

## FORD OTOMOTIV SANAYI A.S. HUMAN RIGHTS POLICY

### PURPOSE AND SCOPE

This Human Rights Policy (“**the Policy**”) is a guide for Ford Otomotiv Sanayi A.Ş. and its subsidiaries (together referred as “Ford Otosan”), which reflects Koc Group’s, Ford Motor Company’s and Ford Otosan’s approach and standards in relation to human rights, and thereby emphasizing the importance Ford Otosan attributes to respect for Human Rights.

All employees, directors, officers of Ford Otosan shall comply with this Policy. Ford Otosan also expects and takes necessary steps to ensure that all its Business Partners to the extent applicable complies with and/or acts in line with this Policy

### DEFINITIONS

“**Business Partners**” include suppliers, distributors, authorized service providers, representatives, independent contractors and consultants.

“**Human Rights**” are rights inherent to all human beings, regardless of gender, race, color, religion, language, age, nationality, difference of thought, national or social origin, and wealth. This includes the right to an equal, free and dignified life, among other human rights.

“**The United Nations Guiding Principles on Business and Human Rights**” provides a global standard for preventing and addressing the risk of adverse human rights impacts that are linked to business activity. Since its endorsement in 2011, respect for human rights has been formalized by the United Nations as a fundamental responsibility of business.

“**The United Nations Global Compact**” consists of 10 principles set out in the areas of human rights, working conditions, environment and anti-corruption. These principles are prepared with a guiding perspective for companies and organizations to reach higher targets in terms of sustainability and risk management, therewith contributing to increased productivity, employee motivation and loyalty, brand awareness and access to new markets.

“**The Universal Declaration of Human Rights (UDHR)**” is a milestone document in the history of human rights. Drafted by representatives with different legal and cultural backgrounds from all regions of the world, the Declaration was proclaimed by the United Nations General Assembly in Paris on 10 December 1948 as a common standard of achievements for all peoples and all nations. It sets out, for the first time, fundamental human rights to be universally protected.<sup>1</sup>

“**The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work**”, adopted in 1998, explains that all members, even if they have not ratified the relevant Conventions, are obliged to respect, develop and promote four categories of principles and rights in good faith. The categories are as follows:

- Effective recognition of the right to freedom of association and collective bargaining,
- Elimination of all forms of forced or compulsory labor,
- Effective termination of child labor,
- Elimination of discrimination in employment and occupation.

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<sup>1</sup> <https://www.un.org/en/universal-declaration-human-rights/>

“The OECD Guidelines for Multinational Enterprises” aims to develop a state-sponsored corporate responsibility behavior that will maintain the balance between competitors in the international market, and thus, increase the contribution of multinational companies to sustainable development.

“The Women’s Empowerment Principles” (WEPs) a set of Principles offering guidance to business on how to promote gender equality and women’s empowerment in the workplace, marketplace and community. Established by UN Global Compact and UN Women, the WEPs are informed by international labour and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women’s empowerment.<sup>2</sup>

## GENERAL PRINCIPLES

As a globally acting enterprise, Ford Otosan takes the Universal Declaration of Human Rights as its guide, and maintains a respectful understanding of human rights for its stakeholders in the countries where operates. Creating and maintaining a positive and professional working environment for its employees is the main principle of Ford Otosan. Ford Otosan acts in compliance with the global ethical principles in subjects such as recruitment, promotion, career development, wage, fringe benefits, and diversity and respects its employees’ rights to form and join organizations of their own choosing. Forced labor and child labor and all forms of discrimination and harassment are expressly prohibited.

Ford Otosan primarily takes into consideration the below mentioned international standards and principles regarding human rights:

- The United Nations Guiding Principles on Business and Human Rights (2011),
- The United Nations Global Compact (2000),
- ILO Declaration on Fundamental Principles and Rights at Work (1998),
- The OECD Guidelines for Multinational Enterprises (2011),
- Women’s Empowerment Principles (2011).

## COMMITMENTS

Ford Otosan respecting the rights of its employees, shareholders, Business Partners, customers, and all other citizens affected from its operations, products or services by fulfilling the principles of the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Ford Otosan undertakes to treat all employees in an honest and fair manner, and to provide a safe and healthy working environment that respects human dignity while avoiding discrimination.

Ford Otosan may also apply additional standards considering vulnerable and disadvantaged groups who are more open to the negative human rights impacts and require particular attention. Ford Otosan considers the specific circumstances of groups whose rights are further elaborated by United Nations instruments: indigenous peoples; women; national or ethnic, religious and linguistic minorities; children; persons with disabilities; and migrant workers and their families, as indicated in United Nations Guiding Principles on Business and Human Rights.

### Diversity and Equal Recruitment Opportunities

Ford Otosan strives to employ individuals from different cultures, career experiences and backgrounds. Decision making processes in recruitment depend on job requirements and personal qualifications regardless of race, religion, nationality, gender, age, civil status and disability.

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<sup>2</sup> <https://www.weeps.org/about>

## **Non-Discrimination**

Zero-tolerance towards discrimination is a key principle in the entire employment process, including promotion, assignment and training. Ford Otosan expects all its employees to demonstrate the same sensibility in their behavior towards each other.

Ford Otosan cares to treat its employees equally by offering equal rights and opportunities. All kinds of discrimination and disrespect founded on race, gender, color, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender definition or political opinion are unacceptable.

## **Zero Tolerance to Child / Forced Labor**

Ford Otosan strongly opposes child labor, which causes children's physical and psychological harm, and interferes with their right to education. In addition, Ford Otosan opposes all forms of forced labor, which is defined as work that is performed involuntarily and under the menace of any penalty.

Pursuant to Conventions and Recommendations of the ILO, the Universal Declaration of Human Rights, and the Global Compact, Ford Otosan has a zero tolerance policy towards slavery and human trafficking, and expects all its business partners to act accordingly.

## **Freedom of Organization and Collective Agreement**

Ford Otosan respects employees' right and freedom of choice to join a trade union, and to collectively bargain without feeling any fear of retaliation. Ford Otosan is committed to a constructive dialogue with the freely chosen representatives of its employees, represented by a legally recognized labor union.

## **Health and Safety**

The protection of health and safety of the employees, and other persons which are, for any reason, in the working area of Ford Otosan is one of the top concerns of Ford Otosan. Ford Otosan provides a safe and healthy working environment. Security services are provided in a manner that respects the dignity, confidentiality, and reputation of each person. Ford Otosan complies with all relevant laws and regulations, and implements all required security measures for all of its working areas.

In the case of finding out any unsafe conditions or unsafe behaviors, Ford Otosan takes the necessary actions immediately to ensure the health, safety, and security of our customers and employees.

## **No Harassment and Violence**

A key aspect to safeguarding the personal dignity of employees is to ensure that harassment and violence do not occur, or are addressed adequately. Ford Otosan commits to providing a workplace free of violence, harassment, and other insecure or disturbing conditions resulting from internal or external threats. As such, Ford Otosan does not tolerate any form of physical, verbal, sexual or psychological harassment, bullying, abuse, or threats.

## **Working Hours and Compensation**

Ford Otosan complies with the legal working hours in line with the local regulations of the countries in which Ford Otosan operates in order not to exceed the maximum weekly working hours. It is crucial that employees have regular breaks, vacations, and establish an efficient work-life balance.

The wage determination process is established in a competitive manner according to the relevant sectors and the local labor market, and in accordance with the terms of collective bargaining agreements if applicable. All fees, including social benefits are paid in accordance with the applicable laws and regulations.

## Personal Development

Ford Otosan provides its employees with opportunities to develop their talent and potential, and to build their skills. Regarding human capital as the valuable resource, Ford Otosan puts effort into the employees' comprehensive personal development by supporting them with internal and external trainings.

## Data Privacy

In order to protect the personal information of its employees, Ford Otosan maintains high level data privacy standards. Data privacy standards are implemented in accordance with related legislations.

Ford Otosan expects the employees to comply with data privacy laws in each of the countries it operates.

## Political Activities

All legal and voluntary political participation is respected by Ford Otosan. Employees must engage in political activities outside of working hours, and avoid using Ford Otosan resources for these activities.

Personal donations to a political party or candidate is not restricted by Ford Otosan. It is, however, strictly forbidden to use Ford Otosan funds or other resources for such donations or any other political activity.

## AUTHORITY AND RESPONSIBILITIES

All employees, directors, officers of Ford Otosan shall comply with this Policy. Ford Otosan also expects and takes necessary steps to ensure that all its Business Partners, to the extent applicable, complies with and/or acts in line with this Policy. If there is a discrepancy between the local laws and regulations, applicable in the countries that Ford Otosan operates and this Policy, subject to such practice not being a violation of the local laws and regulations, the stricter of the two, supersede.

The Human Resources Directorate is the responsible function for application of this Policy.

If you become aware of any action you believe to be inconsistent with this Policy, the applicable law or Ford Otosan Code of Conduct and Ethical Rules, you should contact to Human Resources Director, Ford Otosan Ethics Representatives, Chief Legal Counsel or Internal Audit Manager.

You may also report your questions or concerns to the Ethics Hotline<sup>3</sup> by calling 0850 305 50 10 or sending an e-mail etik@ford.com.tr or via <https://www.fordotosan.com.tr/en/corporate/about-ford-otosan/ethics> website.

Violation of this Policy may result in significant disciplinary actions including dismissal. If this Policy is violated by third parties, their contracts may be terminated with immediate action.

## REVISION HISTORY

This Policy takes effect on December 03, 2020, and shall be updated by the Human Resources Directorate.

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<sup>3</sup> Please see Ford Otosan Code of Ethics for details.

[https://www.fordotosan.com.tr/documents/Kurumsal\\_Politikalar/Code\\_of\\_Ethics\\_EN.pdf](https://www.fordotosan.com.tr/documents/Kurumsal_Politikalar/Code_of_Ethics_EN.pdf)