



UN SUSTAINABLE DEVELOPMENT GOALS INDEX

FORD SUSTAINABILITY REPORT 2018/19

WWW.SUSTAINABILITY.FORD.COM

CONTRIBUTING TO THE UN SUSTAINABLE DEVELOPMENT GOALS



Ford promotes the United Nations 2030 Agenda for Sustainable Development by communicating how our products and operations contribute toward achieving the UN Sustainable Development Goals (SDGs).

OUR PRIORITIES

We contribute toward meeting the SDGs that most directly relate to our business and where we can make the most significant change. However, such global challenges require collaboration with effective, multi-stakeholder efforts at local, national and international levels. So, as we strive to meet these ambitions, we also call on all our stakeholders and partners to join us in our efforts. The following pages include examples of how Ford is contributing to the SDGs and where further information on these efforts can be found.

WHAT ARE THE SDGS?

In September 2015, the Member States of the United Nations adopted the Sustainable Development Goals (SDGs). The 17 Goals – and the 169 targets that lie behind them – form a new sustainable development agenda intended to end poverty, protect the planet and ensure prosperity for all. In 2016, Ford became a signatory to the UN SDGs.

[Find out more about the UN SDGs.](#)



Guidance on abbreviations

CCSR: [Climate Change Scenario Report](#)

The following abbreviations refer to chapters in our [Sustainability Report 2018/19](#)

PE: Enhancing People's Lives

PL: Advancing Our Planet

I: Innovating Future Motion



GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages

| Is This a Priority? | How We're Contributing | More Information |
|---|---|--|
| <p>We realise that our workspaces are an extension of our employees' lives. To enable them to work to their full potential, we must support their health and wellness, and ensure that we promote the highest levels of safety in the spaces where our employees work. This concern extends to our customers as well, and vehicle safety is a paramount consideration for us. We hope to align to the UN goal to halve global deaths and injuries from road traffic accidents by 2020, having identified vehicle safety as a material and salient human rights issue.</p> | <ul style="list-style-type: none"> - We hold regular trainings on safety issues to ensure our work environments are as safe as possible for our employees. In 2018, we achieved a Lost-Time Case Rate of 0.41. - To produce vehicles which offer our customers the safest, most comfortable journey, we are developing a range of driver assist technologies. - Our vehicles undergo a range of global safety ratings performed by a range of industry and independent organizations. For the 2019 model year, nine Ford and four Lincoln nameplates were rated with 5-Star Overall Vehicle Scores by the North American Global Safety organization US NCAP. - 16 years ago, we formed the Ford Driving Skills for Life initiative to reduce the number of teenagers in road crash fatalities. In 2018, 41,000 people participated in the initiative worldwide. | <p>PE: Prioritizing Key Issues (page 4)</p> <p>PE: Identifying Our Salient Human Rights Issues in "Respecting Human Rights" (page 11)</p> <p>PE: Respecting Human Rights at Ford in "Respecting Human Rights" (pages 12-13)</p> <p>PE: Vehicle Safety, Quality and Satisfaction in "Respecting Human Rights" (pages 18-20)</p> <p>PE: Encouraging Safer Driving in "Building Sustainable Communities" (pages 26-27)</p> <p>I: Driver Assist Technologies in "Self-Driving Vehicles" (pages 49-50)</p> <p>PE: Community Life in "Building Sustainable Communities" (page 25)</p> |



QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

| Is This a Priority? | How We're Contributing | More Information |
|---|--|---|
| <p>Education is a key factor in ensuring not only that those within our value chain are given opportunities to develop but also in preparing the next generation for the challenges ahead by inspiring interest in science, technology, engineering, arts and mathematics (STEAM) subjects.</p> | <ul style="list-style-type: none"> - We train all our suppliers to address issues concerning human rights and working conditions in their facilities. We have developed our approach to training through the Automotive Industry Guiding Principles and encourage suppliers to learn through e-learning modules, knowledge assessments and face-to-face workshop sessions. In 2018, 9% of our suppliers participated in trainings. - We have invested in several STEAM education programs designed to build future talent. We offered 100 Ford Blue Oval STEAM Scholarships, each worth \$10,000, to high-achieving students to help with their college studies. - Our Ford First Gen program in Atlanta, Georgia pairs first-generation college attendees with student mentors and offers a range of seminars and industry outings to encourage them to stay in collage and realize their full academic potential. | <p>PE: Building Capacity in Our Supply Chain in "Respecting Human Rights" (pages 13-15)</p> <p>PE: Learning and Development in "Empowering Our People" (pages 23-24)</p> <p>PE: Investing in the Next Generation in "Empowering Our People" (page 24)</p> <p>PE: Community Life in "Building Sustainable Communities" (pages 25-26)</p> |



GENDER EQUALITY

Achieve gender equality and empower all women and girls

Is This a Priority?

The strongest workplaces are those which promote diversity and inclusion among employees. This includes ensuring women, as well as other minority groups, are equally represented at all levels of operation.

How We're Contributing

- In 2018, 28.2% of our global workforce was female while 20.4% of all managers were women. Two of the 13 members of our Board of Directors were women as well. We were included in the 2019 Bloomberg Gender Equality Index for our commitment to advancing gender equality.
- We have a strong zero tolerance policy with regard to harassment and discrimination. No form of prejudice based on gender, gender identity, race, color, religion, age, national origin, sexual orientation, disability or veteran status is condoned.
- Ford's Global Salaried Gender Pay Ratio is 98.2%. This figure is defined as the weighted average ratio of average female salaries to average male salaries within peer groups worldwide and is used as a rough measure of pay equity.

More Information

- PE: [Respecting Human Rights at Ford in "Respecting Human Rights"](#) (pages 12-13)
- PE: [Diversity, Inclusion and Equality in "Empowering Our People"](#) (pages 21-22)
- PE: [Investing in the Next Generation in "Empowering Our People"](#) (page 24)
- PE: [Global Salaried Gender Pay Ratio in "Empowering Our People"](#) (page 22)
- PE: [Supporting Social Enterprises Through SHE-MOVES in "Building Sustainable Communities"](#) (page 26)
- Girls Who Code:
<https://corporate.ford.com/articles/community/the-right-course.html>



CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all

Is This a Priority?

Access to safe drinking water and adequate sanitation is a fundamental human right and was identified as a major issue in our 2018 UN human rights assessment. Water resources are unevenly distributed and water security is high on the global agenda. Water is also critical to our manufacturing operations, so we strive to reduce our water consumption, as well as that of our supply chain.

How We're Contributing

- We have developed a long-term water strategy to ensure our water use is both sustainable and efficient. In 2018, we reduced operational water use by 7.8%, taking our overall reduction to 65% since 2000.
- To understand water use in our supply chain we send a CDP Supply Chain program's water security questionnaire to a selection of our suppliers each year, achieving a 73% response rate in 2018. Through our Partnership for A Cleaner Environment (PACE) program, we foster partnerships with suppliers and solve challenges such as water use by sharing best practices.
- We support environmental initiatives, particularly those which support access to water, hygiene and sanitation. During Ford Global Caring Month, we contributed both financial support and volunteer efforts to improve water access to 3,500 households in India and constructed water facilities in the Philippines for 240 families.

More Information

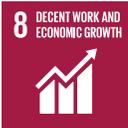
- PL: [Water Use in "Sustainable Operations"](#) (pages 41-42)
- PL: [Understanding Our Suppliers' Impact in "Minimizing Our Supply Chain Impact"](#) (pages 43-44)
- PE: [Employee Volunteering in "Building Sustainable Communities"](#) (page 27)
- PE: [Bill Ford Better World Challenge in "Building Sustainable Communities"](#) (page 27)
- CCSR: [Operations: Facility and Supplier Risk](#) (pages 9-10)



AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all

| Is This a Priority? | How We're Contributing | More Information |
|--|---|--|
| <p>Our planet is facing increased sustainability challenges, including rising CO₂ emissions and energy use. We realize we have a responsibility to contribute to reducing CO₂ emissions and are working to maximize energy efficiency in our operations. We have introduced several new goals to help us achieve significant reductions and now consider this SDG to be a priority.</p> | <ul style="list-style-type: none"> - We are working to meet more of our energy needs from renewable sources, with a goal of achieving 100% renewables by 2035, reducing our reliance on fossil fuels. - We have announced a new global Carbon Reduction Strategy for our manufacturing facilities. In it, we commit to working towards an absolute reduction of 18% by 2023. - In February 2019, we announced that we have procured 500,000 megawatt hours of locally sourced Michigan wind energy through DTE Energy's MIGreenPower program: the largest renewable energy procurement in our history. - We are a member of the US Green Building Council (USGBC) and support its industry-standard LEED (Leadership in Energy and Environmental Design) rating system. Currently 26 of our buildings are LEED-certified. | <p>CCSR: Operations: Facility and Supplier Risk (pages 9-10) PL: Energy and Emissions in "Sustainable Operations" (pages 40-41)</p> |



DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

| Is This a Priority? | How We're Contributing | More Information |
|--|--|--|
| <p>We are making employees' lives better, and improving retention and satisfaction levels, by creating a safe and collaborative workplace where employees can fulfill their potential. We encourage our suppliers to do the same for their employees.</p> | <ul style="list-style-type: none"> - We utilize a wide range of tools to ensure our employees are engaged and satisfied in their work. This includes our Intranet site and website, social media, Employee Resource Group (ERG) initiatives and an annual Global Pulse Survey through which our employees can submit feedback on their jobs and workplace satisfaction. - We want to offer opportunities for the next generation to develop, and have created a range of STEAM (science, technology, engineering, arts and mathematics) programs to encourage them to pursue careers in these sectors. In 2018, we invested \$20,000 in a smartphone app developed by teenagers at the Academy of Information Technology and Robotics at Spruce Creek High School in Florida through our Ford STEAM High School Community Challenge. - Health and safety is paramount in our workplaces and we hold regular talks and events on key safety issues. In 2018, we achieved a lost-time case rate of 0.41. - We engage with suppliers through our Aligned Business Framework (ABF) to help them drive the quality of their innovations and to ensure suppliers' employees receive sufficient training on our code of conduct and policies. | <p>PE: Empowering Our People (pages 20-24) PE: Learning and Development in "Empowering Our People" (pages 23-24) PE: Identifying Our Salient Human Rights Issues in "Respecting Human Rights" (page 12) PL: Understanding Our Suppliers' Impact in "Minimizing Our Supply Chain Impact" (pages 43-44)</p> |



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

| Is This a Priority? | How We're Contributing | More Information |
|--|---|---|
| <p>Today's transportation networks are congested and inefficient, especially in urban areas. We are working to innovate technologies, create jobs and invest more in infrastructure projects to encourage sustainable and innovative development.</p> | <ul style="list-style-type: none"> - Through the Ford Mobility Innovation Challenge, we seek to support enterprises that address social needs through mobility-based solutions. In 2018, we awarded a \$75,000 grant to a team from the Federal University of Pará to develop low-cost rainwater collection systems for homes and agriculture in remote areas of Brazil. - We created our City Solutions team to help cities and communities address their most pressing mobility issues. Through the City: One Challenge, we offer residents and city officials up to \$100,000 to fund pilot mobility projects. - To build resilient transport infrastructure which benefits everyone, we are investing in our Transport Mobility Cloud (TMC). This cloud-based platform will connect every element of the transport network, from infrastructure to vehicles to pedestrians to create a safer, more efficient and sustainable transport system. | <p>I: Mobility Solutions (pages 47-48) I: Community Life in "Building Sustainable Communities" (pages 25-26) I: Self-Driving Vehicles (pages 46-47) GRI 201-1, GRI 203-1</p> |



REDUCING INEQUALITIES

Reduce inequality within and among countries

| Is This a Priority? | How We're Contributing | More Information |
|--|--|--|
| <p>Embracing all aspects of inclusion and equality better reflects the communities in which we operate, and the range of skills, opinions and experience of a diverse workforce strengthens our business.</p> | <ul style="list-style-type: none"> - We want to support women at all levels of our business and in 2018, 28.2% of our global salaried workforce were female, with three women holding positions in our Board of Directors. - We promote a diverse workforce. In 2018, Jim Hackett, our President and CEO, signed the CEO Action for Diversity and Inclusion pledge, which outlines actions to take to cultivate inclusive workspaces. In the same year, 27.7% of our US employees were members of minority groups. - We are dedicated to ensuring human rights are protected throughout our supply chain. In 2018, we held 11 training sessions for our suppliers on human rights, working conditions, business ethics and the environment. Each year, we perform a formal human rights saliency assessment to identify potential issues, following which action plans can be devised and enacted to correct the issues. - We want to support our local communities through a range of projects related to education, driver safety and sustainable communities. In 2018, we contributed \$67.7 million in charitable donations. | <p>PE: Diversity, Inclusion and Equality in "Empowering Our People" (pages 21-22) PE: Community Life in "Building Sustainable Communities" (pages 25-26) PE: Identifying Our Salient Human Rights Issues in "Respecting Human Rights" (page 12) PE: Building Sustainable Communities (pages 25-28) PE: Supporting Social Enterprises Through SHE-MOVES in "Building Sustainable Communities" (page 26) PE: Building Capacity in Our Supply Chain in "Respecting Human Rights" (pages 13-15) PE: Talent Attraction and Retention in "Empowering Our People" (pages 22-23)</p> |



SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, safe, resilient and sustainable

Is This a Priority?

We aspire to provide access to safe, affordable, accessible and sustainable transport systems for all. Our mobility services and solutions will help the cities of tomorrow address a host of challenges. These range from safe transport for women to traffic congestion to poor air quality, which was identified as an important human rights issue in our formal UN saliency assessment in 2018.

How We're Contributing

- We offer our customers a range of mobility solutions, providing them with options to travel in the safest, most convenient way possible. Our self-driving vehicles, combined with the Transport Mobility Cloud (TMC) which we launched in 2018, will transform city driving into a safer, quicker, more sustainable experience. The TMC brings us one step closer to smart cities, connecting vehicles to transport infrastructure and other road users so they can all communicate with one another.
- Following the lift of a ban on women driving in Saudi Arabia in 2018, we introduced a Ford Driving Skills For Life (DSFL) "For Her" program. This program was tailored specifically to women in the area to teach them the necessary skills to stay safe on the road.
- We strive to be a mobility solutions company not just an auto business. To this end, we now offer a range of mobility solutions from a scooter-sharing service in San Francisco to medical carpool services in Detroit. We continue to develop our range of autonomous vehicles (AV), aiming to launch them commercially by 2021, and have deployed a test fleet in Washington D.C.

More Information

- I: [Powering Smart Cities in the Cloud](#) (pages 47-48)
- PE: [Encouraging Safer Driving in "Building Sustainable Communities"](#) (pages 26-27)
- I: [Mobility Solutions](#) (pages 47-48)



RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

Is This a Priority?

Manufacturing vehicles requires the use of natural resources with a limited or finite supply. Therefore, we must use, reuse and recycle them efficiently and sustainably, reduce our dependence on petroleum-based plastics and move toward zero waste to landfill throughout our operations. We also seek to increase the resource efficiency of our supply chain. Product quality, the responsible sourcing of raw materials, and forced and child labor were all highlighted as key issues in our formal UN saliency assessment in 2018.

How We're Contributing

- We have achieved our 2010 goal to reduce CO₂ emissions by 30% by 2025 eight years early. In 2018 alone, we reduced emissions by 7.7%. We also reduced operational water use by 7.8% (with an aim of 30% between 2015 and 2020) while 88 Ford sites have achieved zero waste to landfill (ZWTL) status.
- To date, around 300 parts in our vehicles are made of materials derived from renewable sources such as soy beans, tree cellulose, coconut and castor bean oil, and we continue research into more potential renewable materials towards a goal of using only recycled and renewable plastics in our products.
- To ensure each stage of our supply chain adheres to ethical standards, we joined an IBM-led project to digitally map cobalt through our supply chain. This will demonstrate how materials used in our vehicles are responsibly produced, traded and processed.

More Information

- PL: [Sustainable Operations](#) (pages 40-42)
- PL: [Using Sustainable Materials in "Reducing our Vehicle Footprint"](#) (pages 37-39)
- PE: [Responsible Sourcing of Raw Materials in "Respecting Human Rights"](#) (pages 16-18)



CLIMATE ACTION

Take urgent action to combat climate change and its impacts

| Is This a Priority? | How We're Contributing | More Information |
|---|---|--|
| <p>The production and use of combustion engine vehicles contributes to climate change, negatively impacting people and communities. The scientific community has concluded that limiting global temperature increase to less than 2°C may help to delay the impacts of climate change. Both climate change and air quality were identified as key human rights issues in our formal UN saliency assessment in 2018.</p> | <ul style="list-style-type: none"> - Over a decade we have developed our climate change strategy including a 2°C glide path aimed to align product plans with a path towards stabilizing temperature increases and CO₂ levels at a level consistent with the Paris Climate Accord targets. Ford is investing more than \$11 billion by 2022 in electrified vehicles and aims to improve the efficiency of our hybrid and conventional internal combustion engine vehicles to reduce vehicle emissions. We have also set an aspirational goal to reach 100% renewable energy sources by 2035. - We are developing new technologies which will improve fuel economy and emissions for many of our powertrain options. We continue to research alternative fuel options which will reduce CO₂ emissions from our vehicles, including developing a range of electric vehicles. - Our efforts to improve fuel economy are being led by our range of EcoBoost® engines, which is available in 80% of our nameplates and is in 8 million engines globally. - We have developed our Partnership for A Cleaner Environment (PACE) to reduce our overall impact as well as that of our supply chain. Through this initiative, we have shared our best practice with 50 supply partners. | <p>CCSR: Climate Change Scenario Report</p> <p>PL: Climate Change Strategy in "Reducing Our Vehicle Footprint" (page 30)</p> <p>PL: Alternative Fuels and Powertrains in "Reducing our Vehicle Footprint" (pages 34-36)</p> <p>PL: Improving Fuel Economy in "Reducing our Vehicle Footprint" (pages 33-34)</p> <p>I: Scaling Up Electrification (pages 45-46)</p> <p>PL: Understanding Our Suppliers' Impact in "Minimizing Our Supply Chain Impact" (pages 43-44)</p> <p>PL: Building Supplier Capability Through PACE in "Minimizing Our Supply Chain Impact" (pages 43-44)</p> |



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