

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

Date	October 2017
Location / Facility	Cologne
Respondent	
Phone Number	
CDSID	

Perception and Understanding of Code

1. In your opinion, what is the greatest value-add of conducting human rights assessments at Ford's owned and operated facilities?

Ford has a high level of human rights standards in all of its plants and facilities. A value of conducting a human rights assessment provides us with the opportunity to make this aware to the management and all our employees and gives us the opportunity to benchmark the Cologne Site with other Ford facilities. Through this process, we may also find further opportunities to improve.

2. When you look at the code, and imagine using it to assess current practice at Ford facilities, what are the greatest areas of non-compliance that you might predict? How do you think management, workers and employee representatives at Ford facilities will view these assessments?

Ford of Germany including the Cologne Site has high legal standards as well as high Ford internal standards. Therefore, we are in compliance with all areas of human rights, basic working conditions and corporate responsibilities. We are presently implementing a corporate health management system, which includes all the standard health and safety tools. In addition the health management system is going to drive standardization of best practice processes and brings the health and safety principles to an even broader community to keep in mind. In regard to working hours we always comply with the legal maximal number of working hours. In addition we have implemented several tools for flexible and mobile working. Nevertheless we need to use all the flexible working tools such as telecommuting or mobile working to the most possible extend.

Facility Conditions

Human Rights

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

1. In your opinion, what does upholding human rights mean to your facility?

Human rights have top priority at our facility. The management board, the management and all supervisor do not accept any violation of human rights. We have a Zero Tolerance policy for violations of human rights. It is an indispensable part of our culture. Is it an important key to provide a healthy workplace, without fear of discrimination or harassment, treat people equally and with respect as governed by the laws of the government and policies of the company and promote diversity and anti-harassment behavior.

2. How is the preservation of human rights monitored in your facility?

It is the self-evident duty of every supervisor and all employees to pay attention to the observance of human rights. Each employee has the opportunity to report the violation of human rights, also anonymous, at various contact points. When an employee brings a complaint to our attention, it is thoroughly investigated and the issue is resolved. If an employee is found to be in non-compliance, it is addressed appropriately. At Cologne we have a permanent site advisory committee for dignity at work that handles every known incident.

3. How is your facility working to reduce human rights risks? Please describe any particular processes or initiatives.

The reducing of risks is ensured by many initiatives, such as Diversity Management. Cologne has also its own working group, which takes care of employees who feel discriminated. In addition, the management and the works council representatives work on the continuous improvement of processes and working conditions. All employees were trained on Code of Conduct regulations and they have to review it regularly. Corporate policies and government laws regarding employee rights are posted throughout the plant, published through bulletins, newsletters or emails, and posted on local or corporate websites. New hires receive a copy of the Code of Conduct at their first day at work. All these activities are monitored by the HR department together with Company's management.

4. How is your facility monitoring human rights risks?

Plant Leadership, HR Leadership, Works Council representatives, Supervisors and Diversity Management are in constant communication regarding issues related to the rights of employees as they arise. They work together to resolve issues as quickly as possible. Results from surveys, audits as well as from skip level discussions are monitored by HR and management. These results are shared in Leadership meetings for action planning to address the issues.

5. How are you remediating any non-compliance to human rights policies or addressing identified human rights risks?

Non-compliance to human rights policies or identified human rights risks are remediated according with the law and corporate policies. Facility management, HR and works councils representatives will execute all appropriate actions.

6. Do you believe that you are making progress in minimizing human rights risks? What additional support do you believe is necessary in order to making continuous improvement towards upholding human rights?

We believe that we make improvement every day through our commitment to human rights and Diversity. In Cologne plant Diversity and all human rights are integrative part of the company culture. We believe that Cologne plant is a place where employees feel well respected and their human rights aren't in jeopardy in any way.

Working Conditions

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

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Child Labor	<ul style="list-style-type: none"> • Arbeitsschutzgesetz (labour protection law) • Jugendschutzgesetz (law for the protection of the youth) • Etc. 	<ul style="list-style-type: none"> • Ford-Werke GmbH does not employ people with age below 18. We have internship and apprentice programs in place according to legal regulations.
Compensation	<ul style="list-style-type: none"> • Tariff agreement • Minimum wage act • Etc. 	<ul style="list-style-type: none"> • The compensation is based on competitive analysis (survey process) and also subject to union negotiation for all employees. • For salaried employees a pay for performance policy exist with global Ford standards
Forced Labor	<ul style="list-style-type: none"> • German constitution 	<ul style="list-style-type: none"> • Ford-Werke GmbH does not utilize forced labour. HR and the legal department ensure respect and forbid such a breach of human rights
Freedom of Association and Collective Bargaining	<ul style="list-style-type: none"> • German constitution • TVG • Works constitution act 	<ul style="list-style-type: none"> • Ford-Werke GmbH follows a partnership in the way the company deals with employee representatives (unions). An effective, open and trustful relationship with unions is considered a critical success factor and it is important to maintain employee morale and commitment.
Harassment and Discrimination	<ul style="list-style-type: none"> • Company Directive B-110: Anti-Harassment • Works agreement; Dignity at Work (Complaints Board in the sense of the AGG) • National regulations (Anti-discrimination law) 	<ul style="list-style-type: none"> • Cologne Plant has a Zero Tolerance Policy that is strictly enforced; all complaints are investigated and employees dispositioned appropriately. • All new employees are required to participate in Diversity Trainings • Members of the permanent site advisory committee for dignity at work handle every known incident

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Health and Safety	<ul style="list-style-type: none"> • Policy Letter 17 • Health & Safety Commitment • Ford Health & Safety Standards • Local Health and Safety Rules and Procedures • Safety Operating System • People Operating System • European, national & federal OH&S Regulation (e.g. German Arbeitsschutzgesetz) 	<ul style="list-style-type: none"> • Health and Safety processes are implemented via SOS, HOS and POS for manufacturing organizations. Shop floor level, Plant and Executives reviews take place on a regular basis. • OHD: ISO 9001 • Regular meeting 4 times a year inside the plants with plant management. Standing agenda: Health, safety issues. • Regular meetings with Safety, Medical and Industrial Hygiene • Regular meetings with BGHM representative. • Regular Shop Floor walks (with Safety, WC, Foreman) • For non-manufacturing areas, local health and safety rules and procedures specify the requirements for leadership and employees as well as for contractors. • The Senior Management Steering Committee (FoG) meets twice a year to review health and safety performance of the organization...
Work Hours	<ul style="list-style-type: none"> • Working time law • Tariff Agreement 	<ul style="list-style-type: none"> • The work hours are fully compliant with national norms. Local agreements need to consider all requirements laid out in the labour code, but can define specific shift patterns supporting the operating needs.
Where are these documents housed?		
<ul style="list-style-type: none"> • Health and Safety: Server based (Ford IT). • Confidential documents, related to employees, are maintained on personnel file and/or in HR systems. Access to HR systems is granted according to job Roles & Responsibilities and separation of duties matrix. • Documents related to salaries are achieved by Compensation and Benefits and/or Payroll Office respecting Internal Control requirements and German law provisions. • Collective Labour Agreements are administered by Labour Affairs within HR department. • HR Policies and Procedures are documented and kept on the Ford HR intranet site. 		

2. In the code, it has been made explicit that Ford seeks to identify, report and address any suspicion of human trafficking in order to adhere to our commitment to ensuring Basic Working Conditions and Human Rights.

a) Within your community, are you aware of or have noticed any human trafficking activity? If so, please describe.

In Cologne we are not aware of any issues of human trafficking activity in this community. There have been no instances reported or observed.

b) Are you aware of any suppliers or businesses in which you interact that are suspected of or have been found to engage in activities of human trafficking, directly or indirectly?

In Cologne we are not aware of any suppliers or businesses we interact with that are suspected of or have been found to engage in any sort of activities of human trafficking.

- c) Are you aware of the Company or any other entity supporting the Company in its recruiting efforts requiring fees or charging costs to job-seekers and workers related to recruitment for temporary or permanent job placement at the Company, including when the Company uses the services of Private Recruitment, Labor Broker or Employment Agent or performs recruitment activities directly?

In Cologne we are not aware of any of those incidents.

- d) Are you aware of the Company or any other entity supporting the Company in its recruiting efforts retaining or confiscating identity or other documents?

In Cologne we are not aware of any confiscating of any documents.

Corporate Responsibility

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

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Community Engagement and Indigenous Populations	<ul style="list-style-type: none"> • Ford Corporate Responsibility Policy • Policy Letter 13 • Policy Letter 24 • Governmental Relationships and Civic Affairs 	<ul style="list-style-type: none"> • Community Involvement Initiative • Employee are annually released for 16 hours for Community Involvement activities • Community Involvement in 2016: 154 projects with 1.000 Ford employees and 15.000 working hours • Several “Ford Fund” projects (Education, Sustainable Communities, Safe and Smart Mobility)
Bribery and Corruption	<ul style="list-style-type: none"> • Policy Letter 3: Standards of Corporate Conduct • FCPA Anti-Bribery Training • National Anti-corruption law 	<ul style="list-style-type: none"> • Annual MCRP-Process • Internal investigators • Annual financial disclosure declaration • Annual recertification of Standards of Corporate Conduct Training
Environment and Sustainability	<ul style="list-style-type: none"> • Policy Letter 19 • ISO 14001 	<ul style="list-style-type: none"> • EOS Memorandum • EOS System • EQR01-001.WW

Where are these documents housed?

- All public documents are maintained on the relevant Share Points Sites and / or on HR-Online
- Employee related details are maintained in personnel files for both salaried and hourly employees. In addition People Soft retains records of past and present employees
- Salary ranges and wage structure is maintained by Compensation and Benefits within the Human Resources structure.
- Collective bargaining documents and agreements are maintained by Labor Affairs within the Human Resources structure.
- Wage rates and structure are maintained in the collective bargaining agreements and with the Wage Administration Office of the Labor Affairs Department.
- Grievance Procedure documents are kept on file with the local Labor Relations Offices.
- Human Resources Policies and Procedures are documented and kept on the HR Online Site for employees on the company intranet site.

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

We have in Germany a coordinator for our volunteer projects. In 2016 we supported 154 community involvement projects with about 1,000 employees (Cologne and Saarlouis). We have a clear process for the selection.

3. How have you incorporated sustainable water strategies in to your facility's operations? Can you point to any specific metrics / improvements that have been made and can be quantified? If so, please describe or provide any relevant documentation that indicates progress. *Please contact the Manager, Social Sustainability, if unfamiliar with Ford's water strategy and related initiatives to receive additional information.*

- Scorecard / BPR (Business Plan Review) Process
- Roadmap to achieve 30% water reduction by 2020

4. In your opinion, how do you believe sustainable water projects contribute to the health of staff, operations and the community?

All departments know this strategy and support it. This includes awareness for all employees about the need to save water at work and at home.

5. What initiatives are being undertaken to reduce environmental / health impacts from operations? How is this contributing to your facility's ability to move towards being more environmentally sustainable in the long-term?

- Water strategy
- Zero waste to landfill strategy (In Germany we are waste to landfill free)
- Additional waste reduction is under discussion (e.g. reduce of WWTP sludge and paint sludge, reduce packaging waste)
- Energy reductions

Responsibility for and Implementation of the Code

1. How are you approaching continuous improvement in your facility's performance, practices and processes in place to comply with Policy Letter 24?

Follow the internal BPR / Scorecard Process and improve all the initiatives, commitments and policies that we have already established and described in this assessment.

We use the Pulse survey, and all feedback of our employees. Every employee is empowered to speak up, regarding practices that are not in line with our policies or even may violate a regulation.

Additional Information

1. What would you suggest is most important for Social Sustainability to keep in mind in order to make this effort successful (both in terms of gathering information and creating a sense of partnership and shared purpose with the facilities)?

It is very important to reinforce the diverse culture at Ford and recognize the expected behavior of all our employees. We also need to get everybody engaged and bring new employees onboard and get them familiar with all social regulations and Ford rules.

It is necessary to improve communications to raise the awareness of the employees on a regular basis, e.g. once a year by information letter or online training.
In case of questions it is necessary to implement a code of conduct to ensure all employees are aware and familiar with this rules.

2. Any words of wisdom/advice?

We should continue to survey human rights, basic working conditions and corporate responsibility on a global basis in order to keep this in mind with all our employees and find opportunities for even further improvements.

Regular and ongoing communication to the broad workforce is viewed as an enabler to ensure labor and environmental standards are in place and maintained.