

2020

UNGC INDEX



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This Sustainability Report serves as Ford's annual United Nations Global Compact (UNGC) "Communication on Progress," as it includes discussion of Ford's implementation of the Ten Principles of the UNGC and support for the broader UN Sustainable Development Goals.

Please see the index below for information on where the UNGC principles are covered in this report.

Guidance on abbreviations

All references refer to Ford's Sustainability Report 2020 unless otherwise stated.

[Global Reporting Initiative \(GRI\) Index](#)

[ESG Reporting Hub \(sustainability microsite\)](#)

[UN Guiding Principles Reporting Framework](#)

UNGC Principle	Report location and page number
Human Rights	
1. Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> • Respecting Human Rights, page 22 • Identifying Our Salient Human Rights Issues, page 22 • Respecting Human Rights Within Ford, page 23 • Governance, page 14 • Public Policy, page 15 • Transparency and Trust, page 14 • Creating Value at Ford, page 13 • Climate Change Strategy, page 33 • Empowering Our People, page 16 • Minimizing Our Supply Chain Impact, page 44 • Auditing Our Suppliers, page 26 • Responsible Sourcing of Raw Materials, page 24 • Building Capability in Our Supply Chain, page 26 <p>Best Practice Example:</p> <ul style="list-style-type: none"> • Rubber, page 25 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • ESG Reporting Hub • UN Guiding Principles Reporting Framework • Global Modern Slavery and Human Trafficking Transparency Statement • GRI Index

UNGC Principle	Report location and page number
2. Businesses should make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • Respecting Human Rights, page 22 • Identifying Our Salient Human Rights Issues, page 22 • Respecting Human Rights Within Ford, page 23 • Governance, page 14 • Public Policy, page 15 • Transparency and Trust, page 14 • Empowering Our People, page 14 • Changing the Way We Work, page 16 • Our Culture Operating System, page 17 • Harassment and Discrimination, page 15 • Creating Value at Ford, page 13 • Minimizing Our Supply Chain Impact, page 44 • Auditing Our Suppliers, page 26 • Responsible Sourcing of Raw Materials, page 24 • Building Capability in Our Supply Chain, page 26 • Training to Build Capability, page 26 <p>Best Practice Example:</p> <ul style="list-style-type: none"> • Identifying Our Salient Human Rights Issues, page 22 • Human Rights Action Plans, page 22 • Training to Build Capability, page 26 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • ESG Reporting Hub • UN Guiding Principles Reporting Framework • Global Modern Slavery and Human Trafficking Transparency Statement
Labor Standards	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> • Respecting Human Rights, page 22 • Respecting Human Rights Within Ford, page 23 • Public Policy, page 15 • Getting Fit for the Future, page 21 • Building Capability in Our Supply Chain, page 26 • Auditing Our Suppliers, page 26 • Ford earns reputation for being labor friendly and reaches U.S. labor agreement with the UAW after only three days of negotiations <p>Performance and Reports:</p> <ul style="list-style-type: none"> • ESG Reporting Hub • GRI Index 102-41

UNGC Principle	Report location and page number
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	<ul style="list-style-type: none"> • Respecting Human Rights, page 22 • Identifying Our Salient Human Rights Issues, page 22 • Respecting Human Rights Within Ford, page 23 • Forced Labor, Child Labor and Human Trafficking, page 23 • Public Policy, page 15 • Training to Build Capability, page 26 • Responsible Sourcing of Raw Materials, page 24 • Building Capability in Our Supply Chain, page 26 <p>Best Practice Examples:</p> <ul style="list-style-type: none"> • Auditing Our Suppliers, page 26 • Transparent Reporting on Modern Slavery, page 24 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • GRI Index • ESG Reporting Hub • UN Guiding Principles Reporting Framework • Global Modern Slavery and Human Trafficking Transparency Statement
5. Businesses should uphold the effective abolition of child labor.	<ul style="list-style-type: none"> • Respecting Human Rights, page 22 • Identifying Our Salient Human Rights Issues, page 22 • Respecting Human Rights Within Ford, page 23 • Forced Labor, Child Labor and Human Trafficking, page 23 • Public Policy, page 15 • Auditing Our Suppliers, page 26 • Training to Build Capability, page 26 • Building Capability in Our Supply Chain, page 26 • Responsible Sourcing of Raw Materials, page 24 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • ESG Reporting Hub • UN Guiding Principles Reporting Framework • Global Modern Slavery and Human Trafficking Transparency Statement • GRI Index 103

UNGC Principle	Report location and page number
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Harassment and Discrimination, page 15 • Respecting Human Rights, page 22 • Identifying Our Salient Human Rights Issues, page 22 • Respecting Human Rights Within Ford, page 23 • Transparency and Trust, page 14 • Public Policy, page 15 • Diversity and Inclusion, page 18 • Supplier Diversity, page 27 <p>Best Practice Examples:</p> <ul style="list-style-type: none"> • Ethical Recruiting, page 24 • Reimbursing Recruitment Fees, page 26 • Employee Resource Groups, page 19 • Our Culture Operating System, page 17 • Employee Engagement and Satisfaction, page 17 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • GRI Index 405-1/405-2 • ESG Reporting Hub • UN Guiding Principles Reporting Framework
Environment	
7. Businesses should support a precautionary approach to environmental challenges.	<p>The precautionary principle is the idea that if the consequences of an action are unknown but are judged to have some potential for major or irreversible negative consequences, then it is better to avoid that action. We do not formally apply the precautionary principle to decision making across all of our activities. However, it has influenced our thinking. For example, in addressing climate change as a business issue, we have employed this principle. In addition, we assess and manage environmental, safety, supply chain, operational and other risks as described throughout this report.</p> <ul style="list-style-type: none"> • Climate Change Strategy, page 33 • Our Sustainability Strategy, page 6 • Sustainable Operations, page 41 • Minimizing Our Supply Chain Impact, page 44 • Respecting Human Rights, page 22 <p>Best Practice Examples:</p> <ul style="list-style-type: none"> • A Commitment to Transparency, page 35 • Ford Participates in the Climate Leadership Conference in Detroit, page 35 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • GRI Index 102-11

UNGC Principle	Report location and page number
8. Businesses should undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> • Climate Change Strategy, page 33 • Reducing Our Vehicle Footprint, page 35 • Our Portfolio Approach to Vehicle Emissions, page 36 • Taking a Life Cycle Approach, page 36 • Improving Fuel Economy, page 36 • Alternative Fuels and Powertrains, page 37 • Addressing Non-CO₂ Emissions, page 39 • Our Sustainable Materials Legacy, page 39 • Sustainable Operations, page 41 • Energy and Emissions, page 41 • Water Use, page 43 • Reducing Waste, page 43 • Understanding Our Suppliers' Impact, page 45 • Minimizing Our Supply Chain Impact, page 44 • Committed to Green Buildings, page 42 • Moving Toward a Circular Economy, page 39 <p>Best Practice Examples:</p> <ul style="list-style-type: none"> • Ford Farm, page 44 • Building Supplier Capability Through PACE, page 45 • Responsible Sourcing of Raw Materials, page 24 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • GRI Index: Standards 301 to 308 • ESG Reporting Hub • UN Guiding Principles Reporting Framework

UNGC Principle	Report location and page number
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Climate Change Strategy, page 33 • Reducing Our Vehicle Footprint, page 35 • Our Portfolio Approach to Vehicle Emissions, page 36 • Improving Fuel Economy, page 36 • Alternative Fuels and Powertrains, page 37 • Addressing Non-CO₂ Emissions, page 39 • Our Sustainable Materials Legacy, page 39 • Sustainable Operations, page 41 • Energy and Emissions, page 41 • Water Use, page 43 • Reducing Waste, page 43 • Minimizing Our Supply Chain Impact, page 44 • Understanding Our Suppliers' Impact, page 45 • Scaling Up Electrification, page 47 • Mobility Solutions, page 49 <p>Best Practice Examples:</p> <ul style="list-style-type: none"> • The All-New, All-Electric Mustang Mach-E, page 37 • Supporting Charging Infrastructure, page 48 • Giving Vehicles a Caffeine Boost, page 40 • Making the Switch to Renewable Energy, page 41 • New Central Energy Plant, page 42 • Spin Expands to Europe, page 52 <p>Performance and Reports:</p> <ul style="list-style-type: none"> • GRI Index 302-5

UNGC Principle	Report location and page number
Anti-Corruption	
10. Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none">• Governance, page 14• Transparency and Trust, page 14• Ethics and Compliance Training, page 15• Reporting Violations, page 15• Anti-Bribery and Anti-Corruption, page 15• Responsible Sourcing of Raw Materials, page 24 <p>Best Practice Examples:</p> <ul style="list-style-type: none">• FordPass App and FordPass Rewards Program, page 52• Ethics and Compliance Training, page 15 <p>Performance and Reports:</p> <ul style="list-style-type: none">• GRI Index 205-1/205-2/205-3• ESG Reporting Hub

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Ford Motor Company
One American Road (207-E6)
Dearborn, MI 48126, U.S.A.
www.sustainability.ford.com