

Ford Code of Human Rights, Basic Working Conditions and Corporate Responsibility
Pre-Site Visit Facility Survey

Date	11 th October 2012
Location / Facility	India - Plant

Perception and Understanding of Code

1. In your opinion, what is the greatest value-add of conducting human rights assessments at Ford's owned and operated facilities?
 - o Human rights assessment will help better understanding of our employees, which in turn would help contribute for business performance and results.
2. When you look at the code, and imagine using it to assess current practice at Ford facilities, what are the greatest areas of non-compliance that you might predict? How do you think management, workers and employee representatives at Ford facilities will view these assessments?
 - o We don't see any gap.

Facility Conditions

Human Rights

In order to gauge human rights risks, it is imperative that business enterprises identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. Please answer the following questions to describe how your facility approaches assessment and management of human rights risks.

1. In your opinion, what does upholding human rights mean to your facility?
 - o FIPL follows both companies' corporate policies and comply with local laws wherever required.
 - o E.g. Safety policy for employees, Being an Equal Opportunity Employer, Transparent and Open communication Policies.
 - o External: Complying with the local laws with respect to labor, human rights and environment.
 - o Educating suppliers and customers on Human Rights.
2. How is the preservation of human rights monitored in your facility?
 - o FIPL identifies the potential human rights violation by identifying risk if any, monitoring other risk, remediating any non-compliance and reporting progress to the appropriate forum.
 - o By providing HOTLINE, cooperating with external audits, by Skip level meetings & Pulse action plans.
3. How is your facility working to reduce human rights risks? Please describe any particular processes or initiatives.
 - o By periodic reviews, Complying with Audit reports by SME's
 - o By fully cooperating for statutory audits.
 - o By New employee Induction and Awareness programs
4. How is your facility monitoring human rights risks?
 - o Same as above (3)
5. How are you remediating any non-compliance to human rights policies or addressing identified human rights risks?
 - o Reporting all Incidents to Internal Control teams.
 - o Based on the outcome of reviews/ Fact findings, appropriate action is taken with the support of local /region / global leadership teams.
6. Do you believe that you are making progress in minimizing human rights risks? What additional support do you believe is necessary in order to making continuous improvement towards upholding human rights?

- Yes, we strongly believe we are making progress. Bench marking reports within FMC and other Industries would help us to make continuous improvement towards upholding human rights.
- Yes, we require your support to drive this with stakeholders, which will take huge time.

Working Conditions

1. Please describe how you meet each of the facets of “Basic Working Conditions” as outlined in the Code of Human Rights, Basic Working Conditions, and Corporate Responsibility. Use the following chart to outline: i) the policy / law(s) followed in order to meet these principles of “Basic Working Conditions” as outlined in Policy Letter 24, ii) the process your facility undertakes in order to implement such policy / law correctly, and, iii) where these documents are housed.

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Child Labor	<u>Country requirement</u> <ul style="list-style-type: none"> • The Factories Act - 1948 • Child Labor(Prohibition and Regulation) Act - 1986 	<ul style="list-style-type: none"> • Control during Hiring/Recruitment process • Age verification by contractors and Chief Medical officers and Security agents • Co-operation with local compliance authorities • Office of General Counsel intervention as required
Compensation	<u>Country requirement</u> <ul style="list-style-type: none"> • The Minimum Wages Act - 1948 • The payment of wages Act – 1936 • The Equal Remuneration Act, 1976 • The Apprentices Act, 1961. 	<ul style="list-style-type: none"> • Ensuring Minimum wages requirements are met as per Government. • Ensuring wages are paid within specified dates • Engaging Apprentices within the approved numbers and as per Act. • Co-operation with local compliance authorities • Office of General Counsel intervention as required
Forced Labor	<u>Country requirement</u> <ul style="list-style-type: none"> • Bonded Labor system (Abolition) Act, 1976 • The Contract Labor (Regulation & Abolition) Act, 1970. 	<ul style="list-style-type: none"> • Bonded Labor systems not prevalent in FIPL • Contractor’s compliance audit. • Co-operation with local compliance authorities • Office of General Counsel intervention as required
Freedom of Association and Collective Bargaining	<u>Country requirement</u> <ul style="list-style-type: none"> • The Trade Union Act, 1926 (No local law to recognize Trade Union) • The Industrial Disputes Act, 1947 	<ul style="list-style-type: none"> • Signing of Individual wage settlements as per law • Elected representative from employees done once in 2 years. • Following disciplinary process as per principle of nature justice. • Co-operation with local compliance authorities

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Harassment and Discrimination	<u>Country requirement</u> <ul style="list-style-type: none"> Sexual Harassment Workplace (Prevention, Prohibition & Redressal) Bill, 2012 <u>FMC requirement</u> <ul style="list-style-type: none"> The Anti-Harassment Equal Opportunity and Diversity 	<ul style="list-style-type: none"> Disciplinary process in line with Standing Orders Periodic connect of Women employees to address women grievances Induction training and awareness program on ZERO tolerance. Voice of Women Forum (internal women skip meetings) Hot line for employee Office of General Counsel intervention as required
Health and Safety	<u>Country requirement</u> <ul style="list-style-type: none"> The Factories Act - 1948 The Dangerous Machines, (Regulation) Act, 1983 The Tamil Nadu control of Industrial Major Accident Hazards Rules, 1994 <u>FMC requirement</u> <ul style="list-style-type: none"> Health and Safety 	<ul style="list-style-type: none"> Safety audits Mock drills Implementation of SOS elements Implementation of work permit policy (HOT/HEIGHT) Adherence to Energy Control and Power Lockout (ECPL) policy Co-operation with local compliance authorities Office of General Counsel intervention as required
Work Hours	<u>Country requirement</u> <ul style="list-style-type: none"> The Factories Act - 1948 The Industrial Employment (Standing Orders) Act, 1946 	<ul style="list-style-type: none"> Extra working hours are limited as per act. Records are maintained for National and Festival holidays as per local laws Records maintained with reference to working hours/extra hours/ holidays
Where are these documents housed?		
<ul style="list-style-type: none"> Human Resource Department Ford Networks 		

2. In the code, it has been made explicit that Ford seeks to identify, report and address any suspicion of human trafficking in order to adhere to our commitment to ensuring Basic Working Conditions and Human Rights.
- a) Within your community, are you aware of or have noticed any human trafficking activity? If so, please describe.
- Response : No such incidents reported or investigated**
- b) Are you aware of any suppliers or businesses in which you interact that are suspected of or have been found to engage in activities of human trafficking, directly or indirectly?
- Response : No such incidents reported or investigated**

Corporate Responsibility

1. Please describe how you meet each of the facets of “Corporate Responsibility” as outlined in the Code of Human Rights, Basic Working Conditions, and Corporate Responsibility. Use the following chart to outline: i) the policy / law(s) followed in order to meet these principles of “Corporate Responsibility” as outlined in Policy Letter 24, ii) the process your facility undertakes in order to implement such policy / law correctly, and, iii) where these documents are housed.

Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
-----------------------------	---------------------------------------

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Community Engagement and Indigenous Populations	<ul style="list-style-type: none"> Guidelines available 	<ul style="list-style-type: none"> Working Committee and Operating committee for Community Engagement Activities School construction activities Books, Shoe, Bags to students Career counseling Self-help women forum Tsunami relief activities Education on garbage disposal activities Driving skills for Life (DSLIF) Tree Samplings
Bribery and Corruption	<p><u>Country requirement</u></p> <ul style="list-style-type: none"> The Industrial Employment (Standing Orders) Act, 1946 The Code of Criminal Procedure, 1973 The Prevention of Corruption Act, 1947 <p><u>FMC requirement</u></p> <ul style="list-style-type: none"> Anti-bribery Receiving Gifts or Favors 	<ul style="list-style-type: none"> Cascades and awareness programs Office of General Counsel intervention as required Signing of Individual Code of Conduct Education during Induction Ford online Bribery programs
Environment and Sustainability	<p><u>Country requirement</u></p> <ul style="list-style-type: none"> The Water (Prevention and Control of Pollution) Act, 1974 The Air (Prevention and Control of Pollution) Act, 1981 The Noise Pollution (Regulation and Control) Rules, 2000 The Environment Protection Act 1986 <p><u>FMC requirement</u></p> <ul style="list-style-type: none"> Environmental Matters 	<ul style="list-style-type: none"> Periodic and surprise audits from Environment Department (External)
Where are these documents housed?		
<ul style="list-style-type: none"> Human Resource Department, Plant Engineering, Corporate Communication & Health and Safety Ford Intranets Share point sites 		

2. What local communities or populations do you regularly engage with? What issues are pertinent to them in relation to Ford's projects and activities? What is your process to address issues pertinent to such local communities and populations?

What local communities or populations do you regularly engage with	What issues are pertinent to them in relation to Ford's projects and activities	What is your process to address issues pertinent to such local communities and populations
Labor	<ul style="list-style-type: none"> Employment Expectations 	<ul style="list-style-type: none"> Opportunities given to skilled labors
Students	<ul style="list-style-type: none"> Infrastructure development Knowledge enhancement 	<ul style="list-style-type: none"> School Building Books, Shoes and Bags Tuition/Awareness/Career counselling
Women Forums	<ul style="list-style-type: none"> Project with earnings 	<ul style="list-style-type: none"> Self-help women forums
Community	<ul style="list-style-type: none"> Infrastructure 	<ul style="list-style-type: none"> Tsunami relief activities

	development.	<ul style="list-style-type: none"> • Driving skills for life (DSFL) • Tree Samplings
--	--------------	--

3. How have you incorporated sustainable water strategies in to your facility's operations? Can you point to any specific metrics / improvements that have been made and can be quantified? If so, please describe or provide any relevant documentation that indicates progress. Please contact the Manager, Social Sustainability, if unfamiliar with Ford's water strategy and related initiatives to receive additional information.
 - **Ford India Private Limited has installed its Effluent Treatment plant and Sewage treatment plant to treat the process and domestic water produced in the factory. It is recycling 100% water to ensure zero discharge. The specific water consumption is tracked on daily basis and included in the score card matrix. The yearly water consumption (YTD 2012) of FIPL in 2012 is 1.32 KL/car against target of 2.3 KL/car.**
4. In your opinion, how do you believe sustainable water projects contribute to the health of staff, operations and the community?
 - **In our opinion, sustainable water projects contributes to**
 - **a) Reduction in water pollution, thereby improving the health conditions of community**
 - **b) Conservation of water.**
 - **c) Reduction in cost for production of vehicle.**
5. What initiatives are being undertaken to reduce environmental / health impacts from operations? How is this contributing to your facility's ability to move towards being more environmentally sustainable in the long-term?
 - **The following steps were taken to reduce environmental/health impacts from operations.**
 - **a) Zero Liquid discharge to ensure pollution free atmosphere**
 - **b) Recycling of water to ensure conservation of water.**
 - **c) Raw water is treated thru Reverse osmosis, Ozonisation to produce drinking water for employees.**

Responsibility for and Implementation of the Code

1. How are you approaching continuous improvement in your facility's performance, practices and processes in place to comply with Policy Letter 24?
 - **Awareness campaigns**
 - **Periodic review and maintenance by Audits and Compliance report to authority concerned**

Additional Information

1. What would you suggest is most important for Social Sustainability to keep in mind in order to make this effort successful (both in terms of gathering information and creating a sense of partnership and shared purpose with the facilities)?
 - **Benchmarking with OEM's and Other Industries to fine tune our policy.**
2. Any words of wisdom/advice?
 - **Believe being a responsible employer**
 - **Focus and support Local community**