either

on their behalf or on behalf of others and their activities within the scope of the competition prohibition,

- Including information about the amendments made to the articles of association during the period and their reasons,

- Including information about the extraordinary general meetings held during the year,

- Including explanations regarding special audits and public audits conducted within the accounting period,

- Informing shareholders about their right to request a special audit,

- Providing information on whether there are plans to make any changes in management practices in the near future within the framework of corporate governance principles.

It has been determined that Ford Otosan's works on public disclosure and transparency are in compliance with legal regulations and corporate governance principles. Annual reports are rich in content and contain sufficient information about the activities.

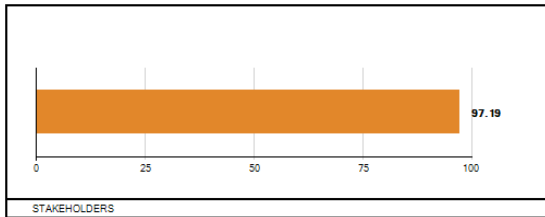
The corporate website (<https://fordotosan.com.tr/tr>) is updated regularly, and the website is being used as an active and effective platform for disclosure to the public. Information and documents that the public, investors and other stakeholders want to access are published retrospectively on the Company's corporate website, and it has been observed that this information is consistent with the statements made in accordance with the relevant legislation. The corporate website is designed as a convenient, easily accessible structure.

The company officials who are charged with disclosures and have the authority for signature are Ms. Saibe Gül ERTUĞ (Financial Affairs Leader—CFO), Mr. Ünal ARSLAN (Finance Leader) and Mr. Bülent Erol TAŞ (Management and General Accounting Leader). The named persons have been assigned to maintain and monitor all kinds of issues related to public disclosure.

An Independent external audit for 2023 was carried out by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. There are no cases where the independent audit avoided expressing opinion, expressed opinion with conditions or avoided signature in the reports. It has been learned from company officials that no event took place with the independent audit company or its auditors that could damage this Company's independence and that there was no legal conflict with it.

It has been decided that the independent external audit for 2024 will be carried out by Güney Bağımsız Denetim ve SMMM A.Ş. with the recommendation of the audit committee, the positive opinion of the Board of directors and the approval of the general assembly.

▪ In the Stakeholders section, the Company's rating has been revised to **97.19**.



During the reviewing period, the Company's:

- Ethical Policies being updated,
- Compliance Policies having assigned responsible persons,

have been considered as reasons for the increase in the rating under this main heading.

It is concluded that Ford Otosan protects stakeholders' rights, which are specified in regulations and mutual contracts. The impression is that in case of lack of any regulation, the Company respects stakeholders' rights within goodwill rules and Company's reputation. It has been observed that many internal regulations were prepared to this end.

The Compensation Policy for employees has been prepared and disclosed to the public via the corporate website.

Recruitment, wage, health, leave rights, promotions, appointments, discipline, dismissal, death, resignation and retirement procedures have been determined and it is thought that these procedures are adhered to in practice. Both during the development of the policies and in practice, we got the impression that equal opportunity is given to individuals under equal conditions.

It has been determined that the Company runs training programs to increase its employees' knowledge, talents, and experience, and it has prepared training policies.

The Ethical Policies were updated on June 15, 2023, approved by the Board of Directors under the "Ethics and Disclosure Policy," and disclosed to the public. On the other hand, the policies concerning the shareholders and all stakeholders are disclosed to the public on the Company's corporate website.

As of December 31, 2023, 23,701 people were employed at Ford Otosan, including 5,338 office employees and 18,363 field employees. Hourly wage workers are organized under the Turkish Metal Union. The Collective Labor Agreement concluded between the Turkish Metal Union and the Turkish Metal Industrialists' Union (MESS) on 18.01.2024 covers the period from September 1, 2023, to August 31, 2025.

Ford Otosan aims to offer innovative automotive products and services that benefit society with the vision of "being Turkey's most valuable and most preferred industrial company ."While working to shape the automotive industry and its future, it counts creating social benefit among its primary objectives, with the belief that companies develop with the society they are in. In this direction, it works to create increasing value for all stakeholders and to contribute to social development, especially in the regions where it operates. In line with the corporate citizenship approach to contribute to the country's development and enhance global competitiveness, activities aimed at creating social benefits in many

areas are carried out under the United Nations ("UN") Sustainable Development Goals. It is stated that in 2023, more than 576.9 million TL was allocated to donations and project activities in the field of social investment, bringing many projects to life in areas such as the environment, education, health, culture, and other fields.

While carrying out all these activities, the Company has established a "Social Investment Policy" to ensure integrity in practice and inform the public about the scope of the efforts. The policy, which was approved by the Board of Directors on June 15, 2023, and entered into force, was disclosed to the public on the Public Disclosure Platform and the Company's corporate website on the same day.

Sustainability;

Sustainability Approach

Ford Otosan structures all of its business processes within the scope of the United Nations Sustainable Development Goals with the aim of maintaining its sustainable growth in all areas. The Company creates its Sustainability Reports in accordance with the G4 Reporting Guidelines, the most up-to-date standard of the Global Reporting Initiative (GRI), and basic application-level requirements.

Priority areas of sustainability that Ford Otosan will focus on in the upcoming periods have been established, and how these areas will be managed has been determined. According to this, it is responsible for;

- Very high-priority issues;
 - Climate change,
 - Occupational health and safety,
 - Vehicle carbon footprint/fuel saving,
 - Vehicle quality and safety,
 - Low-carbon production,
 - Electric vehicles and alternative fuels,
 - Air quality,
- High-priority issues;
 - Developing mobility solutions,

- Human rights,
- Cyclical Economy,
- Business ethics and transparency,
- Corporate governance,
- Supply chain management,
- Talent management,
- Equality of opportunity and diversity,
- Customer satisfaction and communication.

The practices and documented management systems that contribute to the above-mentioned priorities of Ford Otosan are listed below:

- ISO 9001:2015 Quality Management System
- ISO 27001:2013 Information Security Management System
- ISO 14064-1:2018 Verification of Greenhouse Gas Emissions
- ISO 50001:2018 Energy Management System
- ISO 9001:2015 Quality Management System - RAKUN
- ISO 14001:2015 Environmental Management System
- ISO 45001:2018 Occupational Health and Safety Management System
- ISO 10002:2018 Customer Satisfaction Management System

Sustainability Policies and Indices

The United Nations Global Compact, Equality at Work Declaration, Ford Otosan Working Principles and Ethical Rules, Domestic Violence and Abuse Prevention Guide, Ethical Marketing Guide, Tax Strategy, Biodiversity Strategy, Social Investment Focus Areas and Issues to Be Addressed, Donations and Sponsorships, Information Security, Information, Conflict Minerals, Diversity, Board Diversity, Environment and Energy, Ethics, Ethics and Reporting, Gifts and Hospitality, Compensation, Human Rights, Occupational Health and Safety, Quality, Profit Distribution, Personal Data Protection and Processing, Retaliation Prevention, Customer Satisfaction, Competition Law Compliance, Anti-Bribery and Anti-Corruption, Discipline, Water, Compensation, Supply Chain Compliance, Compliance, Wage, Social Investment, Sanctions and Export

Controls policies, which the Company has committed to comply with under its Sustainability Policies, are published on the Company's corporate website. These policies are regularly reviewed at specific intervals.

The Company is included in national and international sustainability indexes that evaluate activities in environmental, social, and corporate governance areas in the eyes of investors and other stakeholders. Within this scope, with the accelerated sustainability efforts and transparent and consistent reporting, it is traded on the Borsa Istanbul Sustainability Index, Borsa Istanbul Sustainability 25 Index, Borsa Istanbul Corporate Governance Index, and FTSE4Good Emerging Markets Index.

Additionally, it has actively responded to the Carbon Disclosure Project (CDP) climate and water programs and, for the past four years, to the S&P Global Corporate Sustainability Assessment. In 2023, the CDP Climate Change score is A-, and the Water Security score is B. The 2023 Refinitiv score is A.

Furthermore, Ford Otosan is included in the S&P Global Sustainability Yearbook 2024. Out of more than 9,400 companies evaluated in the 2023 Corporate Sustainability Assessment (CSA), only 759 companies are featured in the 2024 Sustainability Yearbook. Ford Otosan is the only Turkish automotive Company in the yearbook, highlighting that its commitment to sustainability and transparent communication of progress helps it differentiate itself from its industry peers.

Ford Otosan is also the first industrial Company in Turkey to be included in the Bloomberg Gender-Equality Index, maintaining its position for the third time by improving its performance. Additionally, it was one of the two global automotive companies listed in Refinitiv's Global Diversity & Inclusion Index Top 100 last year. The Company is also continuously working to improve its rating scores on the MSCI ESG and Sustainalytics platforms.

Sustainability Management

At Ford Otosan, the highest level of responsibility for sustainability management lies with the Board of Directors. The Board has delegated the executive authority on this matter to the Executive Committee.

The strategy determined by the Committee and approved by the Board of Directors is implemented by the sustainability core team, which aligns with sustainability working groups and is part of corporate communications. The Sustainability Committee is responsible for determining, implementing, and overseeing Ford Otosan's sustainability strategy.

The Committee undertakes the tasks of implementing relevant strategies and policies to improve our sustainability performance in social, environmental, economic, and corporate governance areas, and ensures that the efforts are carried out in a planned and systematic manner. The Ford Otosan Leader, who is also a committee member, chairs the Ford Otosan Sustainability Committee and reports the Company's progress and areas for improvement directly to the Ford Otosan Board of Directors, obtaining approval for related investments.

The Committee comprises the Operations and Investments Leader, Engineering and Technology Development Leader, Procurement Leader, Finance Leader, Human Resources and Transformation Leader, Engineering and Technology Development Leaders, Corporate Communications and Sustainability Leader, Investor Relations Leader, Occupational Health and Safety and Environment Leader, and Official Affairs Coordinator. The Corporate Communications and Sustainability Unit coordinates the Committee, which meets at least four times a year.

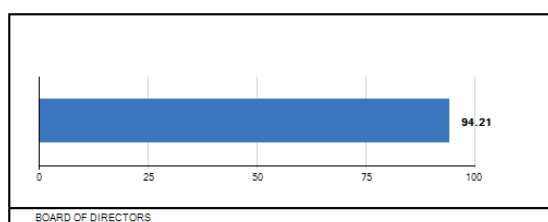
In 2024, two meetings were held on 07.03.2024 and 07.06.2024.

Ford Otosan discloses to the public the information requested and the declaration of compliance within the scope of the voluntary sustainability principles compliance

framework with the Communiqué on Amendments to the Corporate Governance Communiqué (II-17.1).

Detailed information about the Company's sustainability policies and all sustainability activities, including significant decisions made by the Sustainability Committee in 2023, can be found in both integrated annual reports and on the corporate website.

- In the Board of Directors section, the rating of Ford Otosan was revised to **94.21**.



The Board of Directors and Committees continue their work effectively. The timely progression of the approval process for Independent Board Members by the Capital Markets Board (CMB) in accordance with the principles and the maintenance of updated working and operational procedures of the Board are the reasons for the increase in the rating under this main section.

In the meetings with the company officials and the examinations made on the Board of Directors' Decision Book, it has been determined that the Board continues its activities actively, effectively and regularly. It is thought that the Board of Directors internalizes corporate governance principles and has an approach open to improvement and development.

The Board of Directors has described the corporate strategic objectives and determined necessary human and financial resources. The duties of the chairman of the Board of directors and general manager are carried out by different persons, and the authorities of each are defined. The Board of Directors, consisting of 12 (twelve) members, consists of 2 (two) executive and 10 (ten) non-executive members. 2 (two) of the non-

executive members have the status of independent member. Although the number of independent members in the Board of Directors is less than one-third of the total number of members, compliance with the principles has been ensured with the affirmative opinion of the Capital Markets Board within the scope of Article 6/(1) of the Corporate Governance Principles.

Three (three) female members were appointed to the Board of Directors. This structure fully meets the CMB's criterion for the number of female members on the Board of directors.

Every Board Member has one vote. However, in decisions, the affirmative vote of the majority of the non-independent members nominated by the B Group shareholders present at the meeting and the majority of the non-independent members nominated and elected by the C Group shareholders present at the meeting is required.

The Company's articles of association do not restrict the members of the Board of Directors from taking on other duties or duties outside the Company. However, it is obligatory for the members of the Board of Directors to devote enough time to the Company's affairs to follow the operation of the Company's activities and fully fulfill the requirements of the duties they undertake.

In order for the Board of Directors to fulfil its duties and responsibilities soundly, Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee and Remuneration Committee have been established. Due to the structure of the Board of Directors, a separate Nomination Committee has not been established and the duties of this Committee are fulfilled by the Corporate Governance Committee. The Working Principles of the Corporate Governance Committee also cover the working principles of the Nomination Committee.

In addition to the aforementioned committees, a "Sustainability Committee"

has been established within the Company, which is responsible for the implementation of the sustainability strategy and policy and the planned and systematic execution of the works in order to improve the sustainability performance in social, environmental, economic and corporate governance areas. Detailed information about the formation and activities of the Committee is provided under the "Sustainability Management" section.

The duties, working principles and committee members have been determined by the Board of Directors, approved as written documents, announced to the public and published on the Company's corporate website.

The structure of the committees aligns with the principles. The member of the Corporate Governance Committee to whom Investor Relations reports directly is the CFO, and the Investor Relations Leader, Ms. Bahar Efeoğlu Ađar, serves as the Committee's secretary. Within the committee structures, the company general manager/chief executive officer was not given any duties.

Independent members of the Board of Directors are elected to serve for 1 (one) year. When the method followed in the election process of these members is examined;

- The Nomination Committee prepares an evaluation report on the independence of the candidate for the election of independent members and submits it to the Board of directors,

- The Board of directors elects independent members within the framework of the nomination committee's report,

- The report prepared regarding the determined candidate is sent to the Capital Markets Board together with the candidate's resume, declarations of independence and the resolutions of the Board of Directors in time.

The Board of Directors held 10 (ten) meetings and made 40 (forty) decisions in 2023. As of March 2024, it has held 2 (two) meetings.

The secretarial function of the Board is carried out by Ms. Saibe Gül ERTUĐ (Financial Affairs Leader – CFO)

- The Audit Committee held 4 (four) meetings in 2023 and 1 (one) meeting as of March 2024. During the same period, the Committee submitted reports to the Board of directors about its work 5 (five) times.

The secretarial function of the Board is carried out by Mr. Dođukan İLHAN (Internal Audit Leader).

- The Corporate Governance Committee convened 2 (two) times in 2023. The Committee presented reports on its activities to the Board of Directors at 2 (two) meetings during the same period. The first meeting of 2024 will be held in July.

- The Early Detection of Risk Committee held 5 (five) meetings in 2023 and 1 (one) meeting as of March 2024. The Committee submitted reports on its activities to the Board of Directors after each meeting.

The secretariat of the Committee is carried out by Corporate Risk Management Leader Ms. Bahar DARICI.

- The Remuneration Committee met 1 (one) time in 2023 and submitted a report containing the meeting decisions to the Board of Directors.

The Committee's secretariat is conducted by the Human Resources Leadership.

The documents examined revealed that the meeting records of both the Board and the Committees were kept regularly.

The damages that may have been caused to the Company by the faults of the members of the Board of Directors during their duties were insured, but no PDP statement was made on the subject.

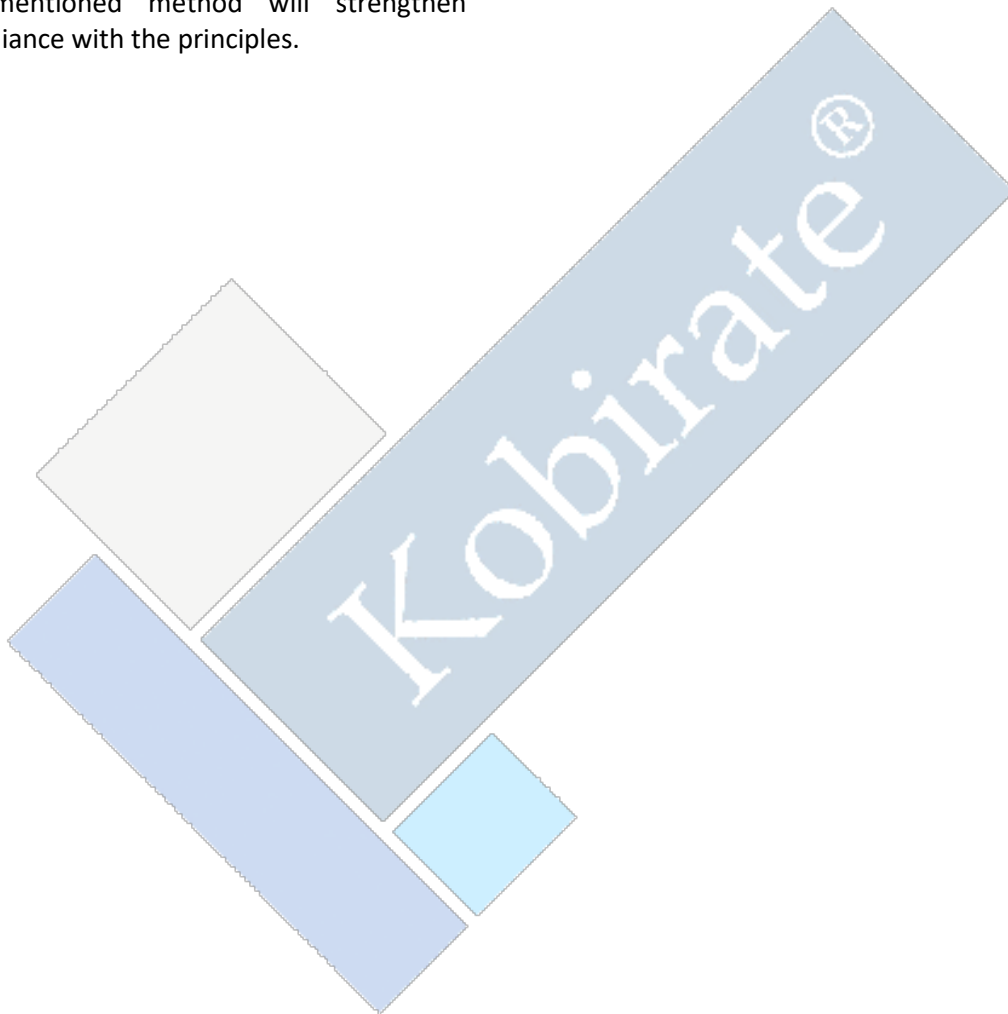
Remuneration Principles for the Members of the Board of Directors and Senior Executives have been determined and disclosed to the public on the Company's corporate website.

Fees and benefits given to the Board of directors and directors with administrative

responsibilities are not disclosed in the annual report on an individual basis.

The Corporate Governance Committee evaluated the performance and efficiency of the Board of Directors at its meeting on December 29, 2023. The committee members made this evaluation based on the meetings held and the decisions made by the Board of Directors.

There is no practice of rewarding or dismissing Board members based on their performance. Implementing the aforementioned method will strengthen compliance with the principles.



3. COMPANY PROFILE AND CHANGES OVER THE PAST YEAR

A. Company Profile

FORD OTOSAN

Company Name : Ford Otomotiv Sanayi A.Ş.
Company Address (Headquarters) : Akpınar Mah. Hasan Basri Cad. No:2 34885 SANCAKTEPE/İSTANBUL
Company Phone : 0 (216) 564 7100
Company Fax Number : 0 (216) 564 7385
Company's Web Address : www.fordotosan.com.tr
Email : yatirimciiliskileri@ford.com.tr
Date of Incorporation : 07/07/1959
Registered Number : 73232
Paid-in Capital : 350,910,000 TL

Line of Business : Manufacture, assembly and sale of motor vehicles, especially commercial-class vehicles; import, sale of passenger vehicles; and production, import and sale of spare parts of these vehicles.

Company's Sector : Manufacturing / Metal Goods, Machinery, Electrical Equipment and Transportation Vehicles

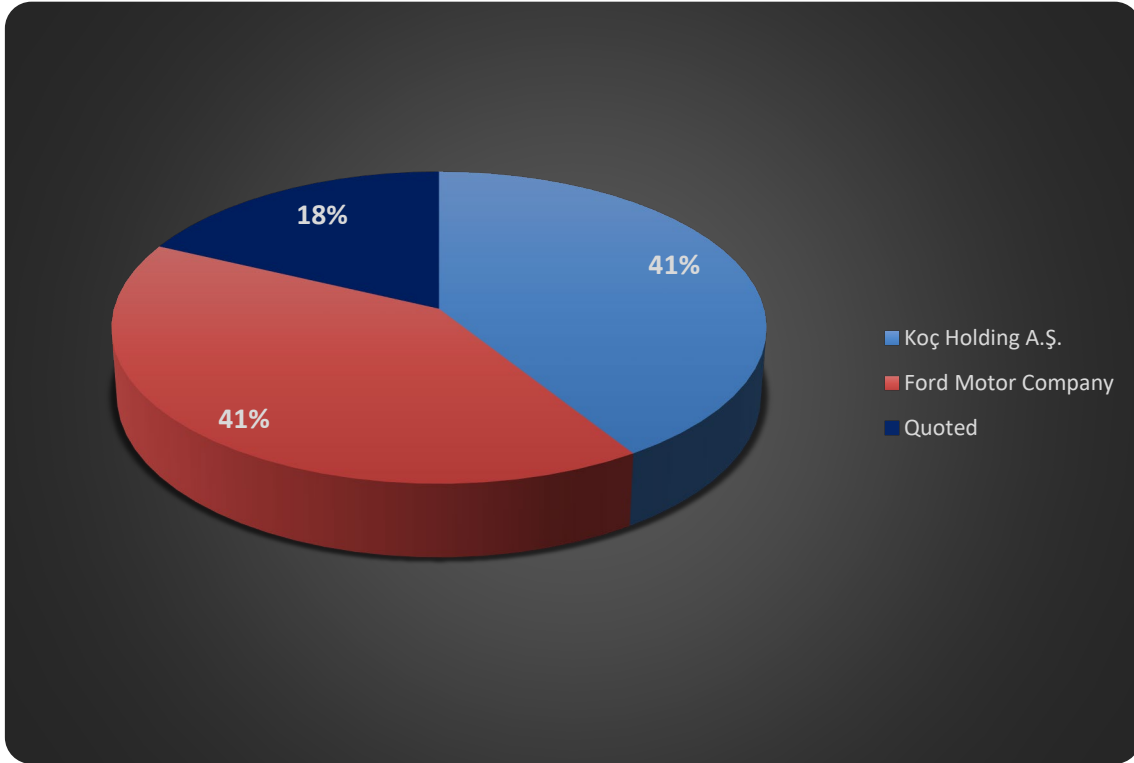
Company's Representative in Charge of Rating:

Bahar EFEOĞLU AĞAR
Investor Relations Leader

bagar@ford.com.tr

0 (216) 564 7859

Shareholder Structure (as of the date of this report)



Shareholder Name	Share(TL)	Share(%)
Koç Holding A.Ş	143,873,100	41
Ford Motor Company (*)	143,873,100	41
Quoted	63,163,800	18
Total	350,910,000	100.00

Source: www.fordotosan.com.tr

(*) 41% of Ford Otosan shares are owned by Ford Deutschland Holding GMBH, and Ford Deutschland Holding GMBH is 100% owned by Ford Motor Company.

Real and Legal Persons Owning the Capital Indirectly as of the Latest Situation

Shareholder Name Surname/Commercial Title	Share in the Capital	Currency	Share(%)
FORD Deutschland Holding GMBH	143,997,036.76	TRY	41.04
Koç Holding Anonim Şirketi	135,631,304.47	TRY	38.65
Other	71,281,658.77	TRY	20.31

Source: kap.org.tr

Board of Directors

Name/ Surname	Title	Executive/ Non - Executive
Yıldırım Ali KOÇ	Chairman	Non - Executive
James Kieran Vincent CAHILL	Deputy Chairman	Non - Executive
Mustafa Rahmi KOÇ	Member of Board of Directors	Non - Executive
William Richard PERIAM	Member of Board of Directors	Non - Executive
Haydar YENİGÜN	Member of Board of Directors	Non - Executive
Levent ÇAKIROĞLU	Member of Board of Directors	Non - Executive
Güven ÖZYURT	Member of the Board of Directors – Ford Otosan Leader	Executive
Josephine Mary PAYNE	Member of the Board of Directors – Ford Otosan Leader	Executive
Johan Egbert SCHEP	Member of Board of Directors	Non - Executive
John Michael DAVIS	Member of Board of Directors	Non - Executive
Fatma Füsün AKKAL BOZOK	Independent Member of Board of Directors	Non - Executive
Katja WINDT	Independent Member of Board of Directors	Non - Executive

Top Management of the Company

Name / Surname	Duty
Güven ÖZYURT	Ford Otosan Leader
Josephine Mary PAYNE	Ford Otosan Leader
Dave JOHNSTON	Battery and Partnerships Leader
Saibe Gül ERTUĞ	Financial Affairs Leader-CFO
Özgür YÜCETÜRK	Ford Türkiye Business Area Leader
Cemil Cem TEMEL	Operations and Investments Leader
Ercan Emrah DUMAN	Ford Trucks Business Area Leader
Ian Robert FOSTON	Engineering and Technology Development Leader
Oya Başak AKYOL	Supply Chain Platform Area Leader
Osman ÖZDEMİR	Human Resources and Transformation Platform Area Leader
Ahmet Serdar KAYHAN	Legal and Compliance Leader
Hayriye KARAKUZU KARADENİZ	Digital Products and Services Leader
Pınar TOPÇU	Quality Platform Area Leader
Erhan KÖSEOĞLU	Growth and Smart Mobility Business Area Leader
Emine Burçak TÜRKERİ	Corporate Communications and Sustainability Leader
Müjdat TIRYAKI	New Generation Manufacturing Leader

Source: www.kap.gov.tr

Committees Formed Within Board of Directors

THE AUDIT COMMITTEE	
Fatma Füsün AKKAL BOZOK	Independent Member of Board of Directors
Katja WINDT	Independent Member of Board of Directors

CORPORATE GOVERNANCE COMMITTEE	
Fatma Füsün AKKAL BOZOK	Independent Member of Board of Directors (Chairman)
Katja WINDT	Independent Member of Board of Directors (Member)
Haydar YENİGÜN	Member of Board of Directors (Member)
William R. PERİAM	Member of Board of Directors (Member)
Saibe Gül ERTUĞ	Member (Financial Affairs Leader - CFO (Finance))

EARLY DETECTION OF RISK COMMITTEE	
Fatma Füsün AKKAL BOZOK	Independent Member of Board of Directors (Chairman)
Haydar YENİGÜN	Member of Board of Directors (Member)
William R. PERİAM	Member of Board of Directors (Member)

REMUNERATION COMMITTEE	
Fatma Füsün AKKAL BOZOK	Independent Member of Board of Directors (Chairman)
Haydar YENİGÜN	Member of Board of Directors (Member)
James Kieran Vincent CAHİLL	Member of Board of Directors (Member)

INVESTOR RELATIONS	TITLE	CONTACT
Saibe Gül ERTUĞ	Financial Affairs Leader - CFO (Finance)	0(262) 315 6905 gertug@ford.com.tr
Bahar EFEOĞLU AĞAR	Investor Relations Leader	0(216) 564 7859 bagar@ford.com.tr

Source: www.kap.gov.tr

**Balance-Sheet comparison of the Company's certain selected items of the last three years
(Thousand TL)**

	2021/12	2022/12	2023/12	Change % (2022-2023)
Current Assets	32,813,852	91,321,074	102,969,262	12.75
Fixed Assets	9,979,001	82,986,064	114,037,767	37.41
Total Assets	42,792,853	174,307,138	217,007,029	24.50
Short-Term Liabilities	20,782,144	76,202,568	94,133,906	23.53
Long-Term Liabilities	11,862,171	46,962,929	49,865,578	6.18
Total Liabilities	32,644,315	123,165,497	143,999,484	16.91
Paid-in capital	350,910	350,910	350,910	-
Equity	10,148,538	51,141,641	73,007,545	42.75

Source: Ford Otomotiv Sanayi A.Ş. Consolidated Financial Statements and Independent Audit Report for the Period 01.01.2023-31.12.2023.

The 2023 Consolidated Financial Reports for the year ended December 31, 2023, have been prepared in accordance with the TMS 29 "Financial Reporting in Hyperinflationary Economies" Standard, as per the announcement made by the Public Oversight Authority on November 23, 2023, and in compliance with the "Tax Procedure Law General Communiqué (Serial No: 555)" published in the Official Gazette No. 32415 (2nd Duplicate) on December 30, 2023. The comparisons in the table have been made using these data.

**Income Statement Comparison of Company's Certain Selected Items for yearends of last two years
(TL)**

	2021/12	2022/12	2023/12	Change % (2022-2023)
Revenue	71,101,258	322,556,451	411,905,593	27.70
Cost Of Sales	(59,947,098)	(285,957,542)	(356,657,683)	24.72
Main Operational Profit / Loss	9,437,743	27,271,090	44,016,841	61.40
Operational Profit or Loss Before Tax	8,686,759	25,447,071	47,428,333	86.38
Period Profit / Loss	8,801,005	27,729,927	49,055,669	76.90

Source: Ford Otomotiv Sanayi A.Ş. Consolidated Financial Statements and Independent Audit Report for the Period 01.01.2023-31.12.2023.

The 2023 Consolidated Financial Reports for the year ended December 31, 2023, have been prepared in accordance with the TMS 29 "Financial Reporting in Hyperinflationary Economies" Standard, as per the announcement made by the Public Oversight Authority on November 23, 2023, and in compliance with the "Tax Procedure Law General Communiqué (Serial No: 555)" published in the Official Gazette No. 32415 (2nd Duplicate) on December 30, 2023. The comparisons in the table have been made using these data.

Subsidiaries, Financial Fixed Assets and Financial Investments

Trade name	Line of Business	Paid-in/ Issued Capital	Share in the Capital	Currency	Share(%)
Otokar Otomotiv Sanayi A.Ş.	Vehicle Manufacturing and Sales for Commercial Vehicles and Defense Industry	24,000,000	140,599	TRY	0.59
Gembbox Teknoloji Girişimleri Anonim Şirketi	Research, development, consultancy, engineering and incubation activities, investing in companies established and initiatives in these fields	25,500,000	25,500,000	TRY	100
Ford Otosan Netherlands BV	To carry out the activities of holding companies and to manage Ford Trucks export market structures centrally	100	100	EUR	100
Rakun Mobilite Teknoloji Ve Ticaret Anonim Şirketi	Rakun Mobilite Teknoloji ve Ticaret A.Ş. To develop and sell products, technologies and solutions in the field of mobility	47,500,000	47,500,000	TRY	100

Source: www.kap.org.tr

The Market where the Capital Market Instrument is Traded and the Indexes that the Company is Included

BIST Code : FROTO

Market where the Capital Market Instrument is Traded : BIST STAR

Indexes That the Company Is Included : BIST DIVIDEND / BIST KOCAELI / BIST STARS / BIST DIVIDEND 25 / BIST CORPORATE GOVERNANCE / BIST 100 / BIST METAL PRODUCTS, MACH. / BIST 500 / BIST ALL SHARES / BIST 50 / BIST INDUSTRIALS / BIST SUSTAINABILITY / BIST 30

Foreign Indices: FTSE4Good Emerging Markets, Bloomberg Gender Equality

Source: www.kap.org.tr

The Peak and Bottom Closing Values of the Company's Stock in the BIST in the Last One Year Period (14.06.2023-1.06.2024)

Bottom (TL)	Peak (TL)
604.56 (16.06.2023)	1,022 (22.05.2024)

Source: Ford Otomotiv Sanayi A.Ş

B. Changes in the Company in the Last Year:

i. Changes in Capital and Articles of Association

There were no changes in the Company's capital and articles of association during the reviewing period.

ii. Profit Distribution:

1. From its 2022 activities, the Company obtained a net distributable profit of 18,874,943,141 TL according to the Capital Markets Board (CMB) and 15,648,853,307 TL according to legal records.

a) In the Board of Directors meeting on February 13, 2023, it was decided to distribute a gross cash dividend of 5,000,467,500 TL and allocate the remaining 10,150,093,607 TL as extraordinary reserves.

The aforementioned profit distribution decision of the Board of Directors was discussed and approved as item 7 of the agenda at the ordinary general meeting held on April 9, 2023.

b) In the Board of Directors meeting on October 2, 2023, the following decisions were made:

To distribute a cash dividend of 10,443,081,600 TL to shareholders.

- According to records prepared in compliance with the Tax Procedure Law, the 10,443,081,600 TL for distribution will be covered as follows: 15,633,687.40 TL from other capital reserves, 1,130,228,395.19 TL from legal reserves, 9,285,400,926.20 TL from extraordinary reserves, and 11,818,591.21 TL from retained earnings; the second tier legal reserve of 1,044,308,160 TL will be covered as follows: 1,563,368.74 TL from other capital reserves, 113,022,839.52 TL from legal reserves, 928,540,092.62 TL from extraordinary reserves, and 1,181,859.12 TL from retained earnings.

- According to financial statements prepared under CMB regulations, the 10,443,081,600 TL cash distribution will be covered as follows: 9,312,853,204.81 TL from extraordinary reserves, 1,130,228,395.19 TL from legal reserves, and the second-tier legal reserve of 1,044,308,160 TL will be covered as follows: 931,285,320.48 TL from extraordinary reserves, 113,022,839.52 TL from legal reserves.

- According to calculations made under tax legislation, the dividend of 10,443,081,600 TL will be paid at a rate of 29.7600 TL gross (2,976.00%) and 26.7840 TL net (2,678.40%) per share with a nominal value of 1 TL.

- The dividend distribution will commence on October 30, 2023, in accordance with the dematerialization regulations and the principles determined by Merkezi Kayit Kuruluşu A.Ş.

The aforementioned decision was discussed and approved as item 3 of the agenda at the extraordinary general meeting held on October 26, 2023.

2. From its 2023 activities, the Company obtained a net profit of 31,884,260,100 TL according to legal records and 49,055,669,150 TL according to consolidated financial statements prepared under CMB regulations.

In the Board of Directors meeting on March 6, 2024, the following decisions were made:

- Not to allocate the 5% general legal reserve required by Article 519 of the Turkish Commercial Code for 2023, as the amount of the general legal reserve in the records of the Tax Procedure Law as of December 31, 2023, has reached the 20% limit of the capital.

- To distribute dividends as follows: 15,194,403,000 TL as a cash first dividend to shareholders and 1,517,685,750 TL as a general legal reserve.

- If the above dividend distribution proposal is accepted by the General Assembly, to cover the total dividend of 15,194,403,000 TL and the general legal reserve of 1,517,685,750 TL from current year earnings in the records prepared according to both TFRS and TPL.

- After the dividend distribution, to transfer 32,343,580,400 TL to previous years' profits in the financial statements prepared according to TFRS, and to leave the remaining amount in the sub-account of Previous Years' Profits/Losses formed as a result of inflation adjustments to the balance sheet as of December 31, 2023, according to TPL.

- To pay full taxpayer institutions and limited taxpayer institutions that obtain dividends through a workplace or permanent representative in Turkey a gross=net cash dividend of 43.30 TL at a rate of 4,330% per share with a nominal value of 1.00 TL; and to pay other shareholders a gross cash dividend of 43.30 TL at a rate of 4,330% and a net cash dividend of 38.97 TL at a rate of 3,897% per share with a nominal value of 1.00 TL.

- To propose April 8, 2024, as the dividend distribution date to the general assembly.

The proposal of the Board of directors on profit distribution was discussed and approved as the 7th item of the agenda at the ordinary general assembly meeting held on April 3, 2024.

iii. Policies:

No changes were made to company policies during the reviewing period.

iv. Management and Organization:

- At the ordinary general meeting held on March 9, 2023, Mr. David Joseph Cuthbert JOHNSTON was elected as a member of the Board of Directors. He resigned from the Board of Directors effective from July 7, 2023. Mr. JOHNSTON's role as Ford Otosan Leader-Battery and Partnerships at the Company continues. Ford Otosan Leader Ms. Josephine Mary PAYNE has been appointed to the vacant Board of Directors position, subject to the approval of the next general assembly. Ms. PAYNE's membership in the Board of Directors was approved at the extraordinary general assembly held on October 26, 2023. Ms. Lisa Katherine KING resigned from the Company's Board of Directors effective January 31, 2024. Mr. John Michael DAVIS was appointed to the vacant Board of Directors position at the ordinary general assembly held on April 3, 2024.

Ford Otosan Leader Ms. Josephine Mary PAYNE has been appointed to the vacant Board of Directors position, subject to the approval of the next general assembly. Ms. PAYNE's membership in the Board of Directors was approved at the extraordinary general assembly held on October 26, 2023. Ms.

- Ms. Lisa Katherine KING resigned from the Company's Board of Directors effective from January 31, 2024.

Mr. John Michael DAVIS was appointed to the vacant Board of Directors position at the ordinary general assembly held on April 3, 2024.

- Mr. Fikri Onur SARIKAYA, the Quality Platform Area Leader at the Company, has been appointed as the Material Planning and Logistics Leader effective September 30, 2023. Ms. Pınar TOPÇU, the V801 Project Leader at the Company, has been appointed to this position effective September 30, 2023.

- The Material Disclosure dated May 10, 2024, is as follows:

"Mr. Murat SENİR, who serves as the Procurement Leader at our Company, will retire as of May 31, 2024.

It has been decided to merge the *Procurement Leadership* with the *Material Planning and Logistics Leadership* under the **Supply Chain Platform Area Leadership** within the organization. Ms. Oya Başak AKYOL, who serves as the Human Resources & Transformation Platform Area Leader at our Company, has been appointed as the Supply Chain Platform Area Leader, effective from May 31, 2024."

Mr. Osman ÖZDEMİR has been appointed the Human Resources & Transformation Platform Area Leader effective May 31, 2024."

No other changes were made to the Board of Directors and senior management during the reviewing period.

v. Changes in Group Companies, Subsidiaries and Affiliates:

None.

2. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system that audits whether or not the firm's management structures and styles, the arrangements for shareholders and stakeholders and the process of informing in transparency and accuracy are performed in accordance with modern corporate governance principles and assigns a grade corresponding to the existing situation.

The Organization for Economic Co-operation and Development (OECD) established a working group in 1998 to assess member countries' opinions on corporate governance and prepare some non-binding principles.

This work also accepted the fact that principles are open to change over time. Although these principles were initially focused on companies whose shares were quoted in stock exchanges, the OECD emphasized that they would also be useful to implement them in public enterprises and companies whose shares were not quoted in stock exchanges.

In 1999, the OECD Corporate Governance Principles were approved at the OECD Meeting of Ministers and published. Since then, these principles have been regarded as international references for decision-makers, investors, shareholders, companies and stakeholders worldwide.

Since their approval, these principles have kept the concept of corporate governance on the agenda and become guidelines for the laws and regulations in OECD members' countries.

The OECD Corporate Governance Principles establish four basic principles for corporate governance: fairness, transparency, accountability and responsibility.

Turkey has been closely monitoring these developments. A working group established within TUSIAD in 2001 prepared the "Corporate Governance: The Best Implementation Code" guide. Then, CMB issued "Capital Market Board Corporate

Governance Principles" in 2003 and updated it in 2005, 2010, 2012, 2013 and 2014 according to international developments in this field.

Obligation to comply with CMB's Corporate Governance Principles, based on the principle of "comply or explain," and to declare it became part of companies' lives in 2004. Putting the Declaration of Compliance to Corporate Governance in the annual reports became obligatory the following year.

The principles are grouped under four main headings, namely: the Shareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors.

The Corporate Governance Compliance Rating Methodology has been prepared by Kobirate A.Ş. for companies whose shares are traded on BIST, banks, investment partnerships and non-quoted companies.

It has been prepared by considering the criteria specified in the Corporate Governance Communiqué of the CMB, numbered II-17.1, published in the Official Gazette dated January 3, 2014, and numbered 28871, as well as the decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

This analysis considers the full compliance of the workflow and analysis technique with KOBİRATE A.Ş.'s Ethical Rules.

456 criteria are used in the rating process for BIST 1st Group Companies in order to measure the compliance of firms with corporate governance principles. These criteria are transformed into "Corporate Governance Rating Question Sets" through Kobirate A.Ş.'s software.

The weighting scheme for the four main sections in the new Corporate Governance Compliance Rating, determined by CMB's memorandum dated 12.04.2013 and numbered 36231672-410.99 (KBRT)-267/3854,

is applied completely by Kobirate A.Ş. The weightings are as follows:

Shareholders 25 %

Public Disclosure and Transparency 25 %

Stakeholders 15 %

Board of Directors 35 %

CMB decision dated 01.02.2013 and numbered 4/105 states that if the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle. New questions/methods must be added to the methodology to ensure that good corporate governance principles that go beyond meeting the minimum requirements are included in the rating grade. Our Company has been informed about this requirement by CMB notification dated 19.07.2013 and numbered 36231672-410.99 (KBRT) 452.

In the 2014/2 revised corporate governance compliance rating methodology created by our Company, the grade that can be given to a related criterion in that subsection for meeting minimum requirements of corporate governance principles, stated by CMB Communiqué of Corporate Governance published on 03.01.2014 is restricted to 85 % of the full points. A rating is made with a system that completes the section grades up to 100 by the Company's compliance and implementation of the corporate governance practices, which include the good implementation and internalization of the criteria determined in the corporate governance principles and the different good corporate governance practice criteria determined by our Company.

The Corporate Governance Rating Committee will assign the firm a grade between 0 and 10. On this scale, "10" points mean excellent, full compliance with CMB's Corporate Governance Principles, while grade "0" means that the existing weak structure does not comply with CMB's Corporate Governance Principles in any sense.

3. KOBİRATE ULUSLARARASI KREDİ DERECELENDİRME VE KURUMSAL YÖNETİM HİZMETLERİ
A. Ş. CORPORATE GOVERNANCE RATING GRADES AND DESCRIPTIONS

GRADE	DEFINITIONS
9-10	The Company achieved substantial compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Any risks the Company might be exposed to are recognized and controlled effectively. The rights of the shareholders are impartially taken care of. The level of public disclosure and transparency is high. The interests of the stakeholders are fairly considered. The structure and the working conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The Company is eligible for inclusion in the BIST corporate governance index.
7-8.9	The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are operational and in place, although some improvements are required. Potential risks to which the Company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public disclosure and transparency are at high levels. The interests of the stakeholders are fairly considered. The composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles, even though they do not constitute serious risks. The Company is eligible for inclusion in the BIST Corporate Governance Index.
6-6.9	The Company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at a moderate level have been established and operated. However, improvement is required. Potential risks that the Company may be exposed are identified and can be managed. The interests of the shareholders are taken care of, although improvement is needed. Although public disclosure and transparency are taken care of, there is a need for improvement. The benefits of the stakeholders are taken care of, but improvement is needed. Some improvement is required in the structure and working conditions of the Board.

GRADE	DEFINITIONS
<p style="text-align: center;">4-5.9</p>	<p>The Company has minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place at a minimum level but are not full and efficient. Potential risks that the Company is exposed to are not properly identified and are not under control. Substantial improvements are required to comply with the Corporate Governance Principles in terms of the benefits of both the shareholders and stakeholders, public disclosure, transparency, and the structure, and working conditions of the Board. Under the current conditions, the Company is not eligible to be listed in the BIST Corporate Governance Index.</p>
<p style="text-align: center;">< 4</p>	<p>The Company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also failed to establish its internal control systems. Potential risks the Company might be exposed to are not identified and cannot be managed. The Company is not responsive to the Corporate Governance Principles at all levels. There are major weaknesses in the interest of the shareholders and the stakeholders, public disclosure, transparency, structure and working conditions of the Board and they are at a level that might cause the investor to incur material losses.</p>

