Business in the Community

CORPORATE RESPONSIBILITY INDEX 2006

25 YEARS OF BUSINESS IMPACT

Feedback report

Ford Motor Company

The index assesses the extent to which **corporate strategy** is **integrated** into business practice throughout an organisation. It provides a benchmark for companies to evaluate their **management practices** in four key areas of corporate responsibility (community, environment, marketplace and workplace) and **performance** in a range of **environmental and social impact areas** material to the business.
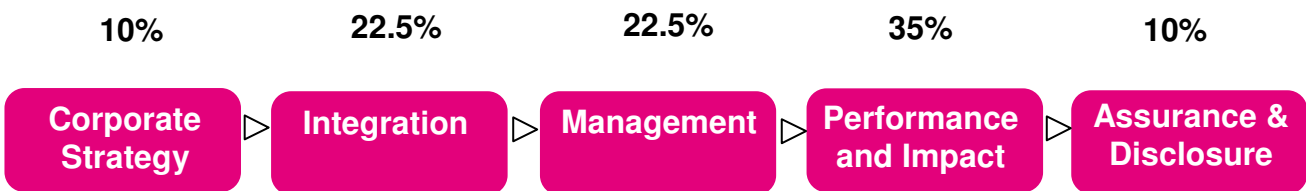
Feedback Report for Ford Motor Company

This is a summary of Ford Motor Company's 2006 Corporate Responsibility Index results, comparing your company's performance against your peers and other Index participants. This year a total of 128 companies have used the Index as a management tool, with 110 companies participating publicly.

				Companies used for benchmarking
SECTOR	Automobiles & Parts			
COMPANY SCORE	**2006**	**2005**		Ford Motor Company
	86.5%	88.0%		Meggitt
				Rolls-Royce*
				Toyota Manufacturing UK
ACHIEVEMENT	**Top 100** Sector leader for Automobiles & Parts			
PERFORMANCE BAND Platinum: ≥ 95% Gold: 90 – 94.5% Silver: 80 – 89.5% Bronze: 70 – 79.5%	**Silver**			Given the small number of sector participants, Automobiles & Parts have been benchmarked with Diversified Industrials.
COMMITMENT TO DISCLOSE (as indicated in submission)	Full (submission and feedback)			* 2006 platinum companies

The Index Model

SECTION LEVEL

10%	22.5%	22.5%	35%	10%
Corporate Strategy	**Integration**	**Management**	**Performance and Impact**	**Assurance & Disclosure**

SUB-SECTION LEVEL

Management:
- Community
- Environment
- Marketplace
- Workplace

Performance and Impact:
- Environmental
- Social

QUESTION LEVEL

| Qs 1 - 6	Qs 7 - 15	Qs 16 - 42	Qs 43 - 96	Qs 97a & 97b
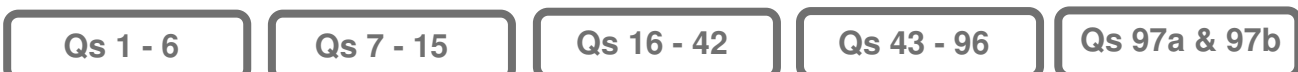
Section Level Summary

The following graph provides a summary of your performance in each main component of the Index. Your performance is examined in more detail at the subsection level and then the question level in the following pages of this report. Please refer to the Index survey for further details of each element within the chart. For reference, each chart is normalised to 100%.
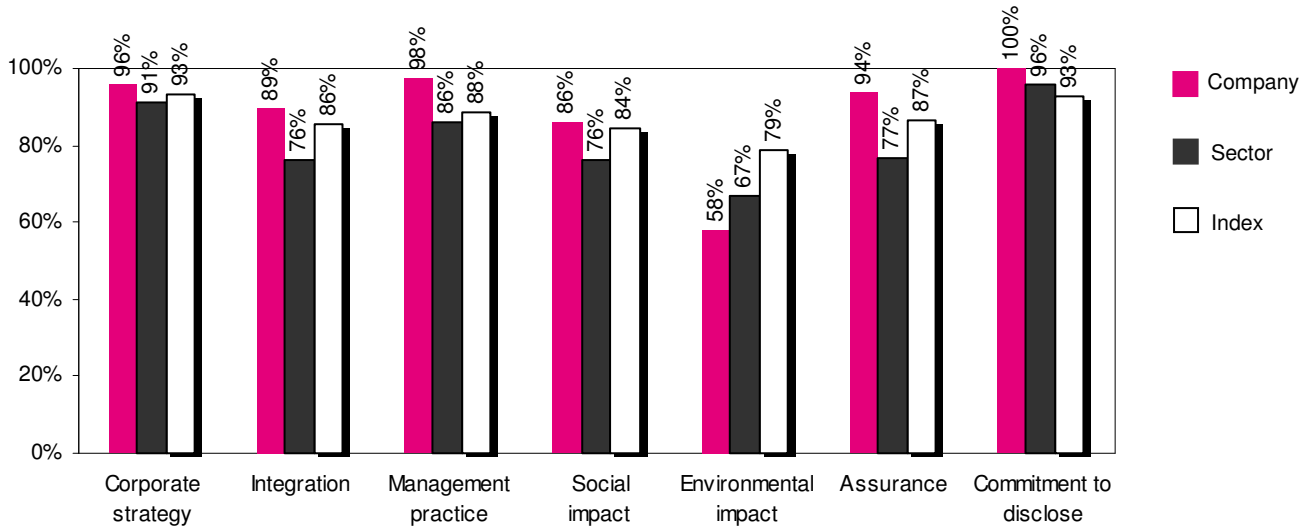
Subsection Level Summary: Management Practice

The Index asks companies to identify their key issues in the areas of community, environment, marketplace and workplace, and assesses management practices according to each issue identified. Leading companies are able to demonstrate:

= policies to ensure responsible behaviours across the business,
= objectives and targets to drive continuous improvement,
= clear responsibilities defined at all levels,
= effective communication systems to share knowledge and latest information,
= training provided to relevant staff to ensure competency and delivery of objectives,
= a process for stakeholder consultation and engagement across all key areas,
= monitoring systems to assess and report progress,
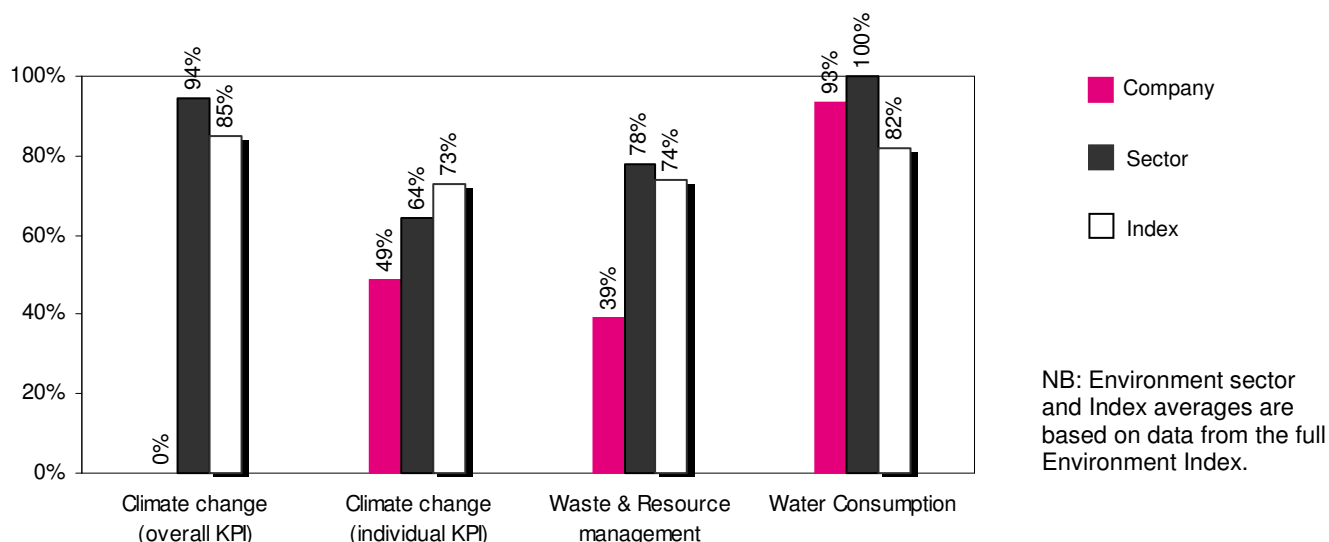= key issues, targets and performance reported publicly.
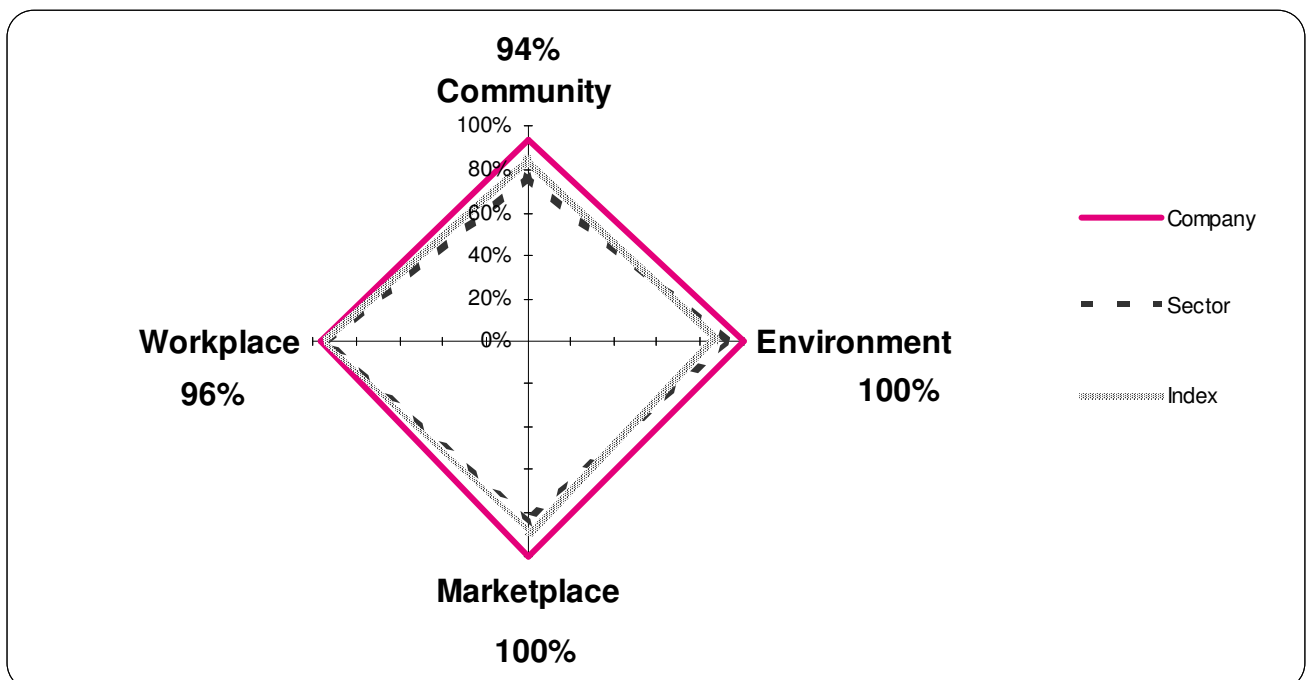
Subsection Level Summary: Environmental and Social Impact Areas

Each company completes six impact areas – three environmental and three social.
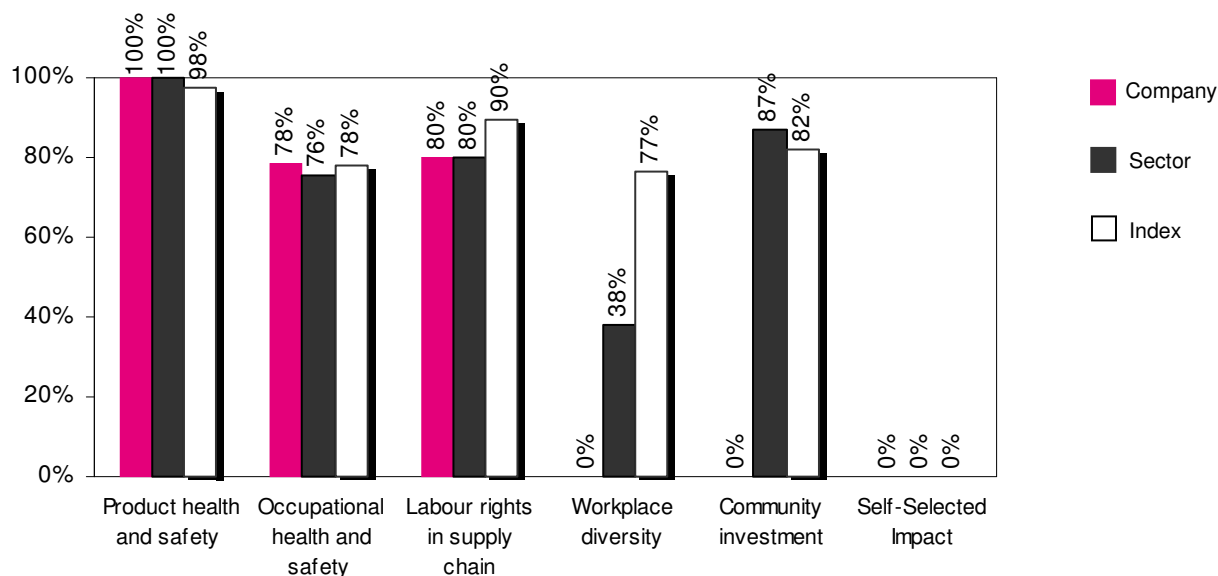
The environmental impact areas include **two core** impacts, climate change (answered using either an overall or individual KPIs) and waste and resource management, **plus one** self-selected area relevant to the business. You have chosen to report on water consumption as your third environmental impact area. Areas reported on by your sector were: chemical use, emissions to air and unplanned environmental incidents.

Environmental Impact Areas

Legend:
- Company
- Sector
- Index

Climate change (overall KPI): Company 0%, Sector 94%, Index 85%
Climate change (individual KPI): Company 49%, Sector 64%, Index 73%
Waste & Resource management: Company 39%, Sector 78%, Index 74%
Water Consumption: Company 93%, Sector 100%, Index 82%

NB: Environment sector and Index averages are based on data from the full Environment Index.

Social Impact Areas

Companies answer **two core** social impact areas (chosen out of product health and safety, occupational health and safety, labour rights in the supply chain, diversity in the workplace, and community investment), **plus one** self-selected area relevant to the business. The self-selected social impact areas selected by your sector were: employee welfare and employee development.

Legend:
- Company
- Sector
- Index

Product health and safety: Company 100%, Sector 100%, Index 98%
Occupational health and safety: Company 78%, Sector 76%, Index 78%
Labour rights in supply chain: Company 80%, Sector 80%, Index 90%
Workplace diversity: Company 0%, Sector 38%, Index 77%
Community investment: Company 0%, Sector 87%, Index 82%
Self-Selected Impact: Company 0%, Sector 0%, Index 0%

Question Level Summary - Section 1: Corporate Strategy

This section rewards companies for placing CR values at the core of their business strategy. It asks whether there is a system to identify key social and environmental risks and opportunities, and whether these are addressed by principles and policies. Companies must be able to demonstrate leadership and commitment at the highest level, internal reporting to the board, and public advocacy of responsible business practice.
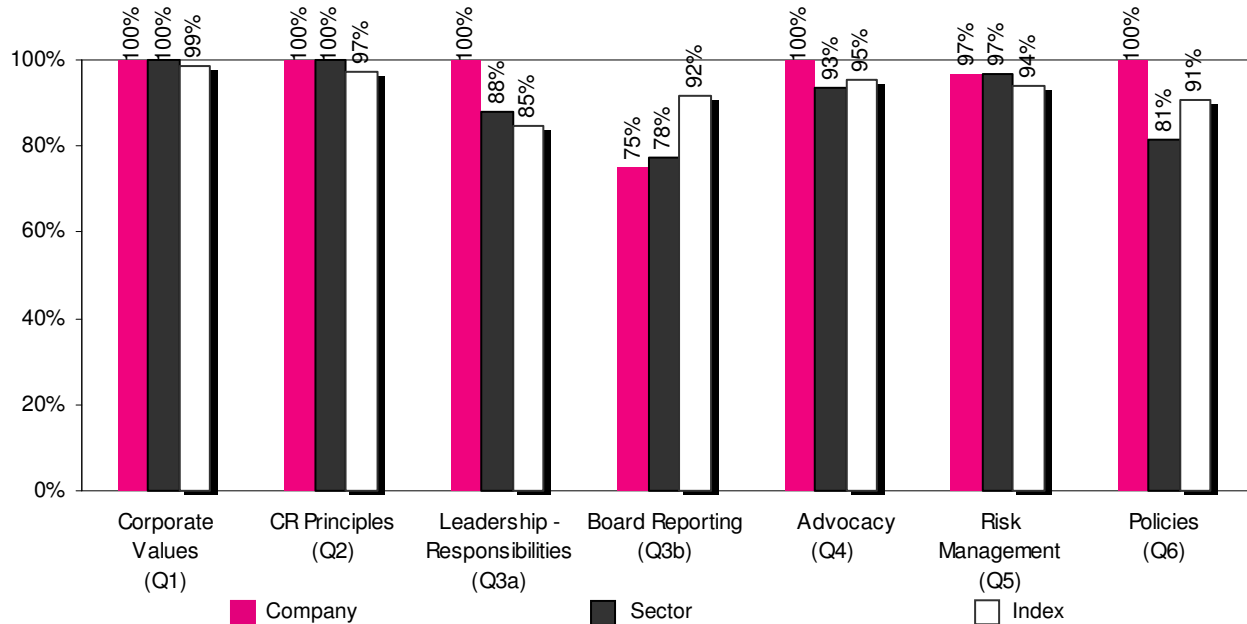
Question Level Summary - Section 2: Integration

It is not enough simply to have a strategy; it needs to be implemented throughout a business. This requires internal communication and training employees so they understand the key CR issues for the company, building CR related performance criteria into appraisal and remuneration systems, undertaking stakeholder engagement and ensuring it contributes to CR strategy, demonstrating social and environmental issues are incorporated into strategic decision making, and transparency through external reporting on CR management practices and impacts.
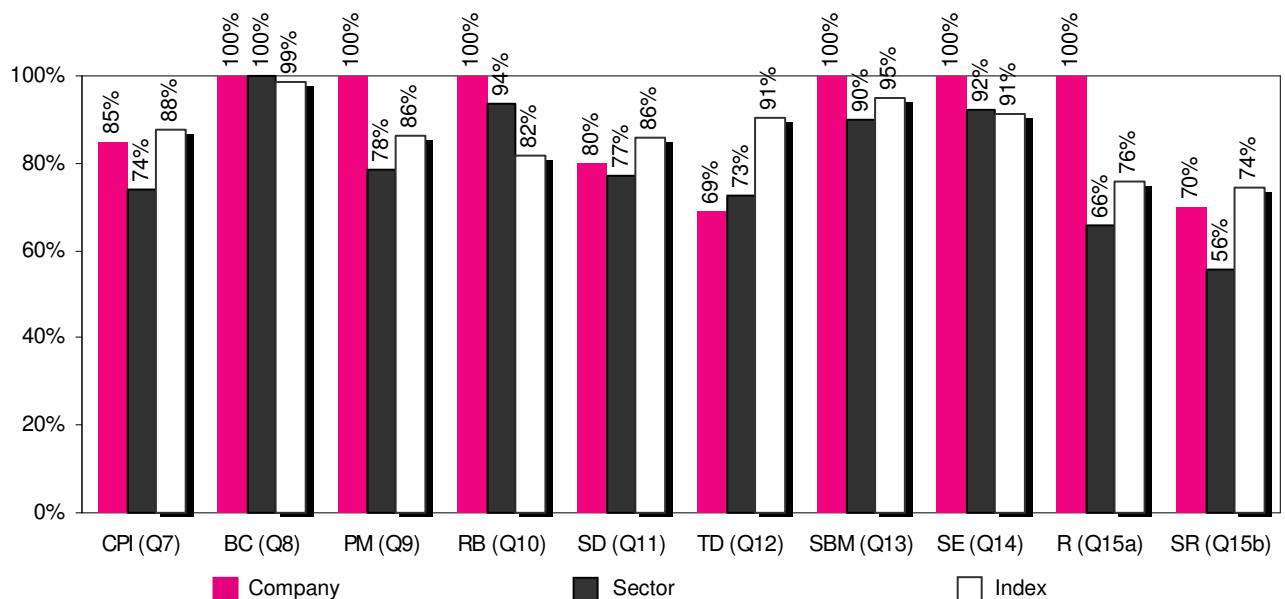

CPI – integration of principles, **BC** – business conduct, **PM** – performance management, **RB** – remuneration and bonus, **SD** – strategic decision-making, **TD** – training and development, **SBM** – senior managers and board members training/briefing, **SE** – stakeholder engagement, **R** – reporting, **SR** – scope of reporting

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Question Level Summary - Section 3: Management Practice

Section 3 assesses whether a company has developed management practices to address CR issues key to the business in the four areas of Community, Environment, Marketplace and Workplace. Performance for each of these areas in turn is shown in the graphs below. Participants in the Environment and Community Indices can refer to separate feedback reports for further analysis of each management area.

Community Management
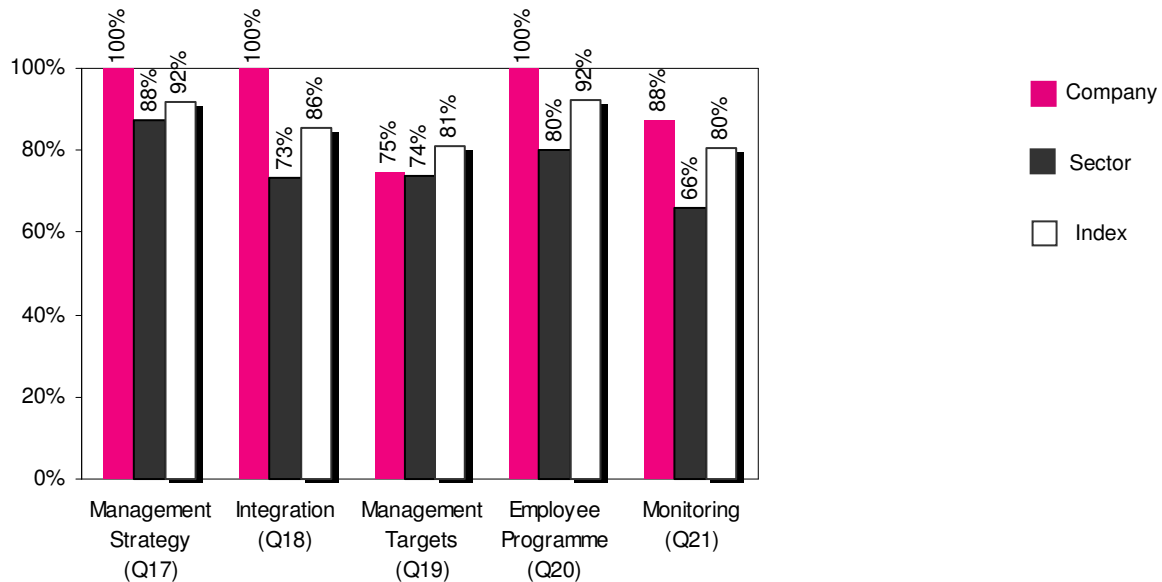

Environment Management
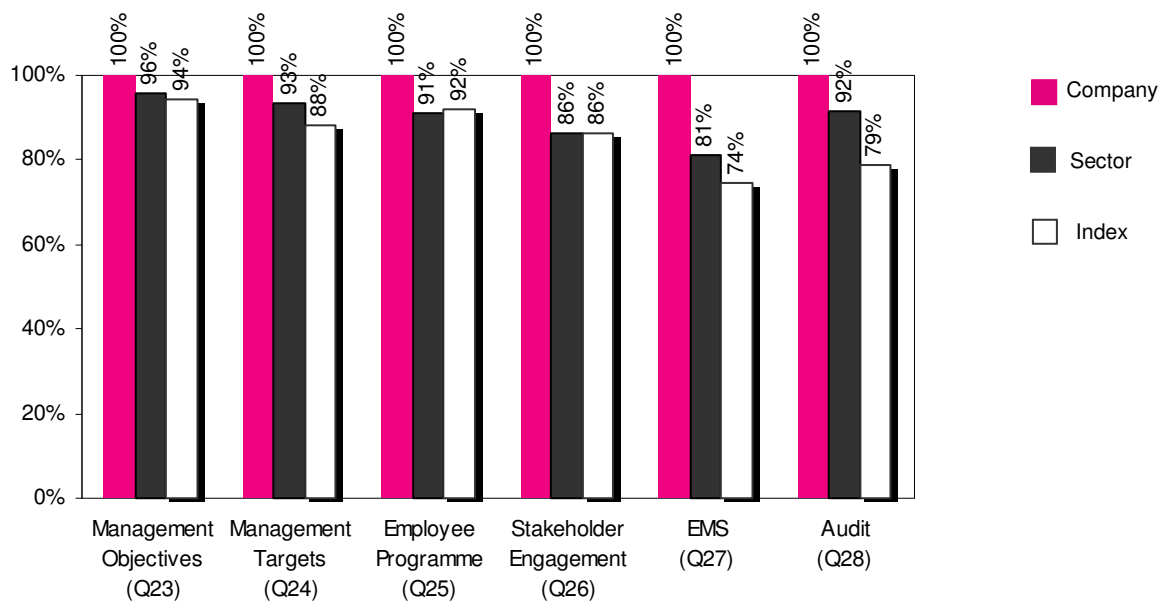
Marketplace Management

All companies completed questions on environmental stewardship and environmental supplier programme. In addition, there was a choice to complete two management areas relevant to the business. The graph shows your company's score for these four areas alongside average sector and Index scores for the remaining marketplace questions.
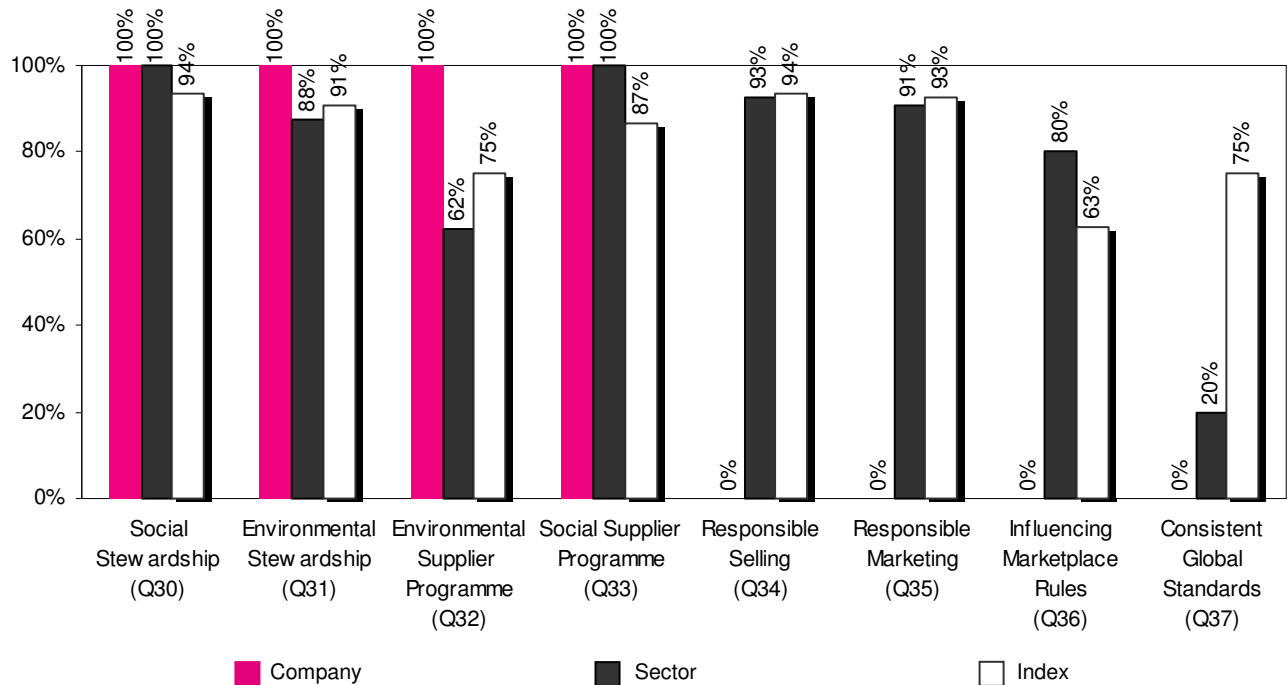

Workplace Management
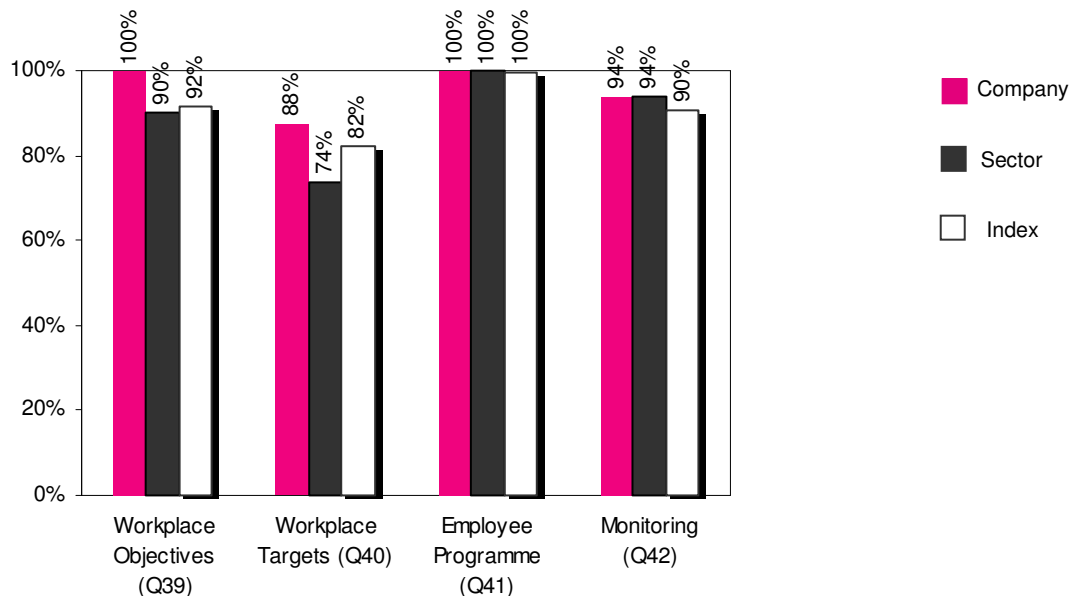
Question Level Summary - Section 4: Environmental and Social Impact Areas
Environmental Impact Areas

The following graphs break down each environmental impact area. Each area considers the quality and coverage of data measured and rewards companies that set and publicly report on performance against targets, and demonstrate continuous improvement in minimising their environmental impact.
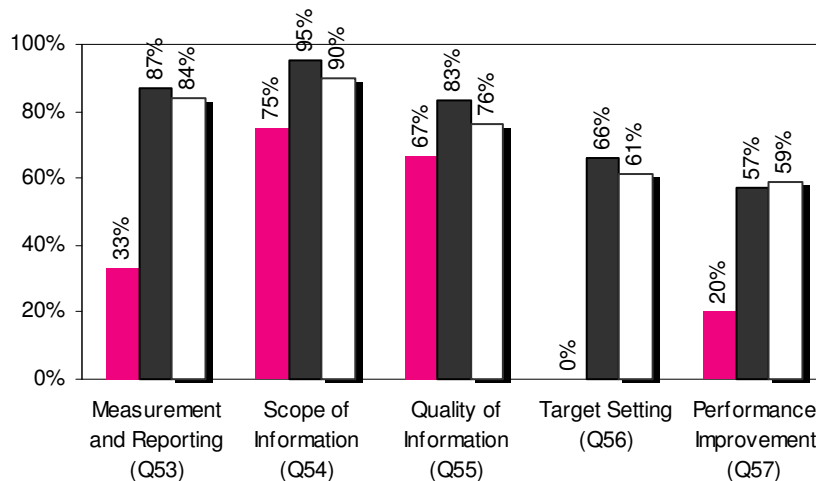
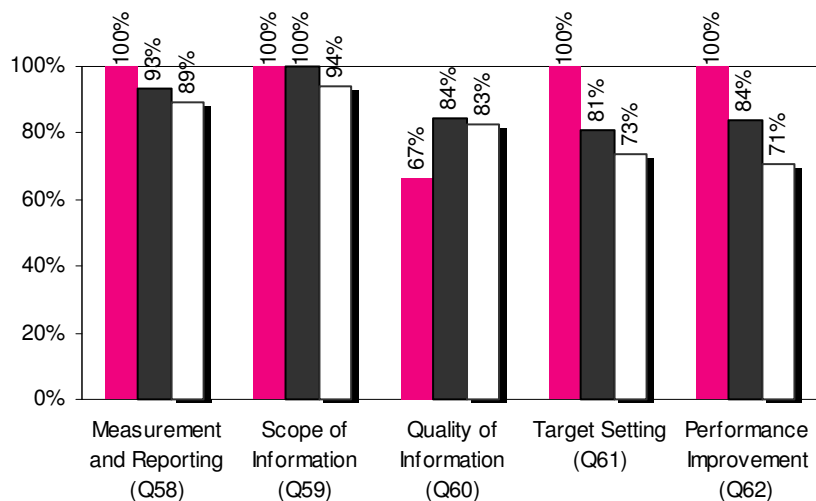### Climate Change
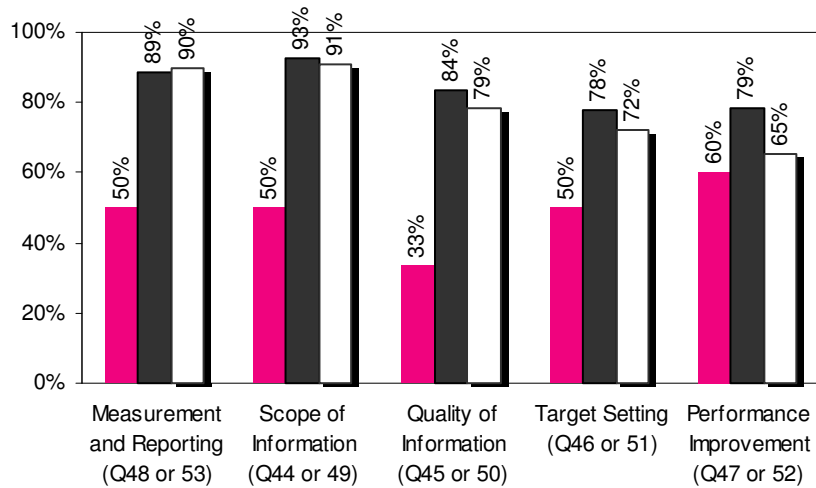
Company   **Sector**   **Index**

Companies had the choice of answering based on overall or individual climate change KPIs.

Waste and Resource Management

Company   **Sector**   **Index**
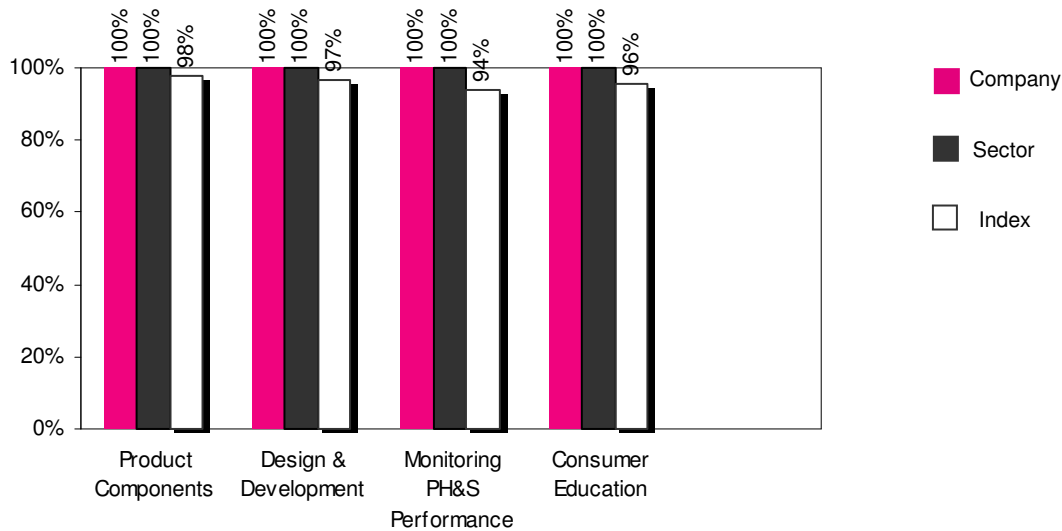
Water Consumption

Company   **Sector**   **Index**

Refer to the Environment Index feedback report for further details on each of these areas.
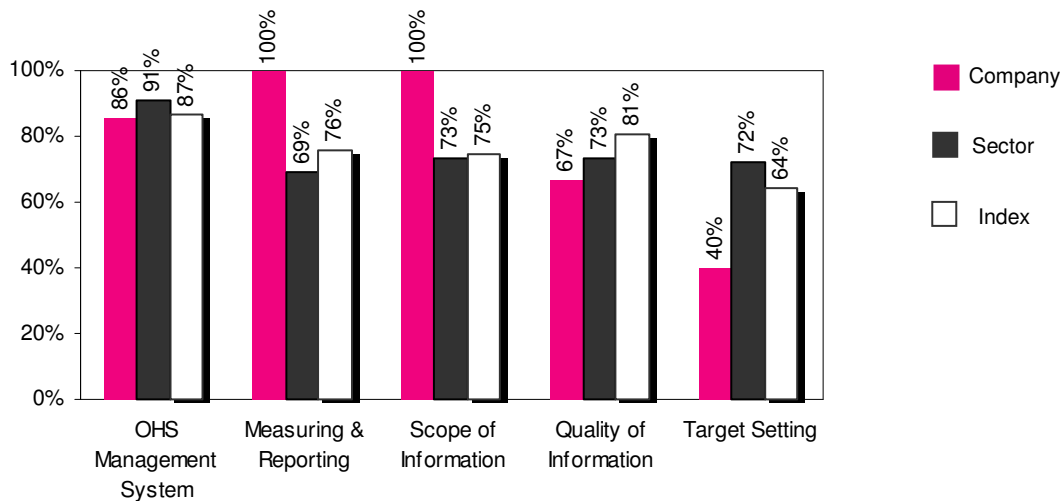
Social Impact Areas

The following graphs provide further analysis on the three social impact areas completed by your company. Each area combines a mixture of management and performance criteria specific to the social impact in question.

Product Health and Safety

Legend: Company, Sector, Index

	Company	Sector	Index
Product Components	100%	100%	98%
Design & Development	100%	100%	97%
Monitoring PH&S Performance	100%	100%	94%
Consumer Education	100%	100%	96%

Occupational Health and Safety

Legend: Company, Sector, Index

	Company	Sector	Index
OHS Management System	86%	91%	87%
Measuring & Reporting	100%	69%	76%
Scope of Information	100%	73%	75%
Quality of Information	67%	73%	81%
Target Setting	40%	72%	64%

Labour Rights in the Supply Chain

Legend: Company, Sector, Index

	Company	Sector	Index
Code of Conduct	75%	75%	91%
Measuring & Reporting	100%	100%	91%
Scope of Information	25%	25%	90%
Quality of Information	100%	100%	87%
Remediation Plans	100%	100%	88%