

# TCFD Index

2021



**Integrated Sustainability and Financial Report 2021**

Ford Motor Company | [sustainability.ford.com](https://sustainability.ford.com) | [shareholder.ford.com](https://shareholder.ford.com)

## Our Sustainability Aspirations

We are working to revolutionize mobility, fueled by new challenges and the desire to help build a better world for everyone.



### Climate Change

Achieve carbon neutrality by 2050



### Air

Attain zero emissions from our vehicles and facilities



### Energy

Use 100 percent local, renewable electricity in all manufacturing by 2035



### Waste

Reach true zero waste to landfill across our operations  
Eliminate single-use plastics from our operations by 2030



### Water

Make zero water withdrawals for manufacturing processes  
Use freshwater only for human consumption



### Materials

Utilize only recycled or renewable content in vehicle plastics



### Safety

Work toward a future that is free from vehicle crashes and workplace injuries



### Human Rights

Source only raw materials that are responsibly produced



### Diversity, Equity and Inclusion

Create a truly diverse culture where everyone feels like they belong



### Access

Drive human progress by providing mobility and accessibility for all

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The Task Force on Climate-related Financial Disclosures (TCFD) has developed a voluntary, consistent, climate-related financial risk disclosure framework for companies to provide information to investors, lenders, insurers and other stakeholders. Ford is a proud supporter of TCFD.

| Topic      | Disclosure Focus Area  | Disclosure   | Response  |
|------------|--|--|---|
| Governance | Disclose the organization's governance around climate-related risks and opportunities. | a) Describe the board's oversight of climate-related risks and opportunities.                    | <p>The Board's Sustainability and Innovation Committee meets at least three times a year and is responsible for assessing the company's progress on strategic economic, environmental and social issues, as well as the degree to which sustainability principles have been integrated into the various skill teams. It evaluates and advises on innovations and technologies that improve our environmental and social sustainability as well as reviewing the summary Integrated Sustainability and Financial Report.</p> <p>See our current <a href="#">CDP Climate Change Response (C1.1)</a></p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Sustainability Governance, page 19</a></p> <p><a href="#">Environmental, Social, and Governance Review</a></p> <p><a href="#">Charter of the Sustainability and Innovation (S&amp;I) Committee of the Board of Directors</a></p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Board's Role in Risk Management, page 20</a></p> |
|            |  | b) Describe management's role in assessing and managing climate-related risks and opportunities. | <p>Ford's VP, Chief Sustainability, Environment and Safety Officer has primary responsibility for sustainability issues and oversees the Sustainability and Vehicle Environmental Matters group, the Environmental Quality Office, the Vehicle Homologation and Compliance group and the Automotive Safety Office. He leads a multi-disciplinary senior-level team to oversee our actions in response to our climate change and sustainable mobility strategies. Other executives across functional areas also have responsibility for sustainability-related issues.</p> <p>See our current <a href="#">CDP Climate Change Response (C1.2) (C1.2a) (C2.2) (C2.2a)</a></p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Sustainability Governance, page 19</a></p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Risks and Opportunities, page 21</a></p>  |

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| Strategy        | Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.                               | <p>The risks and opportunities associated with climate change are shaping the way we do business, from offering electric versions of our popular models to a global carbon reduction strategy focused on a move toward renewable electricity. Extreme weather events such as storms or floods can disrupt production or component supplies, while droughts can affect our access to water for our operations, especially in water-scarce areas.</p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Risks and Opportunities</a>, page 21</p> <p>See our current <a href="#">CDP Climate Change Response (C2)</a></p> <p><a href="#">Climate Change Scenario Report</a>, pages 11–17</p> <p>Form 10-K, pages 8, 15–16, 18, 22–24 (Item 1a Risk Factors)</p> |
|                 |   | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.                        | <p>See our current <a href="#">CDP Climate Change Response (C2.3) (C2.3a) (C2.4) (C2.4a) (C3.1d) (C3.1e)</a></p> <p><a href="#">Climate Change Scenario Report</a></p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Leading the Electric Revolution</a>, page 30</p>  |
|                 |   | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | <p>See our current <a href="#">CDP Climate Change Response (C3.1b) (C3.1e)</a></p> <p><a href="#">Climate Change Scenario Report</a>, pages 5–19</p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Leading the Electric Revolution</a>, page 30</p>  |
| Risk Management | Disclose how the organization identifies, assesses and manages climate-related risks.   | a) Describe the organization's processes for identifying and assessing climate-related risks.  | <p>See our current <a href="#">CDP Climate Change Response (C2.2) (C2.2a) (C2.3a)</a></p> <p>Form 10-K, pages 8, 15–16, 18, 22–24</p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Risks and Opportunities</a>, page 21</p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Board's Role in Risk Management</a>, page 20</p>  |
|                 |   | b) Describe the organization's processes for managing climate-related risks.   | <p>See our current <a href="#">CDP Climate Change Response (C1.2a) (C2.2) (C2.3a)</a></p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Prioritizing Key Issues</a>, page 15</p> <p><a href="#">Integrated Sustainability and Financial Report 2021 &gt; Board's Role in Risk Management</a>, page 20</p> <p>Form 10-K, page 18 (climate-related physical risk), pages 22–23 (regulatory risk)</p>   |
|                 |   | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.     | <p>See our current <a href="#">CDP Climate Change Response (C1.2a) (C2.2) (C2.3a) (C3.1d) (C3.1e)</a></p> <p><a href="#">Climate Change Scenario Report &gt; Ford's Climate Strategy</a>, pages 3–5</p>  |

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| <b>Metrics and Targets</b> | Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities. | a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | <p>The primary metrics used for vehicles are fuel economy, CO<sub>2</sub> tailpipe emissions and fuel consumption. The primary metrics for our facilities are absolute tCO<sub>2</sub>e and % renewable electricity. Additional metrics used are described in the documents below.</p> <p><a href="#">Performance Data</a>, pages 8–10</p> <p>See our current <a href="#">CDP Climate Change Response</a> (C1.3) (C2.3a) (C5) (C6) (C7) (C8) (C9) (C11)</p> <p>See our current <a href="#">CDP Water Response</a> (4.1)</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Climate Change: Toward Carbon Neutrality, pages 41–43</p>  |
|                            |  | b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.   | <p><a href="#">Performance Data</a>, page 8</p> <p>See our current <a href="#">CDP Climate Change Response</a> (C6) (C7)</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Climate Change: Toward Carbon Neutrality, pages 41–43</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Energy and Emissions, pages 50–53</p>   |
|                            |  | c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.                       | <p>The Science Based Targets initiative (SBTi) has approved our 2035 interim emissions targets on the path toward carbon neutrality by 2050, in which Ford commits to:</p> <ul style="list-style-type: none"> <li>– Reduce Scope 1 and 2 GHG emissions by 76 percent by 2035 from a 2017 base year</li> <li>– Reduce Scope 3 GHG emissions from use of sold products by 50 percent per vehicle kilometer by 2035 from a 2019 base year</li> </ul> <p>See our current <a href="#">CDP Climate Change Response</a> (C4)</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Progress Against Our Aspirations, pages 12–14</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Environment Overview, page 40</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Climate Change: Toward Carbon Neutrality, pages 41–43</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Energy and Emissions, pages 50–53</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Water Use, pages 53–54</p> |

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| <b>Metrics and Targets</b><br><i>continued</i> | Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.<br><i>continued</i> | Sales-weighted average fleet fuel economy, by region.   | <p>Ford U.S. corporate average fuel economy, combined car and truck fleet (miles per gallon): 29.9</p> <p>Ford U.S. CO<sub>2</sub> tailpipe emissions per vehicle (grams per mile): 301</p> <p>Ford Europe CO<sub>2</sub> tailpipe emissions per passenger vehicle (grams per kilometer): Preliminary data will be available in the <a href="#">Performance Data index</a> in July 2021.</p> <p>Ford Switzerland CO<sub>2</sub> tailpipe emissions per passenger vehicle (grams per kilometer)*: 114.354</p> <p>Ford Switzerland CO<sub>2</sub> tailpipe emissions per light commercial vehicle (grams per kilometer)*: 180.295</p> <p>Ford (China) Import corporate average fuel consumption: 8.61L/100km</p> <p>Jiangling Motors Corporation (JMC) corporate average fuel consumption: 7.50 L/100km</p> <p>Changan Ford Automobile Corporation (CAF) corporate average fuel consumption: 7.18 L/100km</p> <p><a href="#">Performance Data</a>, page 8</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Alternative Fuels and Powertrains, page 46</p> <p><a href="#">Integrated Sustainability and Financial Report 2021</a> &gt; Improving Fuel Economy, page 45</p> <p>* Switzerland data is provisional. Final data expected mid-May 2021.</p> |
|  |  | Revenues/savings from investments in low-carbon alternatives (e.g., R&D, equipment, products or services).  | See our current <a href="#">CDP Climate Change Response</a> (C4.3b) (C4.5a) (C2.4a)  |
|  |  | Vehicle sales (historical, current and projected) by category (e.g., gas vehicles, diesel vehicles, battery electric vehicles, plug-in hybrid electric vehicles, alternative-powered vehicles (LPG, CNG, fuel cells, compressed air). | <p>Global vehicle sales:</p> <p>255 zero-emission vehicles</p> <p>74,496 hybrid vehicles</p> <p>8,064 plug-in hybrid vehicles</p> <p>See our current <a href="#">CDP Climate Change Response</a> (C2.4a) (C4.5a) (C-TO9.3/C-TS9.3)</p> <p><a href="#">Form 10-K</a>, page 5</p>  |
|  |  | Expenditures (OpEx) for R&D for low-carbon transportation equipment or transportation services.   | See our current <a href="#">CDP Climate Change Response</a> (C2.3a) (C2.4a) (3.1b) (C4.5a) (C-TO9.6a/C-TS9.6a)   |

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| Metrics and Targets<br><i>continued</i> | Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.<br><i>continued</i> | Road vehicles – geographic breakdown of GHG emissions: emissions and/or emission intensity of products for key geographies against regulatory requirements/ targets. | See our current <a href="#">CDP Climate Change Response (C-TO7.8) (C-TO8.5)</a><br><a href="#">Performance Data</a> , page 8<br><a href="#">Integrated Sustainability and Financial Report 2021</a> > Alternative Fuels and Powertrains, page 46<br><a href="#">Ford Europe Goes All-In On EVs On Road To Sustainable Profitability</a>   |
|   |  | Life cycle reporting of GHG emissions of transportation products (air, ship, rail, truck, auto).   | See our current <a href="#">CDP Climate Change Response (C6.5) (C-TO7.8)</a><br><a href="#">Integrated Sustainability and Financial Report 2021</a> > Taking a Life Cycle Approach, pages 45–46   |
|   |  | Investments (CapEx) in low-carbon transportation equipment or transportation services.   | See our current <a href="#">CDP Climate Change Response (C2.3a) (C2.4a) (C3.1e) (C4.3c)</a><br><a href="#">Integrated Sustainability and Financial Report 2021</a> > Progress Against Our Aspirations, pages 12–14<br><a href="#">Integrated Sustainability and Financial Report 2021</a> > Alternative Fuels and Powertrains, page 46<br><a href="#">Integrated Sustainability and Financial Report 2021</a> > Reducing Our Vehicle CO <sub>2</sub> Footprint, pages 43–44<br><a href="#">Integrated Sustainability and Financial Report 2021</a> > Mobility Solutions, pages 32–33<br><a href="#">Ford will be investing at least \$22 billion in electrification through 2025, nearly twice what the company had previously committed to EVs</a> |



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