

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

Date	August 2014
Location / Facility	Van Dyke Transmission Plant / Sterling Heights, MI

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?

The assessment provides an opportunity to reflect on and articulate core values held by Ford Motor Company and the Van Dyke Plant regarding the ethical treatment of employees and those that we conduct business with. The Van Dyke Plant recognizes and values the men and women that contribute daily to the plant's success.

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 Van Dyke Plant is aligned with Company Policies and Directives pertaining to this subject matter. We do not expect to identify areas of non-compliance based on our current operating controls and leadership commitment. The assessment should be viewed positively by the workforce as it offers another means to evaluate the organization against established standards and procedures.

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? Employees, union leadership and business partners should feel confident that while working at the Van Dyke facility that their personal wellbeing is assured. The plant is committed to providing a safe and productive work environment that is free of harassment or discrimination. The facility is aligned with Company, Governmental and Contractual policies and procedures that allow this commitment to be executed on a daily basis.
2. How is the preservation of human rights monitored in your facility? The plant participates in multiple audits and surveys to ensure alignment with Company, Governmental and Contractual provisions (i.e. U.S. Department of Labor's Office of Federal Contract Compliance Programs, General Auditor's Office Audit, Modular Control Review Program, Personnel Relations Survey, Safety Barometer Survey, Environmental Audits, MIOSHA Audit, Fire & Security Audit, and Employee Satisfaction Surveys-Pulse/Engagement). Additionally, there are established performance metrics for areas such as Safety, People and Environment. Communication and training is in place to ensure that there is shared understanding of standards. Quarterly review of mandatory training status for salaried employees ensures everyone is up to date on the Company's required policy training.
3. How is your facility working to reduce human rights risks? Please describe any particular processes or initiatives. The trust and confidence of employees is essential. An emerging area of concern in a digital world is the protection of Personally Identifiable Information (PII). The plant has taken reasonable and appropriate measures to protect personal information from misuse, such as identity theft. Information has been shared with the workforce regarding Managing and Protecting Personally Identifiable Information (PII). Modular Control Review Program (MCRP) covers PII protection verifications. Additionally, hiring in recent years is in alignment with standards established under Immigration Act of 1990 and the Illegal Immigration Reform and

Immigrant Responsibility Act (IIRIRA) of 1996. To comply with the law, Van Dyke verifies the identity and employment authorization of each person hired. Corporate policies and government laws regarding employee rights are prominently posted throughout the facility.

4. How is your facility monitoring human rights risks? The plant has multiple forums that allow for the open exchange of information and follow up as necessary. Included are informal meetings between employees and members of plant and / or union leadership. Issues that are raised are investigated on a timely basis and addressed as appropriate. The plant also regularly reinforces plant rules and standards that must be followed to ensure the safe and fair treatment of all employees. The Company's Standards of Corporate Conduct requires employees to promptly report known or suspected violations of law or Company Policy. Employees may identify themselves or remain anonymous. Contact may be made via email (gtforce@ford.com), online / fax report or by contacting the Corporate Hotline (800-847-7911). Corporate Company Policy prohibits any form of retaliation against employees who in good faith report suspected violations.
5. How are you remediating any non-compliance to human rights policies or addressing identified human rights risks? In the event there is an instance of non-compliance to Company Policy or Procedure, a determination is made as to the appropriate remedial action. As necessary, the plant may consult with resources outside of the plant to ensure consistency of treatment.
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? Based on available indicators, we believe the plant culture fosters a respectful and inclusive work environment. We will continue to use employee feedback to identify and develop action plans that allow for continued progress. The plant conducts and participates in education efforts to ensure understanding and application of policies.

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.

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Child Labor	<ul style="list-style-type: none"> • Fair Labor Standards Act 	<ul style="list-style-type: none"> • Employment consideration is only given to those applicants who are age 18 and over
Compensation	<ul style="list-style-type: none"> • Fair Labor Standards Act • Pay and Timekeeping Policy • Overtime Policy • Time Subject to Compensation Policy • At Will Employment 	<ul style="list-style-type: none"> • Employee’s understanding and observance of FLSA standards is key to ensuring compliance • Salaried employees, including supplemental are required to take FLSA training • Exempt / Non-Exempt status is determined by Human Resources and the Office of the General Counsel • Salaried Compensation Surveys are managed at the Corporate level; competitive adjustments are made as appropriate • Hourly compensation is managed through the collective bargaining process • Employees sign At Will acknowledgment upon hire
Forced Labor	<ul style="list-style-type: none"> • Fair Labor Standards Act • At Will Employment 	<ul style="list-style-type: none"> • Employees document all hours worked on time sheets, which are approved by management
Freedom of Association and Collective Bargaining	<ul style="list-style-type: none"> • National Labor Relations Act • UAW Collective Bargaining Agreement 	<ul style="list-style-type: none"> • UAW relationship is respected, representation is required where appropriate, unless waived • Joint forums are in place to effectively manage business operations and relations with workforce
Harassment and Discrimination	<ul style="list-style-type: none"> • Company Directive B-110: Anti-Harassment • Equal Employment Opportunity Act 	<ul style="list-style-type: none"> • Annual review of policy • Policy reviewed in Process Coach training • Labor Relations handles harassment concerns • Mutual Respect for Managers and Supervisors Training Module • Recognizing Sexual Harassment Training Module • Preventing Sexual Harassment Training Module

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Health and Safety	<ul style="list-style-type: none"> Occupational Health and Safety Administration Guidelines Safety Operating System UAW-Ford Health and Safety Program MIOSHA Standards 	<ul style="list-style-type: none"> Daily review of Health & Safety related items in Start Up/Close out meetings Daily escalation of Health & Safety concerns Safety Operating System self-assessment conducted 2x annually Safety Process Review Board-joint forum held on a monthly basis Partnership with MIOSHA to ensure alignment with occupational health and safety standards
Work Hours	<ul style="list-style-type: none"> Fair Labor Standards Act UAW Collective Bargaining Agreement 	<ul style="list-style-type: none"> Non-exempt employees schedules align with guidelines established in FSLA Operating patterns align with contractual provisions – the plant has a multitude of different schedules. Based on employee seniority and available job openings, employees may influence schedule worked.
Where are these documents housed?		
<ul style="list-style-type: none"> Employee related details are maintained in personnel files for both salaried and hourly employees. In addition, People Soft is the repository for records of past and present salaried employees. The corresponding system for hourly employees is TWOS Pay and Timekeeping, Overtime and Time Subject to Compensation Policies are located in HR Online Salaried salary ranges and wage structure is maintained by Compensation and Benefits, Human Resources Collective Bargaining documents and agreements are maintained by Labor Affairs, Human Resources; available in hardcopy and online Hourly wage rates and structure are maintained in the Collective Bargaining agreements and with the Wage Administration Office, Labor Affairs Grievance Procedure documents are kept on file with the local Labor Relations and Union Office Employee Hotline records are maintained by Personnel Relations, Human Resources Human Resources Policies and Procedures for salaried employees are documented and kept on HR Online Ford Corporate Directives and Policies are stored in the Enterprise Document Management System (EDMS) and Ford Law Compliance Training site Occupational Health and Safety Records maintained by Van Dyke Plant Medical and Safety Engineer Office 		

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

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.

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Community Engagement and Indigenous Populations	<ul style="list-style-type: none"> • Ford Corporate Responsibility Policy • Policy Letter 13: Governmental Relationships and Civil Affairs 	<ul style="list-style-type: none"> • Salaried employees afforded 16 hours paid community service on annual basis <ul style="list-style-type: none"> • Quarterly Ford Global Week of Caring • Plant coordinates additional sessions during the calendar year to support this initiative • UAW Local 2280 is actively involved in a range of community service / fundraising activities • Social Media: Use and Considerations Training Module
Bribery and Corruption	<ul style="list-style-type: none"> • Policy Letter 3: Standards of Corporate Conduct 	<ul style="list-style-type: none"> • Included as a review item in the GAO Audit • Local annual internal control review program (MCRP) • Foreign Corrupt Practices Act Anti-Bribery Training Module • Annual Standards of Corporate Conduct Certification
Environment and Sustainability	<ul style="list-style-type: none"> • Policy Letter 17: Protecting Health and the Environment • Environmental Policy Statement • Environmental Method Statements 	<ul style="list-style-type: none"> • Company Wide responsibility – Management is expected to accept this responsibility as an important priority, and commit necessary resources. • Covers Environmental activities at the facility • Signed by the Plant Manager and UAW Plant Chairman • Environmental requirements for all Suppliers and Contractors • Reviewed and signed prior to working in the plant
Where are these documents housed?		
<ul style="list-style-type: none"> • Ford Corporate Directives and Policies are stored in the Enterprise Document Management System (EDMS) and Ford Law Compliance Training site • Environmental records retained on internal bulletin board within the Administration Building and in office of Environmental Engineer 		

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? The communities of Sterling Heights and Utica. UAW Local 2280 is located in the heart of downtown Utica. These cities are primarily concerned with any environmental and economic impact that the plant would have on the area. The plant and local have well established relationships within the community through which issues can be surfaced and resolved. As part of our community stewardship, employees engage in volunteer activities which benefit area agencies. On an annual basis the plant supports a variety of charities including March of Dimes, JDRF, U.S. Marines Toys for Tots, American Red Cross, Just Foundation, and Community Caring. Plant employees generously support those that are less fortunate and in need through donations and service.
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.

Ford set a global manufacturing water-use-per-vehicle reduction goal of 30 percent by 2015, using a 2009 baseline. We have already achieved this goal – two years ahead of schedule. We are updating our global manufacturing water strategy in 2014 and setting a new long-term target.

Each plant has a plant-specific target that supports the global water strategy. Corporate Water Single Point Lessons support the plant's efforts to achieve its targets and are integrated into our Environmental Operating System (EOS).

Water Conservation Efforts – Completed Single Point Lessons (SPL)

Water Leak Identification
Cooling Tower Optimization
Irrigation System Optimization
Uncontrolled Water Loss ("Lights Out Sunday")

Van Dyke Transmission Plant reduced water use by 34% per unit produced between 2009 and 2013.

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

Sustainable water projects contribute to the health of staff, operations and the community by not only reducing unnecessary water usage, but also providing an overall cost savings to the Company, while benefitting the community's water usage.

4. 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?

In addition to our global manufacturing water strategy, we have also adopted strategies for greenhouse gas emissions, energy consumption, and waste to landfill, which have the following targets:

- Reducing greenhouse gas emissions from our manufacturing facilities by 30 percent per vehicle produced from 2010 to 2025
- Reducing average energy consumption per vehicle produced by 25 percent globally from 2011 to 2016
- Reducing waste to landfill per vehicle produced by 40 percent between 2011 and 2016

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? The Ford Production System (FPS) provides standards and procedures by which manufacturing facilities operate. FPS includes six (6) Operating Systems – Safety, Quality, Delivery, Cost, People, Maintenance and Environment. By following standards within this framework the facility is focused on continuous improvement and achieving Best in Class status.

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)? Continue to follow established collaborative approach in working with the plants to foster understanding and support.

Any words of wisdom/advice? In working to ensure compliance to important policy issues a recommended strategy is to take the approach of “teachable moment” when having to have a conversation with someone about a potential violation. By doing so in a non-confrontational manner and asking for employee involvement and understanding of the importance of compliance we foster an environment where employees are more likely to embrace the requirements and comply vs. practicing avoidance. Ongoing improvement can be made through Coaching and Counseling.