

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

<b>Date</b>	January 30, 2013
<b>Location / Facility</b>	Hermosillo Stamping and Assembly Plant
<b>Respondent</b>	
<b>Phone Number</b>	
<b>CDSID</b>	

Perception and Understanding of Code

In your opinion, what is the greatest value-add of conducting human rights assessments at Ford's owned and operated facilities?

**Through human rights assessments the Company recognizes the value and dignity of our personnel. We are committed to our values and principles which are part of universal rights and values of every society.**

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?

**One of the greatest areas of non-compliance that we might predict is the amount of overtime requested to employees. Since the CD4 launch, we have been requesting a great amount of overtime to most employees of all Business Units, and in despair that the work is done, the requisition may exceed the limit of overtime that we are permitted to request. Also some people processes, such as performance reviews, development, etc. are affected, for the same reason that the amount of work is so huge, that complying with these processes aren't considered anymore a priority.**

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.

In your opinion, what does upholding human rights mean to your facility?

**It's a must. It's a basic principle, part of our values integrity, respect, and trust. It's indispensable to create a safe and healthy environment of inclusion.**

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

**Compliance with corporate periodic updates of policies and programs related to our code of conduct.**

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

**Through our initiation training we try to create solid foundations in terms of compliance with corporate policies.**

How is your facility monitoring human rights risks?

**Through HR and accountability**

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

**We act according to the law and corporate policies.**

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?

**We believe that Hermosillo Stamping and Assembly Plant is a place where employees feel respected and their human rights aren't in jeopardy. Through our campaigns and zero tolerance policies implementation we believe that every day we contribute to the minimizing of human rights risks. Continuous improvement would be easier with more members of the HR team, since we have added hourly headcount in about 1500 employees in the past year, due to the CD4 launch.**

*Working Conditions*

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.

	<b>Policy(s) / Law(s) Followed</b>	<b>Process to Implement Policy Correctly</b>
<b>Child Labor</b>	Ley federal del Trabajo	In our plant we do not employee hourly candidates without Junior High School Diploma or age of 18. And we do not employee salaried candidates under age of 18.
<b>Compensation</b>	HSAP Collective Bargaining Agreement HSAP individual Bargaining agreement	Salaried employee compensation if developed by the Compensation Office in FoM’s HR Staff using competitive analysis and a pay for performance philosophy (merits plan) for the annual compensation. Hourly employee compensation is determined through the collective bargaining process along with Company – Union and based on our country industry trends
<b>Forced Labor</b>	Ley Federal del Trabajo	Forced labor is prohibited, Ford is an at will employer, employees can leave the company at any time for any reason.
<b>Freedom of Association and Collective Bargaining</b>	Ley Federal del Trabajo	Employees have the right to participate in union member or activities as established in the Ley Federal del Trabajo.

	<b>Policy(s) / Law(s) Followed</b>	<b>Process to Implement Policy Correctly</b>
<b>Harassment and Discrimination</b>	Company Directive B-110: Anti-Harassment Ley Federal del Trabajo	HSAP acts accordingly to corporate Policy, all complaints are investigated and employees dispositioned appropriately. All new employees are required to participate in Diversity and Anti-Harassment training. Complaints can be directed to Labor Relations, the Personnel Relations Hotline for investigation.
<b>Health and Safety</b>	Occupation Health and Safety Administration Guidelines Safety Operating System (SOS) CTPAT 7 Signs of Terrorism	All Health and Safety processes are governed by the SOS process. Shop floor level, Plant and Executive reviews take place on a regular basis. Health and Safety in the plant assures compliance of all regulations
<b>Work Hours</b>	Contrato Colectivo de Trabajo Ley Federal del Trabajo	Work hours are negotiated with the union.
<b>Where are these documents housed?</b>		
Labor Affairs Department HR Online (RH en Linea) Ford Intranet		

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. Within your community, are you aware of or have noticed any human trafficking activity? If so, please describe.

**No, we're not aware of any human trafficking activity.**

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***

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.

	<b>Policy(s) / Law(s) Followed</b>	<b>Process to Implement Policy Correctly</b>
<b>Community Engagement and Indigenous Populations</b>	Policy Letter 24	The plant participates in corporate Global Week of Caring
<b>Bribery and Corruption</b>	Policy Letter C3	Annual financial disclosure declaration Annual recertification of Standards of Corporate Conduct online Training
<b>Environment and Sustainability</b>	Policy Letter 17: Protecting Health and the Environment Environmental PROFEPA	Internal and External audits Compliance with PROFEPA (government Standards)
<b>Where are these documents housed?</b>		

	Policy(s) / Law(s) Followed	Process to Implement Policy Correctly
Ford Intranet HR Online Corporate Policies and Directives		

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?

**Meet regularly with local population, and State Government institutions that ensure that the Plant comply with legal environment requirements, such as PROFEPA.**

**One of the more important issues is use of water, due to Hermosillo's drought problem.**

**Address issues that result from audits or community requirements, first are through our environmental area.**

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.*

**Hermosillo Stamping and Assembly Plant reuse 65% of the water in our processes. In 2000 9.5 cubic meters of water were consumed per produced unit-- HSAP started using a biologic membrane reactor to reduce this amount**

**As a result, water consumption was reduced by 40% from 2000 to 2010.**

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

**Hermosillo has a very severe problem with drought, and working with the community helps leverage possibilities to make available for all.**

**Our campaigns of waste segregation in the plant also invite employees to segregate at home as well.**

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?

**We have a module to segregate electronics, plastic and paper. It helps environment, and the funds acquired because of the segregation process is transferred to DIF, a government institution with different asylums, orphanages, and other programs for the community. In 2012, every lamp on the production floor was changed to significantly reduce energy consumption. The plant was awarded by Sonora's Government for this project.**

## Responsibility for and Implementation of the Code

How are you approaching continuous improvement in your facility's performance, practices and processes in place to comply with Policy Letter 24?

**Campaigns to reinforce knowledge of our policies**

**Constant negotiation with the union for new requirements.**

**Pulse Survey, implemented last year for the first time to hourly employees.**

## Additional Information

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)?

**Developing forums for Policy Letter #24 awareness**

Any words of wisdom/advice?

**Is important to involve all employees in these policies, and maintain them well informed. Lack of knowledge may cause some politics to be violated for ignorance.**