



## ***Corporate Governance Compliance Rating Report***

# **FORD OTOSAN**

***Ford Otomotiv Sanayi A.Ş.***

23 June 2025

Validity Period 23.06.2025-23.06.2026

## 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 02 October 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 03 January 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 public and examinations made by our rating experts on site.

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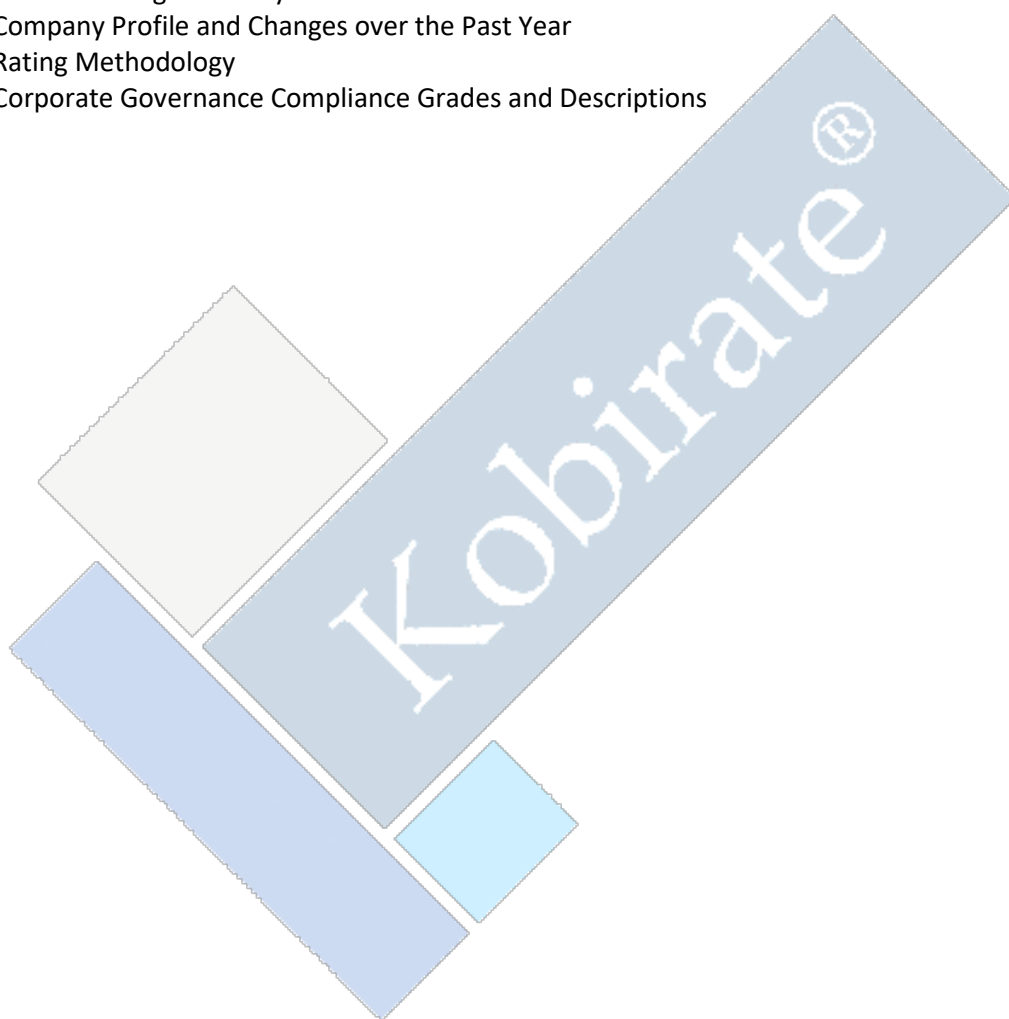
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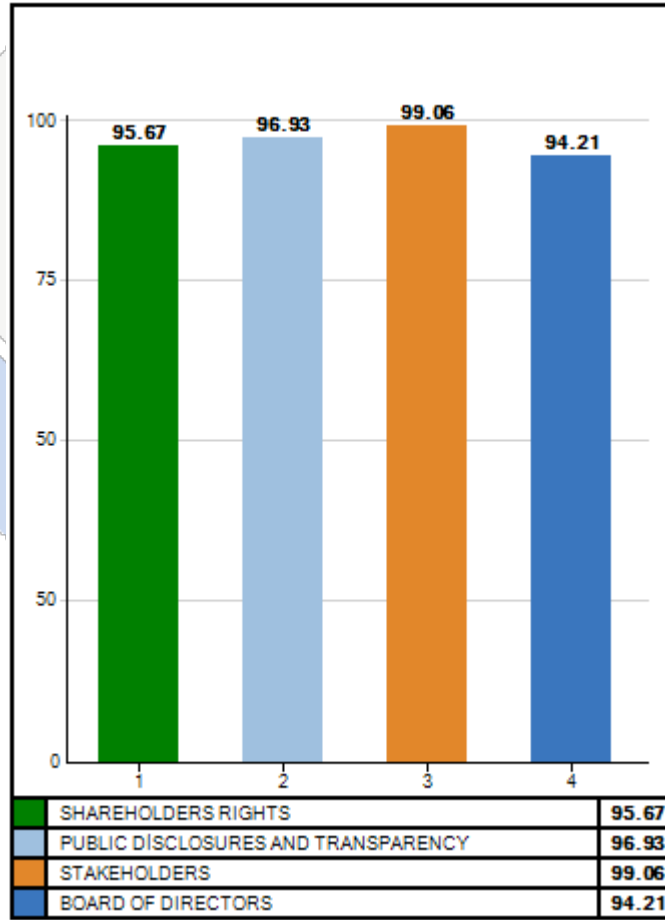
# FORD OTOMOTİV SANAYİ A.Ş.

## 1. RATING RESULT

BIST FIRST GROUP COMPANY

CMB CORPORATE GOVERNANCE  
PRINCIPLES COMPLIANCE GRADE

9.60





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## 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 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 decision of the Capital Markets Board dated 16.01.2025 and numbered 3/76, Ford Otosan is in the Bist 1st Group Companies list. The Company has been evaluated through examination of 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 **9.60**.

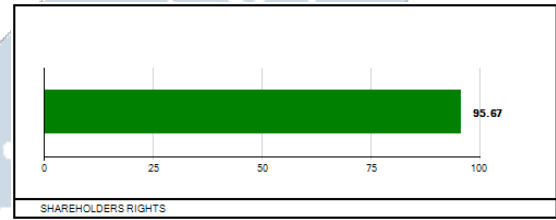
This result shows that Ford Otosan has achieved very high compliance with the Corporate Governance Principles issued by the Capital Market Board. Potential risks that the Company may be exposed to are identified and can be managed. The level of public disclosure and transparency is high. The rights of 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 confirmed as **95.67**.



During the reviewing period, it has been observed that the company continues its activities in the field of informing the shareholders and exercising 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 EFEÖĞLU AĞAR, who was appointed to this position on 01.11.2021. Mr. AĞAR has Capital Market Level 3 and Corporate Governance Rating licenses. Ms. Duygu YALINKILINÇ BAŞARAN 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 knowledge and experience required for the task and that they play an effective role in the protection and facilitation of shareholders' rights, starting with the right to obtain and review information.

The job description of the Investor Relations Department has been made, its working procedure has been established, and it has been seen to be covering 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 to the Corporate Governance Committee its activities and performance of shares. The Department has reported to the corporate governance committee once in 2024.

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 carries out its disclosures to the shareholders and the public in accordance with the "Disclosure Policy." The said policy is published on the corporate website of the company.

The company held an extraordinary general assembly in 2024, in addition to its ordinary general assembly, where the activities of 2023 were discussed. The invitation for the general assembly held on 20.11.2024 was published on the Public Disclosure Platform (PDP) on 23.10.2024, in the Central Registry Agency e-general assembly system (EGAS) and in the Turkish Trade Registry Gazette (TTSG) dated 28.10.2024 and numbered 11195. In accordance with the second item on the agenda, replacing Mr. William Richard PERIAM, who resigned during the year, the appointment of Mr. David Joseph Cuthbert JOHNSTON to the board of directors has been approved. In the 3rd item of the agenda, it was decided to distribute cash dividends of 5,000,467,500 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 the operations of 2024 took place on 26.03.2025. 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 28.02.2025 and in the Turkish Trade Registry Gazette (TTRG) dated 04.03.2025 and numbered 11284. 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.

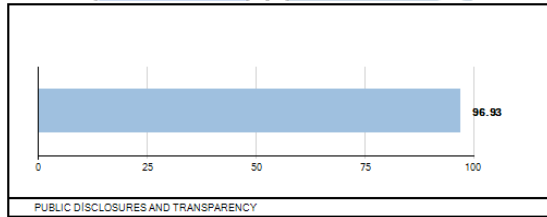
Executives who are authorized to brief participants on special subjects and answer their questions have attended the general assembly meeting, namely; Mr. Haydar YENİGÜN (Member of the Board of Directors),

Ms. Güven ÖZYURT (Member of the Board of Directors – CEO), Ms. Josephine Mary PAYNE (Member of the Board of Directors – Ford Otosan Leader) Ms. Saibe Gül ERTUĞ (Financial Affairs Leader - CFO), and Mr. Ahmet Serdar KAYHAN (Legal and Compliance Leader). 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 18,592,413,512 TL was obtained from the activities of 2024, and a net profit of 38,863,566,166 TL was obtained according to the consolidated financial statements prepared within the framework of the CMB legislation. The way the profit is used is explained in the “ii. Dividend Distribution” section of our report.

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 confirmed as **96.93**.



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

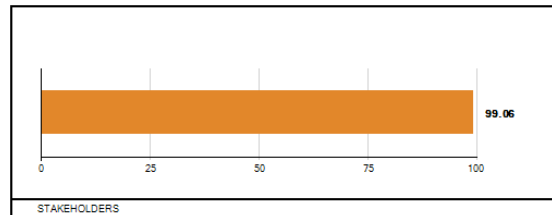
want to access are published retrospectively on the company's corporate website, and it has been observed that this information is consistent with the statements made in accordance with the relevant legislation. The corporate website is designed as a convenient, easily accessible structure.

The officials in the Company who are charged with disclosures and have the authority for signature are Ms. Saibe Gül ERTUĞ (Financial Affairs Leader - CFO), Mr. Ünal ARSLAN (Corporate 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.

The independent external audit for 2024 was carried out by Güney 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 with its auditors that could damage this company's independence, and there was no legal conflict with it.

It has been decided that the independent external audit for 2025 will be carried out by the same audit company 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 upwards to **99.06**.



During the reviewing period, the company's:

- Conducting Human Rights Due Diligence covering operations and the value chain,

- Establishing the Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction; Diversity, Equity and Inclusion; Protection of Insider Information and Prevention of Information Abuse policies.

- Including certain sustainability criteria in the 2024 performance scorecard of the Ford Otosan Leader,

- Establishing the Supplier Sustainability Committee,

- Obtaining third-party limited assurance for the environmental and social data of the Romania facility,

- Inclusion in the S&P 2024 Sustainability Yearbook,

have been regarded as the justification for the rating increase under this main section.

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 the 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 the knowledge, talents and experience of its employees and that it has prepared training policies.

The policies concerning the shareholders and all stakeholders are disclosed to the public on the corporate website of the company.

As of December 31, 2024, a total of 25,718 people were employed at Ford Otosan, including 5,139 office employees and 20,579 field employees (including 6,588 employees based at the Romania facility). 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 2024, more than 456.9 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.

Detailed information regarding the company's activities in this context can be found in its annual reports and on its corporate website.

### ***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;

- Very high-priority issue;
  - Climate Action and Resilience
  - Low-Carbon Products and Services
  - Responsible Supply Chain
  - Risk Management and Regulatory Compliance
  - Smart and Innovative Mobility
  - Occupational Health, Safety, and Employee Well-being
  - Talent Acquisition
  - Development and Retention
  - Vehicle Quality and Safety
  - Clean Technology Opportunities and Alternative Fuels
- High-priority issue;
  - Circular Economy and Waste
  - Human Rights
  - Equal Opportunity, Diversity, and Inclusion
  - R&D Capacity
  - Water and Wastewater
  - Corporate Governance
  - Air Quality
- Priority Issue
  - Ethics and Transparency
  - Customer Experience
  - Data Privacy and Cybersecurity
  - Biodiversity

- Local Development and
- Community Investments
- Cultural and Agile Transformation

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
- ISO 31000 Corporate Risk 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, Board Diversity, Environment and Energy, Ethics, Ethics and Reporting, Gifts and Hospitality, Compensation, Human Rights, Occupational Health and Safety, Quality, 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.

During the reviewing period, in addition to the above mentioned policies, the following were also established, approved by the board of directors, and disclosed to the public:

- Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction Policy,
- Insider Information Protection and Prevention of Information Abuse Policy,
- Diversity, Equity and Inclusion Policy.

These policies are reviewed periodically and updated when necessary.

In line with its corporate strategy, Ford Otosan has integrated the following sustainability criteria into the 2024 performance scorecard of the Ford Otosan Leader as part of its Gelecek Şimdi (Future is Now) sustainability strategy and long-term goals:

- Achieving the carbon neutrality targets set for Ford Otosan operations,
- Ensuring full compliance with the EU Carbon Border Adjustment Mechanism (CBAM),
- Incorporating sustainability performance into purchasing decision processes,
- Meeting Diversity, Equity, and Inclusion (DEI) targets,
- Reaching 37,500 women through the Gelecek Hayalim (My Future Dream) project, and
- Increasing the number of women employed in science, technology, engineering, and mathematics (STEM) roles at Ford Otosan by 3% and reducing the gender gap in management positions by 10%.

These initiatives stand out as actions that support the company's sustainability strategy and objectives.

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 differentiate it from industry peers.

Ford Otosan is also the first industrial company from 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. The committee meets at least four times a year.

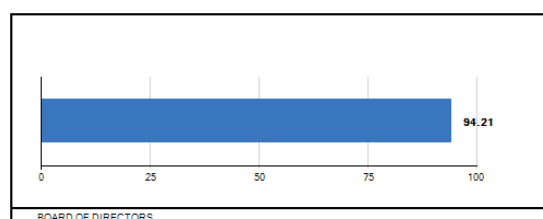
In 2024, two meetings were held on 07.03.2024 and 07.06.2024.

In 2024, the company established the Supplier Sustainability Committee. To enhance sustainability awareness among suppliers, the committee organizes training sessions with the participation of experts both from within the company and external organizations. In 2024, a total of 1,681 hours of training on environmental topics, 451 hours on social topics, 1,158 hours on

governance, and 289 hours on ethics were provided to critical suppliers.

Detailed information about the company's sustainability policies and all sustainability activities, including significant decisions made by the Sustainability Committee, 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 confirmed as **94.21**.



It has been noted that the Board of Directors and Committees have been continuing their work effectively.

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.

2 (two) female members were appointed to the Board of Directors. This structuring does not meet the criterion of 25% female members set by the CMB as the number of female members on the board of directors.

It is recommended that, in line with the relevant provisions of the Corporate Governance Principles and the company's established "Board Diversity Policy,"

- The company sets a target timeline for increasing the proportion of female members on the board of directors,
- The board annually evaluates the progress made toward achieving this target.

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 contain restrictions on the members of the board of directors 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 fulfill its duties and responsibilities soundly, the 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 the members of the committees have been determined by the Board of Directors, approved as written documents, announced to the public and published on the corporate website of the company.

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 Açar, 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 in 2024. As of March 2025, it has held 3 (three) meetings.

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

- The Audit Committee held 8 (eight) meetings in 2024 and 2 (two) meetings as of March 2025. During the same periods, the committee submitted reports on its activities to the Board of Directors 5 (five) and 1 (one) time(s), respectively.

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

- The Corporate Governance Committee held 1 (one) meeting in 2024 and submitted a report to the Board of Directors on its activities. The first meeting of 2025 is scheduled to take place in June.

- The Early Detection of Risk Committee held 5 (five) meetings in 2024 and 1 (one) meeting as of March 2025. The committee submitted reports to the Board of Directors on its activities 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 2024 and submitted a report containing the meeting decisions to the Board of Directors. No meetings have been held in 2025 yet.

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

In the examinations made on the documents, it was observed that the meeting records of both the Board and the Committees were kept regularly.

The damages that may be 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 dated 31.12.2024. This evaluation was made by the committee members based on the meetings held and the decisions made by the Board of Directors.

There is no practice of rewarding or dismissing the members of the board of directors based on their performance. The implementation of the aforementioned method will strengthen compliance with the principles.

### 3. COMPANY PROFILE AND CHANGES OVER THE PAST YEAR

#### A. Company Profile

# FORD OTOSAN

<b>Company Name</b>	: Ford Otomotiv Sanayi A.Ş.
<b>Company Address (Headquarters)</b>	: Akpınar Mah. Hasan Basri Cad. No:2 34885 SANCAKTEPE/İSTANBUL
<b>Company Phone</b>	: 0 (216) 564 7100
<b>Company Fax Number</b>	: 0 (216) 564 7385
<b>Company's Web Address</b>	: <a href="http://www.fordotosan.com.tr">www.fordotosan.com.tr</a>
<b>Email</b>	: <a href="mailto:yatirimciiliskileri@ford.com.tr">yatirimciiliskileri@ford.com.tr</a>
<b>Date of Incorporation</b>	: 07/07/1959
<b>Registered Number</b>	: 73232
<b>Paid-in Capital</b>	: 3,509,100,000 TL
<b>Line of Business</b>	: 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.
<b>Company's Sector</b>	: Manufacturing / Metal Goods, Machinery, Electrical Equipment and Transportation Vehicles

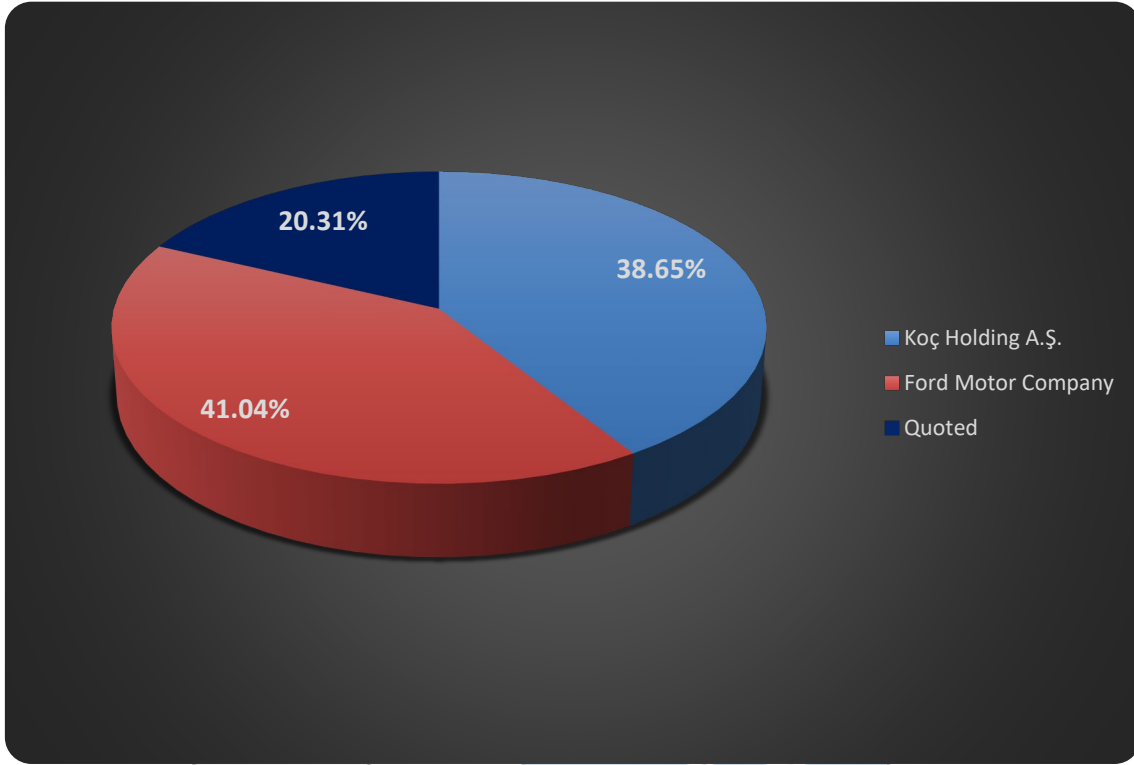
#### Company's Representative in Charge of Rating:

**Bahar EFEOĞLU AĞAR**  
Investor Relations Leader

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

0 (216) 564 7859

**Shareholder Structure (as of the date of this report)**



Shareholder Name	Share(TL)	Share(%)
Ford Motor Company (*)	1,439,970,367.6	41.04
Koç Holding A.Ş.	1,356,313,044.7	38.65
Quoted	712,816,587.7	20.31
<b>Total</b>	<b>3,509,100,000</b>	<b>100.00</b>

Source: [www.kap.org.tr](http://www.kap.org.tr)

(\*) 41% of Ford Otosan shares are owned by Ford Deutschland Engineering GMBH, and Ford Deutschland Engineering 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 Engineering GMBH	1,439,970,367.6	TRY	41.04
Koç Holding Anonim Şirketi	1,356,313,044.7	TRY	38.65
Other	712,816,587.7	TRY	20.31

Source: [www.kap.org.tr](http://www.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
David Joseph Cuthbert JOHNSTON	Member of Board of Directors	Non - Executive
Haydar YENİGÜN	Member of Board of Directors	Non - Executive
Mehmet APAK	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
Katja WINDT	Independent Member of Board of Directors	Non - Executive
Umransavaş İNAN	Independent Member of Board of Directors	Non - Executive

Source: [www.kap.org.tr](http://www.kap.org.tr)

### Senior Management of the Company

Name / Surname	Duty
Güven ÖZYURT	Ford Otosan Leader
Josephine Mary PAYNE	Ford Otosan 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
Osman ÖZDEMİR	Human Resources and Transformation Platform Area Leader
Ahmet Serdar KAYHAN	Legal and Compliance Leader
İlker ERDİM	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
Oya Başak AKYOL	Supply Chain Platform Area Leader
Müjdat TIRYAKİ	New Generation Manufacturing Leader

Source: [www.kap.org.tr](http://www.kap.org.tr)

### Committees Formed Within Board of Directors

THE AUDIT COMMITTEE	
Umransavaş İNAN	Independent Member of Board of Directors
Katja WINDT	Independent Member of Board of Directors

<b>CORPORATE GOVERNANCE COMMITTEE</b>	
Umran Savaş İNAN	Independent Member of Board of Directors (Chairman)
Katja WINDT	Independent Member of Board of Directors (Member)
Haydar YENİGÜN	Member of Board of Directors (Member)
David Joseph Cuthbert JOHNSTON	Member of Board of Directors (Member)
Saibe Gül ERTUĞ	Member (Financial Affairs Leader - CFO (Finance)

<b>EARLY DETECTION OF RISK COMMITTEE</b>	
Umran Savaş İNAN	Independent Member of Board of Directors (Chairman)
Haydar YENİGÜN	Member of Board of Directors (Member)
David Joseph Cuthbert JOHNSTON	Member of Board of Directors (Member)

<b>REMUNERATION COMMITTEE</b>	
Umran Savaş İNAN	Independent Member of Board of Directors (Chairman)
Haydar YENİGÜN	Member of Board of Directors (Member)
James Kieran Vincent CAHILL	Member of Board of Directors (Member)

<b>INVESTOR RELATIONS</b>	<b>TITLE</b>	<b>CONTACT</b>
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.org.tr](http://www.kap.org.tr)

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

	<b>2022/12</b>	<b>2023/12</b>	<b>2024/12</b>	<b>Change % (2023-2024)</b>
Current Assets	91,321,074	148,595,390	153,968,320	3.62
Fixed Assets	82,986,064	164,717,188	172,801,844	4.91
Total Assets	174,307,138	313,312,578	326,770,164	4.30
Short-Term Liabilities	76,202,568	135,909,592	123,401,142	- 9.20
Long-Term Liabilities	46,962,929	71,995,422	88,145,534	22.43
Paid-in capital	350,910	350,910	350,910	-
Equity	51,141,641	105,407,564	115,223,488	9.31

Source: Ford Otomotiv Sanayi A.Ş. Consolidated Financial Statements and Independent Audit Report for the Period 01.01.2023-31.12.2023 01.01.2024-31.12.2024

\*The 2024 Consolidated Financial Statements for the year ending on December 31, 2024, are expected to be prepared in accordance with the IAS 29 "Financial Reporting in Hyperinflationary Economies" standard, following the announcement made by the Public Oversight Authority on November 23, 2023, and in line with the "Tax Procedure Law General Communiqué (Serial No: 555)" published in the Official Gazette dated December 30, 2023, No. 32415 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.

**Consolidated Income Sheet Comparison of Some Items of Last Three Years (Thousand TL)**

	2022/12	2023/12	2024/12	Change % (2023-2024)
Revenue	322,556,451	594,705,176	594,995,138	0.05
Cost of Sales	(285,957,542)	(514,938,796)	(540,390,10)	4.94
Main Operational Profit / Loss	27,271,090	63,551,075	28,984,491	- 54.39
Operational Profit or Loss Before Tax	25,447,071	68,476,553	37,007,235	- 45.95
Period Profit / Loss	27,729,927	70,826,085	38,863,566	- 45.13
Earnings per share with a nominal value of 1 Kr	79.02 (Kr)	201.84 (Kr)	110.75 (Kr)	-

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

\* The 2024 Consolidated Financial Statements for the year ending on December 31, 2024, are expected to be prepared in accordance with the IAS 29 "Financial Reporting in Hyperinflationary Economies" standard, following the announcement made by the Public Oversight Authority on November 23, 2023, and in line with the "Tax Procedure Law General Communiqué (Serial No: 555)" published in the Official Gazette dated December 30, 2023, No. 32415 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	120,000,000	702,996	TRY	0.59
Gembox Teknoloji Girişimleri Anonim Şirketi	Research, development, consultancy, engineering and incubation activities, investing in companies established and initiatives in these fields	85,500,000	85,500,000	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	187,500,000	187,500,000	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:** Yıldız Pazar

**Indices That the Company Is Included** : BIST METAL EŞYA, MAKİNA / BIST YILDIZ / BIST SÜRDÜRÜLEBİLİRLİK 25 / BIST TÜM / BIST TEMETTÜ 25 / BIST 100 / BIST SİNAİ / BIST TEMETTÜ / BIST 50 / BIST KOCAELİ / BIST SÜRDÜRÜLEBİLİRLİK / 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 (13.06.2024-13.06.2025)**

Bottom (TL)	Peak (TL)
80,15 (30.05.2025)	109,68 (27.06.2024)

Source: Ford Otomotiv Sanayi A.Ş

**B. Changes in the Company in the Last Year:**

**i. Changes in Capital and Articles of Association**

The Company's Material Disclosure dated 19.11.2024 is as follows.

"It has been resolved that: 1. Within the registered capital ceiling of 500,000,000 TL, it has been resolved to increase the issued capital of our Company from 350,910,000 TL by 3,158,190,000 TL to 3,509,100,000 TL through a 900% increase, entirely funded by internal resources, in accordance with the provision of the Communiqué on the Registered Capital System of the Capital Markets Board stating that 'The registered capital ceiling may be exceeded once under each ceiling, by way of capitalizing internal resources and dividends, or as a result of mergers, demergers, or similar transactions requiring a general assembly resolution.'

2. The shares to be issued through this capital increase will be distributed free of charge in book-entry form to the holders of A, B, and C Group shares in proportion to their existing holdings of the respective share classes.

3. The entire amount of the 3,158,190,000 TL capital increase from internal resources will be covered by Capital Inflation Adjustment Differences, both according to the TPL records and the financial statements prepared in accordance with TFRS.

4. Regarding the capital increase from internal resources, Article 6 of the Articles of Association titled "Capital" will be amended in accordance with the provisions of the Turkish Commercial Code and capital markets legislation.

5. Necessary applications and procedures will be made to the necessary institutions, especially the Capital Markets Board, in order to realize the free capital increase from internal resources and to

approve the issue document regarding the shares to be issued in the capital increase and the draft amendment of the 6th article of the articles of association titled "Capital."

The required approvals for the bonus capital increase and the amendment to the Articles of Association have been obtained from the Capital Markets Board (CMB) and other relevant authorities.

In this context, the Company's Material Disclosure dated April 30, 2025, is as follows:

"Due to the increase of our Company's capital from 350,910,000 TL to 3,509,100,000 TL through a 900% increase fully funded by internal resources, the issuance of shares corresponding to the TRY 3,158,190,000 TL bonus capital increase and the amendment to Article 6 of the Articles of Association titled 'Capital' has been approved by the Capital Markets Board and the announcement regarding the CMB's approval of the share issuance was published in the CMB Bulletin dated April 30, 2025, and numbered 2025/28. This is hereby disclosed to the public and our investors."

In the Material Disclosure dated May 5, 2025, it was publicly announced that "The start date for exercising the right to receive bonus shares is May 7, 2025."

Accordingly, the amendment to Article 6 of the Company's Articles of Association titled "Capital" was registered by the Istanbul Trade Registry Office on May 30, 2025, and was publicly disclosed through a Material Disclosure made on the same date.

**ii. Profit Distribution:**

1. The resolution made at the Board of Directors meeting dated 17.10.2024 is as follows;

"At the Board of Directors meeting held on 17.10.2024, Considering our Profit Distribution Policy, long-term company strategy, investment and financing policies, profitability and cash position, it has been resolved within the scope of the Dividend Communiqué No. II-19.1 that;

- A cash dividend of 5,000,467,500.00 TL shall be distributed to the shareholders,
- According to the records prepared in accordance with the Tax Procedure Law, the amount of 5,000,467,500.00 TL to be distributed shall be covered as follows: 3,291,881.69 TL from other capital reserves, 1,404,233,752.74 TL from legal reserves, and 3,592,941,865.57 TL from extraordinary reserves; and the second legal reserve of 500,046,750.00 TL shall be covered as follows: 329,188.17 TL from other capital reserves, 140,423,375.27 TL from legal reserves, and 359,294,186.56 TL from extraordinary reserves,
- According to the financial statements prepared in accordance with CMB regulations, the amount of 5,000,467,500.00 TL to be distributed in cash shall be covered as follows: 3,596,233,747.26 TL from extraordinary reserves and 1,404,233,752.74 TL from legal reserves; and the second legal reserve of 500,046,750.00 TL shall be covered as follows: 359,623,374.73 TL from extraordinary reserves and 140,423,375.27 TL from legal reserves,
- According to the calculations made in line with the tax legislation, the dividend of 5,000,467,500.00 TL shall be paid as gross 14.2500 TL (1,425.00%) and net 12.8250 TL (1,282.50%) per share with a nominal value of 1 TL,
- The dividend distribution shall be carried out within the framework of dematerialization regulations and in accordance with the principles determined by Merkezi Kayıt Kuruluşu A.Ş. as of

22.11.2024, and it shall be submitted to the approval of the shareholders at the Extraordinary General Assembly to be convened.”

The relevant Board of Directors resolution was discussed as item 3 on the agenda of the Extraordinary General Assembly held on 20.11.2024 and was approved by the shareholders.

1. The resolution made at the Board of Directors meeting dated 28.02.2025 is as follows;

“At its meeting dated 28.02.2025, our Board of Directors, pursuant to the capital market legislation, Article 19 of the Company’s Articles of Association, and the Profit Distribution Policy of our Company approved by the shareholders at the considering the cash flow status, has resolved, in accordance with the Profit Distribution Proposal prepared as follows:

A. That, in accordance with Article 519 of the Turkish Commercial Code, no general legal reserve at the rate of 5% shall be set aside for the year 2024 since the amount of general legal reserves in the records kept in accordance with the Tax Procedure Law as of 31.12.2024 has reached the 20% limit of the capital,

B. That, out of the net profit for the period amounting to 38,863,566,166 TL in the financial statements prepared in accordance with CMB regulations, a gross cash dividend of 6,000,561,000 TL shall be distributed to the shareholders, and a general legal reserve of 598,301,550 TL shall be set aside; thus, a dividend of gross 17.10 TL (as stated in the note of the Profit Distribution Proposal table, net 14.5350 TL) per share with a nominal value of 1 TL shall be paid, corresponding to a gross rate of 1,710% (net 1,453.50%), and the remaining amount of 32,264,703,616 TL shall be set aside as extraordinary reserves,

C. That, according to the records kept in accordance with the Tax Procedure Law, from the current year profit for 2024 amounting to 18,592,413,512 TL, after setting aside a general legal reserve of 598,301,550 TL, a gross cash dividend of 6,000,561,000 TL shall be distributed, and the remaining amount of 11,993,550,962 TL shall be set aside as extraordinary reserves,

D That, the dividend distribution date shall be determined as 03.04.2025,

It has been resolved to propose them to the General Assembly and, in the event that our bonus capital increase application is approved by the CMB and the capital increase procedures are completed before the actual dividend distribution, to inform our shareholders that the total dividend amount to be distributed, 6,000,561,000TL shall remain unchanged, and the profit distribution table and profit distribution proposal shall be updated based on the new increased capital amount.”

The said resolution of the board of directors was discussed as the 6th item of the agenda at the ordinary general assembly held on 26.03.2025 and approved by the shareholders.

### **iii. Policies:**

There have been no changes made to the company policies listed under the corporate governance principles during the reviewing period.

**iv. Management and Organization:**

- Mr. William Richard PERIAM, who had been appointed as a board member at the ordinary general assembly held on April 3, 2024, resigned from the board on October 1, 2024. To the vacant board position, Mr. David Joseph Cuthbert JOHNSTON was appointed on the same date, and this appointment was submitted for shareholders' approval at the extraordinary general assembly held on November 20, 2024, and was approved.

- At the ordinary general assembly held on March 26, 2025, Ms. Katja WINDT and Mr. Umran Savaş İNAN were elected as independent board members.

- The Material Disclosure dated 13.06.2025 is as follows;

Mr. Levent ÇAKIROĞLU, who was elected to the Board of Directors from among the nominees proposed by Group B shareholders at the Ordinary General Assembly Meeting held on March 26, 2025, has resigned from his position as a board member. The Board of Directors has resolved to appoint Mr. Mehmet APAK to the vacant board position to serve until the first upcoming General Assembly Meeting and, subject to the approval of the General Assembly, to complete the remaining term of his predecessor ."

- No other changes were made in the board of directors and senior management during the reviewing period.

**v. Changes in Group Companies, Subsidiaries and Affiliates:**

The capital increases in Ford Otomotiv's subsidiaries and related party companies are presented in the table titled "**Subsidiaries, Financial Fixed Assets, and Financial Investments**" on page 17 of our report. The Company's shareholding (%) in the respective companies has remained unchanged.

#### 4. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system that audits whether the firm's management structures and management 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 which assigns a grade corresponding to the existing situation.

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

The fact that principles are open to change in time was also accepted in this work. Although, at first, these principles were focused on the companies whose shares were quoted on the stock exchange, it was emphasized by the OECD that it would also be useful to implement these principles in public enterprises and companies whose shares were not quoted on the stock exchange.

In 1999, 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 throughout the world.

Since their approval, these principles kept the concept of corporate governance on the agenda and became guidelines for the laws and regulations in OECD members, as well as other countries.

According to OECD Corporate Governance Principles, corporate governance is based on four basic principles, which are fairness, transparency, accountability and responsibility.

Turkey has been closely monitoring these developments. A working group established

within TUSIAD in 2001 prepared the guide titled "Corporate Governance: The Best Implementation Code." 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 taking into account the criteria specified in the Corporate Governance Communiqué of the CMB, numbered II-17.1, published in the Official Gazette dated 03 January 2014 and numbered 28871, as well as the decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

In this analysis, the full compliance of workflow and analysis techniques with KOBİRATE A.Ş.'s Ethical Rules is considered.

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 in case the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle, and it is required to add new questions/methods into the methodology in order to ensure that good corporate governance principles, which 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 grade to be assigned by the Corporate Governance Rating Committee to the firm ranges between 0-10. On this scale of grades,

"10" points mean excellent, full compliance with CMB's Corporate Governance Principles, while grade "0" means that there is no compliance with CMB's Corporate Governance Principles in any sense in the existing weak structure.

5. KOBİRATE ULUSLARARASI KREDİ DERCELENDİRME 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 to which the Company might be exposed 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 in place and operational, 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
4–5,9	<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>
< 4	<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 that 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>