



## Accelerating Ahead



SEE OUR FULL REPORT  
[corporate.ford.com/go/sustainability](http://corporate.ford.com/go/sustainability)



## At Ford, we aim to Go Further. That's our brand promise. This report describes how we at Ford go further to meet the many sustainability challenges of a rapidly changing world.

Our sustainability strategy and our ONE Ford business strategy are intrinsically linked. The goal of ONE Ford is to create an exciting and viable company with profitable growth for all. The output of ONE Ford is:

- **Great Products**, defined as those that are high quality, green, safe and smart;
- **Strong Business**, based on a balanced portfolio of products and a global presence; and
- **Better World**, accomplished through our sustainability strategy, which aims to create value consistent with the long-term preservation and enhancement of environmental, social and financial capital.

For more than a dozen years, we have built our sustainability strategy on a foundation of transparency, accountability and stakeholder engagement. In our reporting, we focus on several key areas that we have identified as the most material from a sustainability point of view: financial health, climate change, water, vehicle safety and supply chain. We also report on “people” – our employees and communities – as they are essential to everything we do.

Ford has made a remarkable turnaround over the last several years, fueled by disciplined adherence to the ONE Ford plan and resulting in the reinvention of our Company as a highly competitive force in the global automotive industry. As you will read in this summary report and in our full, web-based sustainability report, the

following were among our highlights for 2011 and early 2012:

- In the U.S. we introduced the Ford Focus Electric, an all-electric sedan, which will be followed in 2012 by the C-MAX Hybrid, C-MAX Energi Plug-in Hybrid and Fusion Hybrid and in 2013 by the Fusion Energi Plug-in Hybrid.
- We remained involved in several collaborative research efforts aimed at developing and proving out “connected vehicles” that can communicate with each other and with the roadway and other transportation infrastructure.
- We continued to lead human rights efforts in the auto industry by updating the policy that applies to our facilities and those of our suppliers, and by working with other automakers to promote sound working conditions and environmental sustainability in our shared supply chain.
- We've set a new goal to cut the amount of water used to make each vehicle by 30 percent globally by 2015, compared to a 2009 baseline. We also set a goal to reduce carbon dioxide (CO<sub>2</sub>) emissions from our facilities by 30 percent per vehicle by 2025, compared to a 2010 baseline – and we were recognized by the U.S. Environmental Protection Agency for doing so.
- In Europe since 1995, we have reduced CO<sub>2</sub> emissions from our passenger cars by 31 percent.



## About Ford Motor Company

Ford Motor Company, a global automotive industry leader based in Dearborn, Michigan, manufactures or distributes Ford and Lincoln brand vehicles across six continents. We have approximately 166,000 employees and about 70 plants worldwide. We provide financial services through Ford Motor Credit Company.



FOR MORE ABOUT OUR PRODUCTS  
[ford.com](http://ford.com)



*William Clay Ford, Jr.*

William Clay Ford, Jr.  
Executive Chairman

*Alan Mulally*

Alan Mulally  
President and Chief Executive Officer

**In 1925, Henry Ford took out an ad in the *Saturday Evening Post* outlining his vision for Ford Motor Company: to make safe and efficient transportation accessible to everyone – not just to the wealthy few. As we accelerate this vision into the 21st century, it continues to inspire our Company.**

## Welcome

We now think in terms of Great Products, a Strong Business and a Better World. We see these three goals as integrated. By making great products, we build a strong business, which enables us to contribute to things that we all care about in the world – like energy independence and security, economic development and environmental sustainability.

We're making our vehicles more sustainable through innovations to traditional gasoline and diesel vehicles, by offering a range of electrified vehicles and by greening our production processes and the materials we use. Our Blueprint for Sustainability sets out our product plan to achieve leadership in fuel economy and contribute to stabilizing the climate, while making vehicles that are high quality, green, safe and smart.

Based on the strength of our full family of best-in-class vehicles, we generated nearly \$8.8 billion in operating profit in 2011. We also improved our cash flow, reduced our debt tremendously and reinstated our dividend. Because we are operating profitably, we are continuing our robust investment in our new products going forward.

Looking to emerging challenges, we've developed a Blueprint for Mobility that spells out how we can contribute to solving the global issues of gridlock and access to transportation. It outlines our thinking on what transportation will look like in 2025 and beyond, and the technologies, business models and partnerships that will be needed to get there. Our vision blends smart transportation with intelligent vehicles and transport systems that are interconnected through a global technology network, and it sets out near-, mid- and long-term steps we will take to move the vision toward reality.

We continue to track and address other emerging strategic sustainability issues, from global water availability to the sourcing of conflict minerals. And we're working in our own operations and supply chain and leading industry efforts to promote a global supply chain that respects people, communities and the environment.

We invite you to explore our web-based sustainability report to learn more about how we at Ford go further to meet the many sustainability challenges of a rapidly changing world.





## People

**Our employees are the driving force behind our success.**

**Ford has pledged to add 12,000 hourly jobs in the U.S. by 2015.**

Our recent financial recovery can be attributed in large part to the dedication and strong performance of our workforce, who pulled together as one team during difficult times. After years of reductions in our salaried and hourly workforce, we're hiring again in North America.

Our Company has a compelling vision of building cars and trucks that offer the very best in quality, safety, fuel efficiency and design. Our employees are the ones who are delivering on that promise. We will continue to develop a skilled and motivated team, while providing a safe, respectful and inclusive environment in which our employees can grow as individuals.

Our employees are also critical in our efforts to contribute to our communities. Each year, thousands of our workers help in our efforts to build a stronger world.

- Read more online**
- Our volunteer efforts
  - Our relationships with dealers
  - Our interactions with customers



## Financial Health

**As we look back on 2011, we can unequivocally state that we made it through one of the most challenging five-year periods in our history.**

We weathered the storm through a two-pronged strategy that took decisive actions for the short term while developing a longer-range plan to return our Company to profitability. This approach has been working. For 2011, we reported a full-year, pre-tax operating profit of \$8.8 billion – our third consecutive year of improvement.

The most important thing we can do for ourselves and our stakeholders is to profitably grow our Company by making the best cars and trucks in the world. Doing so doesn't just boost our own Company finances; it simultaneously contributes to the broader economic development of the communities around us.

**More than 80% of Ford's growth in 2011 came from small cars and SUVs – proof that our plan is working.**

By zeroing in on producing more sustainable vehicles – both in how we manufacture them and how they operate on the roadways – we're making significant contributions to the environmental sustainability of our planet. Even as we sell a growing number of electric cars, we are developing alternative powertrains that will make cars affordable in every sense of the word – economically, socially and environmentally.

- Read more online**
- Our array of fuel-efficient vehicles – from EcoBoost®-powered gasoline vehicles to hybrids and electrified vehicles





## Climate Change and the Environment

**Ford is focused on minimizing the environmental impacts of our vehicles and operations, including reducing our contribution to climate change.**

**Since 2006, Ford has improved the fuel economy of our U.S. vehicles by 16.8%.**

Ford is committed to doing our part to prevent or reduce the potential for environmental, economic and social harm due to climate change. We have a science-based strategy to reduce greenhouse gas (GHG) emissions from our products and operations that focuses on doing our share to stabilize CO<sub>2</sub> concentrations in the atmosphere. We are on track to meet the central elements of our strategy. Each of our new vehicles is a leader, or among the leaders, in fuel economy, and we are reducing GHG emissions across our global product portfolio. We have also set a goal to reduce our facility CO<sub>2</sub> emissions by 30 percent per vehicle by 2025 compared to a 2010 baseline, building on our reduction of 31 percent from 2000 to 2010.

We are also committed to reducing the overall environmental footprint of our vehicles and operations across a range of environmental issues. For example, we continue to increase the use of sustainable materials in our vehicles. And, we reduced waste to landfill by 20 percent per vehicle from 2010 to 2011 and expect to reduce it again by 10 percent per vehicle in 2012. We are also continuing to reduce VOC emissions from our operations through the use of innovative technologies.

- Read more online**
- Our climate change strategy
  - Our plan for sustainable vehicle technologies and alternative powertrains
  - Our vehicle electrification plan
  - Greening our products
  - Greening our operations



## Water

**Water conservation is an integral part of Ford's sustainability strategy. The need for clean water cuts across all social, economic, environmental and political boundaries.**

For more than a decade, Ford has been committed to decreasing our water use. We began our Global Water Management Initiative in 2000, setting a target of 3 percent year-over-year reductions. Between 2000 and 2011, we reduced our global water use by 60 percent, or approximately 10 billion gallons.

### Ford recognizes water as a human rights issue.

We recently announced a goal to build on our water-reduction successes to date. We're aiming to cut the amount of water used to make each vehicle by 30 percent globally by 2015,

compared to a 2009 baseline. We are also developing year-over-year efficiency targets. For 2012, for example, we have set a target of 5 percent water-use reduction per vehicle.

Water conservation is increasingly important to our stakeholders and to our own operations, particularly in areas that face drought and significant population growth. Our water strategy targets facility water reductions based on local needs, while using a global, company-wide approach. To better understand our impacts and prioritize our efforts, we are assessing our lifecycle water footprint and determining which Ford operations are located in water-stressed regions.

- Read more online**
- Our lifecycle analysis to quantify water consumption for a typical light-duty vehicle







## Vehicle Safety and Driver Assist Technologies

Ford has developed an array of advanced safety technologies and is making them available across a wide range of vehicles.

These technologies include everything from ultra-high-strength steels to radar-based accident avoidance and driver assist technologies to technologies that encourage

safer driving, such as the Ford MyKey® system. We are also working with partners to create a future in which “connected vehicles” talk to each other, and to the roadway, in order to potentially reduce collisions and traffic jams.

**Ford remains among the global leaders in vehicle safety.**

Among our most recent innovations are available rear-seat inflatable safety belts, which are an automotive industry exclusive. These new safety belts have won numerous awards, including a *Popular Mechanics* “Breakthrough Award” and a *Popular Science* “Best of What’s New” award.

In 2012, twelve Ford Motor Company vehicles earned Top Safety Picks from the U.S. Insurance Institute for Highway Safety (IIHS). In Europe, the new Ford Ranger was the first and only pickup to achieve a five-star rating in the European New Car Assessment Program.

Ford Motor Company has earned a total of 78 IIHS Top Safety Pick ratings – more than any other manufacturer ever.<sup>1</sup>

<sup>1</sup> Historic totals include all brands and entities owned and controlled by the manufacturer during the 2006–2012 calendar years. For Ford Motor Company that includes Ford, Lincoln, Mercury and – through the 2010 model year – Volvo. Totals do not include Mazda.

### Read more online

- Lane Keeping System
- Ford MyKey
- Curve Control
- Collision Warning with Brake Support
- Safety research partnerships



## Supply Chain

**Ford’s suppliers are critical allies in helping us to achieve success in the marketplace and meet our sustainability goals.**

The basis of our work with suppliers is the recently revised Ford Code of Human Rights, Basic Working Conditions and Corporate Responsibility, which applies to our own operations as well as our \$75 billion supply chain.

We take a three-pronged approach to supply chain sustainability:

- Building capability at individual supplier facilities by encouraging sustainability management and conducting supplier training, assessments and remediation;
- Engaging strategic production suppliers to align approaches to a range of sustainability issues; and
- Collaborating within the automotive industry to develop common approaches to sustainability issues.

**Ford has zero tolerance for human rights abuses, including forced labor and human trafficking, anywhere in our supply chain.**

In 2011, through both Ford-led and joint industry programs, we trained 387 suppliers in Brazil, India, Mexico and Turkey, bringing the total of trained suppliers to more than 1,750. We continued to work with our strategic suppliers to ensure that they have robust

codes of conduct and supporting management systems and engage with their suppliers. This work also supports responsible purchasing practices in the raw materials supply chain. We also continued our work to better quantify and understand environmental impacts in the supply chain. For example, we surveyed 128 suppliers regarding GHG emissions and achieved an 86 percent response rate.

### Read more online

- Our approach to eliminating conflict minerals and human rights abuses in our raw materials supply chain
- Our work with the Carbon Disclosure Project to evaluate and improve the development of a supply chain carbon disclosure program



North America

**75,000<sup>1</sup>**  
employees

**2.7 million**  
vehicles sold

Europe

**47,000**  
employees

**1.6 million**  
vehicles sold



SEE OUR  
REGIONAL REPORTS  
[corporate.ford.com/  
go/sustainability](http://corporate.ford.com/go/sustainability)

**Our global vision  
emerges from a deep  
understanding of  
what drives people  
in local markets.**

South America

**16,000**  
employees

**506,000**  
vehicles sold

Asia Pacific and Africa

**19,000**  
employees

**901,000**  
vehicles sold



## Ford Around the World

**Ford's success is powered by a commitment that's global in scale. Around the world, we are reducing the environmental impact of our products and facilities, supporting positive social change and ensuring economic viability for long-term growth.**

That's why this year, for the first time, we are highlighting key regional sustainability initiatives in their own sections of our full report.

Our business is organized by four regional segments: North America, South America, Europe, and Asia Pacific and Africa. North America and Europe are our largest markets. The automotive industry in Europe is intensely competitive, and expected to intensify further.

The Asia Pacific and Africa region is our fastest-growing market. To meet this growing demand, we're expanding our dealer networks and building seven new, state-of-the-art, highly flexible manufacturing facilities to provide production capacity of 2.3 million vehicles by mid-decade. In China, we are also significantly expanding our research and engineering center in Nanjing.

Brazil and Argentina are our highest-volume South American markets. Brazil's economy and demographics

have helped its automotive market to more than double since 2002 and are expected to contribute to continued growth in vehicle sales.

Highlights from our regions include the following:

- Ford of China's 12-year Ford Motor Conservation & Environmental Grants program (CEGC) supports grassroots efforts in the areas of environmental protection and natural resources conservation. As of the end of 2011, the CEGC had provided a total of RMB 12.6 million (USD \$1.71 million) to 278 individuals and organizations.
- In Europe, our ECONetic models are driving improvements in fuel efficiency and CO<sub>2</sub> reductions. For example, the new Ford Mondeo ECONetic has average CO<sub>2</sub> emissions of 114 grams per kilometer (g/km), and the Ford Focus ECONetic has best-in-class CO<sub>2</sub> emissions of 88 g/km.
- In South America, our New Cargo Euro 5 line of trucks will begin production this year and will reduce the amount of polluting emissions by 80 percent, as well as increase power and improve fuel economy. In Brazil, the new Fiesta uses advanced flex-fuel technology that allows drivers to reduce emissions by using locally produced ethanol.



### Read more online

Discover more about our global organization by visiting our website:  
[corporate.ford.com/our-company/operations-worldwide](http://corporate.ford.com/our-company/operations-worldwide)

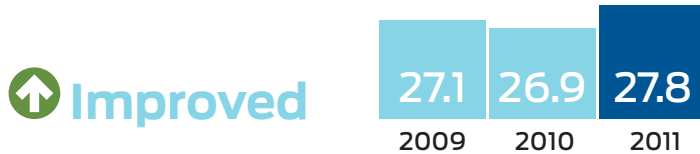
<sup>1</sup> All of the regional employment figures were as of year-end 2011 and do not include Ford Motor Credit employees.

# 2011 Highlights

We always strive to improve our sustainability performance.

## Fuel Economy

U.S. Corporate Average Fuel Economy, Combined Car and Truck Fleet (miles per gallon)



## Vehicle Safety

IIHS Top Safety Picks by Model Year (percent of Ford Motor Company vehicles receiving the honor)



## Income

Net Income (\$ billion)



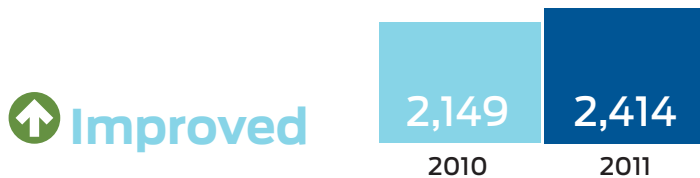
## Employee Satisfaction

Pulse Survey Employee Satisfaction Index (percent satisfied)



## Supply Chain

Total Suppliers' Managers Trained in Sustainability Management



## CO<sub>2</sub> Emissions

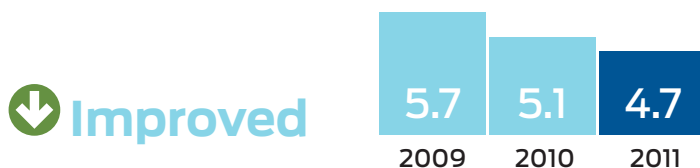
Worldwide Facility CO<sub>2</sub> Emissions Per Vehicle (metric tons)



**2025 goal:** 30% reduction per vehicle compared to 2010

## Water Use

Global Water Use Per Vehicle Produced (cubic meters)



**2015 goal:** 30% reduction per vehicle compared to 2009



FOR ALL 2011 DATA, SEE OUR FULL REPORT  
[corporate.ford.com/go/sustainability](http://corporate.ford.com/go/sustainability)

### Contact

Preparing this summary offers a valuable opportunity for us to assess and improve upon our progress and performance. To continue to do so, we need your feedback.

**Thomas A. Niemann**  
Ford Motor Company  
One American Road  
Dearborn, MI 48126, U.S.A.  
[sustaina@ford.com](mailto:sustaina@ford.com)