

## FORD OTOSAN BIODIVERSITY STRATEGY

Biodiversity is defined as the variation among living organisms from different sources including terrestrial, marine and desert ecosystems, and the ecological complexes of which they are a part. Biological diversity refers to the variations at the genetic, species and ecosystem levels in which organisms survive, and the evolutionary, ecological, and cultural processes that ensure continuity of life.

Destruction of ecosystems and loss of biodiversity on Earth, the biodiversity and the services that the ecosystems provide, economic and social development, human well-being, and natural resources are all critical factors for ensuring accessibility for all and global sustainability.

At Ford Otosan, we recognize that all our locations and operations have the potential to negatively impact biodiversity and ecosystem services. And as a leading organization with operations in many industries and regions, we take responsibility for conserving biodiversity and protecting the health of the ecosystem.

At Ford Otosan, we understand that countless species and habitats on Earth are currently under pressure and prioritize conserving biodiversity and using the natural resources sustainably. Therefore, we aim to manage our impact on biodiversity effectively to live in harmony with nature and to preserve the self-healing capacity of nature.

Based on this vision, we are committed to the following in all the projects focused on conserving biodiversity:

- Factors threatening biodiversity will be regularly prevented, minimized and mitigated.
- Proximity of manufacturing facilities to major biodiversity areas will be evaluated and the pressure on biodiversity in these areas will be reduced.
- Natural resources will be used in compliance with the International Union for Conservation of Nature (IUCN) guidelines.
- UN Global Compact's framework for corporate action on biodiversity and ecosystem services will provide the basis for integrating biodiversity into the decision-making processes.
- Compliance with all applicable national legislation and contribution to relevant national strategies and action plans will be ensured.

### Planning

The objectives of planning include the following:

- Conserving biodiversity and taking sustainable natural resource management into account at every stage, starting from planning.
- Selecting new facility locations by considering biodiversity factors.
- Identifying the biodiversity components in the region and the conservation targets, and determining the conservation approaches with the participation of the relevant stakeholders to minimize the impacts of potential new facilities.

- Using ecosystem services as a management tool starting from the planning stage to create sustainable social, economic and ecological benefits.
- Addressing the benefits of conservation work on a local, regional, national and global scale.
- Making sure that natural resources are not harmed during use, and ensuring the continuity of both the natural resources and the related process in the medium- and long -term.
- Performing the necessary inspections and evaluations to identify environmental and biodiversity risks before making new investment decisions.

## Actions/Execution

The following actions are planned:

- Integrating conservation of biodiversity into Ford Otosan's Environmental Management System.
- Developing and implementing a biodiversity strategy and site-specific Biodiversity Action Plans in compliance with the Convention on Biological Diversity, which provides guidelines for the conservation of biodiversity and sustainable use of biological resources.
- Using innovative technologies for risk management and mitigation.
- Pre-planning and implementing conservation and mitigation activities to prevent loss of biodiversity and natural resources.

## Capacity Development and Sharing Information

The following actions are planned:

- Sharing information with all the relevant stakeholders, including academia, non-governmental organizations, and local communities, to develop capacity for better understanding and managing biodiversity risks.
- Building a social culture that will increase awareness among all the employees, stakeholders and end-users about the importance of conserving biodiversity.
- Encouraging the suppliers to adopt approaches such as continuously improving environmental performance and mitigating environmental impact to conserve biodiversity.
- Involving Ford Otosan employees in relevant training and volunteering activities to raise awareness about the importance of biodiversity.

## Definitions

International Union for Conservation of Nature (IUCN): This international organization, headquartered in Gland, Switzerland, was founded with the mission of advancing sustainable development and creating a just world that values and conserves nature.

Mitigation: Mitigation is defined as reducing or avoiding the negative impact on important biodiversity components and ecosystem services.

Biodiversity: Biodiversity is defined as the variation among living organisms from different sources including terrestrial, marine and desert ecosystems, and the ecological complexes of which they are a part. Biodiversity may be addressed at different levels of three components: ecosystem diversity, species diversity, and genetic diversity.

United Nations Global Compact: The ambition of UN Global Compact is to: accelerate and scale the global collective impact of business by upholding the Ten Principles on human rights, labor, environment and anti-corruption, and delivering the SDGs through accountable companies that align their strategies and operations with these principles.

Natural Resource management: This refers to managing natural resources (assets) with a long-term vision by taking into account their impact on the quality of life of present and future generations.

Ecosystem: An ecosystem is defined as a dynamic complex of plant, animal and micro-organism communities and their non-living environment interacting as a functional unit.

Ecosystem services: Ecosystem services are the whole of the positive benefits that ecosystems provide to people. Four types of ecosystem services are: provisioning services, regulating services, cultural services, and supporting services. A provisioning service is any type of benefit to people that can be extracted from nature such as food, timber, fibers, and other genetic materials. Regulating services include climate regulation, water purification, and reducing diseases and pests. Cultural services are non-material benefits that contribute to the development and cultural advancement of people. Supporting services are natural processes that support other ecosystem services.

Habitat: The natural place or environment that provides all the conditions that an organism needs to survive.