



2020

UN GUIDING PRINCIPLES REPORTING FRAMEWORK INDEX



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UN GUIDING PRINCIPLES REPORTING FRAMEWORK INDEX 2020

The [UN Guiding Principles Reporting Framework](#) is a comprehensive guide for companies to report on human rights issues in line with their responsibility to respect human rights. This responsibility is outlined in the [UN Guiding Principles on Business and Human Rights](#), the global standard in this field.

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Question	Ford Response	Additional Information
POLICY COMMITMENT		
A1 What does the company say publicly about its commitment to respect human rights?	Ford is committed to respecting human rights everywhere we operate, and throughout our entire supply chain. We aim to ensure that everything we make – or that others make for us – is consistent with local law and our own commitment to respecting human rights. In situations of non-compliance, we remediate as quickly as possible. In alignment with our commitment to the UN Guiding Principles on Business and Human Rights, our Policy Letter 24 details our commitment to respecting the International Bill of Human Rights, the International Labour Organization (ILO) Core Labour Standards and Declaration on Fundamental Principles and Rights at Work, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the UN Women's Empowerment Principles. Our Conflict Minerals Policy details our expectations for supplier compliance with conflict-free minerals sourcing. In February 2020, Jim Hackett, our President and CEO, signed the United Nations Women's Empowerment Principles on behalf of Ford. We are signatories to the UN Global Compact, the UN SDGs, and the CEO Action for Diversity & Inclusion Pledge . You can read more about our commitment to human rights in our Sustainability Report 2020 .	Policy Letter 24 Respecting Human Rights Conflict Minerals Policy Diversity and Inclusion Our Goals and Progress
A1.1 How has the public commitment been developed?	This commitment is embodied in our Policy Letter 24: The Ford Code of Human Rights, Basic Working Conditions and Corporate Responsibility. This code is based on internationally recognized labor standards. Ford adopted this code in 2003 and then formally issued it as Policy Letter 24 in 2007. It was updated in 2012 to specifically communicate our encouragement of suppliers to adopt and enforce similar policies for their suppliers and subcontractors. Ford's President and CEO approves and has oversight for all corporate policies, while senior leadership and the Sustainability and Innovation Committee of the Board of Directors review Ford's Sustainability Report, including our human rights commitments.	Policy Letter 24 Respecting Human Rights Respecting Human Rights Within Ford Governance
A1.2 Whose human rights does the public commitment address?	Our Policy Letter 24 outlines the basic guiding principles that serve as the cornerstone of our relationships with our workforce and other stakeholders, including communities, in the countries where we operate. We expect our suppliers to adopt and enforce similar policies and require our Aligned Business Framework (ABF) suppliers to have aligned codes of conduct with our Policy Letter 24.	Policy Letter 24 Respecting Human Rights Respecting Human Rights Within Ford
A1.3 How is the public commitment disseminated?	Our Policy Letter 24 is publicly available on our company website, and is referenced in our Sustainability Report, Modern Slavery Statement, supplier web guides and supplier Global Terms and Conditions (GT&Cs). It is available to our workforce in 11 languages. This policy guides engagement with our workforce and other stakeholders in the countries and communities where we operate. Our Conflict Minerals Policy is also publicly available on our company website.	Policy Letter 24 Conflict Minerals Policy Transparency and Trust Code of Conduct Handbook Modern Slavery Statement

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Question	Ford Response	Additional Information
EMBEDDING RESPECT FOR HUMAN RIGHTS		
A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?	<p>Ford's commitment to human rights comes from the top of our organization – our CEO and the Board of Directors (Sustainability and Innovation Committee, Compensation Committee) frequently address human rights topics. Our CEO approves and has oversight for all corporate policies, including Ford's Code of Human Rights, Basic Working Conditions, and Corporate Responsibility (Policy Letter 24). The Vice President, Chief Sustainability, Environment and Safety Officer is responsible for interpreting this Policy with the concurrence, as appropriate, of the Executive Vice President, Global Manufacturing and Labor Affairs, the Group Vice President, Global Purchasing, and the Group Vice President and General Counsel.</p> <p>Senior managers throughout the company have salient human rights issues included in their annual objectives, such as responsible sourcing of minerals and health and safety. As part of the company's annual compensation process, performance assessment against objectives is one of the factors that determines individual compensation.</p> <p>Throughout our operations, we are committed to respecting human rights. The Sustainability team is responsible for day-to-day human rights leadership within our operations, working cross-functionally with Global Manufacturing and Labor Affairs, Global Purchasing, Human Resources and the Office of General Counsel. The Purchasing Supply Chain Sustainability team is responsible for day-to-day human rights, environmental and responsible materials sourcing oversight and capacity building with our supply chain. We have robust policies and practices in place to ensure a safe and healthy working environment. We conduct annual Policy Letter 24 human rights assessments on select Ford and joint venture facilities globally. We seek to neither cause nor contribute to adverse human rights impacts through our activities and will seek to address and remedy such impacts if and when they occur.</p> <p>Ford is leading and working within cross-industry organizations on increasing transparency and responsibility in raw material sourcing. We participate in several multi-stakeholder groups focused on both conflict minerals and other materials. These activities include: chair of the Automotive Industry Action Group (AIAG) Smelter Engagement Team and member of the Responsible Materials Work Group; lead of the Responsible Minerals Initiative (RMI) Global Gold Smelter Engagement Team and member of several workgroups; member of the Public Private Alliance for Responsible Minerals Trade (PPA) Projects and Resources Work Group; and member of the automotive OEM and capacity building workgroups of the Global Platform for Sustainable Natural Rubber (GPSNR).</p> <p>In 2020, we conducted our second formal human rights saliency assessment. Conducted in line with the UN Guiding Principles Reporting Framework, the assessment served to identify Ford's most salient human rights issues – those at risk of negative impacts through the company's activities and business relationships. The 2020 assessment built on our findings from 2018 and more closely analyzed vulnerable populations across Ford's value chain. From the findings of this assessment, Ford has developed a cross-functional governance system to better address the top salient issues through action plans aligned with our policy.</p> <p>Health and safety is a salient human rights issue for Ford. In response to the COVID-19 pandemic, we acted quickly to protect the safety, health and well-being of our workforce, first responders, patients and communities. First, we swiftly paused manufacturing in affected locations to safeguard employees around the world and help prevent the spread of the virus. We then rapidly shifted our manufacturing with the aim of boosting U.S. ventilator production tenfold, designed and manufactured powered air-purifying respirators, manufactured reusable gowns and produced face shields in the millions. In our communities, the Ford Fund has invested millions and filled gaps where it can, directing resources toward hunger relief, shelter, health care and mobility, whether providing meals for seniors and kids or deploying vehicles to help food banks. In readying the company for phased restarts of critical manufacturing production in locations where it is safe to do so, our number one priority is maintaining the health of our workforce.</p>	<p>Governance</p> <p>Building Capability in Our Supply Chain Policy Letter 24</p> <p>Respecting Human Rights</p> <p>Responsible Sourcing of Raw Materials</p> <p>Identifying Our Salient Human Rights Issues</p> <p>Letter from William Clay Ford, Jr. and Jim Hackett</p> <p>Our Response to the COVID-19 Outbreak</p> <p>A Message from Jim Hackett</p> <p>Respecting Human Rights in Our Facilities</p>

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Question	Ford Response	Additional Information
<p><i>A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?</i></p>	<p>Responsibility for adhering to and upholding Policy Letter 24 lies with each of our employees, contractors and suppliers. We have human rights managers in many parts of our organization, including People Matters (formerly Human Resources), Personnel Relations, Purchasing, Sales, Safety, Global Labor Strategy, Sustainability and the Office of the General Counsel, and within our Global Business Units. We train Purchasing employees on our Policy Letter 24 and Supply Chain Sustainability program, focusing on identifying and reporting warning indicators for potential human rights violations.</p>	<p>Policy Letter 24 Respecting Human Rights Governance Building Capability in Our Supply Chain Responsible Sourcing of Raw Materials</p>
<p><i>A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?</i></p>	<p>Human rights issues are monitored throughout the year and brought to the attention of the Sustainability and Innovation Committee of the Board of Directors for review and oversight as they arise. We have a Corporate meeting structure to improve how we operate the business today and prepare us for the future, framing how we think, inspect, decide and learn. These are:</p> <ul style="list-style-type: none"> • Enterprise and Business Review: the senior leadership team holds monthly meetings for reviewing the status of the business, including the management of sustainability and other issues, including human rights • Business Review and Decide: this brings the senior leadership team together to review topics that need leadership's final decision and input before approving appropriate action plans • Additional governance forums: other forums, including Strategy Forum, Product Matters Meeting and Executive People Forum, enable us to review key elements of our business, make long-term decisions and develop strategic inputs to the Board of Directors <p>So far in 2019/20, the Sustainability and Innovation Committee of the Board of Directors has reviewed Ford's Supply Chain Sustainability program, including an update on human rights related to the sourcing of conflict minerals. The Committee has reviewed the Sustainability Report Summary 2020. Other key topics are reviewed as and when they arise.</p>	<p>Letter from William Clay Ford, Jr. and Jim Hackett A Message from Bill Ford & Jim Hackett about George Floyd Jim Hackett: How Ford Is Supporting You During the COVID-19 Pandemic Process: Sustainability & Innovation Committee Charter ESG Update Governance</p>

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Question	Ford Response	Additional Information
<p><i>A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?</i></p>	<p>Our Policy Letters and Directives set expectations for our employees and others working on our behalf (our workforce). These are contained in our Code of Conduct, available to employees in 14 languages. These expectations are reinforced in mandatory online training courses, which are periodically refreshed and reviewed to ensure the content remains relevant and appropriate. As an example, all of our global employees will complete harassment and discrimination training by the end of 2020. In addition, as part of our support for the CEO Action for Diversity & Inclusion Pledge, we hosted the Check Your Blind Spots Tour to raise awareness of unconscious bias and celebrated the Day of Understanding to advance inclusion across Ford.</p> <p>Since March 2020, 4,811 Purchasing employees who are likely to be visiting our global supplier locations have been trained or retrained on human rights and working conditions. In addition, our publicly available mobile app, <i>The Right Way</i>, can be used by people inside and outside our company and provides just-in-time compliance and ethics information for our increasingly global and mobile workforce. <i>The Right Way</i> is available in seven languages and includes a summary of our Human Rights Policy (Policy Letter 24), anti-corruption and anti-bribery guidance, and information on mutual respect, non-discrimination and warning signs for human trafficking.</p> <p>We work with our suppliers to enable them to responsibly manage human rights through training and working sessions. Due to the size and complexity of our business, we provide e-learning modules to our global suppliers in collaboration with AIAG and Drive Sustainability that include the following topics:</p> <ul style="list-style-type: none"> • Child labor/young workers • Wages and benefits • Working hours • Forced labor • Freedom of association • Health and safety • Harassment • Non-discrimination • Business ethics • Environmental responsibility <p>For in-person training, we focus our efforts on suppliers located in countries that pose the highest risk of substandard working conditions. In 2019 supplier representatives from 96 direct and indirect supplier sites in five countries (Brazil, Malaysia, Poland, South Africa and Taiwan) attended training sessions including all topics listed above.</p>	<p>Transparency and Trust Ethics and Compliance Training Empowering Our People Building Capability in Our Supply Chain</p>
<p><i>A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?</i></p>	<p>We encourage all our business partners throughout our supply chain to adopt and enforce similar policies to our Policy Letter 24 in their own operations. Our GT&Cs forbid the use of forced labor, child labor and physically abusive disciplinary practices. Our Supplier Web Guide is issued to all our business partners and suppliers, and requires that they comply with standards set out in the guide. This includes respect for human rights, and expressly prohibits forced labor (including human trafficking), physical disciplinary abuse, child labor and any infraction of the law. We have the right to immediately suspend or discontinue engagement with suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses. We will work with suppliers, as appropriate, to mitigate risk through the adoption of a risk management plan. We conduct human rights assessments aligned with our Policy Letter 24 at our joint venture facilities.</p>	<p>Policy Letter 24 Code of Conduct Handbook Supplier Requirements (Responsible Sourcing of Raw Materials)</p>

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Question	Ford Response	Additional Information
<p><i>A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?</i></p>	<p>Ford has a strong focus on reinforcing our policies to ensure that the work environment of all our manufacturing facilities is free of harassment and discrimination. In recent years, we have bolstered our employee programs to address these issues more directly. Looking ahead, we plan to complete mandatory anti-harassment training of all global employees by the end of 2020. Throughout all of our facilities, we continue to encourage employees to report any incidents of harassment, discrimination or retaliation, and in all cases we investigate promptly and take appropriate action. Incidents can be reported using multiple mechanisms to anonymously report, including telephone hotlines, websites such as <i>SpeakUp</i>, <i>The Right Way</i> app or email. We have a policy prohibiting retaliation against anyone who in good faith reports a violation.</p> <p>The enormous challenges of the COVID-19 pandemic underscores the importance of our commitment to put people first and emphasizes how businesses play a critical role in protecting human rights. We see how continuous investment in our workforce over the long term, including in flexible working, technologies, and our safety culture, provides a platform both for continuity during crisis and empowers and safeguards our employees in normal times. For example, we were able to provide around 120,000 employees with the technology needed to continue their work from home, and implemented programs to support their physical and mental well-being. We will continue to evolve our response to the COVID-19 pandemic. You can read more about this in our Sustainability Report 2020, and on our website.</p> <p>For additional information, see our response to question C3.2.</p>	<p>Harassment and Discrimination</p> <p>Diversity and Inclusion</p> <p>Transparency and Trust</p> <p>Respecting Human Rights Within Ford</p> <p>Our Response to the COVID-19 Outbreak</p>

PART B: DEFINING THE FOCUS OF REPORTING

Question	Ford Response	Additional Information														
STATEMENT OF SALIENT ISSUES																
B1 State the salient human rights issues associated with the company's activities and business relationships during the reporting period.	We conducted a formal UN human rights saliency assessment in 2020. Conducted in line with the UN Guiding Principles Reporting Framework, the assessment served to identify Ford's most salient human rights issues – those at risk of the negative impacts through the company's activities and business relationships. The 2020 assessment built on our findings from 2018, and more closely analyzed vulnerable populations across Ford's value chain.	Identifying Our Salient Human Rights Issues Respecting Human Rights Within Ford Responsible Sourcing of Raw Materials Building Capability in Our Supply Chain Policy Letter 24														
	The assessment identified the 10 salient human rights issues which are most relevant to Ford, our supply chain and our business partners. These are listed below in alphabetical order.															
	<table><tr><th>Salient Issue</th><th>Definition</th></tr><tr><td>Access to water and sanitation</td><td>The human right to water entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic (household) use. “Sanitation” is defined as a system for the collection, transport, treatment, disposal or reuse of human excreta and associated hygiene. The human right to sanitation entitles everyone to sanitation services that are safe, socially and culturally acceptable, secure, hygienic, physically accessible and affordable, and that provide privacy and ensure dignity.</td></tr><tr><td>Air quality</td><td>Breathing clean air is a human right and poor air quality can negatively impact human life. Air quality is improved by managing non-greenhouse gas (GHG) air emissions and conducting air quality measurements to improve environmental outputs around operations.</td></tr><tr><td>Child labor</td><td>Child labor relates to the prohibition of employment of individuals who are under the minimum working age of 15 or the legal limit in the working country (whichever is stricter). Young people admitted to work must have working conditions appropriate to their age and be protected against economic exploitation. Any work likely to harm their safety, health or physical, mental, moral or social development, or to interfere with their education, will be restricted. Child labor also relates to inadequate systems and policies to prevent the use of underage workers, either directly or indirectly, through labor agencies and contractors.</td></tr><tr><td>Climate change</td><td>Climate change impacts include extreme weather events and natural disasters, rising sea levels, floods, heatwaves, drought, water scarcity and the spread of disease. We recognize the GHG emissions from vehicle use, direct and indirect operations and logistics contribute to climate change.</td></tr><tr><td>Data protection, privacy and security</td><td>Appropriate policies and measures to respect privacy and to protect and secure personal data against loss and unauthorized access or use, including confidential, proprietary and personal information. Compliance with privacy and security laws and regulatory requirements in addition to the contracted terms and conditions.</td></tr><tr><td>Forced labor and ethical recruiting</td><td>Forced or compulsory labor refers to all work or service by an individual in which they are coerced to work through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities. Includes a commitment to ethical recruitment, as unethical recruitment often leads to forced labor. 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PART B: DEFINING THE FOCUS OF REPORTING

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B1 State the salient human rights issues associated with the company's activities and business relationships during the reporting period. (continued)	<table><tr><th>Salient Issue</th><th>Definition</th></tr><tr><td>Harassment and discrimination</td><td>"Harassment" means conduct of a harassing nature, whether in the workplace or off-site, which has the effect of interfering with someone's work performance, or which creates an intimidating, hostile or offensive working environment. What is acceptable, amusing or inoffensive to some may be unwelcome, abusive or offensive to others. Ford does not tolerate harassment or discrimination of any kind, including, but not limited to, harassment or discrimination based on gender, gender identity, race, color, religion, age, national origin, sexual orientation, disability or veteran status. In addition, any forms of torture, cruel, inhuman or degrading treatment in the workplace are not tolerated.</td></tr><tr><td>Health, safety and security</td><td>Health, safety and security pertains to providing and maintaining for all personnel a safe and healthy work environment that meets or exceeds applicable legal standards for occupational safety and health across the value chain. Includes physical security, health and safety and mental health and well-being. Extends to the health and safety of communities.</td></tr><tr><td>Human trafficking</td><td>Human trafficking refers to the recruitment or transportation of people into a situation of exploitation through the use of violence, deception or coercion. These people are then forced to work against their will.</td></tr><tr><td>Product safety and quality</td><td>Products are designed not only to meet or exceed applicable laws and regulations, but also to advance the state of the art in safety whenever practicable.</td></tr></table>	Salient Issue	Definition	Harassment and discrimination	"Harassment" means conduct of a harassing nature, whether in the workplace or off-site, which has the effect of interfering with someone's work performance, or which creates an intimidating, hostile or offensive working environment. What is acceptable, amusing or inoffensive to some may be unwelcome, abusive or offensive to others. Ford does not tolerate harassment or discrimination of any kind, including, but not limited to, harassment or discrimination based on gender, gender identity, race, color, religion, age, national origin, sexual orientation, disability or veteran status. In addition, any forms of torture, cruel, inhuman or degrading treatment in the workplace are not tolerated.	Health, safety and security	Health, safety and security pertains to providing and maintaining for all personnel a safe and healthy work environment that meets or exceeds applicable legal standards for occupational safety and health across the value chain. Includes physical security, health and safety and mental health and well-being. Extends to the health and safety of communities.	Human trafficking	Human trafficking refers to the recruitment or transportation of people into a situation of exploitation through the use of violence, deception or coercion. These people are then forced to work against their will.	Product safety and quality	Products are designed not only to meet or exceed applicable laws and regulations, but also to advance the state of the art in safety whenever practicable.	Identifying Our Salient Human Rights Issues Respecting Human Rights Within Ford Responsible Sourcing of Raw Materials Building Capability in Our Supply Chain Policy Letter 24
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DETERMINATION OF SALIENT ISSUES												
B2 Describe how the salient human rights issues were determined, including any input from stakeholders.	<p>Our 10 human rights issues were prioritized from a long list of 23 potential human rights issues relevant to Ford, based on the potential negative impact the issues could have on human rights. We determined these issues in partnership with a third-party consultancy. The assessment included:</p> <ul style="list-style-type: none">• Desk-based research covering a review of Ford's relevant internal documentation, a review of cross-industry peers and best practice reporting and a media scan to identify a long list of potential issues• Interviews with internal representatives from across Ford's global business, including senior management, as well as external stakeholders, including suppliers, an investor representative, NGOs and industry experts, to review and prioritize the identified issues in terms of their potential to generate adverse impacts on populations through Ford's activities or business relationships, and determine especially vulnerable populations• Online survey distributed to a focused group of global employees to identify top salient issues, vulnerable populations, priority actions for Ford and emerging human rights issues• Workshops with internal and external stakeholders to validate and confirm the assessment findings	Identifying Our Salient Human Rights Issues										

PART B: DEFINING THE FOCUS OF REPORTING

Question	Ford Response	Additional Information
CHOICE OF FOCAL GEOGRAPHIES (IF ANY)		
B3 If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.	<p>For Ford's own corporate facilities and locations, we take a global approach to reviewing and managing our salient human rights issues. Our 2020 saliency assessment identified potential higher-risk areas within Ford's operations and along our value chain where populations are particularly vulnerable. These include conflict-affected and high-risk areas within raw materials sourcing and supply chain parts manufacturing. Additionally, they include potential human rights risks associated with global locations and joint ventures including in China, India, Thailand, Russia and Mexico. Ford is developing action plans to address these vulnerabilities. For example, Ford is conducting human rights audits at our joint venture facilities.</p> <p>Due to the size and reach of our global supply base, we focus our efforts on suppliers located in countries that pose the highest risk for substandard working conditions. To determine those priority locations, we conduct an annual risk analysis, incorporating internal and external data and input from external stakeholders. The internal data includes information such as the commodities being purchased and the supplier's location, annual spend, and training and audit history within Ford's Supply Chain Sustainability program. As a result of this analysis, our list of 22 high-priority countries remained unchanged in 2019.</p> <p>In addition, our Purchasing Supplier Technical Assistance (STA) representatives are trained to identify and report potential warning indicators for human rights violations in any supplier location around the world. As a result, when individual circumstances arise, we routinely work with suppliers outside these locations to ensure that our expectations continue to be met.</p>	Building Capability in Our Supply Chain Responsible Sourcing of Raw Materials Respecting Human Rights Respecting Human Rights in Our Facilities
ADDITIONAL SEVERE IMPACTS (IF ANY)		
B4 Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.	<p>The COVID-19 pandemic has profoundly affected the world. As well as the tragic loss of life, entire industries and many businesses have been jeopardized. For people all over the world, the impact on health, income, quality of life and way of life has been severe. Ford has instituted a multi-layered approach to COVID-19 to protect our employees, suppliers, and communities. Some of our response initiatives include: implementing global standards on social distancing and health and safety protocols to protect our workforce, including mental health; providing tools and technologies for employees to work from home, and offering customers six months of payment relief through the Built to Lend a Hand program.</p>	Our Response to the COVID-19 Outbreak Coronavirus webpage

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information
SPECIFIC POLICIES		
C1 Does the company have any specific policies that address its salient human rights issues and, if so, what are they?	We have instituted a number of company policies that address our salient human rights issues. Our Code of Basic Working Conditions and Corporate Responsibility (Policy Letter 24) addresses many of these issues. References to additional policies on topics including protection of the environment, data protection, privacy and security, harassment and discrimination, worker health, safety and security, and product safety and quality can be found in Ford's Code of Conduct Handbook.	Policy Letter 24 Code of Conduct Handbook
C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them?	The values of a company are critical to its success. Today, expectations are higher and processes are more transparent. Now, more than ever, companies must not just proclaim the highest standards, they must live up to them every day. In our Code of Conduct Handbook, Bill Ford, Executive Chairman, urges all personnel to learn and follow our standards to help the company earn greater trust and respect. Our Policy Letter 24 is important to Ford. We share this with our workforce in our corporate training and our Code of Conduct. Our suppliers are made aware of our policy through supplier web guides and our GT&Cs.	Code of Conduct Handbook Policy Letter 24 Building Capability in Our Supply Chain Supplier Requirements
STAKEHOLDER ENGAGEMENT		
C2 What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?	During 2019, we engaged with stakeholders to better understand and respond to our most salient human rights issues. This included industry collaborations with all our stakeholders, including NGOs and investors, and member-driven organizations such as Ceres, the Automotive Industry Action Group (AIAG), the Automotive Cybersecurity Industry Consortium (ACIC), Auto Alliance and the Responsible Business Alliance (RBA), to combat human rights violations. We believe that sector-wide forums are also vital for providing a common voice and driving change within our industry. Additionally, in April 2020 we engaged with Ceres, a sustainability nonprofit organization, on salient human rights issues and other sustainability topics. In that meeting, we discussed the future of mobility, product safety and quality through the lens of connected vehicles and data security, human rights, diversity and inclusion in a COVID-19-affected workforce, and climate change and electrification.	Respecting Human Rights Within Ford Identifying Our Salient Human Rights Issues Stakeholder Review of Our Report
C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?	We engage with a large number of stakeholders, both formally and informally. See our GRI Index for the channels by which we engage with key stakeholder groups. For additional information, see response to questions C2.2 and C6.	GRI Index Conflict Minerals Disclosure and Reporting

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information																	
C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?	We engage regularly with stakeholder groups on an ad hoc basis, including NGOs and investors, answering any questions they might have on our approach to managing human rights at Ford and along our supply chain. See the chart below for examples of stakeholder engagement on our salient issues and see our Sustainability Report to learn more.	Prioritizing Key Issues Multi-Stakeholder Action on Responsible Sourcing Building Capability in Our Supply Chain Transparency and Trust																	
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We also engage with regulators on emission compliance.</td><td>Hybrid Vans Support Drive for Cleaner City Air</td></tr> <tr> <td>Child labor</td><td>In 2019, Ford participated in the Global Reporting Initiative and the Responsible Labour Initiative (GRI-RLI) Task Force on reporting on modern slavery. The task force, composed of 14 cross-industry organizations, produced a toolkit to encourage increased reporting on modern slavery. The toolkit provides guidance for downstream companies on due diligence and reporting requirements related to modern slavery across the value chain.</td><td> Respecting Human Rights Within Ford Transparent Reporting on Modern Slavery </td></tr> <tr> <td>Climate change</td><td> <p>We are pursuing a voluntary agreement with California in which we commit to more stringent vehicle emission reductions than the Federal regulations require.</p> <p>In February 2019, we announced the largest renewable energy procurement in our history through a collaboration with DTE Energy. This supports our new global Carbon Reduction Strategy for manufacturing, which has a significant focus on renewable energy initiatives, low-emission sources and energy efficiency.</p> <p>As a founder of the AIAG's Environmental Sustainability Advisory Group and member of its Greenhouse Gas Work Group, in 2019 we continued to work with other OEMs to develop supplier training programs covering GHG emissions, Scope 3 emissions and water management, with guidance on calculations and strategy development.</p> </td><td> Climate Change Scenario Report Energy and Emissions Reducing Our Vehicle Footprint Understanding Our Suppliers' Impact Ford Locally Sourced Michigan Wind Energy </td></tr> <tr> <td>Data protection, privacy and security</td><td>We are actively engaged with the Automotive Cybersecurity Industry Consortium (ACIC), are a founding member of the Information Sharing and Analysis Center (Auto-ISAC), and we have formally adopted the Auto Alliance Privacy Principles.</td><td>Global Data Analytics and Privacy</td></tr> </table>	Salient Issue	Stakeholder Engagement	Additional Information	Access to water and sanitation	We collaborate with suppliers to build environmental capacity, particularly regarding sustainable water use and management, through our Partnership for A Cleaner Environment (PACE) program. 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PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response			Additional Information
C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why? (continued)	Salient Issue	Stakeholder Engagement	Additional Information	Prioritizing Key Issues Multi-Stakeholder Action on Responsible Sourcing Building Capability in Our Supply Chain Transparency and Trust
	Forced labor and ethical recruitment	<p>In 2019, Ford participated in the GRI-RLI Task Force on reporting on modern slavery. The task force, composed of 14 cross-industry organizations, produced a toolkit to encourage increased reporting on modern slavery. The toolkit provides guidance for downstream companies on due diligence and reporting requirements related to modern slavery across the value chain.</p> <p>We also work directly with our suppliers on ethical recruitment. During 2019, through our partnership with the RLI, we supported training and capacity building for our supply base in Taiwan, with a focus on recruitment fees.</p>	Respecting Human Rights Within Ford Building Capability in Our Supply Chain Modern Slavery Statement	
	Harassment and discrimination	<p>We created a Culture Operating System that proactively measures the transformation of Ford to enhance a culture of mutual respect and acceptance, and help eliminate harassment and discrimination. This system is being implemented globally and driving a shared culture that is aligned with our Truths. In addition, we are implementing several actions to enhance a culture around mutual respect in all our manufacturing facilities globally.</p> <p>We plan to complete mandatory anti-harassment training of all global employees by the end of 2020.</p>	Respecting Human Rights Within Ford Diversity and Inclusion	
	Health, safety and security	<p>In 2019, to promote occupational health and safety, Ford partnered with the Michigan Occupational Safety and Health Administration (MIOSHA) to protect workers restoring the Michigan Central Station building in Detroit.</p> <p>Throughout 2020 Ford proactively evolved our response to COVID-19 to keep our employees and communities safe. In addition to the employee initiatives highlighted in this document, Ford worked with dealerships to avoid direct customer contact, and to sanitize and clean vehicles before and after services, repairs, test drives and sales.</p>	Respecting Human Rights Within Ford (Health and Safety) Our Response to the COVID-19 Outbreak Improving the Customer Experience	
	Human trafficking	See response for Forced labor and ethical recruitment.	Modern Slavery Statement	
	Product safety and quality	<p>We work with a number of companies, organizations and academic and research institutions, including General Motors and Fiat Chrysler through the U.S. Council for Automotive Research (USCAR), other manufacturers through the Auto Alliance, the European Automobile Manufacturers Association (ACEA), the Society of Automotive Engineers (SAE) and the International Organization for Standardization (ISO) to enhance the safety of vehicles. We also provide information and educational programs to consumers to promote safe driving practices.</p>	Driver Assist Technologies Promoting Safe Driving Safety and Quality	

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information
<p>C2.3 <i>During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?</i></p>	<p>In 2019, we engaged with a wide range of stakeholders, including internal representatives across Ford's business and external stakeholders including suppliers, investor representatives, NGOs and industry experts, in order to identify our most salient human rights issues. We continue engagement with these stakeholders on an annual basis to strengthen our understanding of these issues and our impacts.</p>	<p>Identifying Our Salient Human Rights Issues GRI Index</p>
ASSESSING IMPACTS		
<p>C3 <i>How does the company identify any changes in the nature of each salient human rights issue over time?</i></p>	<p>Our 2018 reporting year was the first year that we underwent a formal process of identifying the human rights issues which are most salient to Ford, through a process of assessing the risk and likelihood of the issues. In 2020 we undertook a second saliency assessment to ensure our focus areas and action plans respond to our greatest areas of impact. The 2020 assessment built on our findings from 2018 and more closely analyzed vulnerable populations. We also discuss our salient issues and how they evolve with stakeholder groups. For example, in April 2020 we engaged with Ceres, as noted above.</p> <p>In 2019, a cross-functional team developed a process to manage and track our action plans to prevent, manage and remediate salient human rights issues. This process will help us track the effectiveness of our due diligence systems and performance, and indicate opportunities to focus our efforts to address human rights issues, including those that affect how we source materials responsibly. This report details actions we are taking to address these salient human rights issues.</p> <p>Every two years we undertake a top-level review process of our salient issues to assess if any new issues have emerged during the reporting year. These issues are reviewed regularly by a cross-functional team to assess changes and actions to address salient issues. During years when we do not conduct a saliency assessment, we conduct a thorough materiality assessment.</p>	<p>Identifying Our Salient Human Rights Issues</p>

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information												
C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?	<p>We have an incredibly complex supply chain, with approximately 1,200 Tier 1 suppliers providing vehicle parts comprised of 1,000 different materials. During the reporting period, we continued to work on increasing transparency within our supply chain and identify materials of concern such as tin, tantalum, tungsten, gold, cobalt, mica and rubber.</p> <p>Our own supplier audit results uncovered non-conformances around three key human rights areas: labor (including working hours and consecutive days of work), health and safety (including emergency preparedness) and management systems (related to working hours).</p> <p>Frequent Supplier Non-Conformances in 2019</p> <table><tr><th></th><th>Non-Conformances</th><th>Remedial Action</th></tr><tr><td>Labor</td><td><p>The most frequent labor issues involved working hours and consecutive days of work. Corrective actions often involved installing electronic timekeeping equipment, or training on systems to manage working hours.</p><p>Our audits did not reveal any instances of child, forced or involuntary labor, although several suppliers' policies and procedures lacked the required robustness to ensure compliance.</p></td><td><p>We continue to expand training and capacity building to equip suppliers with the knowledge, skills and processes to protect employees' rights. In 2019, we conducted specific training on recruitment fees and the warning signs of forced labor with suppliers located in Taiwan.</p><p>Where fees were charged to employees, we are working with the suppliers to develop corrective action plans, which include repaying fees and establishing systems to prevent reoccurrence. Suppliers were also required to undertake training on recognizing and preventing forced labor.</p></td></tr><tr><td>Health and safety</td><td><p>The most frequent health and safety issue was inadequate emergency preparedness – specifically the lack of adequate and effective fire drills and fire-detection equipment. We require suppliers with such deficiencies to take additional fire safety training and demonstrate compliance in future audits.</p></td><td><p>Occasionally, further discipline is required to ensure adequate training and regular certification of first aid equipment. Most non-conformances are resolved quickly upon discovery through training and minor facility improvements.</p></td></tr><tr><td>Management systems</td><td><p>Excessive working hours associated with on-site service workers.</p></td><td><p>In addition to training the supplier on the impact of excessive working hours, the supplier developed a plan to incorporate additional requirements into the bidding process. These requirements were supported by an on-site audit provision.</p></td></tr></table> <p>In addition to these findings, we are considering how COVID-19 raises the risk profile of non-conformances related to salient issues like health, safety and security (including mental health) and harassment and discrimination.</p>		Non-Conformances	Remedial Action	Labor	<p>The most frequent labor issues involved working hours and consecutive days of work. Corrective actions often involved installing electronic timekeeping equipment, or training on systems to manage working hours.</p> <p>Our audits did not reveal any instances of child, forced or involuntary labor, although several suppliers' policies and procedures lacked the required robustness to ensure compliance.</p>	<p>We continue to expand training and capacity building to equip suppliers with the knowledge, skills and processes to protect employees' rights. 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PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information						
<p>C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?</p>	<p>Air quality and Health, safety and security – COVID-19 has had profound and far-reaching impacts on Ford and our communities. Public health crises like pandemics bring salient issues into sharper focus and exacerbate their effects, particularly on vulnerable populations. According to a recent study by Harvard University, COVID-19 has had a higher mortality rate among those that live in cities or neighborhoods with pollution and air quality problems. In times like these it becomes even clearer that social and environmental issues are closely interlinked. This highlights the critical importance of Ford's work in air quality as it relates to human health and wellbeing.</p> <p>Child labor – In November 2019, NBC broadcast an investigative report on child labor in the mica mining industry of Madagascar, citing a study by international children's rights organization Terre des Hommes. NBC named Ford as a company that uses mica in its products. Our due diligence efforts to date do not suggest we source from affected mines, and additional investigations are ongoing.</p> <p>Health, safety and security – Supplier audit results highlighted non-conformances in labor, health and safety, and management systems areas. When severe issues were identified, we worked with the supplier to immediately mitigate the risk and develop corrective action plans to address the issues according to an established timeline. For additional information, see response to C3.1.</p> <p>Forced labor and ethical recruitment – During 2019, we worked with a supplier in Taiwan to reimburse recruitment fees that were being charged to migrant workers at the supplier's site. The fees are regulated by the government of Taiwan and can be legally charged to migrant workers. The supplier was asked to remediate the fees in accordance with our ethical recruiting expectations. The supplier reimbursed each worker the fees charged by both the regional and sending labor brokers. Our team worked with the supplier to identify policies and procedures to prevent and remediate fees in the future. These policies were adopted by the supplier and implemented in other facilities, thereby spreading the effect of the corrective action beyond Taiwan. Lessons learned from this experience contributed to Ford's partnership with the RLI in supporting training and capacity building, focusing on recruitment fees for Ford's Taiwan suppliers.</p>	<p>Our Response to the COVID-19 Outbreak</p> <p>Mica</p> <p>Reimbursing Recruitment Fees</p>						
INTEGRATING FINDINGS AND TAKING ACTION								
<p>C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?</p>	<p>2020 was the second time that we underwent a formal process of identifying the human rights issues which are most salient to Ford, through a process of assessing the risk and likelihood of each issue. Based on our findings, we have revised action plans for addressing each of our salient issues and continue to work toward these.</p> <table> <tr> <th>Salient Issue</th><th>Our Actions</th><th>Additional Information</th></tr> <tr> <td>Access to water and sanitation</td><td>We manage water sources efficiently and sustainably, especially in water-stressed areas, and ensuring our water-extraction policies and practices do not negatively impact access to water for other users. Currently, our corporate water strategy goal is a 30 percent operational water-use reduction from 2015 to 2020, with a 13.4% absolute operational water reduction since 2018. We also have aspirational goals: to use freshwater for human consumption only, plus zero water withdrawals for manufacturing processes – to be achieved by installing non-water-based technologies and relying on alternative sources such as other companies' treated wastewater.</td><td> <p>Protecting Our Planet</p> <ul style="list-style-type: none"> Sustainable Operations: Water Use Minimizing Our Supply Chain Impact <p>Strengthening Communities and Making Lives Better</p> <p>CDP Water Response</p> <p>Bill Ford Better World Challenge</p> <p>Building Supplier Capability Through PACE</p> </td></tr> </table>	Salient Issue	Our Actions	Additional Information	Access to water and sanitation	We manage water sources efficiently and sustainably, especially in water-stressed areas, and ensuring our water-extraction policies and practices do not negatively impact access to water for other users. Currently, our corporate water strategy goal is a 30 percent operational water-use reduction from 2015 to 2020, with a 13.4% absolute operational water reduction since 2018. We also have aspirational goals: to use freshwater for human consumption only, plus zero water withdrawals for manufacturing processes – to be achieved by installing non-water-based technologies and relying on alternative sources such as other companies' treated wastewater.	<p>Protecting Our Planet</p> <ul style="list-style-type: none"> Sustainable Operations: Water Use Minimizing Our Supply Chain Impact <p>Strengthening Communities and Making Lives Better</p> <p>CDP Water Response</p> <p>Bill Ford Better World Challenge</p> <p>Building Supplier Capability Through PACE</p>	<p>Identifying Our Salient Human Rights Issues</p>
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PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response			Additional Information
C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions? (continued)	Salient Issue	Our Actions	Additional Information	<u>Identifying Our Salient Human Rights Issues</u>
	Air quality	We acknowledge internal combustion engines emit pollutants that can affect air quality. We are compliant with or surpass all global criteria emission standards. At the same time, we continue to develop our alternative fuels vehicle portfolio. Looking ahead, we will achieve zero air emissions from our facilities (guided by our Carbon Reduction Strategy for manufacturing), move toward lower vehicle-emission standards and shift from internal combustion engine vehicles (ICEVs) to electric vehicles (EVs).	<u>Protecting Our Planet</u> <ul style="list-style-type: none"> • <u>Addressing Non-CO₂ Emissions</u> • <u>Sustainable Operations</u> <u>Creating Tomorrow, Together</u> <ul style="list-style-type: none"> • <u>Scaling Up Electrification</u> 	
	Child labor	We do not tolerate child labor (the employment of individuals under the minimum working age of 15 or the legal limit in the working country, whichever is stricter) in our manufacturing operations or in our supply chain. We verify employment eligibility of job applicants consistent with local laws and company policy. We are piloting an industry-respected process to assess human rights at our own manufacturing facilities. We safeguard against the threat of child labor by auditing suppliers and maintaining compliance with all legislative initiatives, acts and regulations designed to increase transparency and promote due diligence. We verify that our ABF suppliers have codes of conduct aligned with our Policy Letter 24. Looking ahead, we are considering an expanded use of self-assessment questionnaires (SAQs) and audits in the sourcing process and implementing country-based training on trending topics.	<u>Respecting Human Rights Within Ford</u> <ul style="list-style-type: none"> • <u>Minimizing Our Supply Chain Impact</u> • <u>Modern Slavery Statement</u> 	
	Climate change	Through a number of initiatives, we are maximizing the efficiency of our operations to lower GHG emissions and energy use. In 2019, we reduced our absolute emissions by 14.6 percent, or 0.64 million metric tons – the equivalent of more than 138,000 passenger vehicles being driven for a year. We are scaling up the number of electrified models and offering our all-electric-vehicle customers in North America access to the continent's <u>largest electric vehicle public charging network</u> , more than any other automotive manufacturer. Looking ahead, we will use 100 percent renewable energy for all manufacturing plants globally by 2035 and aspire to achieve carbon neutrality by 2050. We also aspire to only use renewable and recycled plastic materials with lower life cycle impacts that provide equivalent quality, appearance and performance to existing materials.	<u>Protecting Our Planet</u> <ul style="list-style-type: none"> • <u>Our Sustainable Materials Legacy</u> • <u>Sustainable Operations</u> • <u>Minimizing Our Supply Chain Impact</u> <u>Creating Tomorrow, Together</u> <ul style="list-style-type: none"> • <u>Scaling Up Electrification</u> <u>Climate Change Scenario Report</u> <u>TCFD Index</u> <u>CDP</u>	

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response			Additional Information
C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions? (continued)	Salient Issue	Our Actions	Additional Information	<u>Identifying Our Salient Human Rights Issues</u>
	Data protection, privacy and security	We have systems and policies in place across the company to consider approaches to data protection, privacy, and security. We are members of ACIC and Auto-ISAC, and have formally adopted the Automotive Consumer Privacy Protection Principles.	<u>Global Data Analytics and Privacy</u>	
	Forced labor and ethical recruitment	We safeguard against these threats by maintaining compliance with all legislative initiatives, acts and regulations designed to increase transparency and promote due diligence. Within our operations, we pay our workers regularly, in full and on time, and all workers receive a pay slip with their wages explaining any legitimate deductions. We do not require workers to pay work-related fees, and we pay all costs and charges involved in the recruitment process. We are piloting an industry-respected process to assess human rights at our own manufacturing facilities. Supply chain initiatives include auditing limited high-risk Tier 1 sites with corrective action plans and monitoring through completion. We also use a supplier SAQ to better understand suppliers' policies. We verify that our ABF suppliers have codes of conduct aligned with our Policy Letter 24. Looking ahead, we are considering an expanded use of SAQs and audits in the sourcing process and implementing country-based training on trending topics.	<u>Respecting Human Rights</u> <u>Minimizing Our Supply Chain Impact</u> <u>Modern Slavery Statement</u>	
	Harassment and discrimination	We do not tolerate harassment or discrimination of any kind, including, but not limited to, harassment or discrimination based on gender, gender identity, race, color, religion, age, national origin, sexual orientation, disability or veteran status. There is an established governance system to review harassment and discrimination findings at all levels of the organization, including the Board of Directors. Actions and priorities are influenced by the findings, including examples such as mandatory anti-harassment training, location-specific culture surveys, establishment of a <u>Culture Operating System</u> , focus groups with Employee Resource Groups such as Ford-employees African-Ancestry Network (FAAN) for insights on social tensions, expansion of learning resources through Degreed and many others. We are focused on advancing pay for women and creating a supportive work environment where women can thrive.	<u>Respecting Human Rights</u> <u>Respecting Human Rights Within Ford</u> <u>Empowering Our People</u> <u>UN Women's Empowerment Principles</u> <u>Governance</u> <u>Diversity & Inclusion</u>	

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response			Additional Information
C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions? (continued)	Salient Issue	Our Actions	Additional Information	Identifying Our Salient Human Rights Issues
	Health, safety and security	<p>We maintain a robust safety culture to reduce workplace injuries. We hold regular talks and events on key safety issues, including reporting all injuries, hazards and near-misses, so we can take action to prevent recurrences. We also participate in multi-industry groups, within and outside the automotive sector, to share safety best practices and collaborate to address common issues.</p> <p>The COVID-19 pandemic is an unprecedented threat to public health. Some of our response initiatives include: implementing global standards on social distancing and health and safety protocols to protect our workforce; providing tools and technologies for employees to work from home and providing programs to support physical, mental and emotional health and well-being.</p>	Respecting Human Rights Within Ford Respecting Human Rights Letter from William Clay Ford, Jr. and Jim Hackett Our Response to the COVID-19 Outbreak	
	Human trafficking	<p>We safeguard against human trafficking by maintaining compliance with all legislative initiatives, acts and regulations designed to increase transparency and promote due diligence. We are piloting an industry-respected process to assess human rights at our own manufacturing facilities. Currently, initiatives include auditing limited high-risk Tier 1 sites with corrective action plans and monitoring through completion. We also use SAQs to better understand suppliers' policies. We verify that our ABF suppliers have codes of conduct aligned with our Policy Letter 24. Looking ahead, we are considering an expanded use of SAQs and audits in the sourcing process and implementing country-based training on trending topics.</p>	Respecting Human Rights Sustainable Operations Modern Slavery Statement	
	Product safety and quality	<p>The safety and quality of our vehicles will always be Ford's priority. Our systems help ensure that our vehicles meet or exceed performance and quality standards. We play a leading role in vehicle safety and driver assist innovation and are working to develop new technologies such as Co-Pilot 360 Technology, SYNC 911 (Emergency Assistance outside of US) post-crash emergency call, accelerated deployment of automated emergency braking and deployment of a rear-seat reminder system.</p>	Safety and Quality	

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information
C4.1 <i>How are those parts of the company whose decisions and actions can affect the management of salient issues involved in finding and implementing solutions?</i>	To identify our salient human rights issues, we engaged with individuals across many parts of our organization, including People Matters, Personnel Relations, Health and Safety, Marketing and Sales, Data Privacy, Global Labor Strategy, Product Safety, Government Affairs, Environmental Quality Office, Sustainability and the Office of the General Counsel, and within our Global Business Units. We have quarterly meetings to review and discuss Ford's salient human rights issues.	Identifying Our Salient Human Rights Issues Prioritizing Key Issues Responsible Sourcing of Raw Materials
C4.2 <i>When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?</i>	We review our salient human rights issues within our cross-functional team to work together to resolve problems and find optimal solutions that respect human rights. Our GT&Cs forbid the use of forced labor, child labor and physically abusive disciplinary practices. Our Supplier Web Guide is issued to all our business partners and suppliers, and requires that they comply with standards set out in the guide. This includes respect for human rights, and expressly prohibits forced labor (including human trafficking), physical disciplinary abuse, child labor and any infraction of the law. We have the right to immediately suspend or discontinue engagement with suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses. We will work with suppliers, as appropriate, to mitigate risk through the adoption of a risk management plan.	Responsible Sourcing of Raw Materials Building Capability in Our Supply Chain
C4.3 <i>During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?</i>	Ford is committed to respecting human rights everywhere we operate and throughout our entire supply chain. We aim to ensure that everything we make – or that others make for us – is consistent with local law and our own commitment to protecting human rights. To mitigate and prevent potential impacts, we conduct training for our own employees and our suppliers on human rights, working conditions and business ethics. Read more about our action plans in our response to question C4.	Respecting Human Rights
TRACKING PERFORMANCE		
C5 <i>How does the company know if its efforts to address each salient human rights issue are effective in practice?</i>	<p>We have conducted around 50 human rights assessments since 2004, evaluating how our global facilities, including joint ventures, align with Policy Letter 24. Ford have begun to pilot a new, more quantitative process for assessing human rights risks across global facilities in a consistent way, in line with industry best practice.</p> <p>In 2019, we conducted 23 supplier audits using the Validated Audit Protocol (VAP) methodology, 100 percent of which were externally validated and certified by the RBA. The audits covered a broad range of commodity groupings from all regions of the world and were identified according to our risk assessment process.</p> <p>For identified non-conformances, we expect all of our suppliers to develop a corrective action plan detailing root causes, planned remediation actions and timings for resolution. Such plans are regularly reviewed with in-region Supply Chain Sustainability personnel to ensure compliance aligned with Ford's expectations. We also review the overall status of supplier compliance with our commodity Purchasing teams. Read more about supplier non-conformances in our response to question C3.1.</p>	Respecting Human Rights Auditing Our Suppliers Responsible Sourcing of Raw Materials Respecting Human Rights in Our Facilities
C5.1 <i>What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?</i>	<p>See responses to questions C2.2, C3.2 and C4.</p> <p>Additionally, in 2019, through the RBA and cross-industry collaboration, we conducted 23 new audits across a range of suppliers. Through direct engagement, those suppliers improved their scores by more than 50 points between initial and closure audits, reinforcing our combined commitment to improving working conditions.</p>	Climate Change Scenario Report Policy Letter 24 Supplier Code of Conduct Auditing Our Suppliers

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information
REMEDATION		
C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?	<p>Human rights issues are monitored throughout the year and brought to the attention of the Sustainability and Innovation Committee of the Board of Directors as they arise.</p> <p>At the company level, our compliance program encourages and facilitates the reporting of known or potential violations of the law or of our Policy Letters and Directives. Individuals can report such violations anonymously to the General Auditors' Office, People Matters, or the Office of the General Counsel, using telephone hotlines, through <i>The Right Way</i> app, websites such as <i>SpeakUp</i> or email. All allegations are reviewed by a cross-functional committee, which also oversees the investigations and implements corrective or disciplinary actions. Our publicly available mobile app, <i>The Right Way</i>, can be used by people inside and outside our company and provides just-in-time compliance and ethics information.</p> <p>For more information about our response to identified non-conformances, see our response to question C5. For more information about remedying or discontinuing engagement with suppliers, see our responses to questions C3.1, C2.4, C4.2 and C5.1.</p>	<p>Transparency and Trust</p> <p>Respecting Human Rights</p> <p>Respecting Human Rights Within Ford</p> <p>Auditing Our Suppliers</p> <p>Disclosing and Reporting on Conflict Minerals</p> <p>Policy Letter 24</p>
C6.1 Through what means can the company receive complaints or concerns related to each salient issue?	Our compliance program encourages and facilitates the reporting of known or potential violations of the law or of our Policy Letters and Directives. Individuals can report such violations anonymously to the General Auditors' Office, Human Resources or the Office of the General Counsel, using telephone hotlines, <i>The Right Way</i> app, websites such as <i>SpeakUp</i> or email. For additional information, see our response to question C6.	<p>Respecting Human Rights</p> <p>Transparency and Trust</p>
C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?	<p>Our Policy Letter 24 prohibits retaliation against anyone who in good faith reports a violation. Through this policy we do not:</p> <ul style="list-style-type: none"> • Bring retaliatory suits against persons or organizations who have brought or tried to bring a case against us involving credible allegation of adverse human rights impacts, or against the lawyers representing them (including retaliatory civil litigation, including for defamation, filing criminal complaints, or any similar actions against claimants or their lawyers) • Engage in violent acts or threats to the livelihoods, careers or reputation of claimants or their lawyers <p>We communicate this regularly to our workforce through different communication channels.</p>	
C6.3 How does the company process complaints and assess the effectiveness of outcomes?	All allegations are reviewed by a cross-functional committee, which also oversees the investigations and implements corrective or disciplinary actions.	Reporting Violations

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Question	Ford Response	Additional Information
<p><i>C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?</i></p>	<p>We have seen a positive impact being made at Ford with efforts to train and heighten employee awareness of expected behaviors and responsibilities around harassment. In addition, the COVID-19 induced transition to a remote working workforce and facility closures, with a corresponding absence of in-person contact, has had the effect of reducing the number of harassment allegations.</p> <p>In the United States:</p> <ul style="list-style-type: none"> • The number of salaried harassment complaints and corresponding investigations in the U.S. is on track to decline about 20 percent in 2020 versus 2019, following a similar decline from 2018 to 2019. <p>In the rest of World:</p> <ul style="list-style-type: none"> • The number of salaried harassment investigations outside of the U.S. remains relatively low, with only Europe is trending higher as compared to 2019. <p>For our suppliers, we use the Responsible Business Alliance (RBA) Validated Assessment Protocol to assess labor, health and safety, management systems, ethics and environmental issues. In our 2019 RBA audits, approximately 6 percent of identified non-conformances required immediate action. All suppliers with priority non-conformances are offered RBA e-learning modules to support capability building. We help them develop corrective action plans and regularly monitor their progress.</p>	<p><u>Building Capability in Our Supply Chain</u></p>
<p><i>C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?</i></p>	<p>Harassment and Discrimination – We require mandatory anti-harassment training to be taken by all of our employees by the end of 2020 and we are continuing to work with manufacturing facilities to enhance a culture around mutual respect and acceptance to help eliminate harassment and discrimination. We continue to partner with the Equal Employment Opportunity Commission (EEOC) at our Chicago area plants to execute the conciliation agreement reached with them in 2017. As part of the agreement, we are actively working with a panel of three independent monitors, none of whom work for Ford, to address the concerns raised in Chicago.</p> <p>Forced labor and ethical recruitment – see response to C3.2.</p>	<p><u>Harassment and Discrimination</u></p>



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