

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

Date	August 2015
Location / Facility	Windsor Operations (Windsor Engine Plant and Essex Engine Plant)

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?

Human rights legislation and related Company policies set out certain requirements to provide protection from harassment and discrimination for employees, contractors, suppliers, are other visitors within our facilities.

Consistent with the Company's goal of supporting diverse, inclusive and respectful workplaces, a human rights assessment helps provide validation that a business unit is in compliance with applicable laws and is adhering to the corporate standards. Through rigorous evaluation, an assessment evaluates and validates the "organizational health" of a facility and its workforce and can identify improvement opportunities in terms of policy, procedures and employment practices.

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?

A potential area of perceived non-compliance may be the accommodation provided by the Company for unionized employees with disabilities in the context of the Collective Agreement.

Several aspects that are often not visible to affected individuals include: the type of work assignments available relative to an employee's functional limitations; the avoidance of work assignments that are not value-added or needed; and, the respect for seniority rights of other workers. Notwithstanding, management, workers and employee representatives at Ford facilities would view these assessments positively as they reinforce of values, guiding principles and standards within the Company.

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?

Ensuring compliance to human rights legislation and Company policy is a fundamental tenet and priority for Windsor Operations. We are committed to providing a workplace that is free of harassment and discrimination in which all individuals are treated with respect and dignity. Every employee has the right to work in an environment which promotes equal opportunities and is free of harassment and discrimination. This right includes the responsibility on the part of all employees to eliminate harassment and discrimination in our workplace, whether by employees, suppliers, contractors, or other non-employees at the workplace.

Providing fair and equitable treatment for all employees is best achieved in an environment where all individuals interact with understanding and mutual respect for each other's rights, dignity, and worth. Company and Union leadership are fully aligned and engaged in the shared responsibility of dealing effectively with situations involving claims of harassment or discrimination and all concerns are taken very seriously.

2. How is the preservation of human rights monitored in your facility?

The preservation of human rights is monitored through leadership-level engagement and awareness of what constitutes harassment and discrimination, and by adherence to Company policies and procedures that define responsibilities and actions to be taken to prevent or address harassment and discrimination. Employee complaints or concerns are reviewed with senior leadership and affected union leadership and personnel.

3. How is your facility working to reduce human rights risks? Please describe any particular processes or initiatives.

Regular "People" system reviews are conducted to ensure review of employee complaints, personnel development activity, grievance activity, and concerns surfaced through joint labor/management leadership review forums.

Annual surveys are utilized to gather workforce perceptions of management's actions for the prevention of harassment and discrimination. This information is reviewed in detail with all departments and skill teams and follow up actions are deployed where appropriate.

Salaried employees have been provided training and awareness to Company policies supporting human rights. New Hire Orientation includes training modules for various relevant topics including Diversity, Respectful Workplace, and Standards of Corporate Conduct Training. Corporate policies regarding employer and employee responsibilities are prominently posted at regular intervals throughout the facility on communication boards. This information is also provided in written form through employee stand-down meetings, newsletters, email and other bulletin communications.

4. How is your facility monitoring human rights risks?

The facility monitors human rights risks through communication mechanisms such as formal and informal complaint processes, joint leadership review forums that surface personnel matters, and open-door policies to members of Human Resources and senior leadership. Regular

Skip-Level Meetings for hourly and salaried employees to engage with senior leadership are also utilized to promote discussion on various subjects and to surface concerns. Regular review forums with third-party leadership teams such as contractors, suppliers and vendors also include mechanisms for surfacing any behavioral concerns of Ford personnel or of on-site support staff. Numbers and types of complaints involving harassment, discrimination, and workplace violence are tracked locally and corporately on an annual basis through the Human Resources function.

5. How are you remediating any non-compliance to human rights policies or addressing identified human rights risks?

The local Human Resources function promptly investigates all formal and informal complaints brought to its attention. When non-compliance to Company policy or rules is identified remedial actions such as discipline (up to and including termination), counseling and retraining are imposed. Human Resources will also assess the nature of concerns or complaints to identify potential trends of behaviors. Where appropriate, actions including broad workforce communication are implemented to ensure employees are advised of the concern and are put on notice of consequences for demonstrating the inappropriate behavior(s).

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?

The Windsor Site continues to foster an environment of mutual respect and cooperation. Facility leadership and Union leadership demonstrate a proactive, zero-tolerance position on matters of harassment, discrimination and workplace violence. This is evidenced by strong alignment and awareness at the working level, by the handling of any complaints, and by the continuing overall reduction of concerns over time that indicate a strong standard of acceptable behavior is applied and in force in the workplace.

Additional support to maintain continuous improvement would be beneficial in the form of sponsored and funded training modules or materials, and by occasional validation in the form of organizational health audits by (external to the facility) Company resources.

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"> • <i>Ontario Employment Standards Act, 2000 and Regulations</i> • <i>Occupational Health and Safety Act, Industrial Establishments Regulation</i> 	<ul style="list-style-type: none"> • <i>HR Policies in place to prohibit the hire of persons younger than eighteen (18) years of age and/or applicants without a high school diploma or equivalent.</i>
Compensation	<ul style="list-style-type: none"> • <i>Ontario Employment Standards Act, 2000 and Regulations</i> • <i>Company Directive Policy #6 Employment Equity</i> • <i>Ford/Unifor Collective Agreement</i> • <i>Pay Equity Act</i> 	<ul style="list-style-type: none"> • <i>Ford of Canada HR Business Operations Competitive Benchmarking.</i> • <i>Compensation Reviews within Compensation Planning process.</i> • <i>Weekly and Annual Wage Rate Review and Auditing Processes for Hourly employee wage administration.</i> • <i>Pay Equity Plan.</i>
Forced Labor	<ul style="list-style-type: none"> • <i>Ontario Employment Standards Act, 2000 and Regulations</i> • <i>Ford/Unifor Collective Agreement</i> • <i>Policy Letter No. 24</i> 	<ul style="list-style-type: none"> • <i>Employees may leave employment without hindrance.</i> • <i>Ontario Ministry of Labour Excess Hours Work Permit Process.</i> • <i>Salaried Non-Exempt Workers Excess Hours Agreements.</i> • <i>Daily and weekly limits of hours and work and overtime.</i> • <i>Ford/Unifor Master Agreement provisions of Article 20, Hours of Work and Overtime.</i>
Freedom of Association and Collective Bargaining	<ul style="list-style-type: none"> • <i>Ontario Labour Relations Act, 1995</i> • <i>Ford/Unifor Collective Agreement</i> 	<ul style="list-style-type: none"> • <i>Unifor is the bargaining agent for Ford of Canada hourly employees .</i> • <i>Provisions of the Collective Agreement specify authorized activities and representation levels during working hours.</i>

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Harassment and Discrimination	<ul style="list-style-type: none"> • <i>Ontario Human Rights Code, RSO 1990</i> • <i>Ontario Occupational Health and Safety Act, RSO 1990</i> • <i>Accessibility for Ontarians with Disabilities Act, 2005 and Regulations</i> • <i>Company Policy Directive B-110 – Anti-Harassment, Zero Tolerance</i> • <i>Company Policy B-111 - Workplace Violence and Workplace Harassment</i> • <i>Ford/Unifor Collective Agreement, including Appendix O</i> • <i>Ford of Canada Policy and Procedure Pertaining to Harassment and Discrimination Internal Complaint Resolution Process for Salaried Non-Bargaining Unit Employees (2010).</i> • <i>Company Standards of Corporate Conduct</i> 	<ul style="list-style-type: none"> • <i>Complaint and Dispute Resolution Processes within Company policies.</i> • <i>Management and Union Leadership Training.</i> • <i>Ford/Unifor Collective Agreement Appendix “O” procedural requirements.</i> • <i>Accessibility for Ontarians with Disabilities Training.</i> • <i>Certification of compliance with Company Standards of Corporate Conduct.</i>
Health and Safety	<ul style="list-style-type: none"> • <i>Occupational Health and Safety Act, RSO 1990 and Regulations</i> • <i>Company Policy Letter #17 – Protecting Health and the Environment</i> • <i>Company Policy B-111 - Workplace Violence and Workplace Harassment</i> • <i>Ford/Unifor Collective Agreement</i> 	<ul style="list-style-type: none"> • <i>Safety Operating System Controls for Manufacturing Operations, Project and Change management activities.</i> • <i>Leadership and monitoring (Time and Data Management) activities.</i> • <i>Accident/Incident Investigation, Reporting and Follow-up Processes and procedures.</i> • <i>Emergency Response procedures.</i> • <i>Ontario Health and Safety Legislation Self-Compliance Audit.</i>
Work Hours	<ul style="list-style-type: none"> • <i>Ontario Employment Standards Act, 2000 and Regulations</i> • <i>Ford of Canada Hours of Work Policy</i> • <i>Ford of Canada Overtime and Compensatory Time Off (CTO) Policies</i> • <i>Ford/Unifor Collective Agreement</i> 	<ul style="list-style-type: none"> • <i>Ministry of Labour Excess Hours Permit Approval Process.</i> • <i>Salaried Non-Exempt Workers Excess Hours Agreements.</i> • <i>Vacation and Holiday request and approval procedures.</i> • <i>Overtime Approval procedures.</i> • <i>Ford/Unifor Master Agreement provisions of Article 20, Hours of Work and Overtime.</i> • <i>Ford Unifor Master Agreement provisions of Article 11, General Grievance Procedure.</i>

Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
<p>Where are these documents housed?</p> <ul style="list-style-type: none"> • <i>Employee-specific information is maintained in individual employee personnel files for all salaried and hourly employees.</i> • <i>Supplemental employee-specific is retained in Company Timekeeping, Payroll and HRIS systems (ie. TWOS, Fordview, Peoplesoft).</i> • <i>Salaried employee salary range structure for full-time and supplemental employees is maintained by Ford of Canada Human Resource Business Operations (HRBO).</i> • <i>Collective Agreement and collective bargaining documentation for wages, benefits, and other procedural areas is maintained by Ford of Canada Labour Affairs and the Plant Human Resources function.</i> • <i>Employee complaint and/or grievance information and supporting documentation is maintained within the Plant Human Resources function and employee files.</i> • <i>Human Resources Policies and Procedures are maintained by Ford of Canada Human Resources and are published on Ford of Canada Intranet access location HR Online.</i> • <i>Ford Corporate Directives and Policies are stored on various Ford Intranet and SharePoint locations.</i> 	

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 instances of human trafficking activity have been reported in this community. Provincial police and other authorities regularly conduct national or provincial investigations to ensure community members are protected.

- 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?

For suppliers or businesses that we interact with, we are not aware of any that are suspected or have been found to engage in any sort of activities related to human trafficking.

- c) Are you aware of the Company or its suppliers/sub-contractors requiring fees or charging costs, directly or indirectly, in whole or in part, to job-seekers and workers for the services directly related to recruitment for temporary or permanent job placement, including when using the services of Private Recruitment, Labor Broker or Employment Agent or performing recruitment activities directly?

There are no reports or information to suggest that the Company or its suppliers and subcontractors are requiring fees or payment from potential applicants for employment, either through direct or third-party recruiting activities.

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"> • <i>Company Policy Letter #17 – Protecting Health and the Environment</i> • <i>Employment Equity Act</i> • <i>Employment Equity – Policy Letter #6</i> • <i>Employment Equity Q&A</i> 	<ul style="list-style-type: none"> • <i>Operating System Controls for Project and Change management activities.</i> • <i>Community Inquiry and Response procedures for Environmental concerns.</i> • <i>Communication system and Public Affairs procedures and protocols.</i> • <i>Employment Equity Goal-setting, gap Planning and demographic surveys.</i>
Bribery and Corruption	<ul style="list-style-type: none"> • <i>Company Policy Letter #3 – Standards of Corporate Conduct</i> • <i>Code of Conduct Handbook</i> • <i>FM-905-90-10 Anti-Bribery Controls and Governance</i> • <i>Global Travel Policy</i> • <i>The Criminal Code</i> • <i>The Corruption of Foreign Public Officials Act</i> 	<ul style="list-style-type: none"> • <i>Code of Conduct Handbook reviews.</i> • <i>Employee certification requirements.</i> • <i>Internal/External Reporting Processes.</i> • <i>Adherence to Global Purchasing Terms and Conditions, and Procedures.</i> • <i>Charitable Contributions Process and Approvals.</i> • <i>GIS Records Retention Procedures and Audits.</i> • <i>Financial Reporting, Reconciliation, and Auditing Procedures.</i> • <i>Travel and Expense Reimbursement (TER) Approval Processes.</i>

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Environment and Sustainability	<ul style="list-style-type: none"> • <i>Company Policy Letter #17 – Protecting Health and the Environment</i> • <i>Ford/Unifor Collective Agreement</i> • <i>Ontario Environmental Protection Act and Regulations</i> • <i>Ontario Water Resources Act and Regulations</i> • <i>Waste Diversion Act, 2002 and Regulations</i> • <i>Technical Standards and Safety Act, 2000 and Regulations</i> • <i>Canadian Environmental Protection Act, 1999 and Regulations</i> • <i>Fisheries Act and Regulations</i> • <i>Transportation of Dangerous Goods Act, 1992 and Regulations</i> 	<ul style="list-style-type: none"> • <i>Environmental Operating System Controls for Manufacturing Operations, Project and Change management activities.</i> • <i>Leadership and monitoring (Time and Data Management) activities.</i> • <i>Process control linkage to NA Environmental Quality Office</i> • <i>ISO 140001 Standards and Facility Certification and Auditing Processes.</i>
Where are these documents housed?		
<ul style="list-style-type: none"> • <i>Employee-specific information is maintained in individual employee personnel files for all salaried and hourly employees.</i> • <i>Collective Agreement and collective bargaining documentation for relevant procedural areas is maintained by Ford of Canada Labour Affairs and the Plant Human Resources function.</i> • <i>Employee or external complaint and/or grievance information and supporting documentation is maintained within the Plant Human Resources function and Plant Environmental Office.</i> • <i>Policies and Procedures are maintained by Ford of Canada Human Resources and Environmental areas and are published on Ford of Canada Intranet.</i> • <i>Ford Corporate Directives and Policies are stored on various Ford Intranet and SharePoint locations.</i> 		

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?

Windsor Operations provides regular and ongoing engagement with organizations that respond to, and monitor in two primary interest areas – a) community service, and b) environmental sustainability and conservation.

- a) Local community service organizations recognize the economic and social influence that a large employer such as Ford can provide in their community. Typically, these organizations solicit financial and participatory support of Ford and its employee population for three pertinent issues within the local community: reducing poverty; development of educational materials and activities for children and families experiencing challenges; and strengthening neighborhoods and support systems across Windsor and Essex County.***

We maintain strong partnerships with community service organizations and support numerous outreach initiatives through ongoing and annual involvement in fund raising activities and volunteerism support to organizations such as United Way, JDRF, Windsor Homes Coalition, and various local food banks and school system support interests. The Windsor site also provides representation to the Windsor/Essex Chamber of Commerce and has an active support role to the Windsor-Essex Unemployed Help Centre (UHC), including recent "Go Further" efforts such as a donation of 1.6 hectares of land via a long-term, nominal cost lease agreement that has allowed UHC to expand their Community Garden and food bank in support of under-privileged families and children.

b) *Windsor Operations is very active in the area of Environmental Responsibility and interacts frequently with local conservation and preservation organizations such as the region's Little river Enhancement Group, the Joint Workplace Environmental Committee, and the Essex Region Conservation Authority.*

Interest areas that engage Ford involvement include supporting and participating in the area's Environmental & Energy Committee; supporting to the City of Windsor's Energy Plan; conversion of Ford property peripheral areas to naturalized land and green space; and evaluation, planning and implementation of "green" initiatives such as tree planting, nature pathways, and conservation opportunities and corresponding education strategies.

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. *Please contact the Manager, Social Sustainability, if unfamiliar with Ford's water strategy and related initiatives to receive additional information.*

Windsor Operations has incorporated ambitious water reduction targets and water reduction continues to be one of the main environmental objectives across our facilities. The plants have installed metering on all the main processes and cooling systems that utilize water and continues to expand this metering into department level metering. Water use is monitored very closely and the use through our process and cooling systems is monitored daily to ensure that any discovered anomalies are investigated and corrected.

Senior leadership reviews the status of environmental performance measures and activities on a weekly basis. The facilities also conduct bi-annual Uncontrolled Water loss audits to verify that the facility isn't experiencing any water loss through other unidentified leaks in our systems.

Essex Engine Plant has also incorporated the use of a Water Saver unit installed on one of our large cooling towers. This utilizes electrochemical treatment processes to remove the hardness from the cooling tower water and operate at higher cycles of concentration. This is saving 6000 cubic meters of water annually and the Site is installing additional cooling towers within its facilities.

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

Sustainable, fresh water continues to be one of the greatest challenges throughout the world today and affects more regions and people today than before as a result of climate change and

other factors. With Windsor Operations located in the Great Lakes region of Ontario, we are very fortunate to be in an area where fresh water is abundant.

The Windsor site takes water conservation very seriously and continually seeks water reduction initiatives and projects to reduce our municipal water usage. The Site strives towards achieving Best-in-Ford water usage targets in order to contribute to the Company's goal of being Best-in-World when compared to other manufacturers in our industry.

Being recognized as a good corporate citizen in today's business environment is also important for the continued success of the Company. Through reduction of municipal water demand, costs to the facility for usage and treatment of water and the costs of discharge and waste can be avoided. Reduction efforts deployed by all parties within the community puts less demand on the supply system and the associated costs to the community for maintaining and providing adequate supply.

Even in an area of abundant fresh water, it is increasingly important to maintain and preserve the Great Lakes resources for future manufacturing and agricultural needs, and for diversion to regions and communities of greater need during intervals of drought and climate fluctuation.

5. 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?

The Windsor site utilizes Ford's Environmental Operating System (EOS) to continuously improve Environmental management processes and outcomes. The EOS requires all facilities to maintain compliance to applicable regulations and processes are deployed to control and reduce air emissions, energy usage, hydrocarbons, waste-water discharges and other significant environmental aspects.

Recent actions include the installation of energy efficient LED lighting in manufacturing operations; coolant reclamation system additions in our machining areas to capture coolant carried out of the system and return it back into the process; the achievement and maintenance of zero waste to landfill since 2013. Robust monitoring activities for all environmental significant aspects and corresponding performance goals ensure the team's continuous and ongoing focus on waste reduction.

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?

Consistent with the broader manufacturing organization, Windsor Operations maintains vigilance in the development and reinforcement of ONE FORD leadership values and in identifying and responding to concerns or issues that may adversely impact the Company's reputation, relationships with our union business partners, third-party interests, and our employees' morale and job satisfaction.

Through numerous and ongoing communication forums established for all levels of the organization, perception surveys for employees and personnel of third-party service

organizations, the use of robust issue escalation and resolution processes, delivery of training for awareness and effective administration of collective agreement provisions and Company policy, and workplace auditing, we approach continuous improvement and compliance to Policy Letter 24 as a fundamental priority and responsibility.

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)?

The use of performance measures, perception surveys or questionnaire processes and formal audits to measure current state alignment and effectiveness can be beneficial to set local priorities and fulfill the goal of an aligned and capable organization. Formal training modules and informal "lunch and learn" activities can provide opportunity to further educate the workforce to organizational priorities and individual employee responsibilities. Establishing ongoing and active mechanisms for dialogue on social and environmental issues through traditional communication forums and emerging social media tools can surface regional continuous improvement opportunities within the control and influence of the facility and align participants to needs and actions.

2. Any words of wisdom/advice?

As a global manufacturer, we have an ongoing responsibility to support the surrounding communities through our presence and to be perceived by current and potential employees as an employer of choice.

Through communication pathways and training forums, there is further opportunity to embed Policy Letter 24 commitment, values and operating standards within our facilities and to engage and inform employees on topics such as accessing further information, reporting suspected violations, and showcasing the numerous processes and the many beneficial outcomes that the Company and its labor partners have enacted to advance social and environmental responsibility.

Regular and ongoing communication to the broad workforce is viewed as an enabler to ensure labor and environmental standards are in place and maintained.