

# HUMAN TRAFFICKING DISCLOSURE STATEMENT

Since January 2012, companies doing business in California have been legally required to disclose any efforts taken to address the issue of forced labor and human trafficking per the California Transparency in Supply Chains Act of 2010 (SB 657).

Our Policy Letter 24: Code of Human Rights, Basic Working Conditions and Corporate Responsibility clearly states that we do not tolerate forced labor (including human trafficking) or child labor in our operations, and that we conduct internal audits of our manufacturing locations to ensure compliance.

Our processes to safeguard against human rights abuses, including forced labor and human trafficking, in our supply chain include the following:

- **Our Global Terms and Conditions (GT&Cs) forbid the use of forced labor, child labor and physically abusive disciplinary practices.** Our definition of forced labor includes human trafficking, as outlined in our Policy Letter 24. Purchase orders require suppliers to certify compliance with local laws and the GT&Cs that govern our purchase of goods and services. We reserve the right to terminate our relationship with a supplier if issues of noncompliance with our policies are discovered and/or noncompliance is not addressed in a timely manner.
- **We maintain internal accountability, holding all Ford employees and suppliers accountable to the standards on human trafficking set out in Policy Letter 24.** Employees and suppliers have multiple avenues through which to register complaints or grievances related to human rights and human trafficking, including a dedicated email inbox and a company hotline.
- **We regularly assess risk related to human trafficking and forced labor associated with our supply base.** Our preliminary assessment is based upon geography, the commodity purchased, supplier quality performance and the nature of the business transaction. Ford performs these risk assessments with input from external stakeholders.
- **We conduct training and build capability.** We regularly conduct internal training on our Policy Letter 24 and Supply Chain Sustainability Program with our Global Purchasing staff. We also require suppliers in high-risk countries to attend training to raise awareness of Ford's requirements and legal obligations, including those related to forced labor and child labor.
- **We regularly conduct social responsibility audits of at-risk Tier 1 supplier factories.** These audits evaluate supplier compliance with both local law and Ford's human rights expectations as communicated in Policy Letter 24. These independent audits can be either announced or unannounced, and decisions about which facilities to audit are based upon our risk assessment.