

BUILT *Ford* PROUD

2020 U.S. Political Engagement





Welcome to our 2020 U.S. Political Engagement Report. At Ford, we are guided by values that have sustained us for almost 118 years. Participation in the political process has been a constant over that period and is central to navigating Ford's global priorities in a world of competitive voices.

We work to educate legislators about policies that affect our business operations, our customers and the hundreds of thousands of employees and communities that depend on a strong Ford worldwide. Ford has prepared this report in an effort to be transparent about the principles that govern our participation in the political process, including the disclosure of the company's membership in organizations that contribute to debates on policy issues. We continually strive to increase our transparency and hope you find this report informative.

A handwritten signature in black ink that reads "Mitch Bainwol". The signature is fluid and cursive.

Mitch Bainwol

INTRODUCTION

Letter from Mitch Bainwol
Ford's Chief Government Relations Officer

IN THIS REPORT

- 1 Overview of company policies regarding employee political participation.
- 2 Examination of all U.S. political contributions and federal lobbying reports.
- 3 Detailed overview of Ford's memberships in organizations that seek to affect policy.



INTRODUCTION

Perspective on
Policymaking



Perspective on Policymaking

Every day, governments around the world make decisions on a variety of important policy issues that have an impact on Ford's businesses. As a global company, it is critical that Ford has a voice to help inform the policies affecting our employees, customers, and shareholders.

Ford believes that strong engagement with government plays a key role in shaping the regulations and legislation that govern our business. The company participates openly and transparently in the political process to support local, state, national, and international policies that are economically, environmentally and socially sustainable for our company, our customers and their communities. Ford's 118-year history lends important perspective to the policymaking process and guides our collaboration with government partners globally through Ford Government Relations.

To leverage our resources effectively on key issues, Ford works with a broad range of coalitions, industry groups, and trade associations in the markets where we operate. This helps the company exchange ideas and collaborate to develop and promote sensible policies that benefit our company, our industry, and society. These organizations often bring diverse viewpoints to the debate, and sometimes their views are not shared by Ford. At times we have exercised our right to make our own position clear and have taken an alternative path when it has been necessary.

LOCAL. STATE. NATIONAL. INTERNATIONAL.

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EMPLOYEE POLITICAL PARTICIPATION

In the U.S., all employees are encouraged to participate in the political process and community improvement.

Ford respects the prerogative of each employee to decide if and how to do this using personal time. The company may grant salaried employees a leave of absence or rearrange work hours to enable employees to run for office and serve as a full- or part-time elected official outside work, subject to local laws and work rules. Collective bargaining agreements govern on this issue with respect to hourly employees. With the exception of efforts in the U.S. related to the Ford PAC, the use of company resources to support the election of any candidate for office is not permitted.



U.S. POLITICAL CONTRIBUTIONS



The Ford PAC adheres to U.S. Federal Election Commission and relevant state and local guidelines.

At times, Ford may take positions on issues relevant to its business, employees, and communities.

In general, the company does not take positions that are meant specifically to favor one candidate or political party over others. Ford may, however, contribute to, support, or oppose a state or local ballot proposal if permitted by law and our Chief Executive Officer believes that the issue is significant to our business. Ford may also contribute corporate funds to “Section 527” organizations and 501(c)(4) social welfare organizations, which may engage in political activity in certain circumstances, that is in the interest of the company. Details on these kinds of contributions are included in this report.

Ford does not make corporate contributions directly to political candidates’ campaigns or political organizations in the U.S., even if the law allows it. Ford’s Board of Directors has authorized

the company to participate in the political process through voluntary contributions from our employees to the Ford Motor Company Civic Action Fund, also known as the “Ford PAC”. The Ford PAC adheres to U.S. Federal Election Commission and relevant state and local guidelines.

Voluntary contributions to the Ford PAC may be solicited from Ford management, employees, and shareholders who are U.S. citizens or legal permanent residents. Contributions to the PAC are distributed at the discretion of the PAC’s Political Contributions Committee, comprised of Ford employees who are PAC donors. Ford’s Government Relations staff, under the direction of the Chief Government Relations Officer, is the group responsible for PAC administration. The PAC makes expenditures in federal, state, and local races deemed relevant to the company, but generally does not contribute to presidential candidates.

THE NEW HOME OF THE ALL-ELECTRIC FORD F-150

BUILT FOR AMERICA



Pictured from left to right: Debbie Manzano, plant manager, Jackie DiMarco, chief engineer, Bill Ford, executive chairman, Gerald Kariem, vice president of UAW Ford department, Bernie Ricke, president of UAW Local 600, Jim Farley, president and chief executive officer.

U.S. POLITICAL CONTRIBUTIONS

Neither Ford nor the Ford PAC contributes to independent-expenditure-only political action committees (so-called Super PACs), which are not subject to donation limits.

All PAC contributions are directed to candidate campaign committees, political party committees, leadership committees, trade association connected PACs, or non-connected issue PACs, e.g. the Congressional Black Caucus PAC.

Candidates and committees to whom the PAC might contribute are evaluated on a nonpartisan basis and without regard to the private political preferences of any contributor, manager, employee, or shareholder.



The Ford PAC seeks to support candidates and committees that align with six principles, namely those who:

- 1** Champion manufacturing, mobility, and innovation policies of interest to Ford.
- 2** Represent districts or states with a large Ford presence.
- 3** Participate on a key committee relevant to Ford and/or its partners.
- 4** Serve in a leadership role or show potential as a future leader.
- 5** Maintain a track record of supporting Ford employees and operations.
- 6** Demonstrate public service consistent with building trust and acting with competence, integrity and serving others.

U.S. POLITICAL CONTRIBUTIONS

Ford Expenditures
Oversight of Political Spending

The PAC is governed by a set of bylaws, that can be viewed by [clicking here](#). Copies of the PAC's filings with the Federal Election Commission, detailing expenditures on federal candidates as required by law, are linked below. Reports detailing state and local contributions from the PAC can be found here.

Ford PAC Filing Reports

[February Monthly Report \(2020\)](#)

[March Monthly Report \(2020\)](#)

[April Monthly Report \(2020\)](#)

[May Monthly Report \(2020\)](#)

[June Monthly Report \(2020\)](#)

[June Amended Report \(2020\)](#)

[July Monthly Report \(2020\)](#)

[August Monthly Report \(2020\)](#)

[September Monthly Report \(2020\)](#)

[October Monthly Report \(2020\)](#)

[Pre-General Report \(2020\)](#)

[Post-General Report \(2020\)](#)

[Year-End Report \(2020\)](#)

(Click to view reports)



Ford Expenditures on Ballot Initiatives in 2020

As previously mentioned, Ford may spend corporate funds in support of, or opposition to, a state or local ballot proposal, if such contributions are permitted by law and if the issue is of significant interest or importance to Ford. In 2020, Ford contributed \$4,190,830 to the Coalition for Safe and Secure Data, a referendum committee opposing *Massachusetts Question 1: A Law Proposed by Initiative Petition*, regarding motor vehicle mechanical data access. Ford believed that this initiative was not in the interests of the company or our customers and could create unnecessary risks to vehicle safety and security.

2020 FORD FEDERAL CONTRIBUTIONS AND LOBBYING DATA

Q1	Q2	Q3	Q4
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Ford Expenditures on Section 527 Organizations

Ford did not contribute to Section 527 organizations in 2020.

Ford Expenditures on 501(c)(4) Organizations

Ford did not contribute to 501(c)(4) organizations in 2020.

Oversight of Political Spending

Ford's Chief Government Relations Officer has final authority over contributions to 527 and 501(c)(4) organizations, 501(c)(6) association memberships, and other political-related spending permitted by company policy. Support for ballot initiative committees requires approval of the Chief Executive Officer. Ford PAC's employee-led Political Contributions Committee oversees PAC spending.

The Nominating and Governance Committee of Ford's Board of Directors has responsibility for evaluating, monitoring, and making recommendations to the full Board with respect to all corporate governance policies and procedures. The Committee annually reviews contributions and membership decisions made by the Company in the following areas:

- 1 *Local, state, federal and international memberships representing affiliations with key coalitions and industry associations supporting the Company's policy agenda, and*
- 2 *Corporate contributions to philanthropic and policy-related organizations supported by the Company.*

Ford's Code of Conduct can be found by [clicking here](#).



COALITIONS AND ASSOCIATIONS

Climate Change

Ford is an automotive industry leader in addressing climate change. Our strategy is to build momentum around a comprehensive, market-based solution to lower emissions and demonstrate leadership through our actions. We believe there is strength and value in using memberships in our trade associations and coalitions to move these organizations toward positions more aligned with Ford's views on climate. This helps us develop and promote policies that benefit our customers, company, industry, and society.

We will continue to make decisions based on what's best for our customers, our environment and our business. As a member of these groups, we work to make our position known and collaborate with others.

The California Settlement Agreement is a recent example of Ford's leadership on climate change. Ford led the industry in aligning towards a fuel economy/greenhouse gas proposal with the California Air Resources Board, creating a 50-state solution that is consistent with our common vision for greenhouse gas reduction. As a result of these efforts, Ford has not supported federal litigation against California's authority to set more stringent rules under the Clean Air Act, instead advocating within the industry for a solution that recognizes the authority of both the federal government and California in shaping future climate policy.



The California Settlement Agreement is a recent example of Ford's leadership on climate change.

Position Evaluation Process

Ford believes that comprehensive, industry-wide policies protecting the environment while promoting technological innovation are critical. Ford advocates for positions which are:

- **Science-based,**
- **Environmentally sustainable (i.e. address climate change and are aligned with the Paris Agreement),**
- **Market-based (e.g. carbon pricing),**
- **Performance-based and technology agnostic, and**
- **Harmonized.**

If an association's position does not align with our criteria, we respond appropriately, at times advocating for our position independently.

Ford will conduct an internal review of associations' lobbying positions annually including notable discrepancies with our positions and our actions in response. The results of this review will be shared with our management.

Ford maintains membership in several organizations that are involved with climate and sustainability issues. A list of major organizations and a description of Ford's alignment, where applicable, with their policy priorities is included below:

Ford Motor Company Membership Alignment

Alliance for Automotive Innovation

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>A broad coalition of automotive manufacturers and suppliers operating in the U.S., representing manufacturers producing nearly 99 percent of cars/ light trucks sold in the U.S.</p> <p>Its focus is on creating a safe and transformative path for sustainable industry growth, working on regulatory and policy matters at the federal and state level that impact the light-duty vehicle market.</p>	<p>The industry has consistently called for year-over-year fuel economy and greenhouse gas improvements, while recognizing that the 2011 Obama standards were no longer appropriate.</p> <p>Automakers need a policy environment that reduces GHG, improves fuel economy and accelerates the transition to electrified vehicles.</p> <p>Looking to the future, we need policies that support a customer-friendly shift toward electrified technologies.</p>	<p>As a condition of membership, Ford ensured the Alliance position on fuel economy and GHG regulations did not include litigation against California’s waiver to regulate emissions.</p> <p>Ford supports the “California Settlement Agreement” as a 50-state FE/GHG solution, and entered into a final agreement in August 2020 with California and other states. Honda, BMW, VW, and Volvo independently entered this final agreement; all are also members of the Alliance.</p> <p>Ford’s position within the Alliance is consistent with our public view that a comprehensive standard including California provides the best path forward to reduce carbon emissions and meet customer needs and expectations.</p>

WHERE WE’VE TAKEN INDEPENDENT ACTION



Ford and the other California Framework companies did not intervene on behalf of the Trump administration in defense of the SAFE Vehicles I or II rules.

American Automotive Policy Council

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>Although primarily focused on trade issues, and the common public policy interests of its member companies – Ford, General Motors, and Stellantis N.V. – AAPC also engages on a broad range of related technology, safety, fuels and fuel economy issues and pursues regulatory harmonization with other markets around the world.</p>	<p>AAPC, coordinating with Ford, GM, and Stellantis, is taking a comprehensive, all-inclusive approach to “going green.” Combining innovation, engineering and ingenuity, U.S. automakers have implemented environmentally friendly measures from the start of production to the final sale of the vehicle.</p>	<p>Ford continues to promote alignment with U.S. standards in global export markets to ensure harmonization with fuel economy and safety initiatives. When an economy-wide carbon pricing initiative gains traction, AAPC will advocate for inclusion of a carbon border adjustment that will encourage other countries to implement similar climate policies and level the playing field for U.S. manufacturers.</p>

WHERE WE’VE TAKEN INDEPENDENT ACTION



Ford continues to advocate within the organization, with independent action unnecessary

Ford Motor Company Membership Alignment

National Association of Manufacturers

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>NAM's work is centered around the success of the more than 12.8 million people who make things in America, and is focused on four values: free enterprise, competitiveness, individual liberty and equal opportunity.</p>	<p>NAM has called on Congress to address climate change. NAM testified before the House Subcommittee on Environment & Climate Change and shared what the manufacturing sector is doing to reduce emissions. Over the past decade, manufacturers have reduced the carbon footprint of their products by 21 percent while increasing their value to the economy by 18 percent.</p>	<p>Ford continues to highlight the importance of climate change at NAM through:</p> <ul style="list-style-type: none"> • Product actions (e.g. California Framework) • Facilities (zero air emissions, and use of 100% renewable energy for all manufacturing plants) • Internal advocacy of an economy-wide carbon pricing policy

U.S. Chamber of Commerce

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>The U.S. Chamber of Commerce is the world's largest business organization, representing the interests of more than three million businesses of all sizes, sectors, and regions. Ford is primarily engaged with the Chamber as part of its Institute of Legal Reform and with respect to its international outreach efforts.</p>	<p>The Chamber stands with every American seeking a cleaner, stronger environment—for today and tomorrow. The Chamber recognizes that our climate is changing and humans are contributing to these changes. Inaction is simply not an option, and American businesses will play a vital role in creating innovative solutions to protect our planet.</p>	<p>Ford continues to highlight the importance of climate change at the Chamber:</p> <ul style="list-style-type: none"> • Product actions (e.g. California Framework) • Internal advocacy of an economy-wide carbon pricing policy • Joint advocacy on intellectual property initiatives to support ongoing U.S. research and development on advanced vehicle and battery technologies

Ford Motor Company Membership Alignment

Climate Leadership Council

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>An international policy institute founded in collaboration with a who's who of business, opinion and environmental leaders to promote a carbon dividends framework as the most cost-effective, equitable, and politically viable climate solution. If the CLC plan is enacted into law, U.S. carbon dioxide emissions would be cut in half by 2035 while providing all families a carbon dividend of approximately \$2,000 per year.</p>	<p>CLC advocates for a specific carbon fee/dividend solution with the following elements:</p> <ul style="list-style-type: none"> • A gradually increasing carbon fee (\$40 per ton increasing every year at 5% above inflation) • Carbon dividends for all American families (approximate \$2000 dividend in first year) • Regulatory simplification (but vehicle fuel economy and GHG programs would continue) • Border carbon adjustment to ensure companies do not move emissions overseas 	<p>Ford is actively engaged in educating members of Congress on a growing group of businesses and NGOs working towards the meaningful solutions needed to achieve significant reductions in GHG emissions. Ford believes that comprehensive, industry-wide policies that protect our environment in the near term and promote technological innovation are critical. A carbon border adjustment will encourage other countries to implement similar policies by leveling the playing field for U.S. manufacturers. Ford has participated in multiple outreach initiatives with senior-level executives and Government Relations staff, including the Senate Climate Caucus.</p>

CEO Climate Dialogue/Americans for Carbon Dividends

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>The CEO Climate Dialogue is a "principle-based" organization, not wedded to a specific solution (e.g. carbon tax, cap and trade, etc.). Instead, it advocates that the President and Congress put in place a long-term federal policy as soon as possible to protect against the worst impacts of climate change.</p>	<p>The CCD supports legislation aligned with its 6 guiding principles:</p> <ol style="list-style-type: none"> 1. Significant: Reduce U.S. greenhouse gas emissions 80% or more by 2050 2. Effective: Focus on outcomes, not specific resources or technologies 3. Market-based: An economy-wide price on carbon via carbon tax or cap and trade 4. Durable and responsive: Well-designed and stable policies that deliver predictable results 5. Do no harm: Support the competitiveness of the U.S. economy 6. Promote equity: Provide transparency and promote affordability while distributing costs and benefits to promote equity 	<p>Ford is proud to be the first automaker to join the CEO Climate Dialogue and looks forward to exchanging ideas as we work with lawmakers to shape climate policy. Ford continues to highlight the need for a comprehensive market-based solution. We believe this will be necessary to achieve reductions needed for net-zero carbon emissions by 2050.</p>

Ford Motor Company Membership Alignment

Engine Manufacturers Association

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>The Truck and Engine Manufacturers Association (EMA) represents worldwide manufacturers of internal combustion engines and on-highway medium- and heavy-duty trucks. EMA works with government and industry to help the nation achieve its goals of cleaner air and safer highways and to ensure that environmental and safety standards and regulations are technologically feasible, cost-effective, and provide safety and environmental benefits.</p>	<p>Better fuel efficiency is a key customer demand in the commercial vehicle sector, and our members continuously work to introduce better and more efficient technologies and systems into the marketplace. Because improved efficiency also results in lower greenhouse gas emissions, engine and truck manufacturers' efforts to improve fuel efficiency for our customers align well with the overall goals of the regulation proposed today.</p>	<p>We both support continuous reduction to GHG emissions from heavy duty vehicles while maintaining their capability and one national standard. Ford supports introduction of heavy-duty ZEV technologies as they become feasible.</p>

Electric Drive Transportation Association

MISSION	CLIMATE CHANGE POSITION	WHERE WE ALIGN
<p>The Electric Drive Transportation Association (EDTA) is a trade association promoting battery, hybrid, plug-in hybrid and fuel cell electric drive technologies and infrastructure. They conduct public policy advocacy, education, industry networking, and conferences that engage industry, academia, policymakers and the public. EDTA's membership includes the entire electric drive value chain, including vehicle, battery and component manufacturers, electricity providers, and smart grid and infrastructure developers. Collectively, our members are developing and deploying the technologies that advance the electrification of transportation.</p>	<ul style="list-style-type: none"> • Achieving net-zero emissions transportation for all Americans is a critically important goal that requires a comprehensive effort across multiple sectors of the economy to electrify transportation. • U.S. leadership in this effort to electrify transportation will secure our economic future while driving innovation that reduces emissions, creates jobs and boosts investment opportunities in our communities and across all segments of the economy. • To secure our leadership, the U.S. should implement an aggressive five-year plan that catalyzes growth with significant, long-term investments in market expansion and accelerates technology development and deployment for cross-sector adoption of e-mobility. 	<p>EDTA is aligned with Ford on the need for continued consumer incentives for electric vehicles. The organization has been an effective partner in advocating for an extension of 30D tax credit benefits and a useful policy interface for EV manufacturers, the utility industry, and key suppliers to OEMs in the EV space.</p>

COALITIONS AND ASSOCIATIONS

Other Coalitions and Associations

In addition to the above groups dealing with issues of climate change and emissions, Ford is a member of numerous groups that advocate on other U.S. policy issues impacting the company, listed in the table below.

Ford 2020 Dues to Coalitions and Associations that Informed Federal and State Policy

USD RANGE	COALITION
\$1 million or more	<ul style="list-style-type: none"> • Alliance for Automotive Innovation (17.5% = % of nondeductible dues) • American Automotive Policy Council (13% = % of nondeductible dues)
\$500,000-999,999	<ul style="list-style-type: none"> • None
\$100,000-499,999	<ul style="list-style-type: none"> • 5G Automotive Association (0% = % of nondeductible dues) • American Financial Services Association (40% = % of nondeductible dues) • Americans for Carbon Dividends (29% = % of nondeductible dues) • Business Roundtable (25% = % of nondeductible dues) • Coalition for Future Mobility (0% = % of nondeductible dues) • Engine Manufacturers Association (0 = % of nondeductible dues) • National Association of Manufacturers (20% = % of nondeductible dues) • U.S. Chamber of Commerce (25% = % of nondeductible dues) • Self-Driving Car Coalition (10% = % of nondeductible dues)
\$50,000-99,999	<ul style="list-style-type: none"> • American Property & Casualty Insurance Association (57% = % of nondeductible dues) • Detroit Regional Chamber of Commerce (6% = % of nondeductible dues) • Intelligent Transportation Society of America (0% = % of nondeductible dues) • Michigan Manufacturers Association (25% = % of nondeductible dues)
\$25,000-49,999	<ul style="list-style-type: none"> • Electric Drive Transportation Association (52% = % of nondeductible dues) • Illinois Chamber of Commerce (10% = % of nondeductible dues) • Partnership for Transportation Innovation and Opportunity (15% = % of nondeductible dues)

Ford is a member of various tort reform groups nationally that are not the subject of this report.

This report is based on good-faith efforts to collect and compile relevant information. If Ford becomes aware of any incorrect information or any inadvertent omissions, Ford will amend this report to address the error or omission in a future posting.

APPENDIX #1

[Ford Motor Company Civic Action Fund Bylaws](#)

APPENDIX #2

[Ford Corporate Code of Conduct](#)



YOUR. FEEDBACK. HELPS.

We see reporting as an ongoing, evolving process. We invite your feedback on the contents of this report at fgovernm@ford.com or click the button below.

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