

# 2021 New Hire Benefits Summary



FORD BENEFITS



The following information includes a summary of Compensation and Benefits for Ford Motor Company and Ford Motor Credit Company Regular Salaried Employees General Salary Roll (GSR).

## Welcome to Ford!

Congratulations and welcome to the Ford team! As a new employee, you're eligible for a valuable compensation and benefits package that includes:

**Health Care Options: Medical, Dental and Vision**

**Retirement Savings**

**Additional Benefits & Services**

**Compensation and Incentive Compensation**

**Vacation and Flexible Family Care Policies**

**Company-Paid Holidays**

**Vehicle Plans**

**Ford's Work-Life and Global Diversity Initiatives**

**Commitment to Communicating to Employees**

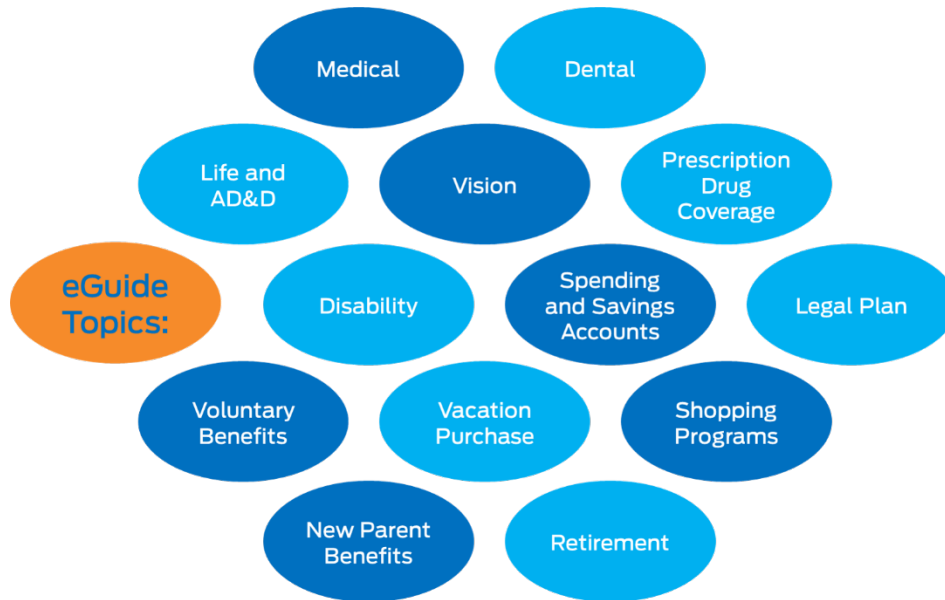
# Health Care Options: Medical, Dental and Vision

Ford offers a flexible benefits package that allows employees the ability to choose the benefits that they want and need.

## Benefits and Enrollment eGuide

The [Benefits and Enrollment eGuide](#) contains an overview of each option that is available to you for the 2021 plan year. The digital guide is available anywhere in the world from any device, and includes an overview video, tools and resources designed to help you navigate your benefits with confidence.

Shown below are the topics that are covered in the [Benefits and Enrollment eGuide](#):



# Retirement Savings

## **Savings and Stock Investment Plan (SSIP)**

The SSIP is the easiest and best way to build your retirement savings. The SSIP is funded by your contributions, Company matching contributions and Company Ford Retirement Plan (FRP) contributions (if you are eligible). Earnings grow tax-free, and the power of compounding means your money grows even faster. You also make contributions through convenient, automatic payroll deductions, so there's nothing extra for you to do!

All salaried employees are eligible to participate in the Ford Motor Company Savings and Stock Investment Plan (SSIP), our 401(k) plan. You're automatically enrolled in the SSIP when hired (following a 45-day opt out period) at a 5% pre-tax contribution rate, which you can adjust at any time.

You can choose to contribute three ways: pre-tax, Roth and/or after-tax. Ford also offers a Company match of 90 cents per dollar on the first 5% of your own contributions, no matter which type of contributions you make.

## Additional Benefits and Services

### Basic Life Insurance

#### GSR – LL5 Employees

Company-paid basic life insurance coverage and accidental death and dismemberment insurance coverage of 1½ times base annual pay. Under IRS rules, basic life insurance coverage in excess of \$50,000 is subject to imputed income, so a flat amount of \$50,000 can be elected at enrollment to avoid the taxable amount.

### Optional Life Insurance

#### GSR – LL5 Employees

You can supplement your Company-paid basic life insurance with optional life insurance. You can elect up to an additional 8½ times base annual pay in optional life insurance. Proof of good health is required.

### Dependent Life Insurance

#### GSR – LL2 Employees

You can elect up to \$200,000 for dependent life insurance-spouse coverage and \$40,000 for dependent life insurance-child coverage. Proof of good health is required for dependent life-spouse coverage.

### Optional Accidental Death & Dismemberment Insurance

#### GSR – LL2 Employees

You can supplement your Company-paid accidental death and dismemberment (AD&D) insurance with optional AD&D insurance. You can elect coverage for yourself, or yourself and family. Coverage cannot exceed 10 times base annual pay, or \$1,000,000, whichever is less.

### Salaried Tuition Assistance Program (STAP)

STAP is designed to assist Ford employees in obtaining educational degrees that further the interests of the Company and are consistent with their Individual Development Plans. The Company provides financial assistance of up to \$6,000 annually per employee who meets the guidelines/requirements of the program; the program also provides for additional funding to pay for the costs of MBA expenses that qualify under the MBA provisions of the program. Upon hire, review the detailed policy for more information before applying. *This benefit is at your current management's discretion, based on organization, departmental and individual goals and performance.*

### Student Loan Wellbeing Program

The Student Loan Wellbeing Program is an educational financial wellbeing platform designed to help Ford employees strategize and optimize their student loan debt. For employees with debt currently, the tools will assist in analyzing each individual specific student loan situation and can help the employee optimize their repayment plan. For employees who don't have debt currently, the tools can be used to help plan for returning to school or saving for the employee's child(ren)'s future education.

### Disability Benefits Plan

Disability coverage will be effective the first day of the seventh month following the month of hire or rehire for GSR employees.

Disability benefits provided include:

- Short-term benefits at 100% of pay – up to 14 weeks (70 workdays)
- Short-term benefits at 60% of pay – up to 12 weeks (60 workdays)
- Long-term benefits at 50% of pay – up to full Social Security retirement age

Certain circumstances, including, but not limited to, benefits payable from other sources and short-term benefits at 100% of pay exhausted due to prior claims paid in the same calendar year will modify the benefits payable.

### **Relocation Expenses**

The Company pays certain relocation expenses for regular full-time salaried employees within the U.S. who accept an employment offer requiring relocation. To be eligible for the Ford relocation program, an employee must meet the IRS distance test, which states your new job location must be at least 50 miles farther from your former home than your old job location was from your former home. The objective of the relocation policy is to relocate employees as quickly as possible so they can concentrate on the new assignment, minimize personal disruption and reduce out-of-pocket expenses. Temporary living, travel, shipment of household goods and storage, and other services may be provided. Ford has established a partnership with a relocation management company to administer the relocation policy and assist eligible employees through the relocation process.

### **Severance Benefit**

A service-based severance program is available for eligible employees if a Waiver and Release Agreement is signed and not revoked.

# Compensation and Incentive Compensation

Compensation is an important part of the Company's relationship with its employees, which also includes challenging and rewarding work, growth and career development opportunities, and being part of a leading company with a diverse workforce and great products. Ford is a global company with a consistent compensation and benefits framework that is affordable to the business.

## Base Salary

Base salary is twice-monthly pay that is determined on a competitive basis and adjusted according to performance, job scope and responsibility, and position-in-range. Base salary considers skills, experience and competitive market value.

Salary ranges represent what Ford pays for a job within a salary grade or leadership level based on external market data in comparison to similar positions from other leading companies in our compensation surveys.

Employees generally enter a new salary grade or leadership level at a lower point in the range. This amount can vary based on the location, position, relevant skills and experience of the individual employee. As employees develop new competencies and demonstrate high performance, they will have the opportunity to increase their salary over time through pay increases, such as merits and promotions. For more information on the salary range in which this position falls please see the information below:

<b><u>Minimum (annual)</u></b>	<b><u>Maximum (annual)</u></b>
\$29,460	\$65,400

Paydays for GSR employees are the 15th and the last working day of the month. If a payday falls on a weekend or holiday, payday is on the last preceding scheduled workday.

## Paychecks

Employees should allow at least 10 to 12 working days after hire/rehire to receive pay for their first pay period. Employees are generally paid on a "current" basis.

## Direct Deposit of Pay

All employees are encouraged to have their paychecks deposited directly into the financial institution of their choice by completing a Direct Deposit of Pay Request. This form should be completed in the Ford Onboarding Portal prior to start date.

## Pay for Performance

Pay for performance is fundamental to our compensation philosophy. We reward individuals for performance and contributions to business success. Our compensation and benefits package in total will be competitive with leading companies in each country. Our philosophy is supported with the following practices.

## Employee Evaluations

Ford policy provides for ongoing performance feedback to an employee that includes:

- A bi-annual review of the employee's specific responsibilities, objectives and accomplishments.
- An annual evaluation of performance and competency, and coaching and counseling on the development of job-related skills.

## Merit Program

Merit increases to base salary are based on your performance relative to your peers, position in salary range and the merit allocation available to your department. Merit allocation is the percentage of salaried payroll that the Company makes available for the merit program. The allocation is based on competitive salary analysis as well as the Company's ability to pay. The

need for a Merit Program and individual merit increases are reviewed annually.

### **Annual Incentive Compensation Plan (AICP)**

#### **All Ford Employees (excluding Ford Credit FBR-eligible employees)**

U.S. salaried employees are eligible to participate in the Annual Incentive Compensation Plan (AICP), which is a cash bonus plan. AICP awards are based on a common set of objectives as determined by the Compensation Committee of the Board of Directors. Eligible participants receive a target award at the beginning of the year based on their position level. Final payment, if one is made, is based on both Company and individual employee performance during the plan year. An employee's annual incentive award is pro-rated for the number of months of Company service during the year hired.

### **Flex Bonus Rewards (FBR)**

#### **Ford Credit Company Employees Only**

GSR employees in business centers and sales operations are eligible for quarterly bonus awards under the Flex Bonus Rewards (FBR) program which is tied to individual performance and demonstration of Our Truths. Quarterly check-ins between people leaders and employees are used to set goals, review performance to objectives and discuss demonstration of Our Truths. Quarterly target award opportunities are communicated at the beginning of the year and based on salary grade. The award value may be adjusted at management discretion based on individual performance. An employee will be eligible to receive a pro-rated award for the number of months worked in the current payment cycle. For example, if you hire on February 3, you will be eligible for two months of FBR for the 1Q payment cycle.

# Vacation, Flexible Family Care, and Holidays

## Vacation Days

### General Salary Roll (GSR) Employees

Vacation eligibility in year of hire is as follows:

- If hired January 1 – June 30: 10 days (80 hours)
- If hired July 1 – September 30: 5 days (40 hours)
- If hired October 1 – December 31: No vacation in year of hire

Following the year of hire, vacation will accrue at the rate of one-tenth your maximum annual vacation amount each month in the calendar year until you earn the full amount of vacation as described below, based on the number of full years of service completed by 12/31 of the prior year:

- 0 but fewer than 3 years: 10 days (1 per month)
- 3 but fewer than 5 years: 12.5 days (1.25 per month)
- 5 but fewer than 10 years: 15 days (1.5 per month)
- 10 but fewer than 20 years: 20 days (2 per month)
- 20 years or more: 25 days (2.5 per month)

### Experienced New Hires

Certain new hires at the GSR level with more than five full years of related professional-level work experience at the time of hire may be granted a “Vacation Eligibility Date” (VED) which is five years earlier than their actual Ford Service Date. This VED is used for determining the rate of vacation accrual. You will be notified if you have been granted a VED. In the year of hire, the vacation eligibility of GSR employees granted a VED is as follows:

- If hired January 1 – June 30: 15 days (120 hours)
- If hired July 1 – September 30: 8 days (64 hours)
- If hired October 1 – December 31: No vacation in year of hire

## Family Focused

We offer many programs available to assist new parents. Employees are eligible to receive:

- **New Parent Days:** 8 weeks paid time off if your child joins your family via birth or adoption after your new hire start date. Six of the 8 weeks must be taken consecutively; the remaining 2 weeks can be taken intermittently. Two weeks paid time off if your child joins your family via long-term foster placement after your start date, capped at two placements per lifetime. All must be taken within 12 months of the birth, adoption or placement.
- **New Parent Ramp-Up:** Under this program, you can return to work following maternity/parental leave (or New Parent Days) on a part-time basis for four weeks, at full-time pay.
- **Storage/Shipment of Milk for Nursing Mothers:** We support nursing mothers! If you are required to travel on Company business, you can store/ship expressed milk home to your infant at Company expense.
- **Adoption Assistance:** You are eligible for reimbursement of up to \$5,000 in qualifying expenses directly related to, and whose principle purpose is for, legal adoption of an unmarried minor child.

## Flexible Family Care Policy

Coverage begins the first day of the month after date of hire or rehire.

Full-time employees are eligible for up to 10 paid annual Flexible Family Care days (80 hours) of absences. Flexible Family Care can be taken for the employee’s own short-term illness of five or fewer consecutive workdays, to care for a qualifying family member, or for personal business.

## Paid Holidays



**Listed below are the paid holidays that are typically observed at Ford:**

New Year's Day	Labor Day
Martin Luther King, Jr. Day	Federal Election Day (in certain years)
Good Friday	Veterans Day
Day after Easter	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Holiday Period

Some Ford Credit offices may be open on a holiday and employees may be scheduled to work.

# Vehicle Plans

## Vehicle Plans

### All Salaried Employees

#### New Vehicle Purchase Plans

- *A Plan* – This vehicle discount purchase program covers purchases and leases on most new Company vehicles. Employees are allowed a maximum of four A Plan discount purchases (or leases) per calendar year. Employees can use the discount for themselves or sponsor an eligible family member.
- *X Plan* – This vehicle discount purchase program is designed to introduce Company products to potential customers who are considering the purchase of competitive products. Ford employees can sponsor up to four X Plan purchases per calendar year.

## Work-Life Initiative

Today more than ever, individuals are struggling to balance the increased complexities of personal and work life. As a result, Ford ensures that our programs, policies and employment practices recognize the diverse needs of all our employees, allowing them to contribute their maximum effort at work while at the same time fulfilling their personal and family responsibilities. Examples of formal work-life programs include:

- The **Total Health Program** is a voluntary, confidential and personal service that provides short-term professional counseling and referral services administered by Health Management Systems of America (HMSA). This service is free of charge and is available 24 hours a day/7 days a week, 365 days a year.
- **Flex Time Policy** enables employees to determine start and quit times within reasonable limitations and with management's approval, while not impairing operational effectiveness.
- **Transitional Work Arrangement Program (TWA)** enables eligible, regular salaried employees to work a reduced schedule with pay and benefits reduced proportionately. With management approval, participation may be approved for the following reasons: personal/family, education/career development or community service.

## Global Diversity Initiative

Ford has demonstrated a commitment to diversity and inclusion by endorsing and leveraging the power of our Employee Resource Groups, various organizations of employees who share a particular affinity or have similar life experiences. These groups have a desire to use those similarities to create cross-functional workplace connections, provide professional development and advance business imperatives. They hold educational and cultural events and collaborate to support many diversity-related efforts. Participation is open to all Ford employees. We are family. We celebrate differences. We all belong.

<b>FAAN</b>	Ford-employees African-Ancestry Network
<b>FAIA</b>	Ford Asian Indian Association
<b>FCA</b>	Ford Chinese Association
<b>FEDA</b>	Ford Empowering Diverse Abilities
<b>FHN</b>	Ford Hispanic Network
<b>FIN</b>	Ford Interfaith Network
<b>FNGN</b>	Ford Next Generation Network
<b>GLOBE</b>	LGBT+ Employees
<b>MEC</b>	Middle East and North Africa
<b>Women of Ford</b>	Women of Ford
<b>VET-NG</b>	Veteran's Network Group

## Commitment to Communicating with Employees

Ford's communication efforts are based on the premise that employees should hear news about the Company from the Company first, not through rumors or outside media sources. Employees are provided with access to and knowledge of Company news and products in a timely and credible manner, with an emphasis on fostering two-way communication channels for employee engagement.

The main sources of mass communications between Ford and its employees and retirees are:

- **@FordOnline**, the Company's information and productivity site, and can be accessed inside and outside the firewall, as well as on smart phones via @Ford Mobile.
- **@Ford** magazine is regionally published in North America, Europe and Asia Pacific. In North America, the magazine is distributed to more than 200,000 active and retired Ford employees.

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*The policies, plans and programs described are not contracts and do not alter any at-will relationship the Company has with its employees. The Company may modify or terminate these policies, plans and programs at any time. You can request a printed copy of any benefits Summary Plan Description or Summary of Material Modification, at no charge, by contacting the National Employee Services Center at 1-800-248-4444.*