

# PERFORMANCE, DATA AND REPORTING

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- [Goals and Progress](#)
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Our reporting includes an overview of the progress we have made against our goals and commitments, a summary of how we are performing in key areas, and a range of tables and charts providing more detailed performance data.

## GOALS AND PROGRESS

This table summarizes Ford's goals, commitments, targets and progress.

Please see our [key performance data](#) and data tables and charts for our complete data reporting and accompanying notes.

GLOBAL MOBILITY		
Goal	2017 Progress Examples	Status
Deliver our Ford Smart Mobility plan, with a focus on emerging opportunities in mobility.	<p>To deliver a broader suite of mobility products and services, we have established four new, integrated teams:</p> <ul style="list-style-type: none"> <li>• Ford X: incubator for potential products and services, and new mobility businesses</li> <li>• Mobility Business Group: scaling our existing mobility businesses</li> <li>• Mobility Platforms and Products: leading the design and development of relevant technology</li> <li>• Mobility Marketing and Growth: driving demand with consumers, commercial customers and cities</li> </ul> <p>We are acquiring transportation solutions business Autonomic and TransLoc, a provider of demand-response technology for city-owned microtransit systems.</p> <p>We are developing the <a href="#">Transportation Mobility Cloud</a>, an open software platform that will allow vehicles, streets and cities to talk to each other and plan the most efficient routes for people.</p> <p>In 2017, we opened our Ford Smart Mobility Innovation Office in London.</p> <ul style="list-style-type: none"> <li>&gt; <a href="#">Global Mobility</a></li> <li>&gt; <a href="#">North America</a></li> <li>&gt; <a href="#">South America</a></li> <li>&gt; <a href="#">Europe</a></li> <li>&gt; <a href="#">Middle East and Africa</a></li> <li>&gt; <a href="#">Asia Pacific</a></li> <li>&gt; <a href="#">Smart Vehicles for a Smart World</a></li> </ul>	In Process

CUSTOMERS AND PRODUCTS		
Goal	2017 Progress Examples	Status
<p>Improve fuel economy across our global product lineup, consistent with regulatory requirements and addressing climate stabilization.</p> <p>Offer competitive or “among the leaders” fuel economy for each new or significantly refreshed vehicle.</p>	<p>Our combined car and truck fuel economy fell by 1 percent in 2017. On an individual basis, our vehicles continue to make fuel economy improvements and our combined fleet fuel economy has improved by 9 percent over the last decade, compared to 2009.</p> <p>Our award-winning, fuel-saving EcoBoost® technology has been used in more than 8 million engines worldwide.</p> <ul style="list-style-type: none"> <li>&gt; <a href="#">Improving Fuel Economy</a></li> </ul>	In Process

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CUSTOMERS AND PRODUCTS		
Goal	2017 Progress Examples	Status
Pursue our electrification strategy.	Our electrification strategy has seen us invest \$11 billion to put 40 hybrid and fully electric vehicle models on the road by 2022. <a href="#">› Alternative Fuels and Powertrains</a>	In Process
Continue our lightweighting plans.	We are adopting advanced lightweight materials to help improve fuel economy wherever practicable. We reduced vehicle body weight by 200 pounds on the 2018 Lincoln Navigator, 300 pounds on the 2018 Ford Expedition and 350 pounds on the 2017 Ford Super Duty by switching to aluminum. <a href="#">› Improving Fuel Economy</a>	In Process
Offer alternative fuel vehicles.	We have developed a roadmap for migrating our vehicle technologies toward powertrain and fuel options designed to reduce vehicle CO <sub>2</sub> emissions and improve fuel efficiency.  We continue to support the development of vehicles powered by next-generation biofuels, compressed natural gas (CNG) and liquefied petroleum gas (LPG). <a href="#">› Alternative Fuels and Powertrains</a>	In Process
Continue to develop and implement our sustainable materials strategy – focused on materials that have been obtained by socially sustainable means, that have lower environmental impacts and that provide equivalent or superior performance to existing materials.	Guided by our global materials strategy, we continue to lead the research, development and integration of plant-based, renewable and recycled content in our vehicles. We currently feature eight sustainable materials in our production vehicles: soy, wheat, rice, castor, kenaf (hibiscus), tree cellulose, jute and coconut.  Ford was the first in the industry to develop foams and plastics using captured carbon dioxide.  We continue to research the possible use of tomato skin, bamboo, agave fiber, dandelions and algae.  We are one of 10 global auto manufacturers to join the Raw Materials Observatory, launched by the Drive Sustainability partnership. <a href="#">› Using Sustainable Materials</a>	In Process
Design and manufacture vehicles with safety excellence focused on real-world safety and offer innovative safety and driver assist technologies.  Meet or exceed all regulatory requirements for safety.	Automotive safety encompasses all aspects of our business, from vehicle design and manufacturing to operator behavior and road infrastructure.  Our corporate safety policy, Policy Letter 7, outlines our commitment to designing and manufacturing vehicles that achieve high levels of safety over a wide range of real-world conditions.  We continue to receive high marks for vehicle safety in a number of the industry’s key public and private crash-testing programs. <a href="#">› Improving Vehicle Safety</a>	In Process
Provide information and educational programs to assist in promoting safe driving practices.	Ford Driving Skills for Life (DSFL), our free driver education program, reached 40,000 participants in 2017, and is now active in 41 countries. We also launched a customized program for women drivers in Saudi Arabia. <a href="#">› Encouraging Safer Driving</a> <a href="#">› A Force for Good</a>	In Process
Play a co-leadership role in vehicle safety and driver assist research and innovation.	Continued to collaborate with: <a href="#">› Other automotive companies on precompetitive safety projects</a> <a href="#">› University partners on a wide range of research projects, including research into advanced safety technologies</a> <a href="#">› Driver Assist Technologies</a>	In Process

Strategy and Governance	Customers and Products	Operations	People and Society	Performance and Data
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OPERATIONS		
Goal	2017 Progress Examples	Status
Reduce global facility CO <sub>2</sub> emissions per vehicle produced by 30 percent between 2010 and 2025.	By the end of 2017, we had achieved a 32 percent reduction in GHG emissions per vehicle since 2010. This means we achieved our 2025 target eight years early.  <a href="#">› Operational Energy Use and CO<sub>2</sub> Emissions</a>	Achieved
Reduce global facility energy use per vehicle produced by 25 percent between 2011 and 2016.	In 2017, we reduced facility energy consumption (on a per-vehicle basis) by 6.8 percent compared to 2015, and we continue to focus on driving efficiencies in energy use throughout our facilities around the world.  <a href="#">› Operational Energy Use and CO<sub>2</sub> Emissions</a>	In Process
Having achieved our previous goal two years ahead of schedule, we have set a new, aggressive target: to save an additional 30 percent of water from our manufacturing between 2015 and 2020.	We have achieved a 32 percent reduction in water use (per vehicle) since 2010.  <a href="#">› Water Use</a>	In Process
Reduce global waste sent to landfill by 40 percent per vehicle produced between 2011 and 2016.	We reduced waste to landfill on a per-vehicle basis by 18 percent last year, and by 61 percent over the last five years, significantly exceeding our target. Having completed our five-year global waste reduction plan, we are in the process of developing a subsequent plan.  <a href="#">› Waste Reduction</a>	Achieved

HUMAN RIGHTS / SUPPLY CHAIN		
Goal	2017 Progress Examples	Status
Ensure everything we make – or that others make for us – is consistent with local law and our own commitment to protecting human rights, as embodied in our Policy Letter 24, our Code of Human Rights, Basic Working Conditions and Corporate Responsibility.	To determine priority locations for our human rights efforts, we conduct an annual risk analysis. Our list of 22 high-priority countries remained unchanged in 2017.  At the end of 2017, 100 percent of our production Aligned Business Framework suppliers had codes of conduct aligned with our Policy Letter 24, and 85 percent had robust systems governing their own operations and those of their supply chain.  In line with the <a href="#">UN Guiding Principles Reporting Framework</a> , we conducted a formal assessment to identify our most salient human rights. The analysis, involving a third-party consultancy, included desk-based research, internal and external interviews, and a workshop to validate our findings.  <a href="#">› Human Rights</a> <a href="#">› Environmental Impact of Our Suppliers</a>	In Process
Help suppliers build their capacity to manage supply chain sustainability issues.	During the year, supplier representatives from 203 direct and indirect supplier sites in five countries attended in-country training sessions covering human rights, working conditions, business ethics and the environment.  <a href="#">› Environmental Impact of Our Suppliers</a>	In Process
Assess Tier 1 suppliers for compliance with local laws and Ford's supply chain sustainability expectations.	We have conducted more than 1,075 supplier audits and 1,400 follow-up assessments since 2003.  Having become the first automaker to join the Responsible Business Alliance (RBA), in 2017, we conducted 27 new audits using its Validated Assessment Process (VAP) methodology. All were externally validated and certified by the RBA.  <a href="#">› Auditing Our Suppliers</a>	In Process
Engage with our supply chain to understand its carbon and water footprints.	Surveyed 264 production suppliers (81 percent) response rate), as well as indirect suppliers of logistics and information technology services, using the CDP Supply Chain program's questionnaire; 209 suppliers (75 percent) also responded to the CDP Water questionnaire.  <a href="#">› Environmental Impact of Our Suppliers</a>	In Process

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## HUMAN RIGHTS / SUPPLY CHAIN

Goal	2017 Progress Examples	Status
Work with selected suppliers to reduce our collective environmental footprint by encouraging target setting and sharing best practices for energy and water use reductions.	Our supply chain sustainability initiative, the Partnership for A Cleaner Environment (PACE), seeks to reduce the overall environmental impact of Ford and our supply chain partners, enabling us to share the best practice examples we've implemented with 50 suppliers. <a href="#">&gt; Environmental Impact of Our Suppliers</a>	In Process
Improve the transparency of mineral sourcing within our supply chain while improving the capacity of conflict-free smelters.	For the past three years, we met our goal to achieve a 100 percent response rate from in-scope suppliers. <a href="#">&gt; Responsible Sourcing of Raw Materials</a>	
Continue effort to source purchases from veteran-, minority- and women-owned businesses.	Ford purchased goods and services worth \$8.98 billion from minority-owned suppliers; \$2.51 billion from women-owned businesses; and \$0.56 billion from veteran-owned companies. <a href="#">&gt; Supplier Diversity</a>	In Process

## HEALTH AND SAFETY

Goal	2017 Progress Examples	Status
Fatalities target is always zero.	In 2017, we experienced two fatalities: one an employee, the other a contractor, both in North America. Any loss of life or serious injury is unacceptable and deeply regretted. As with all workplace incidents, the circumstances were analyzed in detail and actions taken to prevent reoccurrence. <a href="#">&gt; Health and Safety</a>	Not Achieved
Serious injuries target is zero; overall goal is to attain industry competitive lost-time and drive continuous improvement; specific targets are set annually by business units.	The lost-time case rate (LTCR) at the end of 2017 stood at 0.38 cases with one or more days away from work per 200,000 hours, compared to 0.39 in 2016. We are currently on target to meet our 2018 objective of 0.36. <a href="#">&gt; Health and Safety</a>	On Track
Maintain or improve employee personal health status through participation in health risk appraisal and health-promotion programs.	We continue to provide programs and services that help employees achieve health and well-being, and make informed choices. In 2017, 80 percent of our U.S. salaried active employees participated in our annual wellness program. <a href="#">&gt; Health and Safety</a>	In Process

## KEY PERFORMANCE DATA

Below is a summary of key performance data for 2017. Please see our data tables and charts for more detail and trends. For further information on data boundaries and assurance, please see [Reporting, Assurance and Frameworks](#).

## FINANCIAL HEALTH

	2015	2016	2017
Adjusted pre-tax profit, \$ billion	10.8	10.4	8.4 <sup>1</sup>

## CUSTOMERS AND PRODUCTS

	2015	2016	2017
Ford U.S. corporate average fuel economy, combined car and truck fleet, miles per gallon (higher mpg reflects improvement)	30.0	29.8	29.6 <sup>2</sup>
Ford U.S. CO <sub>2</sub> tailpipe emissions per vehicle, combined car and truck fleet, grams per mile (lower grams per mile reflects improvement) <sup>3</sup>	296	308 <sup>4</sup>	306 <sup>5</sup>

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	2015	2016	2017
Ford Europe CO <sub>2</sub> tailpipe emissions per passenger vehicle, grams per kilometer (100% of vehicles)	118,133	119,964	120.86 <sup>6</sup>
Global Quality Research System “things gone wrong” (3 months in service), total “things gone wrong” per 1,000 vehicles			
North America	1,265	1,273	1,132
South America	1,207	1,119	1,082
Europe	1,232	1,379	1,295
Middle East & Africa	775	510	802
Asia Pacific	846	788	842
Global Quality Research System customer satisfaction (3 months in service), percent highly satisfied			
North America	81	81	83
South America	70	68	69
Europe	75	73	72
Middle East & Africa	67	70	64
Asia Pacific	71	68	69
U.S. safety recalls, number	40	33	37
U.S. safety recalls, million units	4.99	5.97	3.79
	<b>2016</b>	<b>2017</b>	<b>2018</b>
Percent of nameplates achieving five-star New Car Assessment Program (NCAP) Overall Vehicle Score (percent of Ford Motor Company vehicles tested by model year) <sup>7</sup>	62	71	60

**OPERATIONS**

	2015	2016	2017
Worldwide facility energy consumption, billion kilowatt hours	14.6	14.2	13.8
Worldwide facility energy consumption per vehicle, kilowatt hours per vehicle	2,244	2,133	2,092
Worldwide facility CO <sub>2</sub> emissions, million metric tons	4.7	4.6	4.4
Worldwide facility CO <sub>2</sub> emissions per vehicle, metric tons	0.72	0.69	0.67
Global water use per vehicle produced, cubic meters	3.9 <sup>8</sup>	3.7	3.7

**SUPPLY CHAIN**

	2015	2016	2017
Total supplier sites trained/retrained in sustainability management (cumulative, since 2005)	3,156	3,302	3,549
Assessments to date	1,071	1,106	1,133
Training cascade to workforce, individuals trained	630,218	705,216	769,857

**COMMUNITIES**

	2015	2016	2017
Ford Motor Company Fund charitable contributions, \$ million	37.2	38.9	40.6
Corporate charitable contributions, \$ million	18.4	20.0	22.4
Volunteer Corps, thousand volunteer hours	186	204	237

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OUR PEOPLE			
	2015	2016	2017
Lost-time case rate by region (per 100 employees; cases with one or more days away from work per 200,000 hours)			
North America	0.75	0.65	0.63
South America	0.54	0.42	0.42
Europe	0.36	0.43	0.42
Middle East & Africa	0.10	0.32	0.1
Asia Pacific	0.03	0.03	0.024
Employee satisfaction, Pulse survey, overall, percent satisfied	76	77	72
Global salaried employees by gender, percent			
Male	74	73	73
Female	26	27	27

1. See pages 25 and 79 of Ford's 2017 Form 10-K for definition and reconciliation to GAAP.
2. Includes FFV credits. Does not include A/C or Off-Cycle credits. The decline in combined car and truck fuel economy of 1% YOY is primarily due to customers purchasing larger cars and more trucks and reduced CAFE FFV credits. Despite the decrease in combined car and truck CAFE, on an individual basis, our vehicles continue to make fuel economy improvements. See [Improving Fuel Economy](#). Combined fleet fuel economy has improved by 9% compared to 2009.
3. The GHG value includes FFV credits.
4. The increase in combined car and truck CO<sub>2</sub> is primarily due to customers purchasing larger cars and more trucks. Our combined fleet CO<sub>2</sub> emissions improved by 10% compared to 2009.
5. Includes Advanced Technology Multipliers. Does not include A/C or Off-Cycle credits.
6. EEA/EU COMMISSION published preliminary 2017 CO<sub>2</sub> data. Official data expected in Q4 2018. Fleet performance without FFV, Eco-Innovation and Super credits.
7. Data includes Ford and Lincoln.
8. Changes were due to water meter repairs at a few facilities.

## REPORTING, ASSURANCE AND FRAMEWORKS

Welcome to Ford's 19th annual report on our sustainability progress. At Ford, we see reporting as an ongoing, evolving process, not an annual exercise. We expect our reporting to evolve further still and invite your feedback on this report, as well as our approach to reporting, at [sustaina@ford.com](mailto:sustaina@ford.com).

### Reporting Scope and Boundaries

This report covers the year 2017 and early 2018. The data is primarily for 2017 (for operations) and for the 2017 and 2018 model years (for vehicles). In addition to this full online sustainability report, we publish an [eight-page review](#) for use by employees, customers and other stakeholders.

Consistent with GRI guidance on boundary setting, the data in this report covers all of Ford Motor Company's wholly and majority-owned operations globally, unless otherwise noted. Boundaries for each material issue are noted in our [GRI Content Index](#).

Where relevant, data measurement techniques, the bases of calculations, changes in the basis for reporting or reclassifications of data previously reported are included as footnotes to tables and charts.

### Data Assurance

Data in this report is subject to various forms of assurance, as outlined below and noted in the data tables. The [summary report](#) was reviewed by Ford's top senior executives, as well as the Sustainability and Innovation Committee of the Board of Directors.

Some of the data in our reports has been subject to internal and third-party verification.

- Financial data was audited for disclosure in the Ford Annual Report on [Form 10-K](#)

- Verification data is not yet available for Ford's 2017 global facility greenhouse gas (GHG) emissions. One hundred percent of Ford's 2017 global facility GHG emissions will be third-party verified to limited assurance. Over 75 percent of Ford's 2017 global facility GHG emissions will be third-party verified to a reasonable level of assurance. In addition, all of our European facilities impacted by the mandatory EU Emissions Trading Scheme (EU-ETS) are third-party verified. All EU-ETS verification statements are provided to Ford, by facility, from Lucideon (formerly CICS) for U.K. facilities, Lloyds for Spain and Intechnica for Germany. North American facilities are verified against the Climate Registry's General Reporting Protocol. European facilities are verified against the EU-ETS rules and guidelines
- Ford reports facility carbon dioxide emissions to national emissions registries or other authorities in the U.S., Canada, Mexico, Brazil, China and Taiwan, and the EU (Germany, Spain and U.K.)
- Various environmental data are reported to regulatory authorities
- Ford's facility environmental data are managed using our Global Emissions Manager database, which provides a globally consistent approach to measurement and monitoring

The kind of assurance used for each data set is noted in the data charts.

### Reporting Frameworks

#### United Nations Global Compact

This report serves as Ford's annual United Nations Global Compact (UNGC) Communication on Progress as it includes:

- Discussion of Ford's implementation of the 10 principles of the UNGC
- Support for the [United Nations Sustainable Development Goals](#)

> [See our UN Global Compact Index for further details](#)

#### UN Guiding Principles Reporting Framework

This is our second year of using the UN Guiding Principles Reporting Framework (UNGPRF), launched in February 2015 to provide companies with comprehensive guidance on their responsibilities with regards to reporting human rights issues. These are set out in a global standard, the UN Guiding Principles on Business and Human Rights.

> [See the UN Guiding Principles Reporting Framework Index for more information](#)

#### Global Reporting Initiative

This report is "in accordance" with the Global Reporting Initiative (GRI) Standards at a Comprehensive level. Ford Motor Company transitioned to the Standards in 2016/17.

More information on the GRI Standards can be found on the [GRI website](#).

> [See the GRI Content Index for a complete listing of indicators](#)