

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

<b>Date</b>	October 2017
<b>Location / Facility</b>	Ford Vietnam
<b>Respondent</b>	
<b>Phone Number</b>	
<b>CDSID</b>	

**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 is always committed not only to become a leading automaker but also to respect human rights in everywhere that we operate. This is to support Company's objective in developing a Great Place to Work and Diversity strategy

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?

The area with the highest risk of non-compliance is **overtime compliance**. To reduce the risk in these areas, we need to thoroughly understand our processes and have proper control steps/ audits in all activities

We believe that our leadership team and employees will welcome this assessment as an opportunity to review and reinforce our practices in these areas.

**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?

In Ford Vietnam, we have a mix population of female and male depending on suitability and job requirement. We use People Operating System (POS), Safety Operating System (SOS) and Environmental Operating (EOS) to promote safety and environmental awareness and to minimize potential risks. We also follow Health Operating System (HOS) to ensure we always take good care of employee's health and safety through periodical check-up and regular tracking of employee's health issues/ status, work conditions and work practices.

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

The measures that we take to monitor compliance to human rights standards are as follows:

- a. Understanding work conditions through pulse, 360 degree feedback and skip level connects
- b. Connecting with employee committees and union to understand the employee situations and work conditions
- c. We monitor adherence to code of conduct

- d. Publish the hotline numbers/ contacts so employees can report out all violation cases at the most convenience

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

- Include diversity and zero tolerance to discrimination and harassment in Orientation training for new employees
- Coordinate with Union to organize recreation activities for all employees (football competition, singing performance, yoga classes) to build a culture of collaboration, trust and respect amongst individuals and ensure work life balance.
- We connect with employees quarterly to share business updates to build a culture of transparency and sustainability. This is in view of ensuring right to information by employees and take them along in the journey.

4. How is your facility monitoring human rights risks?

- Number and quality of feedback received by HR Business Partners
- POS metrics- Employee Satisfaction Index and Employee Engagement Index
- 100% completion of mandatory sessions on code of conduct (Online courses)

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

We have a Work Rule to handle the case of violating the human rights. Depending on the seriousness, the disciplinary actions may be up to dismissal. We also take support of Personnel relations manual to handle violations.

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?

Yes, we strongly believe that we are making progress in minimizing human rights risks. The people metrics on Pulse ESI, people development and talent management are good indicators for this matter.

<b>Pulse score</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>ESI</b>	83	86	90	88
<b>EI</b>	NA	NA	NA	93

### **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.

	<b>Policy(s) / Law(s) Followed</b>	<b>Process to Implement Policy Correctly</b>
<b>Child Labor</b>	Vietnam Labor Law	Recruiting & Selection makes sure that candidates have the minimum legal age required to work

	<b>Policy(s) / Law(s) Followed</b>	<b>Process to Implement Policy Correctly</b>
<b>Compensation</b>	- Vietnam Labor Law - Regional C&B structure	- Conduct annual salary survey for all personnel - Follow the corporate compensation philosophy for bonus, merit increase and promotion
<b>Forced Labor</b>	Vietnam Labor Law	Forced labor is prohibited
<b>Freedom of Association and Collective Bargaining</b>	Vietnam Labor Law	The Company recognizes employee rights to establish or join Labor Union and also support employees to participate in Union activities
<b>Harassment and Discrimination</b>	Corporate Code of Conduct	We follow Corporate Code of Conduct includes: integrity, diversity, anti- harassment and zero tolerance to discrimination
<b>Health and Safety</b>	- Vietnam Health & Safety Law - SOS standards	To ensure health and safety conditions in the plant we have: - Medical center with occupation nurse and doctor - SOS standards to drive all safety activities - Meeting cadence to discuss and propose solution for health and safety issues (Case management meeting, safety meeting) - Sport field for football activities
<b>Work Hours</b>	- Vietnam Health & Safety Law - FVL Work Rule - ADP system	- Arrange normal working hours and overtime hours not over maximum limit as required by local law - Set up the maximum limit of overtime hours in ADP to ensure over max OT hours are not paid - Run the time data report to support control of OT hours
<b>Where are these documents housed?</b>		
<ul style="list-style-type: none"> <li>• HR shared folder</li> <li>• Plant shared folder</li> <li>• HR Online</li> <li>• ADP system</li> <li>• Ford intranet (FPS, Integrity)</li> <li>• Regional C&amp;B office</li> </ul>		

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.
 

No.
  - 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?
 

No.
  - 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?

No.

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?

No.

**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.

	<b>Policy(s) / Law(s) Followed</b>	<b>Process to Implement Policy Correctly</b>
<b>Community Engagement and Indigenous Populations</b>	- No specific local law - Community Service Leave Policy	Coordinate with NGOs and Communication function
<b>Bribery and Corruption</b>	Policy Letter N°3: Standards of Corporate Conduct	- Include the Code of Conduct in Orientation training for new hires - Request employees to disclose family members relationship and financial interests if any - Remind employees to take online mandatory training courses
<b>Environment and Sustainability</b>	- ISO-14001 - EOS	Follow standards of ISO-14001 and EOS
<b>Where are these documents housed?</b>		
<ul style="list-style-type: none"> <li>• HR shared folder</li> <li>• Plant shared folder</li> <li>• HR Online</li> <li>• Ford intranet (FPS, Integrity)</li> </ul>		

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 a range of CSR activities to throughout the year which align with Global policies in continuing to support communities. Activities we did organize is to make the society better in stable way. In Vietnam, the issue of traffic & education has become big trouble. Ford Vietnam has developed strategic plans to implement CSR activities, including: Road Safety & Healthy Education. Some remarkable activities:

- No Honking
- Driving Skill for life
- Technical Workshop
- Safety training for children

YTD, we have provided driving skills training for 11,500 people. They are students, drivers, and trainers at driving training schools.

Moreover, we have invited hundreds children to come to Ford plant to visit & play. In these activities, Ford employees play as volunteers to provide safety training & life skills, teach children know how to protect themselves from disasters, sexual harassment.

Moreover, annually we conduct Global Week of Caring activities to nearby communities, align with Global policies in continuing to support communities. Activities we did organize included built garden, renovated school, mangrove planting, live and learn play.

We conduct all necessary activities to ensure we align at the highest level of requirements from local communities and Government like percentage of green field, waste management, safety standard, emergency response practices, water usage, energy saving

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.*

- **Follows regional water strategies such as improve year over year improvement:**

- Implement wastewater treatment and management with daily process control, process confirmation and water tested periodically by 3rd party or government lab.
- Re-use wastewater from RO system for flushing in toilet and plant irrigation watering.
- Using rain water (grey water) for fire fighter system

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

- Contributing towards minimal usage of ground water and water conservation
- Usage of the recycled water for agriculture

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?

FVL implements and maintains an effective environmental management system; to ensure conformance with the stated environmental policy; and ensure compliance with environmental laws and regulations. The plant also obtains ISO 14001 certification. In addition the plant implements the 'Ford global standard Environmental Operating System (EOS).

### **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?

Ford Vietnam is evaluating its continuous improvement in many aspects of our operations, including health and safety, environment, and people related through specific metrics. On regular basis, our management review those metrics status and propose solutions to address issues if any.

### **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 respect and reinforce the diverse culture as well as recognize good examples of One Ford behavior demonstration. To do this, we need strong support from management and high commitment from all employees. We also commit to bring new employees onboard with required understanding level of our policies.

2. Any words of wisdom/advice?

N/A