

# Ford Supplier Code of Conduct



**Ford Motor Company is driven by our purpose to help build a better world where every person is free to move and pursue their dreams.**

**That's why we work to ensure that everything we make – or that others make for us – upholds the highest standards of sustainability to protect the environment, enhance the health and well-being of the communities that surround us and respect human rights.**

## The Purpose of This Supplier Code.

Guided by our [We Are Committed to Protecting Human Rights and the Environment](#) policy and the United Nations (UN) Guiding Principles on Business and Human Rights (UNGPs), Ford's Supplier Code of Conduct ("Code") outlines Ford's requirements and expectations for supplier relationships in areas related to human rights, the environment, responsible materials sourcing, responsible and lawful business practices, and the associated implementation of these principles.

This Code applies to each member of Ford's supplier community. While we explicitly require suppliers to follow all applicable Ford policies and to comply with or exceed all applicable current and impending laws and regulations, our Code also aligns with widely accepted international human rights frameworks and charters. Suppliers are obligated to extend these requirements to their own suppliers and supply chains.

Our goal is to develop a stronger, more sustainable supply base. While we reserve the right to seek alternate sources of supply if a supplier fails to comply with this Code, we can also follow UNGP 19 and elect to continue to work within a business relationship if we have the leverage to impact their compliance with our environmental, social and governance requirements. This practice allows Ford to use our purchasing power to develop and monitor progress toward corrective action and create better outcomes for people and groups who may be impacted by a supplier's actions.

## Supplier Obligations.

### Every Ford Motor Company Supplier Must:

- Know and follow this Code and align company policies to reflect these requirements.
- Enforce a corresponding code of practice and require that subcontractors and suppliers do the same.
- Identify and use subcontractors and suppliers who adhere to the requirements of this Code and monitor their compliance.
- Report and remediate any non-compliance; and, when issues are identified, transparently report their remediation progress.
- Share sub-tier supply chain information upon request, and as required by Ford's Value Chain Transparency Supplier Guide.
- Operationalize and document compliance through the establishment of an appropriate risk management system, including a risk analysis process.
- Demonstrate appropriate internal controls upon Ford's request or partake in such upon Ford's request.

For more detailed information, please see the "How To Implement" section at the end of this Code.

# Protect and Respect Human Rights

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**Ford is committed to respecting human rights in everything we do. It's a core part of our purpose to help build a better world where all are free to move and pursue their dreams.**

**We treat our workforce fairly, humanely, and with respect and dignity — and we expect our suppliers to do the same.**

## **Our Suppliers**

### **Do Not Use Child Labor in Any Form.**

#### **We Require Our Suppliers To:**

- Meet the minimum working age in any region where they operate while prohibiting employment of anyone below the age of 15, even if permitted under local law. Government-authorized job training or apprenticeship programs that clearly benefit the participants are the only exceptions to this requirement.
- Responsibly manage student workers by performing rigorous due diligence on educational partners, keeping appropriate student work records, and protecting student workers' rights.
- Prohibit workers under the age of 18 from performing work that could jeopardize their health or safety, including night shifts, overtime, or hazardous work in compliance with ILO Worst Forms of Child Labour Convention (No. 182).
- Implement an appropriate mechanism to verify that the age of workers complies with the ILO Minimum Age Convention (No. 138) and provide substantiation of this verification mechanism upon request.
- Ensure that all recruitment efforts for workers, including recruitment performed by third party contractors, includes mechanisms or verify that the age of potential applicants complies with the ILO Minimum Age Convention (No. 138).
- Cease employment of the child/children and take reasonable measures to enroll the child/children in a remediation/education program if child labor is discovered in its own facilities or in their supply chain.

## Our Suppliers

**Do Not Use Nor Condone Forced Labor, Compulsory Labor, or Slavery in Any Form and Do Not Employ Any Form of Abusive Disciplinary Practices.**

**In Addition, We Strictly Prohibit Our Suppliers From Both Using and Supporting Human Trafficking.**

**We Require Our Suppliers To:**

- Confirm that work is conducted on a voluntary basis. Employees should be free to terminate employment without penalty by giving reasonable notice per their contract, if any, and in accordance with applicable laws.
- Prohibit the use of bonded, indentured or exploitive prison labor.
- Not engage in activities intended to restrict worker freedom of movement.
- Not allow physically or psychologically cruel, inhuman or degrading treatment.

## Follow Ethical Recruiting Practices.

**We Prohibit Our Suppliers From:**

- Misleading or defrauding potential workers about the nature of the work.
- Asking employees to pay recruitment fees or pay off a loan by working for an agreed-upon or unclear period of time for little or no salary, with the work performed greatly exceeding the worth of the initial loan.
- Confiscating, destroying, concealing, and/or denying access to employee passports and other government-issued identity documents.

## Recognize and Respect Employees' Rights to Freedom of Association and Collective Bargaining.

**We Require Our Suppliers To:**

- Work with recognized employee representatives to promote the interests of employees.
- Not discriminate or retaliate against any employees, including those participating in a trade union.
- Provide opportunities for employees and external stakeholders concerns to be heard, even where there is no representation by unions.

**Do not to use animals for testing nor require sub-contractors to do so, as aligned with Drive Sustainability and AIAG Automotive Industry Guiding Principles to Enhance Sustainability Performance in the Supply Chain.**

**We Expect Our Suppliers To:**

- Respect the five animal freedoms formalized by the World Organization for Animal Health (OIE) concerning animal welfare.
- Not raise or kill any animals for the single purpose of being used in an automotive product.

## Our Suppliers

### Comply With Applicable Laws Regulating Hours of Work Including Overtime, and Support a Living Wage by Providing Competitive Compensation and Benefits That Meet or Exceed Legal Requirements.

#### We Require Our Suppliers To:

- Ensure that work schedules and overtime are provided in a manner consistent with all applicable laws, including maximum hour and rest period laws.
- Agree upon overtime in advance and, where applicable, compensate overtime at a rate greater than regular hourly rates — or, where permitted by law, agree in advance to time off in lieu of a higher hourly rate.

### Do Not Tolerate Harassment or Discrimination of Any Kind.

#### We Require Our Suppliers To:

- Not allow harassment or discrimination in any form.
- Promote diversity and women's rights, and base employment relationships on the principles of equal opportunity.
- Not engage in any acts constituting or aiding unlawful eviction or unlawful taking of land, forests, or waters securing the livelihood of human beings.
- Not hire or use private or public security forces for protection of the company's projects without proper supervision and due diligence in adherence with this policy.

### Provide a Healthy and Safe Working Environment.

#### We Require Our Suppliers To:

- Provide a working environment that meets or exceeds prevailing industry standards and local, regional, and national safety, occupational health and fire safety regulations.
- Perform regular risk assessments and put in place corrective and preventative measures to minimize workplace hazards including, but not limited to mechanical, electrical, chemical, fire, and physical hazards.
- Provide regular health and safety training to workers.
- Provide required rest breaks to prevent excessive physical and mental fatigue.
- Provide Personal Protective Equipment (PPE) at no cost to workers.
- Implement an effective fire safety management system and emergency plan at every supplier worksite that safeguards employees and others by providing an appropriate number of clearly marked and unobstructed emergency exits and evacuation routes and providing first aid material and medical assistance/ procedures to workers.
- Provide workers with clean toilet facilities, potable water, and sanitary eating facilities.
- Keep worker dormitories clean and safe, with appropriate emergency exits and reasonable entry and exit privileges.
- Encourage workers to openly raise health and safety concerns and provide safeguards against retaliation.

In addition, Ford expects its suppliers to maintain a health and safety management system to limit worker exposure to hazards and promote continuous improvement of working conditions and occupational health and safety.

# Protect the Environment



**Ford is committed to protecting the environment and respecting human rights, including the right to clean air and water. We support the protection of local communities from environmental and health hazards and providing meaningful involvement in our decision-making processes.**

**Suppliers play a critical role in helping reduce greenhouse gas and other emissions that contribute to climate change, air and water pollution.**

**We require our suppliers to identify and minimize potential environmental risks and remediate violations when they occur. Suppliers strive for positive impacts by improving environmental performance by setting targets and monitoring environmental performance indicators.**

## **Our Suppliers**

**Comply With or Exceed Ford's Environmental Requirements and Policies, Including All Relevant National, Regional, Environmental, and Chemical Legislation (In Particular Those Noted in References).**

### **We Require Our Suppliers To:**

- Maintain an environmental management system certified to ISO 14001 through an accredited third-party registrar.

**Minimize Their Impact on Climate Change Aligned With The United Nations Framework Convention on Climate Change (Paris Climate Agreement), Striving Towards Carbon Neutrality.**

### **We Require Our Suppliers To:**

- Report their Scope 1, 2, and 3 emissions and water usage data to Ford if requested.
- Establish science based GHG reduction targets, action plans, and transparent reporting mechanisms to support Carbon Neutrality by 2050 Globally (all scopes) and for sites shipping to Europe, Carbon Neutrality by 2035 (Scope 1 & 2).

**Reduce, Reuse, Recycle Materials in Manufacturing.**

### **We Require Our Suppliers To:**

- Use recycled and renewable materials where possible in packaging.
- Increase use of recycled content and improve recyclability of Ford products through material selection and product design as approved by Ford.
- Eliminate waste.
- Divert waste from landfill to products.
- Work to eliminate single use plastics throughout the manufacturing process.

**Achieve Continual Environmental Improvement in Manufacturing Operations.**

### **We Require Our Suppliers To:**

- Eliminate or reduce substances of concern (including hazardous waste).
- Utilize materials with reduced toxicity in their manufacturing processes.
- Reduce emissions.
- Increase energy efficiency and use of carbon-free electricity.
- In alignment with the United Nations CEO Water Mandate, reduce freshwater usage in their operations and support access to clean and safe drinking water in local communities.
- Mimic ecosystem performance.
- Refrain from causing any harmful soil change.
- Refrain from excessive noise emissions.



# Responsibly Source Materials



**Ford aspires to source only raw materials that are responsibly produced. Ford considers responsibly produced materials to come from material processors and mines that have been audited to a responsible sourcing, independent, third-party audited supplier. Suppliers should refrain from including sub-tier suppliers who have not undergone or are not actively seeking to undergo an acceptable responsible sourcing audit.**

**Suppliers are required to fully support and cooperate with Ford's efforts to secure full transparency and traceability of their raw materials supply chain and must engage sub-tier suppliers. Information provided must not misrepresent material supply chains and include all known information as requested.**

## Our Suppliers

**Conduct Due Diligence and Increase Transparency Related to Raw Materials, Including Materials Sourced From Conflict-Affected or High-Risk Areas (CAHRAs).**

**Raw Material Due Diligence Serves as an Extension of the Ford Due Diligence Implementation Requirements.**

**We Require Our Suppliers To:**

- Develop a management system, including an appropriate responsible point of contact, to assess, identify and mitigate risks in material supply chains.
- Enable appropriate measures to minimize risks, including risks related to the direct or indirect financing of armed conflict, serious violations of human rights such as child labor, forced labor and slavery, unethical business conduct, or environmental damage.
- Provide information, upon request, to verify the materials in the products supplied to Ford have been sourced responsibly in accordance with [Ford's Responsible Material & Conflict Mineral Policy](#).
- Secure critical raw minerals from material processors that are certified through a third-party responsible sourcing standard such as the Responsible Minerals Initiative's (RMI) Responsible Minerals Assurance Process (RMAP).

- Ensure this requirement is communicated to sub-suppliers and/or directly to identified smelters/refiners/processors who are not RMAP certified.
- Disclose sub-tier and raw material supply chain actors and locations that provide material used in products to Ford, such as conflict minerals, cobalt, mica, lithium, nickel, graphite, copper, aluminum, steel, rare earth elements, rubber, leather or any other materials that Ford requests.
- Participate in initiatives to support responsible material sourcing.

**Raw Material Suppliers Must Seek Third Party Assurance for Responsible Sourcing That Also Addresses ESG Concerns:**

- Mineral processors are required to seek RMI RMAP certification, use best efforts to implement RMI ESG Standard or an agreed upon third-party certified equivalent, and request upstream material suppliers to undergo similar applicable responsible sourcing and ESG standards.
- Mining suppliers are required to seek certification by an independent third-party responsible mining assurance standard, such as the Standard for Responsible Mining from the Initiative for Responsible Mining Assurance (IRMA) or an agreed upon third-party certified equivalent.

# Maintain Responsible Business Practices



**We require suppliers to conduct business lawfully, honestly, and responsibly, in line with Ford's own internal and external commitments.**

## **Our Suppliers**

**Do Business Free From Bribery and Corruption.**

**We Require Our Suppliers To:**

- Exercise caution with government officials, avoiding actions that could appear improper and/or raise bribery concerns.
- Accurately record business expenditures, never concealing the true nature of an expense.

**Maintain Effective Privacy and Cyber Security Practices.**

**We Require Our Suppliers To:**

- Act in a transparent and ethical manner regarding the use of Personally Identifiable Information (PII), Ford intellectual property (IP), and private data.
- Use PII in a manner consistent with reasonable expectations and in compliance with applicable laws and regulations.
- Responsibly manage and safeguard their computing environment using appropriate technical and organizational data security controls.
- Report all cyber security incidents affecting their computing environment within 24 hours of knowing about the incident to: [cirt@ford.com](mailto:cirt@ford.com)

**Comply With All U.S. and Other Applicable Trade Controls Regarding Products and Services Provided to Ford.**

**We Require Our Suppliers To:**

- Not engage in direct or indirect commercial activity with sanctioned countries, territories, entities, persons, or sectors.
- Conduct appropriate due diligence to comply with sanctions, export controls, and anti-boycott requirements.

**Comply With All Applicable Customs Regulations.**

**We Require Our Suppliers To:**

- Adhere to requirements within Ford's Supplier Guides and business rules for customs processes.
- Maintain accurate and complete records related to customs activities.

# How to Implement This Code



**All Ford suppliers must comply with this Code, work to prevent issues that are deemed high risk, mitigate and remediate issues when identified, and demonstrate compliance when asked.**

## Our Suppliers

### Operationalize and Document Compliance.

#### We Require Our Suppliers To:

- Designate a senior executive who is responsible for oversight, governance, implementation, and compliance with this Code.
- Establish an appropriate compliance risk management system to manage human rights and environment-related risks, responsible material sourcing, and responsible and lawful business practices based on the United Nations Guiding Principles on Business and Human Rights.
- Conduct regular employee trainings to educate employees on practices as laid out in this Code. Suppliers must update and improve training at least annually. If the supplier does not have the capacity to develop and maintain this training, Ford can provide access to industry aligned trainings on these topics upon request at: [fwcp@ford.com](mailto:fwcp@ford.com)
- Provide documentation on the implementation of such trainings.
- Enable Ford to assess compliance with this Code and that requirements are met by completing questionnaires and/or participating in on-site assessments or audits conducted by an independent third party.
- Document efforts to comply with this Code and keep the documentation for at least seven years.

**Develop and Implement Human Rights, Environmental and Sustainability Due Diligence Measures to Prevent and Mitigate Issues and to Strive for Positive Impacts.**

#### We Require Our Suppliers To:

- Identify and assess human rights and environment-related compliance risks, respective violations, and actual or potential adverse impacts by consulting external experts and providing meaningful involvement of relevant stakeholders and people or groups potentially affected by the supplier's activities or those of its own suppliers in decision-making processes.
- Integrate due diligence findings in business planning and decision making, considering the environment, human rights, public health, Indigenous people, and the communities where they operate.
- Set environmental, social and governance goals, accurately track results, and continually evaluate and report progress.
- Provide timely and accurate information to stakeholders on environmental, social and governance matters involving Ford.
- Ensure fair treatment of relevant stakeholders and people or groups potentially affected by the supplier's activities or those of its own suppliers in decision-making processes regardless of race, color, national origin, or income.
- Engage transparently and constructively with suppliers, local communities, governments, non-governmental and advocacy organizations, and other stakeholders, including Indigenous groups, regarding the matters covered in this Code.
- Seek third-party assistance, as appropriate, to assess compliance with this Code.

**Provide Grievance Mechanisms and Remedy.**

#### We Require Our Suppliers To:

- Provide an operational-level grievance mechanism which is accessible to all employees, suppliers, and the public.
- Transparently inform stakeholders on their grievance mechanism, including how to access and use.
- To bring the violation or adverse impact to an end; provide appropriate remedies when non-compliance occurs.
- Not retaliate against anyone who makes a good faith report of a violation of policy or law.
- Report suspected wrongdoing and concerns — including concerns about product safety — to Ford at [SpeakUp@ford.com](mailto:SpeakUp@ford.com). Ford will not tolerate any retaliation against its suppliers for bona fide reports of unethical or unlawful conduct by our employees or representatives.

Suppliers may also utilize and transparently inform stakeholders of human rights and environment-related issues through Ford's [External Grievances](#) system. This grievance mechanism is open and accessible for all suppliers and employees within Ford's supply chain.

**Ford may ask for confirmation of compliance with the requirements of this Code at any point in its relationship with a supplier, including before business is awarded.**

***Any corrective action plans required to demonstrate or rectify non-conformance to this Code will be according to a mutually agreed timeline and at no cost to Ford.***

# References



## Aligned With These International Frameworks and Charters and Industry Guidance.

- [International Bill of Human Rights \(The United Nations Universal Declaration of Human Rights and its two Covenants\) 1948](#)
- [International Labour Organisation \(ILO\) Declaration on Fundamental Principles and Rights at Work \(1998\), including ILO Convention No. 138 on Minimum Age and Convention No. 182 on the Worst Forms of Child Labour](#)
- [United Nations \(UN\) Guiding Principles on Business and Human Rights \(2011\)](#)
- [Organisation for Economic Co-operation and Development \(OECD\) Guidelines for Multinational Enterprises \(2011 Edition\)](#)
- [OECD Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas \(2016 Edition\)](#)
- [UN Global Compact](#)
- [UN Sustainable Development Goals](#)
- [UN CEO Water Mandate](#)
- [UN Women's Empowerment Principles](#)
- [Automotive Industry Guiding Principles \(2022\)](#)
  
- Relevant Supply Chain Due Diligence Laws:
  - [Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains \(2021\)](#)

- Relevant Environmental Regulations and Laws:
  - [Minamata Convention on Mercury](#) of 10 October 2013, noting in particular:
    - Article 4 (1) – prohibition of the manufacture of mercury-added products listed in Annex A Part I from the phase-out date specified in the Convention for the respective products and processes
    - Article 5 (2) – prohibition of the use of mercury and mercury compounds in specific manufacturing processes listed in Annex B Part I from the phase-out date specified in the Convention for the respective products and processes
    - Article 11 (3) – appropriate measures for management and treatment of mercury waste
  - [Stockholm Convention on Persistent Organic Pollutants](#) of 23 May 2001 in the version of Regulation (EU) 2019/1021 and as last amended (2020), noting in particular:
    - Article 3 (1) (a) – prohibition of the production and use of chemicals listed in Annex A
    - Article 6 (1) (d) (i, ii) – prohibition of the handling, collection, storage and disposal of waste in a manner that is not environmentally sound
  - [Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal](#) in the version of as last amended (2013)
  - [Regulation \(EC\) No 1013/2006](#) on shipments of waste as last amended (2020)

- Relevant Responsible Material References and Laws:

- [EU Critical Raw Materials](#)

### Publicly Available Ford Policies/Resources

- [Corporate Sustainability Reporting Site](#)
- [Code of Conduct](#)
- [We Are Committed to Protecting Human Rights and the Environment](#)
- [Ford Restricted Substances Management Standard](#)

### Additional Ford Supplier Guides (Requires access)

- Environmental Requirements Supplier Guide
- Export Control and Sanctions Compliance Supplier Guide
- Ford Parts Brand Protection Supplier Guide
- North America Customs & Trade Supplier Guide
- Packaging Supplier Guides
- Social Responsibility and Anti-Corruption Requirements Supplier Guide
- Supplier Customs Import & Export Guides for the United States, Mexico and Canada
- Supply Chain Inclusivity and Diversity Supplier Guide
- Value Chain Transparency Supplier Guide



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