



Human Rights Progress Report 2023



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ABOUT THIS REPORT

Ford's longstanding commitment to protecting human rights is grounded in our purpose to help build a better world where every person is free to move and pursue their dreams. It is matched by our commitment to transparency.

This Human Rights Progress Report presents key progress we've made in the past year to protect human rights within our business and manage the salient issues we have identified across our value chain. This report applies to Ford and all of its subsidiaries.

Ford issued the U.S. auto industry's first stand-alone Human Rights Report in 2022 to demonstrate our leadership in respecting human rights and our commitment to transparency. Going forward, we will be conducting human rights saliency assessments and share progress in a Human Rights Report annually.

Our human rights reporting is aligned with the United Nations Guiding Principles Reporting Framework (UNGPRF), the first comprehensive guidance for companies to report on how they uphold human rights. The issues we've identified are mapped to the UN Sustainable Development Goals (SDGs).

Our industry and our world are going through a period of tremendous change with immense human rights implications. We hope this Human Rights Progress Report will help you understand our approach to human rights, our efforts to address salient and emerging human rights issues in the past year, and our priorities in the coming year.

- Links to useful resources:
- ▶ [INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT 2023](#)
 - ▶ [CLIMATE CHANGE REPORT 2023](#)
 - ▶ [HUMAN RIGHTS REPORT 2022](#)
 - ▶ [WE ARE COMMITTED TO PROTECTING HUMAN RIGHTS AND THE ENVIRONMENT POLICY](#)
 - ▶ [CODE OF CONDUCT](#)
 - ▶ [SUPPLIER CODE OF CONDUCT](#)
 - ▶ [GLOBAL MODERN SLAVERY AND HUMAN TRAFFICKING TRANSPARENCY STATEMENT](#)
 - ▶ [RESPONSIBLE MATERIAL SOURCING POLICY](#)
 - ▶ [CONFLICT MATERIALS REPORT](#)

This report includes forward-looking statements. Forward-looking statements are based on expectations, forecasts and assumptions by Ford management and involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those stated. For a discussion of these risks, uncertainties and other factors please see "Item 1A. Risk Factors" in our [Annual Report on Form 10-K](#) for the year ended December 31, 2022, as updated by subsequent [Quarterly Reports on Form 10-Q](#) and [Current Reports on Form 8-K](#).

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Letter from Bill Ford and Jim Farley

This year, Ford is celebrating our 120th anniversary.

“Our values have always driven this company forward. The greatest measure of Ford’s success is whether we are improving the lives of our customers, employees and people in the communities in which we operate.”

BILL FORD, EXECUTIVE CHAIR



BILL FORD



JIM FARLEY

Though much about our world is changing, Ford’s purpose is the same today as it was when the first Model T was designed. We want to help build a better world where every person is free to move and pursue their dreams.

We believe that the long-term success of any business depends on how it creates value for its customers, employees, and communities, while also caring for the planet. Our shared challenge now is bringing even greater urgency to protecting the planet, advancing social equity and supporting a just transition to electric vehicles.

In 2022, the Ford team reimagined our products, services and the way we work to align with our environmental and social priorities. We announced that we would reorganize our global automotive operations into three distinct business segments: Ford Blue, Ford Model e and Ford Pro. As a result, we are forming deeper customer relationships, creating lifestyle-enhancing technology and pursuing exciting products. Last year we invested in renewable energy, new facilities and upgrades to existing facilities and announced the creation of thousands of jobs. We began the work of bringing electric vehicles to scale.

We are committed to creating a carbon-neutral transportation future. To that end, we plan to source 100% carbon-free electricity for our global manufacturing efforts by 2035. Last year, we made the largest renewable energy purchase from a utility in U.S. history. Ford also issued its inaugural Sustainable Financing Report, highlighting how the net proceeds from the company’s first Green Bond are being allocated to support the design and manufacturing of Ford’s electric vehicles. Lastly, we are supporting our suppliers, ensuring they set and meet science-based targets to reduce their carbon footprint, a critical element of our sustainability efforts that include clean air and clean water initiatives.

We are also using our purchasing power not only to fuel our business needs but also to protect our customers, communities and the environment. We have invested resources to better understand the origins of our raw materials and ensure they are sourced responsibly.

Last year, 3BL Media’s Best Corporate Citizen ranking listed Ford first in the human rights category, and the World Benchmarking Alliance recognized us as the top automotive company in human rights for the second time in a row. And through the work of the Ford Fund, our philanthropic arm, we continue to partner with communities to expand access to resources and opportunities that help move people forward.

Ford is undertaking a massive transformation to lead the electric vehicle revolution, and the accomplishments in this report signal our genuine commitment to doing so in a way that is consistent with our values. Around the world, we are planning to invest more than \$50 billion from 2022 through 2026 to create a carbon-neutral transportation future. We are on track to reach an annual targeted production run rate of 600,000 electric vehicles globally by the end of 2023, and 2 million by the end of 2026. Ford was the second best-selling electric vehicle brand in the U.S. in 2022. Mustang Mach-E production continues to grow with an order bank in the thousands – two-thirds of customers are new to Ford. F-150 Lightning has been America’s best-selling electric truck¹ since its launch and the E-Transit led the electric van segment in 2022 at 73% share in the U.S.

We take the long view at Ford, and we are excited and optimistic about the future. We know we are on the road to better.

Thank you for your interest in Ford Motor Company, and we invite you to read more about our progress and plans in this report.

Bill Ford
Executive Chair

Jim Farley
President and Chief Executive Officer

1. Based on 2022 CY Motor Intelligence Data.



Key Highlights

35

MANUFACTURING SITES COMPLETED A CORPORATE HUMAN RIGHTS RISK ASSESSMENTS

100%

OF SALARIED EMPLOYEES OFFERED ANTI-HARASSMENT AND DISCRIMINATION TRAINING

1,252

AUDITS OF SUPPLY CHAIN SOCIAL RESPONSIBILITY SINCE 2003 IN ACCORDANCE TO THE RESPONSIBLE BUSINESS ALLIANCE (RBA) VALIDATED ASSESSMENT PROGRAM (VAP) STANDARD

25

AUDITS OF SUPPLIERS IN 2022 TO RBA VAP STANDARD



APPROACH TO HUMAN RIGHTS

Stand-alone Human Rights Report issued

We Are Committed to Protecting Human Rights and the Environment Policy updated

International Human Rights Day recognized

Sustainability performance metrics integrated into our global sourcing decisions



RECOGNITION

1st

AUTOMOTIVE BRAND IN THE WORLD BENCHMARKING ALLIANCE'S 2022 CORPORATE HUMAN RIGHTS BENCHMARK



1st

IN THE HUMAN RIGHTS CATEGORY IN THE 2022 BEST CORPORATE CITIZENS RANKING BY 3BL MEDIA



KEY INITIATIVE: BATTERY RAW MATERIALS

11

BATTERY RAW MATERIALS SUPPLIERS AND SUB-TIER SUPPLIERS AUDITED IN 2022 AGAINST ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD) DUE DILIGENCE GUIDANCE

It takes big dreams and bold action to be a leader in sustainability. Our sustainability efforts drive our business today, and our aspirations chart a path forward on the road to better.





Our Approach and Strategy

Ford’s longstanding commitment to protecting human rights is grounded in our purpose to help build a better world where every person is free to move and pursue their dreams. It is matched by our commitment to transparency.

HUMAN RIGHTS STRATEGY

We are committed to respecting human rights everywhere we operate and throughout our entire value chain. We aspire to ensure that everything we do – or that others do for us – is consistent with local law and our own commitment to human rights per our policy, [We are Committed to Protecting Human Rights and the Environment](#). In situations where non-compliance is confirmed, we provide remedy as quickly as possible. We require our suppliers and expect our business partners to adopt and enforce similar policies.

Ford’s human rights strategy for our business and suppliers is aligned with the United Nations (UN) Guiding Principles on Business and Human Rights and focuses on:

- Embedding human rights policies into the business
- Implementing due diligence processes to identify, prevent, mitigate and account for human rights impacts in our business and our supply chain
- Providing remedial actions when needed
- Communicating transparently with our stakeholders about our processes and actions
- Engaging constructively with suppliers, local communities, governments, non-governmental organizations, and other stakeholders, including indigenous people
- Seeking third party assistance, as appropriate, to assess compliance with our policy

HUMAN RIGHTS POLICY

Our [We Are Committed to Protecting Human Rights and the Environment policy](#) reinforces our commitment to human rights, and our [Supplier Code of Conduct](#) explicitly requires our suppliers to adopt and enforce similar policies and extend them to their own supply chain.

We follow all Ford policies and comply with or exceed all applicable laws and regulations. We also strive to meet the spirit of these laws and regulations. Cost alone does not drive our business decisions; we consider impacts on human rights and the environment among other factors.

Our Vice President, Chief Sustainability, Environment and Safety Officer is responsible for interpreting and implementing this policy, managing risk, and reviewing with, as appropriate, the Vice President Global Manufacturing and Labor Affairs, Vice President Global Commodity Purchasing, Chief People and Employee Experience Officer, and the Chief Policy Officer and General Counsel.

The Global Sustainability and Purchasing Supply Chain Sustainability teams are responsible for day-to-day operations of human rights and environment leadership, management and implementation.

DUE DILIGENCE

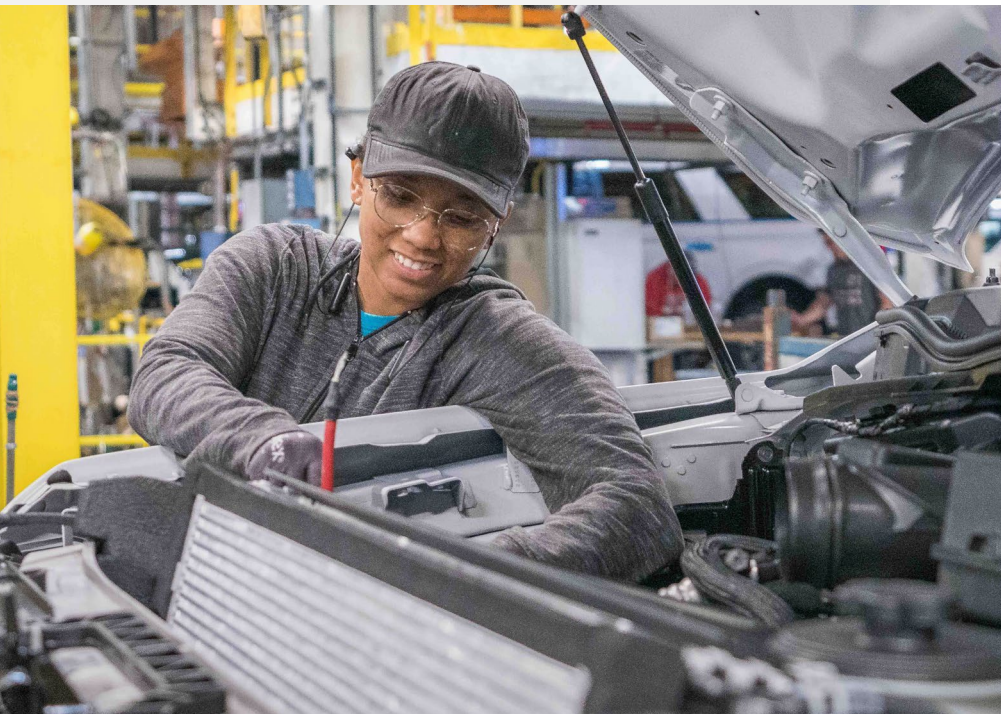
As part of our efforts to improve our due diligence procedures and transparency, a cross-functional team has been developed to determine how Ford will address human rights strategy, assess risk, prioritize actions and comply with new and upcoming due diligence laws.

When potential issues are identified by stakeholders, Non-Governmental Organizations (NGOs), media or supply chain partners, we take action to investigate the issue and understand our corporate and supplier involvement. We adapt our due diligence approach to each incident based on the type of inquiry. When a non-compliance occurs, we provide appropriate remedies and bring any violation to an end, including working with suppliers to implement corrective actions.



▾ **Our commitment to human rights stems from our purpose of helping to build a better world and continues to guide our decision-making and actions, both today and in the future.**

Our Approach and Strategy – continued



SOCIAL ACTION COUNCIL

Ford is creating new ways to promote and support positive change. The company's new Social Action Council is a cross-functional team of Ford leaders who assess the impacts of social issues on Ford's business and stakeholders and present engagement recommendations to the company's executive leaders and Board of Directors.

BLUE TABLE FORUM

Ford also established the Blue Table Forum, a stakeholder advocacy program focused on creating and building a trusted community of organizational and institutional stakeholders from a diverse group of NGOs, nonprofits and academic institutions. The program goal is to initiate a dialogue around critical issues faced and how we can work together to build a responsibly sourced, zero-emissions transportation future. To-date, the program has engaged over 75 influential thought-leaders across 50 organizations with regional, national and global representation and a diverse stakeholder network of over 70 million including members, donors, volunteers, and partner organizations.

JUST TRANSITION

As we take leadership of the electric vehicle revolution and move toward carbon neutrality, we are supporting a just transition for our employees, our supply chain and the communities in which we operate. This aligns with Ford's commitment to the Paris Agreement, which urges signatories to take into account the imperatives of a just transition.

We recognize that new skills and learning approaches are needed as the transition to electric vehicles (EVs) disrupts existing business models across industries and new value streams emerge.

► [READ MORE IN OUR JUST TRANSITION SECTION ON P.12](#)

SUPPLY CHAIN

Suppliers play a critical role in helping Ford meet our commitments and uphold our values. Given the size and complexity of our supply chain, we use an annual risk assessment process to prioritize supplier sites with a higher risk for substandard working conditions based on their location, the type of parts they supply to Ford, or specific issues identified at a site.

Our commitment requires a robust approach to safeguarding against human rights abuses in our supply chain. This includes:

- Working with suppliers to align with Ford's [Supplier Code of Conduct](#)
- Analyzing the human rights risks associated with our supply base
- Auditing our supply base facilities that have a higher risk of substandard working conditions or other potential human rights risks
- Conducting training to build capacity, both with our suppliers and our employees, to improve supply chain working and environmental conditions
- Collaborating with others in multi-stakeholder initiatives and partnerships to develop tools and training supporting continual improvement throughout the global supply chain

OUTLOOK

As a leader in respecting human rights, our priorities are to ensure we comply with or exceed all applicable laws and regulations, including enhancing processes to prevent, mitigate, and remediate issues. Our compliance with due diligence laws will continue to ensure battery materials are responsibly sourced as we drive forward our EV strategy.

Ford faces challenges in the depth and breadth of our supply chain. We recognize that robust supply chain traceability to the raw material is one of the keys to identifying and addressing human rights risks. We will continue to build the capacity of suppliers to comply with the Ford [Supplier Code of Conduct](#) through sustainability metrics, face-to-face training and other initiatives.

2022 Updates

FORD DUE DILIGENCE UPDATES

We were the first U.S. auto company to issue a stand-alone [Human Rights Report](#) and we hold our employees and suppliers to high standards through rigorous monitoring processes and policies. Our tracking, reporting and training initiatives, and partnerships with cross-industry organizations and NGOs, are helping Ford set an example for championing human rights on a global scale.

We are prioritizing our due diligence work in response to new and upcoming legislation, additional high-risk suppliers with our transition to EVs and increased human rights risks globally.

We have updated our [We Are Committed to Protecting Human Rights and the Environment policy](#) as shaped by due diligence laws, such as the German Supply Chain Due Diligence Act (SCDDA), to clarify what is covered under Ford policy, including support of a living wage.

In alignment with the German SCDDA, the Vice President, Chief Sustainability, Environment and Safety Officer is responsible for monitoring the implementation of an effective and appropriate risk management system as well as the general oversight of the company’s human rights and environment leadership.



To support our internal due diligence activities, we continue to rely on Self-Assessment Questionnaires (SAQs) from the Responsible Business Alliance to assess human rights risk in a quantitative process. Of the 70 currently operating Ford manufacturing facilities, 35 conducted SAQs in 2022. Results of the SAQs indicate low human rights risk, consistent with the previous year’s results.

We will continue to evaluate and improve our processes for expanded rollout to additional facilities, furthering our efforts to ensure the protection of human rights and basic working conditions within our global manufacturing facilities.

Our internal cross-functional team has also identified opportunities to be transparent about the human rights risks to Ford. We are conducting additional risk assessment of our operations including our supply chain and are updating our processes for managing and addressing risks and closing gaps in our procedures. Ford is implementing these due diligence actions globally throughout the company.

Supply Chain Due Diligence

Ford works to identify and address potential human rights violations and environmental risks within our business and supply chain.

Our due diligence efforts have been further enhanced through the enactment of global legislation, namely the German Supply Due Diligence Act and the U.S. Uyghur Forced Labor Prevention Act. Our efforts, including assessing risk, supply chain mapping, supply chain data transparency and supplier audits, are critical to ensure our compliance. We are also considering environmental risks that may lead to human rights violations.

SOURCING FOR SUSTAINABILITY

We launched the integration of sustainability metrics into supplier sourcing decisions in 2022. The first metric launched, the Sustainability Self-Assessment Questionnaire Rating, requests that suppliers complete the Drive Sustainability Self-Assessment Questionnaire (SAQ) and share responses with Ford. In addition to the SAQ Rating, the following metrics will launch in 2023:

- Carbon Neutrality Target
- Acceptance of [Supplier Code of Conduct](#)
- Sustainability Score – based on supplier compliance with sustainability reporting requirements

If a supplier has an unacceptable sustainability finding, the decision to source must be reviewed at the Global Commodity Director level and a corrective action plan must be in place.

UPDATES TO SAQ FINDINGS

At the end of 2022, approximately 55% of the supplier SAQs identified at least one gap with Ford’s [Supplier Code of Conduct](#). We will continue to work with suppliers on identified gaps in compliance. In 2023, we will continue to focus on increasing supplier SAQ completions and policy alignment with Ford’s Supplier Code across our global supply base.

► [READ MORE ABOUT OUR SUPPLY CHAIN SAQ AND AUDIT RESULTS FOR THE SALIENT ISSUES IN THE PERFORMANCE DATA IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Supply Chain Due Diligence – continued



SOCIAL RESPONSIBILITY AUDITS

Responsible Supply Chain Initiative

Ford is a founding member of the Responsible Supply Chain Initiative (RSCI) launched by the German Automotive Industry Association VDA (Verband der Automobilindustrie).

The objective of the RSCI is to develop a standardized assessment for evaluating the sustainability of companies in automotive supply chains, including measures like working conditions, occupational safety and environmental protection. The RSCI also includes a new industry standard audit, which we piloted in 2022. We will utilize the protocol to significantly increase the number of supplier audits conducted in 2023.

► [READ MORE IN THE HUMAN RIGHTS AND SUPPLY CHAIN MANAGEMENT SECTION OF THE INTEGRATED REPORT](#)

Responsible Business Alliance (RBA) Validated Assessment Program (VAP) Audits

In 2022, we conducted 25 initial social responsibility audits of our high-risk Tier 1 suppliers. Corrective action plans, including training to support policies and processes required to correct an identified non-compliance, are being put in place.

► [READ MORE ABOUT THE AUDIT RESULTS IN THE PERFORMANCE DATA IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

WORKER VOICE APP

Ford was one of the first RBA member companies to launch the new RBA Worker Voice Platform to our suppliers. The platform gives workers more ways to provide feedback, share grievances, and develop skills.

It also offers audit support, allowing worker interviews to be performed discreetly, without supervisor oversight, and enables workers to report retaliation against audit participants.

We offered use of this app free of charge to all our direct suppliers in 2022, and will continue to encourage adoption by suppliers in 2023. We also introduced the app's grievance mechanism on our corporate website to increase awareness of and access to this tool for community members.

► [READ MORE IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

TRAINING FOR OUR PURCHASING TEAMS

Our purchasing teams are the first line of investigation into our suppliers. To increase their understanding of sustainability issues, we launched training modules in 2022 directed toward all of Ford's global purchasing employees. In 2022, Ford trained 2647 employees through online modules and 844 directly by Supply Chain Sustainability in commodity team webinars on topics including the environment and compliance. Training will continue in 2023 and expand to include sourcing for sustainability, human rights, and materials sourcing.

UPDATES TO SUPPLIER CODE OF CONDUCT

We are updating our [Supplier Code of Conduct](#) in 2023 to reflect changing regulations and emerging issues. Ford will regularly update the code to reflect changes in regulations to maintain our leadership in human rights while reflecting changes in legislative requirements and stakeholder expectations.

SUPPLIER RISK ASSESSMENT UPDATES

We updated our annual supply chain risk assessment to identify risks, take appropriate measures to minimize them and continue alignment with legislative requirements. As we update our risk assessments for our supply chain, we also update the process for addressing and managing those risks. As new issues arise, we will identify whether there are any gaps in our processes and, if so, work to close them immediately.

RESPONSIBLE MINERAL INITIATIVE

Since 2013, we have conducted due diligence to file an annual report with the U.S. Securities and Exchange Commission (SEC) and ensure that suppliers who provide us with components containing tin, tungsten, tantalum, and gold (3TG) understand the origins of such minerals, source them responsibly, and do not knowingly provide parts containing minerals that contribute to conflict.

To address human rights risks such as child labor that have been associated with artisanal and small-scale miners (ASM) of cobalt and mica, we have included these materials in our due diligence program in 2018 and 2020, respectively.

In 2022, we expanded the scope of our due diligence as defined by the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance to include lithium and nickel. We will use data collected through the Responsible Mineral Initiative (RMI) Pilot Template Report to engage processors to undergo RMI's Responsible Material Assurance Process (RMAP) and their new Environment, Social and Governance (ESG) assessment.

EV Battery Raw Materials and Processing – continued



BETTER MINING

Ford supported Better Mining, an on-the-ground program to proactively identify risks and improve conditions in nine artisanal and small-scale (ASM) cobalt mine sites in the Democratic Republic of the Congo (DRC).

This program contributes to building the capacity of legal ASM cooperatives and sector supporting state services to help achieve responsible practices in the sector and meet due diligence requirements. Capacity building will also help mining communities meaningfully participate in global value chains.

In 2022, this effort led to tangible risk management improvements, preventing incidents of child labor and work by individuals without adequate personal protective equipment, as well as improving work and safety conditions on mine sites.

BATTERY MAPPING

In 2021, we initiated supply chain mapping and auditing with RCS Global Group to deliver a multi-commodity responsible sourcing audit program to understand the sources of the cobalt, nickel and lithium used in our EVs. RCS Global Group, a recognized leader in data-driven ESG performance and auditing, conducts independent audits using IRMA Critical Requirements down to the mine site.

We have continued these audits in 2022 and expanded the scope to include plug-in hybrid electric (PHEV) supply chains and more audits. Our work has also expanded to now map and audit our EV battery raw material supply chains to include nickel, lithium, cobalt and graphite. To date, the project has conducted 30 supplier audits along four select battery supply chains at all tiers through to the mine site. These initial audits have led to the identification and mapping of 120 suppliers and identified mine sites in Australia, Chile, the Democratic Republic of the Congo, Finland, Indonesia, Russia and Turkey. In early 2023, along with our suppliers, we also underwent a responsible sourcing audit of our nickel, lithium

and cobalt OECD due diligence management systems and will continue to work to close gaps identified. No critical risks, including child labor, were identified during the audits.

Our collaboration with RCS Global is strengthening our responsible sourcing capacity and driving continual improvements in transparency and responsibility in our raw material supply chains. We also provide our suppliers with the tools and training to support their continual improvement. Suppliers who do not meet Ford standards are required to demonstrate improvement under a Corrective Action Plan that is closely monitored by Ford.

► [READ MORE ABOUT OUR SUPPLY CHAIN SAQ AND AUDIT RESULTS FOR THE SALIENT ISSUES IN THE PERFORMANCE DATA IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

► [READ MORE IN THE CIRCULAR ECONOMY AND END-OF-LIFE SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

MAPPING OF FOUR FORD BATTERY SUPPLY CHAINS TO THE MINE SITE

Supplier Type	Number of Identified Suppliers	Country of Operation
Battery	5	China, Poland, Korea, USA
Cathode	3	China, Korea
Electrolyte	1	China
Manufacturer	5	China
Refiner	20	Australia, China, Finland, Korea,
Treatment Unit	28	Australia, Chile, DRC, Finland, Indonesia, Russia, Turkey
Large Scale Mine (LSM)	31	Australia, Chile, DRC, Finland, Indonesia, Russia, Turkey
Other*	27	Belgium, China, DRC, Korea, Luxembourg, Netherlands, Poland, Singapore, Switzerland, UAE
Total	120	

*Other includes Traders, Mechanized Mines, and suppliers type unidentified.

Just Transition

As we continue to implement our EV strategy and move toward carbon neutrality, we are supporting a just transition for our employees, our supply chain and the communities in which we operate.

We recognize that new skills and learning approaches are needed as the transition to EVs disrupts business models across industries and new value streams emerge. It is important to note that building this future requires changing and reshaping virtually all aspects of the way we have operated for more than a century. Consequently, we are eliminating some work and reorganizing and simplifying functions throughout our business. We will live up to our duty to care for and support those affected, providing not only benefits but significant help to find new career opportunities.

TRANSITIONING SKILLS

Ford is committed to providing hourly and salaried employees with the opportunity to upskill and reskill with supportive training programs both internally and with the help of community partners. We are committed to the principles of lifelong learning, embracing a growth mindset and career development.

Ford has long been a leader in the market with innovative, efficient, and clean internal combustion engine (ICE) powertrains designed and developed by one of the deepest research and advanced engineering staffs in the industry. As the transition from ICE to EVs accelerated, it was quickly recognized that the skills of this workforce in traditional engineering and science disciplines were directly applicable to the new EV system design challenges. Engineers who previously developed state-of-the-art ICE combustion and emissions systems are now applying those same modeling and experimental testing skill sets to design industry-leading EV battery safety systems, optimize fuel cell system components, and improve eMachine manufacturing processes.

Similarly, researchers and test laboratories at Ford’s Research and Innovation Center are transitioning from traditional ICE emissions testing to EV battery testing. The ICE emissions catalyst materials laboratories are being changed over to dedicated battery material analysis and testing. ICE emissions engineers are using their chemistry and materials knowledge to conduct the testing and investigate future EV battery materials.



To better serve EV customers, Ford is investing \$525 million in the U.S. to train future auto technicians. Automotive Student Service Educational Training (ASSET) is a collaboration between Ford, Ford Motor Company Fund, Ford and Lincoln dealers and select community colleges and technical schools. ASSET is integrating new learning for electric vehicles including high voltage safety systems, hybrid vehicle and EV component diagnostics and repair, and an introductory course on high voltage battery service.

► **READ MORE IN THE HUMAN CAPITAL, DIVERSITY, EQUITY AND INCLUSION SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT**

“I’m very proud of the outstanding job Ford has done to not only actively recruit, through programs such as SkillBridge and others, qualified Veterans to come for Ford, but also in taking care of the Veterans that already work here by providing a space for our Veterans to come together to learn and grow together.”

SCOTT RUMFIELD, PRODUCT LINE MANAGER, GDIA DATA TECH NA, PRESIDENT, FORD VET NG

Just Transition – continued



FORD ATLANTA RESEARCH AND INNOVATION CENTER (FARIC)

As the company undergoes a profound transformation, we remain committed to developing a workforce that is diverse, inclusive and reflects the communities in which we serve. For Ford, this includes attracting and retaining historically underrepresented talent, especially in the software engineering and high technology fields.

Aside from serving as an innovation hub and delivering software solutions, the FARIC team will also focus on increasing Black, Hispanic and female representation in software engineering and high technology careers. Strategies to do this include:

- Leveraging relationships with regional Historically Black Colleges and Universities (HBCUs) to help make high-tech career opportunities more available to diverse students
- Continuing to create and deepen relationships with regional colleges and universities, including HBCUs and Hispanic Serving Institutions. The goal is to conduct pioneering research and address Ford's growing need for the new competencies required for electric vehicles, connected vehicles and software engineering that are revolutionizing Ford products, technologies and services
- Creating flexible, non-traditional career pathways for people interested in pursuing software and high-tech careers, including co-ops, internships, part-time work, and non-degree software programs in collaboration with community partner City of Refuge

SUPPLIER DIVERSITY

Ford Motor Company is committed to support, develop, grow, and promote our diverse suppliers while expanding the economic impact and growth in the community for a more sustainable future. As we enhance Ford's EV vehicle and battery production, our Supplier Diversity & Inclusion Program will provide sourcing opportunities for several diverse suppliers.

To ensure diverse suppliers are considered through the entire supply chain, we have added supplier diversity and inclusivity language into our [Global Terms & Conditions](#). We are encouraging suppliers to establish supplier diversity and inclusion programs with specific goals and metrics on diverse supplier spend.

We now have goals to spend more than 20% annually with diverse suppliers by 2030. We have sourced over \$180 billion in goods and services with diversely owned businesses since 1978.

► [READ MORE IN THE HUMAN CAPITAL AND DIVERSITY, EQUITY AND INCLUSION SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



BUILDING AN ELECTRIFIED FUTURE

As we build an electric future at our plants we are providing opportunities to skill and connect community members with manufacturing careers. BlueOval City in Tennessee and BlueOval SK Battery Park in Kentucky will produce batteries for the next generation of Ford and Lincoln EVs and support the future growth of our EV portfolio.

Workforce Development & Impact

At BlueOval SK Battery Park, Ford is set to train 5,000 future employees with the knowledge and skills to build advanced batteries for future Ford and Lincoln vehicles. In part, we will achieve this through training at the Elizabethtown Community and Technical College BlueOval SK Training Center, which is located on-site. Construction is on track and the training center is scheduled to open in 2024.

Ford's BlueOval STEM (Science, Technology, Engineering, and Math) Strategy partnership with the University of Tennessee Martin is forging pathways to successful futures in manufacturing careers by engaging and educating primary and secondary school students, military veterans, and disconnected youth and adults, including individuals in the justice system.

Ford is dedicated to building a strong relationship with the West Tennessee community as it moves toward an electrified future. As BlueOval City moves closer to opening, we will continue to seek out and connect with residents, government, academia, private businesses and nonprofit organizations to create opportunities for all West Tennesseans.

Just Transition – continued



MEETING THE MOBILITY INNOVATION CHALLENGE

In December 2022, the Greater Memphis Chamber of Commerce announced that Greater Memphis and West Tennessee have been selected for Ford’s transformative, community-centered, two-year mobility innovation challenge.

Starting in 2023, Ford will partner with the Chamber and others to engage local entrepreneurs in pilot projects designed to increase access to sustainable, electrified mobility options that can connect urban and rural communities in the region. The program is similar to Ford Fund’s recently announced Accelerator Program with Heartland Forward in West Tennessee.

This mobility innovation challenge is an opportunity for entrepreneurs to propose equitable mobility solutions for grant funding – typically between \$50,000 and \$150,000 – to be piloted in the Greater Memphis area in 2024, further accelerating the region as a mobility innovation testbed.

Ford’s commitment to Greater Memphis and West Tennessee will accelerate the Chamber’s mission to make this region not just the global logistics leader but the global mobility leader. Ford’s emphasis on integrating local communities into the mobility innovation process – particularly through proposals from local entrepreneurs – will be a catalyst for recruiting talent and capital to the region.

This Memphis program will be the ninth mobility innovation challenge deployed by Ford since 2018. Since then, the program has successfully distributed over \$1 million in total grant funding across 15 mobility pilots after receiving approximately 1,000 mobility entrepreneur proposals in Detroit, Indianapolis, Austin, Miami-Dade County, Pittsburgh, Atlanta, Grand Rapids and Mexico City.

Our vision for the future of urban mobility is a transportation ecosystem that helps people get from point A to point B more seamlessly, how goods are delivered, and how traffic flows, while addressing the challenges of climate change and air pollution. We continue to collaborate directly with cities and other key stakeholders to help them solve mobility issues and deliver our own products and services that improve access to transportation.

\$1M

IN TOTAL GRANT FUNDING
SUCCESSFULLY DISTRIBUTED
SINCE 2018

15

MOBILITY PILOTS

1,000

MOBILITY ENTREPRENEUR
PROPOSALS IN DETROIT,
INDIANAPOLIS, AUSTIN, MIAMI-
DADE COUNTY, PITTSBURGH,
ATLANTA, GRAND RAPIDS AND
MEXICO CITY

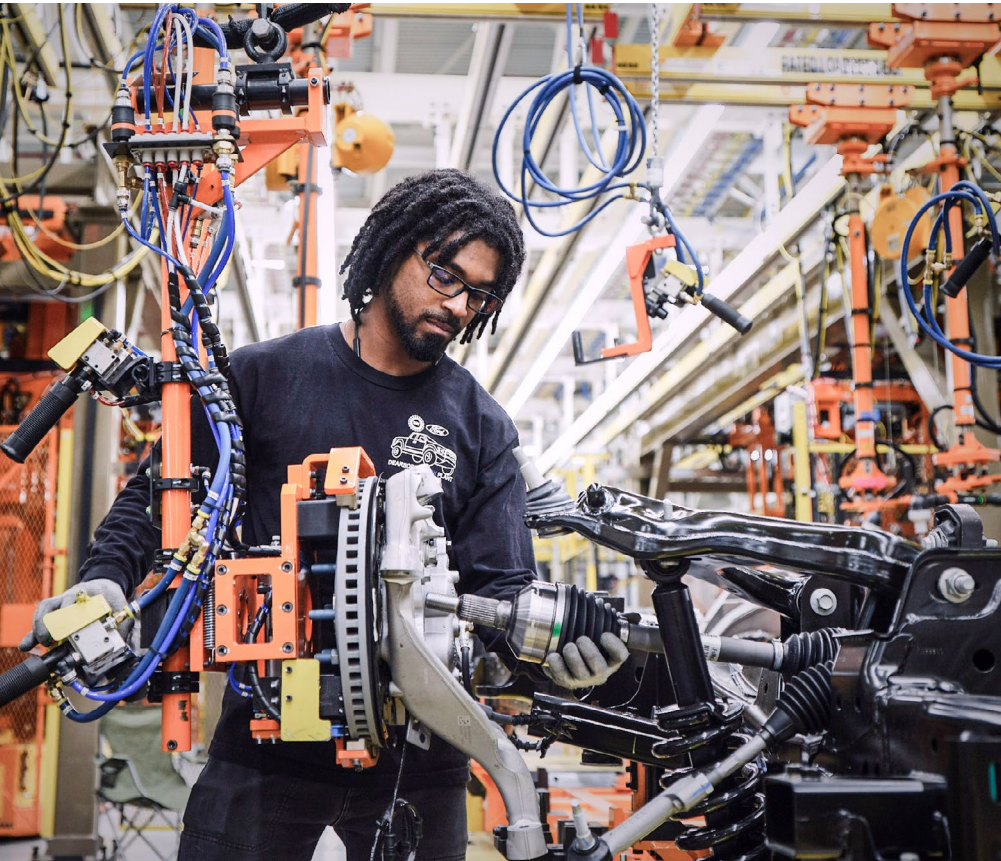


▲ Ford and the Greater Memphis Chamber announce innovation competition.

Salient Issues Update

Ford uses a saliency assessment to identify and prioritize the company’s key risks associated with human rights, and areas where we can make an impact.

The saliency assessment identifies potential high-risk human rights areas within our operations and along our value chain. Our 2022 saliency assessment highlighted impacts in our value chain specifically in manufacturing and raw material extraction in Africa, Europe, South America, Asia, and conflict-affected and high-risk areas (CAHRAs), as well as arid and flood-prone regions. What follows is an update on the actions taken to address the salient issues we identified in 2022.



In response to new due diligence laws, such as the German Supply Chain Due Diligence Act, we will be changing how we conduct saliency assessments and risk assessments. In addition to human rights, we are expanding our environmental issues scope in the saliency assessment and plan to review and update the salient issues and key risks to the company annually starting in 2023.

In our 2022 Human Rights Report we reported our processes for managing each salient issue. We continue this important work, and in this year’s update share the progress we have made in reducing risk related to these issues.

- [READ MORE ON EACH OF THE SALIENT ISSUES, HOW WE MANAGE THEM, AND THEIR IMPORTANCE TO FORD IN THE 2022 HUMAN RIGHTS REPORT](#)
- [READ MORE ABOUT OUR SUPPLY CHAIN SAQ AND AUDIT RESULTS FOR THE SALIENT ISSUES IN THE PERFORMANCE DATA IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Issues (listed alphabetically)		UN SDGs	
1	Access to water and sanitation	6	12
2	Air quality	3	11
3	Child labor	8	
4	Climate change	6	7 8 11 12 13
5	Equal and fair wages	5	8 10
6	Forced labor and ethical recruitment	8	
7	Harassment and discrimination	5	10
8	Human trafficking	5	8
9	Occupational health, safety and wellbeing	3	8 11
10	Product safety and quality	3	

Emerging Issues



▣ We uphold and support human rights by following our [We Are Committed to Protecting Human Rights and the Environment](#) policy to identify and monitor risks, remediate any non-compliance, and transparently report our progress. We comply with applicable laws regulating hours of work and support a living wage by providing competitive compensation and benefits that meet or exceed legal requirements.

As part of the saliency assessment we conducted in 2022, we identified two emerging human rights issues that we are closely monitoring in order to understand the associated risks and challenges.

[LIVING WAGE](#)

Ford supports a living wage by providing competitive compensation and benefits that meet or exceed legal requirements.

Ford complies with fair pay laws in all regions and countries and conducts ongoing reviews of our compensation data and practices globally to ensure they are fair, equitable, and free of bias due to gender, race, or similar personal characteristics. We also work with outside experts to conduct a thorough statistical analysis of salaried compensation throughout our workforce.

If business-related explanations for the statistical outcomes are not identified, Ford makes salary adjustments to address these situations.

[ARTIFICIAL INTELLIGENCE](#)

Not only is artificial intelligence (AI) used in autonomous vehicles, it is also commonly applied to vehicle maintenance, supply chain, and marketing.

Concerns about the development of AI extend beyond issues of privacy and data rights into freedom of choice, freedom of conscience, and the bias and discrimination that may arise from the input data or the algorithms themselves.

On the ethics of AI, the United Nations' guiding principle is that AI does not become autonomous or replace human rights, but is developed with an approach that centers on human rights. Cooperation and partnership between rights experts and developers is needed in order to build ethical and human rights centered AI.

We are mindful of the use of AI and its potential impacts on human rights.

► [READ MORE IN THE CONNECTED VEHICLES, MOBILITY SERVICES AND AI SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Access to Water and Sanitation

SUSTAINABILITY ASPIRATION:

Make zero water withdrawals for manufacturing processes and use freshwater only for human consumption.

SALIENT ISSUE:

The human right to water entitles everyone to sufficient, safe, acceptable, physically accessible, and affordable water for personal and domestic (household) use. “Sanitation” is defined as a system for the collection, transport, treatment, disposal, or reuse of human excreta and associated hygiene. The human right to sanitation entitles everyone to sanitation services that are safe, socially and culturally acceptable, secure, hygienic, physically accessible, and affordable, and that provide privacy and ensure dignity.

2022 UPDATE:

Efforts to further decrease our water consumption continue at Ford plants around the world. We continue to integrate more water-efficient processes and technologies. In 2022, our absolute freshwater reduction was 21.7%. We have installed more non-water-based technologies and are using alternative sources such as treated wastewater from other companies. We are also incorporating more water efficient processes and technologies in our assembly plants, including water reuse and recycling systems.

In support of our goal of ensuring we do not detract from our local community’s ability to have access to freshwater, Ford prioritizes water use reduction efforts at sites located in water scarce areas.

From these efforts, more than 186.3 billion gallons of water have been saved since 2000, and we have increased the use of offsite alternative water to 8% in water scarce areas.



Our plants in Mexico all have end-of-pipe water recycling systems which reduce the amount of freshwater needed in the manufacturing process and help to ensure its availability for the community. Our sites in Irapuato and Chihuahua have achieved Ford’s aspirational goal of zero freshwater for manufacturing processes and only use freshwater for employee use.

In the U.S., through an on-site wastewater treatment plant, our BlueOval City assembly plant in Tennessee aspires to make zero freshwater withdrawals for assembly processes by incorporating water reuse and recycling systems.

► [READ ABOUT WATER USAGE AT BLUEOVAL CITY IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

► [READ MORE ABOUT WATER USAGE AND STEWARDSHIP IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Air Quality

SUSTAINABILITY ASPIRATION:

Attain zero emissions from our vehicles and facilities.

SALIENT ISSUE:

The human right to clean air entitles everyone to not experience the potential negative effects of air pollution. It requires the sound management of non-greenhouse gas (GHG) air emissions from both vehicles and facilities.

► [READ MORE IN THE CLIMATE CHANGE UPDATE ON P.19](#)

2022 UPDATE:

Our EV strategy is aimed at helping to improve local air quality. Access to EVs can help provide health, economic, and mobility benefits, especially in communities that bear a disproportionate burden from climate change and air pollution. In 2022, our EV sales increased by 126%.

Global criteria emission standards have led to lower vehicle emissions and, in turn, to major improvements in air quality over the past few decades. We have met or exceeded the progressively more stringent vehicle standards worldwide as they have been introduced.

► [READ MORE ABOUT AIR QUALITY IN THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Child Labor

SUSTAINABILITY ASPIRATION:

Source only raw materials that are responsibly produced.

SALIENT ISSUE:

Child labor relates to the prohibition of employment of individuals who are under the minimum working age of 15 or the legal limit in the working country (whichever is stricter), unless as part of a government-authorized job training or apprenticeship program that clearly benefits the participants. Young people admitted to work must have working conditions appropriate to their age and be protected against economic exploitation. Any work likely to harm their safety, health, physical, mental, moral or social development, or to interfere with their education will be restricted. Child labor also relates to inadequate systems and policies to prevent the use of underage workers, either directly or indirectly, through labor agencies and contractors.

2022 UPDATE:

Our commitment to global good includes a pledge to eliminate child labor and a promise not to employ anyone under the age of 15 unless it is for a training program that clearly benefits the worker.

We have reviewed our contracted recruiting firms to ensure hiring practices are aligned with our [Global Terms & Conditions](#). We also have increased audits within Ford manufacturing facilities to ensure compliance with our child labor and responsible sourcing policies.

Also, we continue to audit suppliers that have been assessed as having the highest risk of human rights violations. In 2022, audits did not reveal any instances of child, forced, or involuntary labor. We continue to work towards the elimination of child and forced labor from the entire supply chain, with a greater emphasis on higher risk suppliers such as miners, smelters and refiners. Our high-risk considerations are continually reviewed.



2023 UPDATE:

In 2023, there were allegations raised by a media outlet regarding potential child labor occurring in Ford's supply chain. We take these allegations seriously. Ford prohibits the use of child labor in any form and requires our suppliers to enforce similar policies. We are investigating the actions of this supplier and have also requested an independent review by a third-party auditor, the Responsible Business Alliance. In addition, we continue to review our suppliers to make sure they are aligned with our [Ford Supplier Code of Conduct](#) and cascade these requirements to their suppliers. We will be transparent in the outcome of our investigation once it is completed.



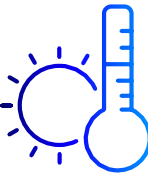
EMPOWERING WOMEN AND REDUCING CHILD LABOR IN COBALT MINES

Since 2021, the Oil and Mines Governance Center (OMGC), with financial and technical support from Ford Fund, has been implementing a program to break down barriers that prevent women in the Democratic Republic of the Congo from equitably accessing opportunities that cobalt demand provides. By providing economic opportunities for women, Ford is addressing one of the root causes of child labor.

In October 2022, the project progressed by providing necessary equipment, access to banking services and additional financial education for these co-ops and other women. The goal is to empower at least 200 women from predominantly women co-ops to operate in compliance with OECD and CGE (Entreprise Générale de Cobalt) standards regarding labor, corruption, and environmental protection. Additionally, at least 50 women will have access to artisanal mining cards and required banking and technology facilities.

Currently more than 90 women working in the Kapata, Tshipuku and Biwaya artisanal cobalt sites are, for the first time, benefiting from training in entrepreneurship, financial literacy, and new regulations for artisanal and small-scale mining. The project's goal is to improve the working conditions of these women, increase their incomes, support the stability of their households, and reduce the presence of children in mining. Ford Fund has doubled its spending on the project to extend additional support into 2023.

► [READ MORE IN OMGC'S "WOMEN AT THE END" REPORT](#)



Climate Change

SUSTAINABILITY ASPIRATION:

Achieve carbon neutrality no later than 2050.

SALIENT ISSUE:

Climate change impacts include extreme weather events and natural disasters, rising sea levels, floods, heatwaves, drought, water scarcity, and the spread of disease. GHG emissions from vehicle use, direct and indirect operations, and logistics contribute to climate change. Climate change threatens a range of human needs including those to life, water and sanitation, food, health, housing, self-determination, culture, and development.

2022 UPDATE:

Our strategy to achieve carbon neutrality by 2050 addresses the three areas that together account for approximately 95% of our CO₂ emissions: our vehicles, our operations and our supply chain.

We have reduced the on-road well-to-wheels (WTW) g CO₂/km of our fleet by 23% between 2019 and 2022. This was led by a milestone year for our electric vehicle strategy as the F-150 Lightning and E-Transit van hit the market, joining the successful Mustang Mach-E. Ford is now the second-best-selling electric vehicle brand in the U.S.

Our absolute manufacturing GHG footprint achieved a 40.1% reduction from 2017 levels. In 2022, 60.6% of electricity for our global manufacturing operations was carbon-free, and 42.6% of electricity from global operations was renewable.

Supply Chain

Our [Supplier Code of Conduct](#) requires Ford suppliers (and their subcontractors) to establish science-based GHG reduction targets, action plans, and transparent reporting mechanisms. Our suppliers around the world were required to submit their GHG reduction targets by the end of 2022.

In 2022, we joined two supply chain initiatives that will help us achieve our climate goals: First Movers Coalition and Manufacture 2030, which has replaced our internal best practice Partnership for A Cleaner Environment (PACE) program.

► [READ MORE IN THE CLIMATE CHANGE AND CARBON NEUTRALITY SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

Climate Justice

Climate change – which creates extreme weather events and natural disasters, rising sea levels, floods, heatwaves, drought, water scarcity, and the spread of disease – threatens the human rights of millions of people around the world, including the right to life, water and sanitation, food, health, housing, self-determination, culture, and development.

Ford supports climate justice, and the growing understanding that the impacts of climate change will not be felt equitably among all communities. As we address the human rights implications of climate change, we are also considering our customers by employing strategies to make electric vehicles more widely available and affordable so more people can benefit from them.

► [READ MORE IN THE CLIMATE CHANGE REPORT](#)





Fair and Equal Wages

DIVERSITY, EQUITY AND INCLUSION (DEI) GOAL:

Promote gender and racial equity while reducing bias in all People and Business policies, processes and systems. We are committed to equal pay for equal work.

SALIENT ISSUE:

All workers have the right to a fair wage. The notion of a fair wage is not static since it depends on a range of objective and subjective criteria. The right to a fair wage is a fundamental human right that is closely linked to other labor and human rights, e.g., freedom of association, discrimination, forced labor, and child labor.

The principle of an equal wage is that workers should have equal pay when they perform the same or similar jobs, after legitimate factors impacting wage/compensation levels, such as education, experience, specialized skills and wage market, are accounted for. Equality applies to all workers without distinction based on gender, sex, race, nationality, disability, age, health status, or any other factor not related to job qualification, skills, or performance. The right to equal pay is closely linked to the elimination of discrimination in respect of employment and occupation.



2022 UPDATE:

We have updated our [We Are Committed to Protecting Human Rights and the Environment](#) policy to include our commitment to a living wage. The updated policy also explains that we comply “with applicable laws regulating hours of work and support a living wage by providing competitive compensation and benefits that meet or exceed legal requirements.”

Our Compensation & Benefits office conducted an internal assessment to confirm that our global remuneration policies and practices are in accordance with the Wages & Benefits guidance set forth by the Responsible Business Alliance (RBA) and the Automotive Industry Action Group (AIAG). The assessment was based on competitive wages, benefits, and overtime compensation. Our findings confirmed that all Ford employees globally receive wages and benefits which, at minimum, respect minimum wages, overtime compensation, medical leave and government-mandated benefits, and are adequate to cover basic needs as well as enable a decent standard of living.

We are committed to equal pay for equal work. This commitment applies to all forms of pay, including base salary, incentives, bonuses, and other forms of compensation. Our 2022 Global Salaried Gender Pay Ratio is 98.6%. This ratio is defined as the weighted average ratio of average female salaries to average male salaries controlling for some variables such as region, pay grade, education, and experience worldwide. Our U.S. Salaried Minority Pay Ratio is 100.6%. This ratio is defined as the weighted average ratio of average salaries of women and minorities to average non-minority salaries controlling for pay grade, education, experience, and job title.

Although our analysis shows no indications of systematic pay bias, we will continually monitor our entire compensation structure to ensure that all employees are paid appropriately.



Forced Labor and Ethical Recruitment

SUSTAINABILITY ASPIRATION:

Source only raw materials that are responsibly produced.

SALIENT ISSUE:

Forced or compulsory labor refers to all work or service by an individual in which they are coerced to work through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers, or threats of denunciation to immigration authorities. It includes a commitment to ethical recruitment, which is the process of engaging workers fairly, transparently, and based on merit, recognizing that unethical recruitment often leads to forced labor. It also covers all tiers of the supply chain and includes minerals from conflict areas, which are typically linked with forced labor and systemic violence and oppression.

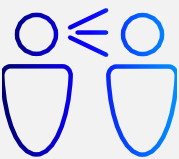
2022 UPDATE:

We continue to work with our suppliers to ensure that their policies align with the Ford [Supplier Code of Conduct](#), which expressly mandates that our suppliers “neither use nor condone forced or compulsory labor in any form and do not employ any form of abusive disciplinary practices” and “follow ethical recruiting practices.”

For example, we provide training to support suppliers in updating their policies to align with the Ford [Supplier Code of Conduct](#). We are also sending suppliers located in countries that have higher risk of forced labor to attend face-to-face training on ethical recruitment.

We are conducting additional risk assessments based on the U.S. Uyghur Forced Labor Prevention Act and other due diligence regulations. Based on identified risks, we are prioritizing our due diligence actions and taking specific actions as required in our supply chain. Our efforts include supply chain mapping, supply chain data transparency and supplier audits, which are critical to ensure our compliance. For any concerns raised by third parties, we are utilizing our due diligence process to investigate the issue and understand our corporate and supplier involvement.

► [READ MORE IN THE DUE DILIGENCE SECTION ON P.8](#)



Harassment and Discrimination

SUSTAINABILITY ASPIRATION:

Create a truly diverse culture where everyone feels like they belong.

SALIENT ISSUE:

Harassment means conduct of a harassing nature, whether in the workplace or off-site, which has the effect of interfering with someone's work performance or which creates an intimidating, hostile, or offensive working environment. What is acceptable, amusing, or inoffensive to some may be unwelcome, abusive, or offensive to others.

Ford does not tolerate violence, hate speech, harassment, or discrimination of any kind, including but not limited to gender, gender identity, race, color, religion, age, national origin, sexual orientation, disability, veteran status, genetic information, or pregnancy. In addition, Ford does not tolerate any forms of violence, torture, or cruel, inhumane, or degrading treatment. Beyond our immediate workplace, Ford condemns violence, hate speech, hate crimes, harassment, and discrimination which may affect our employees and partners outside of their work environment and the communities where we live, work, and serve.

2022 UPDATE:

We are committed to creating a diverse and inclusive culture where our employees feel valued, respected and that they belong. We are continuously working to ensure that there is no place for harassment and discrimination at Ford.

To this end, Ford conducted mandatory anti-harassment and discrimination training in 2022 for all global salaried employees. Training scenarios were based on real situations.

Ford hosted a Global Diversity, Equity and Inclusion Week for the third year with three session themes that focused on creating equity, psychological safety and unmasking exclusion. Global DEI Week is a powerful forum to educate and share our commitment to DEI.

Ford: a Voice for Diversity

Promoting full and equal participation in the economic growth of the automotive industry for people of color is an important part of the human rights conversation. Ford CEO Jim Farley reaffirmed Ford's dedication to that goal during the Rainbow PUSH Automotive Project's Fireside Chat, with the Rev. Jesse Jackson, PUSH founder, and John A. Graves, PUSH chairman in November 2022.

Launched in 1998, PUSH forges partnerships within the industry to advocate for minorities at every level of involvement. Farley reaffirmed Ford's commitment to inclusion as Ford moves to electrifying its vehicles, a transformation that will create economic opportunities for suppliers. Farley also committed to growing Black representation throughout the dealer network to better represent the communities served. Ford had back-to-back years of record increases in Minority Dealer appointment and spent \$10.78 billion with diverse suppliers in 2022.

Our commitment to diversity extends throughout the company. In 2022, Ford's Office of General Counsel hosted an Outside Counsel Diversity Summit to help ensure Ford's legal team is diverse and aligned with Ford's aspirations.

As we seek to recruit the next generation of Ford employees, we are focused on reaching underserved communities and helping underserved groups find pathways to Ford. Programs like our new Ford Atlanta Research & Innovation Center (FARIC) exemplify our efforts to develop and nurture the next generation of talent as the FARIC team focuses on increasing Black, Hispanic, and female representation in software engineering and high technology careers.

► [READ MORE IN THE JUST TRANSITION SECTION ON P.12](#)

► [READ MORE IN THE HUMAN CAPITAL AND DIVERSITY, EQUITY AND INCLUSION SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Human Trafficking

SUSTAINABILITY ASPIRATION:

Source only raw materials that are responsibly produced.

SALIENT ISSUE

Human trafficking is the recruitment, transportation, transfer, harboring, or receipt of people through force, violence, fraud, or deception, with the aim of forcing them to work against their will and exploiting them for profit.

2022 UPDATE:

In January 2022, Human Trafficking Prevention Month, Ford joined the U.S. State Department's call to shine a light on an atrocity that impacts an estimated 25 million adults and children around the world. As a global force in human rights, Ford is dedicated to our commitment to prohibit forced labor in our business.

To that end, we are focusing our efforts on our own operations and working with suppliers to aggressively monitor and influence the behavior of our company, affiliates and suppliers.

Our [We Are Committed to Protecting Human Rights and the Environment policy](#) commits to preventing forced labor and human trafficking, and our [Global Modern Slavery and Human Trafficking Transparency Statement](#) outlines steps we are taking to ensure that slavery and human trafficking are not occurring in our supply chains or other parts of our business.

Through our membership in the Responsible Business Alliance (RBA) we are assessing our operations and supply chain. We have increased human rights risk assessments, using RBA's SAQ to cover 50% of Ford's global manufacturing facilities. We also conduct RBA third-party VAP audits at supplier sites around the world.

Ford Fund, the company's philanthropic arm, and Ford volunteers support Alternatives for Girls and other U.S. organizations that educate, protect and rehabilitate trafficking survivors. In 2022, the Ford Interfaith Network partnered with Vista Maria, a refuge in Michigan that provides care for victims of human trafficking, to raise awareness about individuals who are exploited for forced labor or sex.



Occupational Health, Safety and Wellbeing

SUSTAINABILITY ASPIRATION:

Work toward a future that is free from vehicle crashes and workplace injuries.

SALIENT ISSUE:

Occupational health, safety, and wellbeing pertains to providing and maintaining a work environment that meets or exceeds applicable legal standards for occupational health and safety for workers across the value chain. It includes the physical security, mental health and wellbeing of workers, and extends to the health and safety of communities.



2022 UPDATE:

The health, safety and wellbeing of our people is paramount. Our commitment to occupational health and safety extends to our employees, contractors, and visitors performing work at our locations globally.

Our Safety Operating System (SOS) ensures the work environment within our facilities is safe for our employees and meets or exceeds all regulatory and company requirements. An SOS dashboard allows us to quickly identify issues by location, region, or globally to ensure allocation of resources, providing us with deeper insight into our safety metrics.

The lagging indicator for safety performance is the Global Lost-Time Case Rate. In 2022, our Global Lost-Time Case Rate was 0.39 per 100 employees. These were cases with one or more days away from work per 200,000 hours.

Safety Record

Our goal is to identify potentially fatal events and high-potential incidents involving our employees and contractors before they happen. When fatal and high-potential incidents do occur, global corrective actions are initiated and tracked to ensure that the identified causal factors are addressed. These corrective actions are tracked weekly to ensure timely completion.

Our safety efforts have reduced these types of events. However, in 2022 we experienced two fatalities – both in our joint venture operations. Cross-functional teams worked extensively to identify and implement controls to prevent recurrence of fatal hazards.

Safety in Battery Manufacturing

Safety is a top priority as we produce EVs at new sites and existing locations. The Battery Electric Safety Core Team reviews training requirements, emergency response procedures, best practices, and internal and external incidents to better understand and prepare our workforce and shares knowledge with engineering, product development and manufacturing locations.

Our medical and Industrial Hygiene and Toxicology teams are supporting new processes globally to anticipate, identify, analyze and measure potential occupational exposures and monitor our employees as needed.



FLOURISHING AT FORD BUSINESS SOLUTIONS INDIA

As part of our wellness initiatives, Ford Business Solutions in India has been organizing Flourish at Ford programs for employees wherein it encourages employees to take care of their holistic wellbeing – physical, emotional and social – by promoting healthy eating habits, fitness and mindfulness, and conducting live music concerts and other engagement activities for employees and their families for them to experience a vibrant and enriching work life. These events have been received well and have had a positive impact on employees as they were returning to work.

Ford Business Solutions India Center has ranked #3 among Best Workplaces in India for 2022 by the Great Place to Work Institute®, the global authority on building, sustaining, and recognizing High-Trust, High-Performance Culture at workplaces. This award is a culmination of our continuous efforts at supporting our employees, personally and professionally, along with helping them reach their potential through an environment that believes in collaborative growth.





Occupational Health, Safety and Wellbeing – continued

Wellbeing

We remain committed to advancing a culture of wellbeing, which encompasses the financial, social, mental, emotional, physical, and professional needs of our employees. We understand the importance of providing our employees with the benefits, resources and support that addresses their lives both at and away from work.

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.

In late 2021, Ford partnered with meQuilibrium (meQ) to develop a targeted self-care campaign in response to the increasing need to support employees and encourage them to care for their mental health and wellbeing. The self-care campaign included webinars on resilience, video testimonials from Ford Credit employees on what self-care meant to them, e-cards to further promote and continue the self-care campaign, and a discussion with senior leaders on the importance of caring for your mental health.

As a result of this campaign, improvements from Ford Credit employees were recognized in all somatic factors, which include elements such as stress management, emotional control, energy levels, mindfulness, work-life balance and more. We continue to engage employees in the self-care campaign.

► [READ MORE IN THE EMPLOYEE HEALTH, SAFETY AND WELLBEING SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)



Product Safety and Quality

SUSTAINABILITY ASPIRATION:

Work toward a future that is free from vehicle crashes and workplace injuries.

SALIENT ISSUE:

Products are designed not only to meet or exceed applicable laws and regulations, but also to advance the state of the art in safety whenever practicable.

2022 UPDATE:

Product Safety

We are dedicated to creating vehicles that achieve the highest levels of safety in a range of real-world conditions and crash testing assessments.

Our processes and systems ensure that our vehicles conform to our stringent internal guidelines on safety design and Ford-specified levels of performance for Public Domain tests. We regularly re-evaluate and update these guidelines.

A full suite of engineering analyses, computer simulations and component, subsystem and full-vehicle crash tests help us achieve high levels of safety performance.

We continue to make advancements in our Active Safety Technologies and Co-Pilot 360. From blind spot detection to parking assistance to hauling cargo, Co-Pilot 360 gives drivers a clear view of the road ahead and the path behind them.

Twenty of our vehicles in the U.S., Europe, Australia and New Zealand received New Car Assessment Programs’ (NCAPs) 5-star ratings in 2022.

Ford met its commitment to equip at least 95% of all new light-duty vehicles (under 8,500 pounds) with autonomous emergency braking (AEB) in the U.S. market two years ahead of our September 2023 deadline; AEB is now standard on 97.8% of light-duty vehicles under 8,500 pounds.

AEB is standard on 76.4% of Ford vehicles in the 8,501 to 10,000-pound weight class as of September 2022 — well on the way to our commitment of 95% of AEB fitment by September 2026.

Product Quality

We are increasing our use of advanced data analytics and machine learning to help detect potential issues earlier across our vehicle portfolio. Our Early Quality Issue Suite draws on multiple data sources to accelerate the investigative process.

Machine learning tools are now being utilized for expedited review of field reports to accelerate the detection of potential issues in the field.

In 2022, we enhanced nearly every function in our integrated data management system to track investigations all the way through recall implementation.

Quality Achievements

We use metrics including warranty repairs, customer advocacy, and customer excitement to understand how consumers perceive the quality experience from our products. We use the Quality Net Promoter Score (QNPS), which measures the ownership experience at 3, 12 and 36 months in-service. QNPS provides timely, actionable insights that align with various industry performance indicators of quality, such as the annual studies conducted by J.D. Power and Associates.

Ford realized improvements at both 12 and 36 months of ownership in our 2022 QNPS metrics.

Ford Motor Company’s rank position improved to third among 15 OEMs in the industry in the J.D. Power Initial Quality Study (IQS) results. Ford received additional awards in the J.D. Power U.S. Automotive Performance, Execution And Layout (APEAL) Study.

► [READ MORE IN THE PRODUCT SAFETY AND QUALITY SECTION OF THE INTEGRATED SUSTAINABILITY AND FINANCIAL REPORT](#)

Data Tables

SUSTAINABLE DEVELOPMENT GOALS

We are contributing to the following UN Sustainable Development Goals (SDGs):



SOCIAL IMPACT METRICS

Social Impact	2022 Metrics
Human Rights	39% Corporate Human Rights Benchmark Score 17.9% Women in Leadership (Corporate Officers) 20.5% Minorities in Leadership (Corporate Officers)
Wage Gap	98.6% Global Salaried Gender Pay Ratio 100.6% U.S. Salaried Minority Pay Ratio
Human Health, Safety and Wellbeing	OHS: – Global lost time case rate 0.39 – Total fatalities 2 – Employee Engagement: 82% of respondents reported feeling like they belong at Ford and can be themselves (mostly salaried employees surveyed) Product Safety: nameplates with 5-star NCAP rating – 56% US NCAP – 57% Euro NCAP
Enhance Societal Economic Prosperity	Cumulative Total: \$15.7B \$801M (Income Tax Paid) \$64.3M (Charitable Contributions) \$10.78B (Diverse Supplier Spend) \$4.10B (Small Business) Total # Employees 172,762 Volunteer Hours 1.7M hours (since 2005)
Increase Access to Mobility	Mobility: 4.0M Retail Sales Globally



UN Guiding Principles Reporting Framework (UNGPRF) Table 2023

The **UN Guiding Principles Reporting Framework** is a comprehensive guide for companies to report on human rights issues in line with their responsibility to respect human rights. This responsibility is outlined in the **UN Guiding Principles on Business and Human Rights**, the global standard in this field.

ABBREVIATIONS

- HRR:** Human Rights Report 2022
- HRPR:** Human Rights Progress Report 2023

UNGPRF questions	Location: section, page reference, and notes
Part A: Governance of respect for human rights	
Policy commitment	
A1 What does the company say publicly about its commitment to respect human rights?	HRPR: Our Approach and Strategy, page 06 HRR: Our Commitment to Human Rights, page 08
A1.1 How has the public commitment been developed?	HRPR: Our Approach and Strategy, page 06 HRR: Our Commitment to Human Rights, page 08
A1.2 Whose human rights does the public commitment address?	HRR: Our Commitment to Human Rights, page 08
A1.3 How is the public commitment disseminated?	HRR: Our Commitment to Human Rights, page 08 HRR: Our Approach to Human Rights – Communication and Training, page 11
Embedding respect for human rights	
A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?	HRPR: Our Approach and Strategy, page 06 HRPR: 2022 Updates, page 08 HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Strategy and Policies, page 10 HRR: Our Approach to Human Rights – Risk Assessments, page 11 HRR: Our Approach to Human Rights – Communication and Training, page 11 HRR: Our Approach to Human Rights – Engagement and Collaboration, page 15
A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?	HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Governance and Accountability, page 16
A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?	HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Grievance Mechanisms and Remedy, pages 13-14 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Governance and Accountability, page 16 HRR: Human Rights Saliency Assessment, page 24
A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?	HRR: Our Approach to Human Rights – Communication and Training, page 11 HRR: Our Approach to Human Rights – Engagement and Collaboration, page 15 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Training to Build Ford Purchasing Capacity, page 22 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Training to Build Supplier Capacity, page 22

UNGPRF questions	Location: section, page reference, and notes
A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?	HRPR: Supply Chain Due Diligence, page 08 HRPR: EV Battery Raw Materials and Processing, page 10 HRPR: Just Transition, page 12 HRR: Our Commitment to Human Rights, page 08 HRR: Our Approach to Human Rights – Strategy and Policies, page 10 HRR: Our Approach to Human Rights – Engagement and Collaboration, page 15 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain, page 15
A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?	HRPR: Our Approach and Strategy, page 06 HRPR: 2022 Updates, page 08 HRPR: Supply Chain Due Diligence, page 08 HRPR: EV Battery Raw Materials and Processing, page 10
Part B: Defining a focus of reporting	
Statement of salient issues	
B1 State the salient human rights issues associated with the company's activities and business relationships during the reporting period.	HRPR: Salient Issues Update, page 15
Determination of salient issues	
B2 Describe how the salient human rights issues were determined, including any input from stakeholders.	HRR: Human Rights Saliency Assessment, page 24
Choice of focal geographies (if any)	
B3 If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.	HRR: Salient Issues Overview – Specific Geographies, page 27 Refer to 'Who is impacted?' under each salient issue section in HRR
Additional severe impacts (if any)	
B4 Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.	HRPR: Emerging Issues, page 16 HRR: Salient Issues Overview, page 26
Part C: Management of salient human rights issues	
Specific policies	
C1 Does the company have any specific policies that address its salient human rights issues and, if so, what are they?	HRR: Our Approach to Human Rights – Strategy and Policies, page 10 HRR: Salient Issues Overview – Specific Policies, page 27 Refer to 'How is Ford managing the issue?' under each salient issue section in HRR
C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them?	HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Strategy and Policies, page 10 HRR: Our Approach to Human Rights – Communication and Training, page 11 Refer to 'How is Ford managing the issue?' under each salient issue section in HRR
Stakeholder engagement	
C2 What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?	HRR: Our Approach to Human Rights – Engagement and Collaboration, page 15 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Multi-Stakeholder Action on Human Rights and Responsible Sourcing, page 21 Refer to 'Engagement' under each salient issue section in HRR
C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?	HRR: Our Approach to Human Rights – Engagement and Collaboration, page 15 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Multi-Stakeholder Action on Human Rights and Responsible Sourcing, page 21 Refer to 'Engagement' under each salient issue section in HRR
C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?	Refer to '2022 Update' under each salient issue section in HRPR
C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?	Refer to '2022 Update' under each salient issue section in HRPR

UNGPRF questions	Location: section, page reference, and notes
Assessing impacts	
C3 How does the company identify any changes in the nature of each salient human rights issue over time?	HRPR: Salient Issues Update, page 15 HRR: Human Rights Saliency Assessment, page 24
C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?	HRPR: Salient Issues Update, Emerging Issues, pages 15–16 Refer to '2022 Update' under each salient issue section in HRPR
C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?	Refer to '2022 Update' under each salient issue section in HRPR
Integrating findings and taking action	
C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?	HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Governance and Accountability, page 15 HRR: Human Rights Saliency Assessment, page 24 HRR: Salient Issues Overview, page 26
C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues involved in finding and implementing solutions?	HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Governance and Accountability, page 15 HRR: Human Rights Saliency Assessment, page 24 HRR: Salient Issues Overview, page 26
C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?	HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Strategy and Policies, page 10 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Governance and Accountability, page 15
C4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?	Refer to '2022 Update' under each salient issue section in HRPR
Tracking performance	
C5 How does the company know if its efforts to address each salient human rights issue are effective in practice?	HRPR: Supply Chain Due Diligence, page 08 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Assessing our Supply Chain, page 16 HRR: Our Approach to Human Rights – Human Rights in our Supply Chain: Auditing our Supply Chain, page 17
C5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?	Refer to '2022 Update' under each salient issue section in HRPR
Remediation	
C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to the salient human rights issues?	HRPR: Supply Chain Due Diligence, page 08 HRR: Our Approach to Human Rights – Grievance Mechanisms and Remedy, page 13 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Reporting Grievances in Ford's Mineral Supply Chains, page 21
C6.1 Through what means can the company receive complaints or concerns related to each salient issue?	HRPR: Supply Chain Due Diligence, page 08 HRR: Our Approach to Human Rights – Grievance Mechanisms and Remedy, page 13 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Reporting Grievances in Ford's Mineral Supply Chains, page 21
C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?	HRPR: Supply Chain Due Diligence, page 08 HRR: Our Approach to Human Rights – Governance and Accountability, page 09 HRR: Our Approach to Human Rights – Grievance Mechanisms and Remedy, page 13 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Reporting Grievances in Ford's Mineral Supply Chain, page 21
C6.3 How does the company process complaints and assess the effectiveness of outcomes?	HRPR: Supply Chain Due Diligence, page 08 HRR: Our Approach to Human Rights – Grievance Mechanisms and Remedy, page 13 HRR: Our Approach to Human Rights – Responsibly Sourced Raw Materials: Reporting Grievances in Ford's Mineral Supply Chain, page 21
C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?	Refer to '2022 Update' under each salient issue section in HRPR
C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?	Refer to '2022 Update' under each salient issue section in HRPR



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