

Protecting Human Rights in Our Manufacturing Facilities

Introduction

Since 2004, Ford Motor Company has conducted over 55 human rights assessments to evaluate how our global manufacturing facilities align with our [We are Committed to Protecting Human Rights and the Environment policy](#), which replaced our former Policy Letter 24. Detailed analysis of the historical process demonstrated that the qualitative basis and limited reach of the survey could be improved to a more quantitative approach with an expanded reach. After additional investigation, we chose to use an established online third-party Self-Assessment Questionnaire (SAQ) tool from the Responsible Business Alliance (RBA). This approach will foster the best results for upholding our commitment to Human Rights in accordance with our policy and the United Nations Human Rights Council Guiding Principles on Business and Human Rights to conduct consistent human rights assessments. The process flow to conduct due diligence and recommend action plans is displayed in Figure 1.

The RBA scoring results are limited to only highlight potential areas for further investigation. The SAQ does not identify specific issues that require immediate action without further investigation. Through dedicated efforts involving our internal cross-functional Governance team, we will validate and verify any potential areas of opportunity identified from the assessment. If necessary, we will take actions to ensure that our facilities are absent of any form of human rights abuse – including, but not limited to, compulsory labor, child labor, corruption and/or discrimination.

Conduct Initial SAQ with Selected Facilities

In 2020, Ford successfully concluded the Human Rights Facility Assessment pilot leveraging the [RBA Online SAQ](#). Responses for the SAQ were received from six global Ford and Joint Venture manufacturing facilities selected by our internal cross-functional Governance Team (see Table 1).

Review Results, Validate Risk Assessments & Conduct Due Diligence

Based on the responses from the six manufacturing facilities, the internal cross-functional Governance team conducted in-depth due diligence assessment to highlight any potential improvement opportunities for our existing policies and/or guidelines. For more details about Labor and Risk categories, please refer to the [Responsible Business Alliance Code of Conduct](#).

We identified areas where we needed additional clarification on guidance of implementation of the policies. For example, we clarified that holding *copies* of government ID was acceptable to demonstrate working status. We confirmed that none of the facilities were holding the *original* government-issued documents. Not only did we clarify this with our facilities per our policy, but we also approached the RBA to clarify their online question.

From our due diligence efforts, any actions identified during the pilot assessment process posed no risk to the labor and ethics elements addressed in the SAQ.

Continue to Prevent, Mitigate and Remediate Human Rights Risks at Our Facilities

In 2021, we began the process of expanding our Human Rights Facility Assessments to majority of our worldwide Ford and Joint Venture manufacturing facilities. We are currently on track to assess more than 60 of our facilities by the end of 2021, covering over 75% of our global manufacturing facilities. The expansion of our SAQ process in line with the introduction of our updated [We are Committed to Protecting Human Rights and the Environment policy](#) will be key indicators used to assess the effectiveness of our human rights guidance policies throughout our global manufacturing facilities.

What's Next?

The future cadence and analysis of our assessments will be discussed in detail among the cross-functional Governance Team. As we continue to monitor our salient human rights, we will focus on how to improve the RBA online SAQ function to assess adherence to our human rights policy across our global manufacturing footprint.

Table 1: 2020 Pilot Facility List:

Facility Name	Country	Joint Venture
Auto Alliance Thailand	Thailand	✓
CAF Chongqing Engine Plant	China	✓
Pacheco Assembly Plant	Argentina	
Craiova Engine Plant	Romania	
Livonia Transmission Plant	United States	
Hermosillo Stamping & Assembly	Mexico	

Figure 1: Due Diligence Process Flow

