

# UN Sustainable Development Goals (UN SDGs) Index



Integrated Sustainability and Financial Report 2022  
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Our leadership in sustainability enables our business today, sets us on the pathway for a continued strong business for decades to come, and will help build a better world, where every person is free to move and pursue their dreams.



# Contributing to the United Nations Sustainable Development Goals (UN SDGs)

In 2015, the Member States of the United Nations adopted the 2030 Agenda for Sustainable Development. At the core of this agenda are 17 Sustainable Development Goals (SDGs) – the 169 targets that support them – which are intended to end poverty, protect the planet and ensure prosperity for all.

**Our Priorities**

Since 2016, Ford Motor Company has been a signatory to the UN SDGs and we remain committed to contributing to progress toward them. We have identified 11 SDGs where we can make the greatest impact. Achieving them by 2030 will require multi-stakeholder collaboration at a local, national and international level, so we call on our stakeholders and partners to join us as we strive to meet these ambitions.

Within Ford, regular discussions involving our global sustainability team, various skill teams and the Sustainability, Innovation, and Policy Committee of the Board of Directors help to examine our performance through the lens of the SDGs. We remain committed to building on the UN's SDG framework to enhance our sustainability initiatives as we work to become the world's most trusted company.

The following pages include examples of how we are contributing to the SDGs and where further information on these efforts can be found.

- Abbreviations**
- IR:** Integrated Sustainability and Financial Report
  - HRR:** Human Rights Report
  - TCFD:** TCFD Report (Task Force on Climate-related Financial Disclosures)
  - CDPC:** CDP Climate Change Response
  - CDPW:** CDP Water Response
  - GEI:** Bloomberg Gender-Equality Index
  - MSS:** Modern Slavery Statement
  - SASB:** SASB Index (Sustainability Accounting Standards Board)

→ Find out more about the UN SDGs





# SDG 3: Good Health and Well-Being

Ensure healthy lives and promote well-being for all at all ages

Why Is This a Priority?	How We’re Contributing	More Information
Addressing three of our salient human rights issues – product safety and quality; occupational health, safety and well-being; and air quality – Ford cares about customer safety, and vehicle safety will always be one of our highest priorities. We are working towards zero-emissions from our vehicles and facilities to help improve air quality, and a future that is free from vehicle crashes and workplace injuries. We understand that for our own employees and community members to reach their full potential, we must support their physical, mental and emotional health and wellbeing and maintain the highest levels of safety throughout the supply chain.	<p><b>Air Quality:</b></p> <ul style="list-style-type: none"><li>• We are addressing air quality in our vehicles, our operations and our financing. Through our research, vehicle development and operations, we are working to reduce emissions of non-CO<sub>2</sub> pollutants, in accordance with increasingly stringent standards around the world. We acknowledge internal combustion engines emit pollutants that can affect air quality. We are compliant with or surpass all global criteria for emission requirements. At the same time, we continue to develop our alternative fuels portfolio and have committed to working towards all sales of new cars and vans being zero-emission globally by 2040, and by no later than 2035 in leading markets.</li><li>• The electrification of our iconic nameplates continues to progress as we bring electric vehicles to the mainstream market. The all-electric Mustang Mach-E was launched in North America and Europe in late 2020 and came to China in 2021. The all-electric F-150 Lightning and E-Transit cargo van will debut in 2022. These vehicles will help residential and commercial business customers achieve sustainability goals, and help cities and industrial areas improve air quality. By 2030 we expect all-electric vehicles to make up 50% of our global sales.</li><li>• On the manufacturing side we have significantly reduced emissions from Ford manufacturing facilities in China. From 2020 to November 2021, plants reduced VOC emissions intensity by 17% (3.7 g/m<sup>2</sup>), equivalent to an annual reduction of more than 200 metric tons of absolute VOC emissions through various management and engineering investment measures, contributing to cleaner air.</li><li>• We linked ESG metrics to \$15.5B Corporate and Supplemental Revolvers and launched our first \$2.5B green bond. Net proceeds from sustainable financing will help fund our clean transportation and clean manufacturing activities.</li><li>• To build environmental capacity, particularly regarding the reduction of air emissions, we collaborate with our suppliers through our Partnership for A Cleaner Environment (PACE) program. We have shared best practice projects, including air emissions reductions, with nearly 80 key suppliers through PACE.</li></ul> <p><b>Product Safety:</b></p> <ul style="list-style-type: none"><li>• In 2021, we introduced a safety aspiration to work toward a future that is free from vehicle crashes. The safety and quality of our vehicles will always be a top priority. Our systems help ensure that our vehicles meet or exceed performance and quality standards. We play a leading role in vehicle safety and driver assist innovation and are working to develop new safety technologies.</li><li>• In 2021, Ford doubled the number of TOP SAFETY PICK awards from the Insurance Institute for Highway Safety, bringing the total number of awards to 10.</li><li>• For the 2021 model year, a total of 20 Ford and Lincoln nameplates were rated with 5-Star Overall Vehicle Scores in one or more markets across the U.S., Europe, and China New Car Assessment Program (NCAP) as of January 2022.</li><li>• To achieve high levels of safety performance, we conduct engineering analyses, computer simulations and component, subsystem and full-vehicle crash tests at several sites in the United States and Europe, including crash-test facilities, the VIRTTEX (Virtual Test Track Experiment) and the Research and Innovation Center in Dearborn, Michigan.</li><li>• Ford and Lincoln Co-Pilot360TM driver assist technologies use a combination of radar, sonar and cameras to sense and interpret the environment, helping customers around the world to drive safely and confidently, alerting them to potential collisions, protecting pedestrians and cyclists and making routine tasks easier.</li><li>• Driver-assist features are supplemental and do not replace the driver’s attention, judgment, and need to control the vehicle. Ford BlueCruise is a hands-free highway driving feature. Only remove hands from the steering wheel when in a Hands-Free Blue Zone. Always watch the road and be prepared to resume control of the vehicle. It does not replace safe driving. See Owner’s Manual for detail and limitations. Requires purchased 3-year connected service plan with regular map updates, FordPass App, and modem activation.</li><li>• Our new BlueCruise technology* builds upon available Intelligent Adaptive Cruise Control with Stop-and-Go, Lane Centering and Speed Sign Recognition. It allows drivers in Hands-Free Blue Zones to operate their vehicle hands-free while being monitored by a driver-facing camera to make sure they are keeping their eyes on the road.</li><li>• Ford has pledged to equip a minimum of 95% of all new lightweight vehicles we produce for the U.S. market with automatic emergency braking (AEB) by September 2022. Ford is meeting the commitment ahead of time at 96%. We have also committed to installing AEB on vehicles in the 8,501 to 10,000-pound range by 2025/26 and have already equipped 62 percent of those heavier vehicles with AEB.</li><li>• We developed a Rear Occupant Alert System that gives an “in-vehicle” warning via our SYNC® system. The system is included in all four-door 2021 model year vehicles equipped with SYNC in the U.S.</li><li>• Our SYNC in-car connectivity helps occupants to call for assistance after an accident, and can give first responders potentially life-saving information, quickly and efficiently.</li></ul>	<p><b>IR:</b>     <a href="#">Air Quality</a> &gt; page 92</p> <p><b>IR:</b>     <a href="#">Vehicle/Product Safety and Quality</a> &gt; pages 69-73</p> <p><b>IR:</b>     <a href="#">Employee Health, Safety, and Wellbeing</a> &gt; pages 62-64</p> <p><b>HRR:</b>   <a href="#">Air Quality</a> &gt; page 30</p> <p><b>HRR:</b>   <a href="#">Occupational Health, Safety, and Wellbeing</a> &gt; page 44</p> <p><b>HRR:</b>   <a href="#">Product Safety and Quality</a> &gt; page 46</p>

\*Driver-assist features are supplemental and do not replace the driver’s attention, judgment, and need to control the vehicle. Ford BlueCruise is a hands-free highway driving feature. Only remove hands from the steering wheel when in a Hands-Free Blue Zone. Always watch the road and be prepared to resume control of the vehicle. It does not replace safe driving. See Owner’s Manual for detail and limitations. Requires purchased 3-year connected service plan with regular map updates, FordPass App, and modem activation.



# SDG 3: Good Health and Well-Being

Ensure healthy lives and promote well-being for all at all ages

Why Is This a Priority?	How We're Contributing	More Information
	<p><b>Occupational Health, Safety and Well-Being:</b></p> <ul style="list-style-type: none"><li>• In 2021, we continued to focus on identifying potentially fatal events and high potential incidents involving our employees and contractors globally. From these incidents, 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.</li><li>• We continue to provide programs and services that help employees achieve good health and wellbeing and make informed choices. We provide a broad array of resources and solutions to educate employees, build capability, and meet individual and organizational wellbeing needs and goals.</li><li>• We are also leveraging feedback from our ERGs to gain input into improving the employee experience, product programs and marketing. In 2021, the Ford Empowering Diverse Abilities (FEDA) and Ford Pride ERGs partnered closely with Ford Land on the development of building standards for new and renovated spaces for those who need accommodations or have access requirements that may not be typical.</li><li>• We continue to rely on our best-in-class COVID-19 playbook to guide our response to the ongoing pandemic and the protocols we developed remain in place.</li><li>• Our five Ford Resource and Engagement Centers (FREC's) – two in Detroit and one each in South Africa, Romania and Thailand – serve their communities with a range of services, including basic needs such as distributing food and providing help with shelter. Our FRECs have also played a significant role in COVID-19 relief efforts.</li><li>• We worked to help people in our communities around the world manage the pandemic. We opened a community vaccine center in Craiova, Romania, vaccinating 13,000 of the community's most vulnerable residents.</li><li>• Our Supplier Code of Conduct mandates our suppliers to provide a healthy and safe working environment that meets or exceeds local and national safety, occupational health, and fire safety legislation, and to provide regular risk assessments, training to workers, Personal Protective Equipment (PPE) at no cost to workers, and to implement an effective fire safety management system and emergency plan at every supplier worksite.</li></ul>	



# SDG 4: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Why Is This a Priority?	How We're Contributing	More Information
<p>Through continual, agile learning, we can support our employees, suppliers, dealers and communities to keep pace with a rapidly evolving world. Education and training opportunities give people the best chance of fulfilling their potential, support capacity building in our supply chain and prepare the next generation of designers, engineers and technicians for the challenges and changes in technology that lie ahead.</p>	<p><b>Lifelong Learning Opportunities:</b></p> <ul style="list-style-type: none"><li>• Developing our people is critical to our future success as well as ensuring employee satisfaction. We are committing significant resources to provide employees with insight into organizational skill needs, developing learning solutions to address those needs and enabling our people to apply those skills to improve performance.</li><li>• Our FordWorks inclusive hiring program helps us deliver on-the-job training and employment opportunities to neurodiverse individuals. Continual development of FordWorks employees is one of the core values of the program.</li><li>• In 2021, we focused on energizing our 15,000+ people leaders. New developmental experiences for executives and people leaders are being designed and implemented. Focus areas include digital transformation, DEI, and new ways of working. We are also starting a virtual Leadership Academy, which includes a collection of learning journeys specifically designed to address each leader's needs based on where they are in the leadership lifecycle.</li><li>• In 2022 we will also focus on launching our Professional Development Journey. This program will serve as a self- directed learning guide for every employee, independent of level/skill team/region, to excel in the skills needed to take ownership of and navigate their career and achieve success. The program will focus on four key skill set areas, with a spotlight on the crucial Foundational Skills of self- awareness, growth mindset, and learning agility.</li><li>• In 2022 we will launch the Ford Software Academy, designed to provide our talent with a space to learn, grow, collaborate, and build their capabilities. More than a collection of courses, the Ford Software Academy will be a fully realized journey, sponsored by business leaders, and built to support career-long learning.</li><li>• We developed a Skill Sprint Program to enhance capability in the U.K. workforce at all experience levels. Ford of Europe put into effect four priority sprints, covering skills, environment, innovation, and digitization, to reskill and redeploy personnel, compete for talent against tech companies outside the automotive industry, and instill a continuous learning culture. The program, which has trained 1,400 people across disciplines and functions, was the I4CP Next Practice Award winner in 2021.</li><li>• Mentoring is also a key strategy to engage our employees and help them grow. 2022 brings the launch of Mentoring@Ford, a global online tool to match employees with a mentor or a mentee.</li><li>• In our U.S. Recruiting, we have significantly expanded outreach to women, minorities, veterans, and people with disabilities. We're transforming campus recruiting using AI and are leveraging tech and platforms to reach new schools. We've opened attendance at recruitment events and removed the blockages which kept students from attending.</li><li>• To transform America's auto technician industry, we have made a \$525 million investment across the U.S. during the next five years. The investment will go toward job training and career readiness initiatives to develop highly skilled technicians that can support our growing portfolio of connected electric vehicles.</li><li>• Our commitment to talent development is also illustrated in the development of our skilled trades workforce. Ford has committed \$5M in ongoing capital investment into the UAW-Ford Technical Training Center (TTC). In partnership with local community colleges, local, state and federal agencies and union leaders, the TTC is a world class center for apprentice training development and skilled trades recruiting and training. In 2021, almost 1,800 participants utilized training at the TTC as part of their development.</li><li>• We have partnered with Responsible Business Alliance and Drive Sustainability to develop new e-learning modules and training webinars for suppliers.</li><li>• To build supplier capacity on tin, tantalum, tungsten, and gold (3TG) and cobalt due diligence, we leveraged resources such as the Responsible Mining Initiative eLearning Academy and our own Ford developed modules to train nearly 100 supplier companies in 2021.</li></ul>	<p><b>IR:</b>    <a href="#">Training and developing our talent</a> &gt; pages 55-56</p> <p><b>IR:</b>    <a href="#">Building an Inclusive Workforce</a> &gt; pages 59-60</p> <p><b>IR:</b>    <a href="#">A Focus on Software Talent</a> &gt; page 60</p> <p><b>IR:</b>    <a href="#">Reskill Pilots</a> &gt; page 66</p> <p><b>IR:</b>    <a href="#">Building Supplier Capacity</a> &gt; page 67</p> <p><b>IR:</b>    <a href="#">Inspiring the Next Generation of STEM Careers</a> &gt; page 79</p> <p><b>IR:</b>    <a href="#">Advancing STEM education in the U.K.</a> &gt; page 40</p> <p>Ford Fund Annual Report</p>



# SDG 4: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Why Is This a Priority?	How We’re Contributing	More Information
	<p><b>Learning in the Community:</b></p> <ul style="list-style-type: none"><li>• Our Ford Research and Engagement Centers (FREC) in Detroit, South Africa, Romania and Thailand bring nonprofit partners together to support the communities they serve, from basic needs such as food and shelter to job training, mentoring and educational opportunities.</li><li>• Ford is Strategic Partner of <i>FIRST</i>®, helping to build engineers and scientists of the future. We actively sponsor teams in 117 high schools and in 136 elementary and middle schools located across the United States. More than 240 Ford employees mentor students during the year, working together to grow students' knowledge of STEM. In Detroit, we've sponsored the Detroit Hispanic Development Corp.'s FIRST Robotic Competition teams, as well as creating a career technical education program and providing funding to update their machining shop.</li><li>• The Ford Motorsports team is leaning into DEI and STEM as well, using racing to rev up engineering interests among Detroit high school girls. Teammates partnered with the Girls in Engineering Academy to create workshops that expose the girls to aerodynamics, wind tunnels, pit stop demonstrations, and more. The girls also met the inspiring Shelby Hall, a top Ford off-roading racer.</li><li>• 2021 marked the fifth year of our partnership with Primary Engineer – an educational nonprofit organization that encourages children and youth ages 3 to 19 to consider STEM and engineering careers. Employees from Ford's Dunton engineering campus volunteer their time at local schools training teachers on how to introduce engineering concepts, while helping lead a classroom-based engineering project that teaches students how to build electric vehicles. To date, the program has reached 65 schools and assisted 140 teachers and more than 3,483 students across the United Kingdom with the help of 45 Ford volunteers.</li><li>• In 2021, the Ford Fund launched the Ford Driving Dreams Scholarship program in Argentina. This social impact initiative focuses on helping young people graduate on time and continue their higher education.</li></ul>	





# SDG 5: Gender Equality

Achieve gender equality and empower all women and girls

Why Is This a Priority?	How We’re Contributing	More Information
<p>The strongest businesses promote diversity, equity and inclusion. In line with our sustainability aspiration to create a truly diverse culture where everyone feels like they belong, we are focused on creating a culture where women can thrive. This includes ensuring women are equally represented at all levels of our business and supporting initiatives that empower women and girls.</p>	<p><b>Gender Diversity:</b></p> <ul style="list-style-type: none"><li>• We have a responsibility to our employees; our approach of “Care for Each Other” is a central part of the Ford+ plan. 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 or veteran status.</li><li>• In 2021, we extended our U.S. Diversity, Equity and Inclusion (DEI) Audit to seven major markets – Canada, China, Germany, South Africa, Mexico, UK, and India. The audits encompassed a deep dive into each country’s qualitative data and quantitative data, focus groups, surveys and interviews to gain insights into employee beliefs, all with a goal of developing a deeper understanding of how our team was feeling and why. While culture and issues differ around the world, a common theme emerged that not all our team members feel like they belong. We listened and in response each Business Unit and Skill Team is committed to continued action.</li><li>• In 2021, we created DEI Aspirational Goals to increase the gender diversity of our senior leadership. These goals are tracked quarterly by every Skill Team and Business Unit Leader. Composition is not something that can change dramatically in a short period of time, but we are seeing progress in the diversity of senior leadership. An increase in women leaders globally indicates that we are on track to reach our 2025 DEI Aspirational Goals.</li><li>• In 2022, every salaried employee will have a DEI objective in their performance review. We will continue building our data gathering and metrics capability in order to leverage actionable insights.</li><li>• To bring a more diverse range of talent into the organization, we worked closely with Women of Ford to ensure we had female recruiters on every virtual conference we attended.</li><li>• Through our Culture Manager program, we have implemented a Manufacturing Culture Playbook which provides a framework for plant managers to assess their work environments and build plant specific actions to anticipate, address or prevent issues and sustain positive cultures. By mid-2022 all plants in the US and Canada will be supported by a Culture Manager.</li><li>• We remain 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. In 2021 we sourced \$1.16B from women-owned businesses.*</li><li>• In an effort to expand our spend, Ford made a strategic decision to identify global initiatives to support our diverse owned businesses beginning with women-owned businesses. We are in the discovery phase of expansion, identifying current suppliers that could qualify as a woman owned business.</li></ul> <p><b>Equal pay for Equal Work:</b></p> <ul style="list-style-type: none"><li>• Ford’s commitment to equal pay for equal work applies to all forms of pay, including base salary, incentives, bonuses, and other forms of compensation. Ford shares a Pay Equity Statement with our employees to communicate Ford’s commitment to this fundamental value.</li><li>• Ford remains committed to compliance with fair pay laws in all regions and countries and to ongoing review of our compensation data and practices to ensure they are fair, equitable, and free of bias due to race, gender, or any other similar characteristics.</li><li>• We annually review our compensation data and practices globally. We utilize outside experts to conduct a thorough statistical analysis of salaried compensation throughout our U.S. workforce. If business-related explanations for the statistical outcomes are not identified, Ford makes salary adjustments to address these situations.</li><li>• Ford is also taking positive steps to promote transparency by providing data on the current state of pay equity and progress that the company is making. Ford believes that open communication can only advance the cause of pay equity and equal employment opportunity. We share our pay equity ratio via our annual Integrated Sustainability and Financial Report.</li><li>• The company has policies and practices to help deter unintentional inequities. These include: not asking for a candidate’s salary history during the recruitment process, establishing standard starting salaries by degree/position for entry-level new hires, establishing promotional guidelines based on pre-promotional position within the salary range that allow lower paid employees to receive larger increases, and correcting specific pay relationships that are contributing to inequity.</li><li>• We are focused on creating a supportive work environment where women can thrive. For the fourth year in a row, Ford was included in the Bloomberg Gender- Equality Index (GEI) in 2021.</li><li>• We align with and are signatories of internationally recognized labor standards such as the UN Women’s Empowerment Principles.</li></ul>	<p><b>IR:</b> <a href="#">Building an Inclusive Workforce</a> &gt; page 59</p> <p><b>IR:</b> <a href="#">Supplier Diversity and Inclusion</a> &gt; pages 60-61</p> <p><b>HRR:</b> <a href="#">Fair and equal wages</a> &gt; page 38</p> <p><b>HRR:</b> <a href="#">Harassment and Discrimination</a> &gt; page 40</p> <p><b>HRR:</b> <a href="#">Human Trafficking</a> &gt; page 43</p> <p><b>GEI:</b> <a href="#">Bloomberg Gender-Equality Index</a></p>

\*Actual data through November 2021, forecast data for December 2021.





# SDG 6: Clean Water and Sanitation

Ensure availability and sustainable management of water and sanitation for all

Why Is This a Priority?	How We’re Contributing	More Information
<p>Access to safe drinking water and adequate sanitation is seen as a salient human rights issue. Water is also critical to our manufacturing operations, so we aspire to make zero water withdrawals for our manufacturing processes and use freshwater only for human consumption. We work with our supply chain, especially in water-stressed locations, to reduce water consumption.</p>	<p><b>Water Management in our Operations:</b></p> <ul style="list-style-type: none"><li>• Our long-term approach reflects the need to understand water challenges in their local context, with extraction policies and practices designed to make sure our operations do not adversely affect other users’ access to water.</li><li>• Our 2025 Global Manufacturing Water Strategy, the third iteration of our water strategy, aims to continue Ford’s position as a leader in water reduction and secure optimal freshwater availability in local communities. It targets a 15% reduction in absolute freshwater usage. Ford has already reduced its annual water consumption by over 75% since 2000; that’s over 12.5 billion gallons of water. Our global water conservation actions are equal to providing a year’s worth of water to 1.4 million homes.</li><li>• In 2021, Ford earned a place on the CDP “A List” for protecting water security. We have received an A score rating from CDP for water reduction for seven years in a row and are one of only 118 companies globally to earn such an award for water security. We were also on CDP’s Climate Change “A list” for the third straight year. We are one of only two North American OEMs to obtain double A List status.</li><li>• We will continue to work towards our existing aspirational goals of freshwater for human consumption only and zero water withdrawals for manufacturing. This includes establishing local ecosystem performance goals and improving water discharge quality, with a focus on direct discharge plants. We are examining how water cycling impacts communities and how to better emulate the natural system.</li><li>• We are applying freshwater reduction methods as well as improving our water quality discharges at our sites that mimic the behavior and performance of the local ecosystem.</li><li>• We have made progress toward our aspiration of using freshwater only for human consumption in our facilities that are in water-scarce regions, such as Mexico, China and South Africa. In 2021, our use of alternative water exceeded 7% in these regions.</li><li>• Chennai Engine and Assembly has joined our Chihuahua Engine facility in using zero freshwater for its manufacturing processes.</li><li>• Ford’s Sanand Vehicle Assembly &amp; Engine Plant in Gujarat, India has zero water discharge, with a 110,000 m³ rain water harvesting pond used for pallet washing, irrigation, and in the cooling towers.</li><li>• Our new plant in Tennessee aspires to make zero freshwater withdrawals for assembly processes by incorporating water reuse and recycling systems. Stakeholders responded positively to our goal of preserving water and striving for full water recycling.</li><li>• Our South Africa Silverton Plant has the aspirational goal of being net zero and carbon neutral as well as full water recycling.</li><li>• Water use and recycling are occurring at Ford plants around the world. We continue to integrate more water-efficient processes and technologies as we work to further decrease our water consumption. Prior to COVID-19 we were on target to reduce absolute water by over 25% (10% normalized) compared to the 2015 baseline.</li><li>• Ford’s Cuautitlán Stamping and Assembly Plant replaced the asphalt parking lots within the plant with ecological concrete, which allows rain to reenter the ground. This recharges the aquifer beneath the plant and helps prevent water scarcity in the city and in surrounding ecosystems and habitats.</li><li>• Absolute water was down 15% from the year prior and down 32% from the 2019 strategy baseline – an almost 80% reduction from the initial 2000 water strategy. However, these reductions were largely attributed to vehicle manufacturing down time associated with the global microchip shortage.</li><li>• The Ford Valencia plant in Spain uses a biological wastewater treatment plant to extract oils, fats, heavy metals and suspended solids, while two lagoons help make the water suitable for irrigating the surrounding eucalyptus trees.</li></ul>	<p><b>IR:</b>     <a href="#">Water use and stewardship</a> &gt; pages 94-95</p> <p><b>HRR:</b>   <a href="#">Access to Water &amp; Sanitation</a> &gt; page 28</p> <p><b>HRR:</b>   <a href="#">Climate Change</a> &gt; page 34</p> <p><b>TCFD:</b> <a href="#">TCFD Report</a> &gt; pages 19-22</p> <p><b>CDPW:</b> <a href="#">CDP Water Response</a> &gt; page 18</p>



# SDG 6: Clean Water and Sanitation

Ensure availability and sustainable management of water and sanitation for all

Why Is This a Priority?	How We're Contributing	More Information
	<p><b>Water Management in our Supply Chains:</b></p> <ul style="list-style-type: none"><li>• According to our Supplier Code of Conduct, our suppliers are required to provide workers with clean toilet facilities, potable water, and sanitary eating facilities. In alignment with the United Nations CEO Water Mandate, they must also reduce freshwater usage and support safe and accessible drinking water in their manufacturing operations and communities.</li><li>• To build environmental capacity, particularly regarding sustainable water use and management, we collaborate with our suppliers through our Partnership for A Cleaner Environment (PACE) program. We have shared best practice examples with more than 50 key Tier 1 suppliers through PACE.</li><li>• PACE participants expect to save an estimated 182 million gallons of water in their operations from 2020 to 2030. Our new streamlined version of the program, FastPACE, is helping reduce the impact of key suppliers in China, India, Thailand and South Africa. FastPACE suppliers are on track to save an estimated 24 million gallons of water over the next three years.</li><li>• To better understand our suppliers' water use we survey a selection of them every year using the CDP Supply Chain program's Water Security questionnaires. This provides us with qualitative and quantitative information about how our production suppliers manage environmental risks and maximize opportunities.</li></ul>	



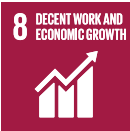
# SDG 7: Affordable and Clean Energy

Ensure access to affordable, reliable, sustainable and modern energy for all

Why Is This a Priority?	How We’re Contributing	More Information
<p>As part of our commitment to address climate change, a salient human rights issue, we consider this SDG to be a priority, recognizing the need to maximize energy efficiency in our operations. We aspire to use 100 percent carbon-free electricity in all manufacturing by 2035, using a mix of wind, solar power, nuclear, geothermal, biomass, energy storage, and hydro to replace fossil-based generation. This will be key to achieving our carbon neutrality by 2050 ambition.</p>	<p><b>Electrification:</b></p> <ul style="list-style-type: none"><li>• We are bringing electrification from the niche to the mainstream, electrifying our icons, including F-150, Mustang Mach-E, E-Transit and Lincoln, and rapidly scaling up production and improving affordability.</li><li>• We’re investing more than \$50 billion from 2022 through 2026 in electric vehicles (EVs), EV technology and charging infrastructure to remove obstacles and show customers the clear advantages of electric vehicles.</li><li>• In 2021, we announced plans to bring electric vehicles at scale to American customers with two new massive, environmentally and technologically advanced campuses in Tennessee and Kentucky that will produce the next generation of electric F-Series trucks and the batteries to power future electric Ford and Lincoln vehicles. To build these campuses, we are making the largest single U.S. investment in electric vehicles at one time by any automotive manufacturer. Along with our partner, SK Innovation, we will invest \$11.4 billion and create nearly 11,000 new jobs at the Tennessee and Kentucky mega-sites.</li><li>• We are collaborating with Redwood Materials, a leading battery materials company, to make electric vehicles more sustainable and affordable for Americans by localizing the supply chain network, creating recycling options for scrap and end-of-life batteries, and ramping up lithium-ion recycling. We believe battery recycling is essential for the success of an electrified future and has the potential to offer significant economic benefits.</li><li>• In addition to offering a variety of home charging solutions, Ford’s BlueOval™ Charge Network is the largest public charging network in North America offered by automotive manufacturing, with more than 20,500 stations (over 70,000 plugs) and growing.*</li><li>• 200,000+ charging stations in Europe on the FordPass Charging Network in partnership with NewMotion.</li><li>• In Europe, the IONITY high-power charging network will grow by 7,000 charging points by 2025, to create a supporting infrastructure as we accelerate the electrification of our vehicles.</li><li>• We are teaming up with the nation’s leading solar company, Sunrun, to facilitate easy installation of the 80-amp Ford Charge Station Pro and home integration system to generate Ford Intelligent BackUp Power. Customers will also have the opportunity to install solar energy on their home to power their household with clean, affordable energy and charge their F-150 Lightning with the power of the sun.</li><li>• Our commercial vehicle arm, Ford Pro, launched Ford Pro Charging for managing commercial EV fleets and charging needs. To transition to electrification, fleet owners will receive software and commercial hardware infrastructure to support charging and energy management.</li></ul> <p><b>Carbon-Free Electricity:</b></p> <ul style="list-style-type: none"><li>• In Michigan, DTE Energy, the state’s largest producer of renewable energy has commissioned a new rooftop solar array at a parking garage at Ford Research &amp; Engineering Center in Dearborn, Michigan. The 2,159-panel array includes an integrated battery storage system and will be used to power newly installed electric vehicle (EV) chargers. The solar array can generate 1.127 million kWh of clean energy, avoiding 880 tons of CO<sub>2</sub>, which has the environmental benefit equal to the carbon sequestered by nearly 980 acres of U.S. forests in one year.</li><li>• Through DTE’s MIGreenPower voluntary renewable energy program, Ford is purchasing 525,000 megawatt hours annually of Michigan wind energy from DTE’s Isabella and Fairbanks wind parks.</li><li>• Ford Joint Venture Jiangling Automobile production plant is currently planning the installation and use of solar panels. The planned 300,000 solar photovoltaic panels are expected to generate 60 million kWh of solar power and reduce carbon emissions by more than 50,000 tons annually.</li><li>• As a U.S. Department of Energy “Better Buildings Better Plants Challenge” Partner, we continue to implement a range of best practices in our new facilities, including energy-saving technologies, continuing to minimize our impact on the environment.</li></ul>	<p><b>IR:</b>     <a href="#">Electrification and Connectivity</a> &gt; pages 44-49</p> <p><b>IR:</b>     <a href="#">Climate Change</a> &gt; pages 83-90</p> <p><b>IR:</b>     <a href="#">Carbon-Free Electricity and Energy Future</a> &gt; page 91</p> <p><b>HRR:</b>   <a href="#">Climate Change</a> &gt; page 34</p> <p><b>TCFD:</b> <a href="#">TCFD Report, Our Strategic Response</a> &gt; pages 14-23</p> <p><b>CDPC:</b> <a href="#">CDP Climate Response</a> &gt; page 23</p>

\*Based on original equipment manufacturers (OEM)/automotive manufacturers that sell all-electric vehicles and have active charging networks. Department of Energy data used.





# SDG 8: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

Why Is This a Priority?	How We’re Contributing	More Information
<p>We are transforming our culture and our workspaces so that our people can fulfill their potential. With thousands of employees, and many more in our supply chain, we strive to ensure all our activities comply with local laws and our commitments, given that child labor, forced labor and ethical recruitment, and human trafficking are all salient human rights issues for Ford.</p> <p>This ties in with our aspiration to source only raw materials that are responsibly produced.</p>	<p><b>Decent Work:</b></p> <ul style="list-style-type: none"><li>Through our manufacturing, supply chain operations and vehicle sales, we support both direct and indirect employment across the globe. We also contribute to economic prosperity through payments to employees, suppliers and governments.</li><li>Our <a href="#">We Are Committed to Protecting Human Rights and the Environment policy</a> recognizes and respects employees’ rights to freedom of association and collective bargaining, and regulates hours of work and provides fair and competitive compensation and benefits that meet or exceed legal requirements. It commits us to follow ethical recruiting practices, prohibits the use of child labor, forced or compulsory labor, and to not tolerate harassment or discrimination of any form.</li><li>Ford was the first major U.S. automaker to sign the Action Pledge for the UN’s International Year for the Elimination of Child Labor, which outlines steps companies can take to end child labor by 2025.</li><li>Along with the Erb Institute at the University of Michigan, we have developed a Social Impact Model to better understand how companies can enhance economic prosperity, increase access to social good (e.g. mobility), preserve human rights and protect health and safety. Ford is reporting against this model for the first time this year in our Human Rights Report.</li><li>Ford has taken an unprecedented journey to shift its culture with a clear aspiration of where we are heading. We have a solid foundation with Our Purpose, Ford+, and our Ford+ Behaviors, and we have a plan to reach our aspiration to build a culture of empowerment and belonging.</li><li>We are capitalizing on new opportunities that are critical to our future – making our business more agile and competitive by reducing bureaucracy; rethinking how we work and deploying new technology to encourage collaboration and productivity; building our skills and capabilities; and acting with integrity at all times to build trust.</li><li>Employee engagement is vital to advancing our inclusive culture. We foster dialogue with our employees at all levels of the business through channels including: our intranet site and website; corporate publications and reports; social media; webcasts and executive Q&amp;A sessions with senior management; labor–management committee meetings; regular “Global Town Hall” meetings with direct updates from senior leaders; and Employee Resource Group (ERG) initiatives.</li><li>In 2021, Culture Managers in Chicago, Kentucky, Kansas City and the Rouge implemented the Manufacturing Culture Playbook, which provides a framework for plant leaders to assess their work environments with the purpose of building plant specific actions that anticipate, prevent, or address issues and sustain positive cultures. By mid 2022, all plants in the U.S. and Canada will be supported by a Culture Manager.</li></ul>	<p><b>IR:</b> <a href="#">Human Capital and Diversity, Equity and Inclusion</a> &gt; pages 55-61</p> <p><b>IR:</b> <a href="#">Human Rights and Supply Chain Management</a> &gt; pages 65-68</p> <p><b>HRR:</b> <a href="#">Child labor</a> &gt; page 32</p> <p><b>HRR:</b> <a href="#">Climate Change</a> &gt; page 34</p> <p><b>HRR:</b> <a href="#">Fair and Equal Wages</a> &gt; page 38</p> <p><b>HRR:</b> <a href="#">Forced labor and ethnical recruitment</a> &gt; page 39</p> <p><b>HRR:</b> <a href="#">Human Trafficking</a> &gt; page 43</p> <p><b>HRR:</b> <a href="#">Occupational Health, Safety and Wellbeing</a> &gt; page 44</p> <p><b>HRR:</b> <a href="#">Social Impact Model</a> &gt; page 12</p> <p><b>MSS:</b> <a href="#">Modern Slavery Statement</a></p> <p><a href="#">Supplier Code of Conduct</a></p>



# SDG 8: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

Why Is This a Priority?	How We're Contributing	More Information
	<p><b>Decent Work in Supply Chain and Responsible Material Sourcing:</b></p> <ul style="list-style-type: none"><li>• We safeguard against the threat of forced labor, human trafficking and child labor in our supply chain by maintaining compliance with all relevant legislative initiatives, acts and regulations.</li><li>• Our Supplier Code of Conduct outlines our requirements for supplier relationships in areas related to human rights, the environment, responsible material sourcing, responsible and lawful business practices and the associated implementation of these principles. We initiated the process to include sustainability metrics in Ford's sourcing decisions.</li><li>• We have conducted more than 55 human rights assessments since 2004, evaluating how our manufacturing facilities around the world align with our human rights policy. In 2020, Ford piloted a new, more quantitative approach utilizing an established online third-party assessment tool from the Responsible Business Alliance to assess human rights risks across global facilities in a consistent way. In 2021, we plan to continue utilizing this new process to assess human rights risk at approximately 75 percent of our global manufacturing facilities.</li><li>• In 2021, we conducted our third human rights saliency assessment, in line with the UN Guiding Principles Reporting Framework, and we are rolling out action plans to manage the 10 salient issues that apply throughout our business, our supply chain and other business partners in our value chain.</li><li>• We are in the process of scaling the Sustainability Self-assessment Questionnaires (SAQs) to our entire production supply base with the goal of 100% response enabling us to verify that supplier policies and practices meet the standard of our Supplier Code of Conduct. In 2022, we are planning to use this information to integrate sustainability into our sourcing decisions.</li><li>• For any nonconformances found during the audit process, we require suppliers to develop action plans. Within two years of the initial audit, we conduct closure audits to confirm progress achieved and closure of all priority nonconformances. We are seeing significant improvement in the scores for all follow-up and final closure audits. We are also seeing a trend of rising initial audit scores, demonstrating an increase in supplier capacity. We also provide suppliers with corrective actions needed to address gaps in alignment with Ford's Supplier Code of Conduct based on their SAQ responses.</li><li>• We aspire to source only raw materials that are responsibly produced.</li><li>• Ford launched a new cross-functional team, the Responsible Materials Council (RMC), to build capacity among Ford skill teams to educate suppliers, advocate for transparency, and influence ESG considerations in sourcing and designing decisions.</li><li>• Ford is working with its international nonprofit and grant making partners to support and promote a pilot program that will empower women working in the copper and cobalt supply chains in the Democratic Republic of Congo. The Promoting the Empowerment of Women in Copper and Cobalt Mineral Supply Chains program aims to increase access to profitable, sustainable enterprises by training women on financial education, business management, mining innovation and leadership, and formalizing women's Artisanal and Small Mine cooperatives that allow equal access to market opportunities.</li></ul>	



# SDG 9: Industry, Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

Why Is This a Priority?	How We're Contributing	More Information
<p>Today's transportation networks are congested and inefficient, especially in urban areas, which impacts, among other things, air quality and climate change – two of our salient human rights issues. We are working with a number of partners to develop new technologies, create jobs and invest in infrastructure projects to encourage sustainable and innovative mobility.</p>	<p><b>New Technologies:</b></p> <ul style="list-style-type: none"><li>• We are investing more than \$50 billion from 2022 through 2026 on electric vehicles and battery production to electrify our icons, build out EV charging infrastructure, create a digital ecosystem with trusted customer service and to take our suppliers on this journey with us.</li><li>• Our commercial vehicle arm, Ford Pro, launched Ford Pro Charging for managing commercial EV fleets and charging needs. To transition to electrification, fleet owners will receive software and commercial hardware infrastructure to support charging and energy management.</li><li>• Remain committed to our planned investment in self-driving technology of \$7 billion through 2025.</li><li>• Ford remains focused on large-scale deployment of autonomous vehicles as a service – ride-hailing to move people and delivery to move goods – across multiple U.S. cities starting in our launch city markets of Austin, Texas, Miami, and Washington, D.C.</li><li>• We continue to improve the technology and build a robust self-driving system with our partner Argo AI, we have also made progress over the last year in bringing these services to life through our collaboration with Lyft, one of the largest transportation networks in the U.S., and Walmart, the world's largest retailer. Together, with Lyft and Argo AI, we announced in 2021 that we are deploying Ford autonomous vehicles, with safety drivers, on the Lyft network in Miami and in Austin, available this year. As vehicles are deployed, Lyft users within defined service areas will be able to select a Ford autonomous vehicle powered by Argo AI's Self-Driving System to hail a ride.</li><li>• In collaboration with a Ford Fund and Gleaners Community Food Bank food delivery program called FREC (Ford Resource and Engagement Center) on the Go, we are operating a pilot through the summer of 2022 to deliver fresh produce to mobility-challenged senior citizens via an autonomous low-speed shuttle. The shuttle will make deliveries each month from the Ford Resource and Engagement Center in Southwest Detroit to the Rio Vista Co-Op Apartments senior living center.</li></ul> <p><b>Data Protection, Privacy and Security:</b></p> <ul style="list-style-type: none"><li>• Harnessing the data provided by connected vehicles and using it to create even better experiences continues to be a key priority as vehicle connectivity becomes more prevalent. Our 1,615-strong Global Data, Insight and Analytics (GDI&amp;A) team uses data science and analytics – including the power of artificial intelligence (AI) and machine learning (ML) – as the foundation of our innovations.</li><li>• Always acting with privacy in mind, we use analytics in research, product development, manufacturing, supply chain, marketing and sales, finance, purchasing, information technology, and human resources functions. Led by GDI&amp;A, we're also using artificial intelligence (AI) to enhance our vehicles and services, improve our product development and manufacturing processes, and deliver enhancements across the business.</li><li>• To support and strengthen our global data privacy initiatives, we have adopted the Automotive Consumer Privacy Protection Principles developed by the Alliance for Automotive Innovation. We are actively engaged with the Automotive Cybersecurity Industry Consortium (ACIC), a collaboration formed by the auto industry, research organizations, and government to strengthen cybersecurity in the automotive sector. The ACIC researches, develops, evaluates, and improves cybersecurity by addressing critical infrastructure needs in automotive systems. We are also a founding member of the Information Sharing and Analysis Center (Auto-ISAC), which gathers, analyzes, and shares information to combat cyber-related threats and weaknesses.</li><li>• In 2021, Ford hired our first Chief Privacy Officer, demonstrating our commitment to protecting customer and company data.</li></ul> <p><b>Infrastructure:</b></p> <ul style="list-style-type: none"><li>• We are dedicated to increasing our electric vehicle (EV) charging network capacity. Ford customers have access to over 20,500 charging stations (over 70,000 plugs) and growing on the BlueOval™ Charge Network.</li><li>• Drivers of our EVs in Europe are supported by more than 200,000 charge stations on the FordPass Charging Network in partnership with NewMotion, while in China, FordPass connects Ford owners with 180,000 public charging sites in more than 300 cities.</li><li>• Ford also co-founded the IONITY consortium, a pan-European joint venture that will grow 7,000 charging points by 2025, to create a supporting infrastructure as we accelerate the electrification of our vehicles.</li><li>• We continue to lead the rollout of cellular vehicle-to-everything (C-V2X) technology, which enables vehicles to communicate with similarly equipped vehicles, pedestrians and street infrastructure such as traffic lights.</li><li>• Local Hazard Information is part of a landmark road safety data-sharing agreement. This agreement shares safety-related traffic information messages to warn drivers of dangers around the corner.</li></ul>	<p><b>IR:</b>    <a href="#">Electrification and Connectivity</a> &gt; pages 44-49</p> <p><b>IR:</b>    <a href="#">Mobility Solutions and Autonomous Vehicles</a> &gt; pages 50-52</p> <p><b>IR:</b>    <a href="#">Data Protection, Privacy and Security</a> &gt; page 102</p> <p><b>HRR:</b>   <a href="#">Climate Change</a> &gt; page 34</p> <p><b>CDPC:</b> <a href="#">CDP Climate Response</a></p>





# SDG 10: Reduced Inequalities

Reduce inequality within and among countries

Why Is This a Priority?	How We're Contributing	More Information
Embracing all aspects of inclusion and equality better reflects the communities in which we operate, and the range of skills, opinions and experience provided by a diverse workforce strengthens our business. We aspire to work toward a future that is free from vehicle crashes and workplace injuries and create a truly diverse culture where everyone feels like they belong.	<p><b>Our Workforce:</b></p> <ul style="list-style-type: none"><li>• In 2021, we extended our U.S. DEI Audit to seven major markets – Canada, China, Germany, South Africa, Mexico, UK, and India. The audits encompassed a deep dive into each country’s qualitative data and quantitative data, focus groups, surveys and interviews to gain insights into employee beliefs, all with a goal of developing a deeper understanding of how our team was feeling and why. While culture and issues differ around the world, a common theme emerged that not all our team members feel like they belong. We listened and now each Business Unit and Skill Team is committed to continued action.</li><li>• In 2021, we created Aspirational Goals to increase the gender and racial diversity of our senior leadership. These goals are tracked quarterly by every Skill Team and Business Unit Leader. Composition is not something that can change dramatically in a short period of time, but we are seeing progress in the diversity of senior leadership. An increase in women leaders globally and an increase in racial minorities in the U.S. indicate that we are on track to reach our 2025 Aspirational Goals.</li><li>• We continued to use Employee Resource Groups to serve their membership, the business, customers and communities around the globe.</li><li>• We published <a href="#">U.S. Salary Diversity Performance Data and our annual EEO-I report</a> for the first time in 2021.</li><li>• We hosted our second annual global DEI Week.</li><li>• For the fourth year in a row, Ford was included in the Bloomberg Gender-Equality Index (GEI).</li><li>• We are committed to equal pay for equal work. Employee compensation in each market should be fair and equitable, irrespective of gender, race, or similar personal characteristics.</li><li>• Ford's 2022 Global Salaried Gender Pay Ratio is defined as the weighted average ratio of average female salaries to average male salaries within peer groups* worldwide, was 98.0%. While ratios provide a rough measure of pay equity, they do not account for individual circumstances. Although our analyses show no indications of systemic pay bias, we will continually monitor our entire compensation structure to ensure that all employees are paid appropriately. Ford included all elements of compensation in its calculation of this ratio. Year-over-year trends prior to 2021 cannot be judged by comparing this ratio to responses from prior surveys.</li><li>• Ford's 2021 U.S. Salaried Minority Pay Ratio is defined as the weighted average ratio of average minority salaries to average non-minority salaries within peer groups* in the U.S., is 100 percent.</li><li>• Our philanthropic arm, the Ford Motor Company Fund works with nonprofit organizations, community partners and across the global Ford network to provide access to resources and opportunities that build equity and help underserved and underrepresented communities reach their highest potential programs. We provide programs and services that make people’s lives better, from feeding the hungry and mentoring social entrepreneurs to supporting multicultural initiatives and rebuilding after natural disasters.</li><li>• Through Ford Fund's longstanding partnerships in the Black and Hispanic communities, we brought together CEOs from 11 of the nation's leading multicultural organizations in a #VaxWithFacts public service announcement to provide trusted info about the COVID-19 vaccine.</li><li>• We opened a community vaccine center in Craiova, Romania, and administered more than 14,600 vaccines to some of the community’s most vulnerable residents.</li><li>• Volunteering has always been an integral part of Ford’s commitment to making a positive impact on society. The Ford Volunteer Corps, a global network of current and retired Ford employees, have contributed over 1.7 million volunteer hours to community projects on six continents since 2005.</li><li>• September marks Global Caring Month, our annual month-long focus on community service and giving back. In 2021 Ford Fund awarded \$700,000 in grants to support the humanitarian efforts of 149 employee-nominated community organizations in 34 countries.</li><li>• We are addressing and evolving our Just Transition strategy as we move towards electrification and carbon neutrality. These changes will require Ford to accelerate our ability to reskill, upskill, and better develop our employees and people in the communities we operate.</li></ul>	<p><b>IR:</b>    <a href="#">Embracing diversity, equity and inclusion</a> &gt; pages 57-60</p> <p><b>IR:</b>    <a href="#">Supplier diversity and inclusion</a> &gt; pages 60-61</p> <p><b>IR:</b>    <a href="#">Socioeconomic Contribution and Community Engagement</a> &gt; pages 79-80</p> <p><b>HRR:</b> <a href="#">Fair and Equal Wages</a> &gt; page 38</p> <p><b>HRR:</b> <a href="#">Harassment and Discrimination</a> &gt; page 40</p>

\*A peer group consists of employees in the same region, salary grade and skill team, when available.



# SDG 10: Reduced Inequalities

Reduce inequality within and among countries

Why Is This a Priority?	How We're Contributing	More Information
	<p><b>Our Suppliers:</b></p> <ul style="list-style-type: none"><li>• Diversity and Inclusion permeates the core of our company – from the diversity of our product offerings and global workforce, to our strategic partners, supply base and dealers. We remain 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. To date, we have sourced \$170 billion in goods and services with diverse-owned businesses in the U.S. In 2021, Ford purchased goods and services worth:*</li><li>• \$7.46B from minority-owned suppliers</li><li>• \$1.15B from women-owned businesses</li><li>• \$0.13B from veteran-owned companies</li><li>• \$5B from small businesses</li></ul> <ul style="list-style-type: none"><li>• In an effort to expand our spend, Ford made a strategic decision to identify global initiatives to support our diverse owned businesses beginning with women-owned businesses. We are in the discovery phase of expansion, identifying current suppliers that could qualify as a woman owned business.</li><li>• To ensure diverse suppliers are considered through the entire supply chain, Ford has added Supplier Diversity and Inclusivity language into the Purchasing Global Terms &amp; Conditions. We are encouraging suppliers to establish a Supplier Diversity &amp; Inclusion program with specific goals and metrics on diverse supplier spend. Diverse spending by Tier I suppliers is part of our consideration for sourcing opportunities.</li></ul>	

\*Actual data through November 2021, forecast data for December 2021.



# SDG 11: Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient and sustainable

Why Is This a Priority?	How We're Contributing	More Information
<p>We aspire to drive human progress by providing mobility and accessibility for all. This will require innovative new technologies and mobility services that will help the cities of tomorrow address a host of challenges from congestion to poor air quality.</p>	<p><b>Sustainable Transport Systems:</b></p> <ul style="list-style-type: none"><li>• Our objective is to power the freedom to move every day, helping to make movement more accessible and seamless in cities while improving the safety and sustainability of the transportation ecosystem.</li><li>• Ford has signed the ambitious RouteZero initiative which aims to reduce carbon associated with road transportation. We join more than 50 businesses, cities and regions that have pledged to work together toward 100 percent zero-emission cars and vans globally by 2040, and in leading markets no later than 2035.</li><li>• We are prioritizing capital to environmental and social projects through a new Sustainable Financing Framework, a first for a North American automaker. Announced on the fifth anniversary of the Paris Climate Agreement, the framework further aligns Ford's financing actions with our commitment to operate a safe, sustainable and successful business. It is a platform to raise new sources of capital to fund our ambitious plans for battery electric vehicles and better world efforts. The framework achieved the highest- possible 'Advanced' rating from Vigeo Eiris, which is globally recognized for ESG initiatives.</li><li>• Ford and Argo AI to launch initial commercial deployment of autonomous vehicles on the Lyft ride-hail platform in 2022 in two U.S. cities – Miami and Austin – with plans to scale.</li><li>• Working with Argo AI and Walmart to launch autonomous delivery with Ford autonomous vehicles in Miami, Austin, Texas, and Washington, D.C. — Walmart's first multi-city autonomous delivery collaboration in the U.S.</li><li>• Remain committed to our planned investment in self-driving technology of \$7 billion through 2025.</li><li>• We continue to test autonomous technology in partnership with Argo AI. With new Argo Lidar, a critical component for a safe autonomous service, integrated on Ford autonomous vehicles, it will allow Ford to expand services beyond dense urban areas to suburbs connected by highways day or night.</li><li>• Operating a fresh food delivery pilot with an autonomous shuttle out of the Ford Resource and Engagement Center in Southwest Detroit through the summer of 2022.</li><li>• We are addressing air quality in our vehicles, our operations and our financing. Through our research, vehicle development and operations, we are working to reduce emissions of air pollutants, in accordance with increasingly stringent standards around the world.</li><li>• Ford continues to collaborate with others testing autonomous vehicle technologies within several business associations, as well as lawmakers, regulators, and the public to realize the safety and societal benefits of autonomous vehicles.</li><li>• Our end-to-end solutions help lower total cost of ownership for our customers, and in particular, reduce complexity for commercial customers.</li><li>• Through Ford Pro, we will also help small and large businesses globally transition their fleets to zero emission vehicles by providing a suite of support, including EV consulting, charging, telematics, service, and financing.</li><li>• The City:One program uses a community-centered approach to develop innovative mobility solutions that address safety, sustainability, equity and accessibility to support the ever-changing mobility needs of cities and their residents. In 2019–2020, we hosted City:One Challenges in four locations: Indianapolis, Michigan Central Station in Detroit, Austin and Mexico City. In working with those communities, we generated more than 400 proposals and secured nearly \$1 million in funding to support tangible and equitable mobility pilots for residents, workers and visitors. In 2021, multiple Challenge winners began activating their mobility pilots to deliver real-world impact.</li><li>• During the last three years, Ford has been restoring historic buildings, including the iconic Michigan Central Station, constructing new ones and building out connected spaces in Corktown, Detroit to transform the area into Michigan Central, a mobility innovation district that brings together innovators to incubate and speed development of transportation solutions. While construction is still underway, innovation in the district is already happening. One example is a partnership with Newlab, a New York-based accelerator, that began in 2020. Together, Michigan Central and Newlab have created two mobility innovation studios. One to address mobility issues on a macro scale with an EV track focused on electrifying commercial fleets, as well as an autonomous vehicle track focused on the first and last mile of a journey. The second, a civic studio – Accessible Streets – designed to improve transportation and access in the neighborhoods around Michigan Central Station – all upholding our commitment to the local communities.</li><li>• In collaboration with a Ford Fund and Gleaners Community Food Bank food delivery program called FREC (Ford Resource and Engagement Center) on the Go, we are operating a pilot through the summer of 2022 to deliver fresh produce to mobility-challenged senior citizens via an autonomous low-speed shuttle.</li></ul>	<p><b>IR:</b>     <a href="#">How We Create Sustainable Value</a> &gt; page 36</p> <p><b>IR:</b>     <a href="#">Mobility Solutions and Autonomous Vehicles</a> &gt; pages 50-52</p> <p><b>HRR:</b>   <a href="#">Air Quality</a> &gt; page 30</p> <p><b>HRR :</b>   <a href="#">Climate Change</a> &gt; page 34</p>





# SDG 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns

Why Is This a Priority?	How We're Contributing	More Information
<p>Manufacturing vehicles requires the use of natural resources, some of which have a limited or finite supply. We aspire to eliminate single-use plastics from our operations by 2030, reach true zero waste to landfill across our operations and utilize only recycled or renewable content in vehicle plastics.</p>	<p><b>Our Operations:</b></p> <ul style="list-style-type: none"><li>• Ford and SK Innovation to invest \$11.4 billion and create nearly 11,000 new jobs in Tennessee and Kentucky with production of the electric vehicles and lithium-ion batteries in 2025, creating first greenfield carbon neutral facilities. The assembly plant will be designed to be carbon neutral with zero-waste to landfill once fully operational.</li><li>• We invested \$1 billion to modernize our vehicle assembly facility in Cologne to turn it into the Ford Cologne Electrification Center.</li></ul> <p><b>Waste and Recycling:</b></p> <ul style="list-style-type: none"><li>• We aspire to reach true zero waste to landfill across our operations and eliminate single-use plastics from our operations by 2030.</li><li>• We reuse or recycle any waste we do generate wherever possible, avoiding the landfill and providing us with an additional supply of valuable resources.</li><li>• Over five years from a 2017 baseline, we are targeting a 35% reduction in waste sent to landfill, a 15% reduction in waste generation and a 25% reduction in general trash. We are developing a strategy to achieve our aspiration of eliminating single-use plastics from our global operations by 2030.</li><li>• In addition to our focus on reducing waste to landfill at our facilities, we are focused on minimizing the amount of waste we generate. Beginning in the third quarter of 2021, all Ford manufacturing plants in China achieved zero waste to landfill (ZWTL). Waste generated in all factories will either be managed for thermal destruction with or without energy recovery or recycled instead of being sent to landfills for final disposal. All of our European facilities have acquired ZWTL status, which means they send absolutely no waste to landfill.</li><li>• Ford has 89 zero waste to landfill (ZWTL) sites globally, including manufacturing and non-manufacturing sites.</li><li>• 74% of manufacturing facilities are true ZWTL.</li><li>• Ford Thailand Manufacturing and AutoAlliance Thailand are making significant efforts to support environmentally friendly initiatives, including using renewable energy, reducing CO<sub>2</sub> emissions, and practicing zero waste to landfill.</li><li>• In 2021, Ford facilities around the world sent approximately 16,300 metric tons of waste to landfill, 7% less than in 2020.</li><li>• Ford shared waste reduction best practices with nearly 80 key Tier 1 suppliers through PACE program.</li><li>• We increased FastPACE participation by over 60% from 2020, sharing Ford best practices in waste reduction with suppliers from China, India, Thailand, and South Africa.</li><li>• Ford is the largest automotive closed-loop aluminum recycler in the world. We worked closely with our aluminum sheet suppliers to create unique alloys just for closed-loop recycling. Our closed-loop system recovers aluminum scrap during parts stamping and saves 95% of the energy that would be required to create new aluminum from raw ore. This closed loop recycling system is used to build the F-Series, recovering up to 20 million pounds of high- strength, military-grade, aluminum alloy per month. Ford maximizes aluminum recycling in our plants and minimizes the need for primary metal.</li><li>• Ford is continuing to drive the future of automotive 3D printing, this time teaming up with HP to innovatively recycle spent 3D printer powders and parts turning them into injection-molded vehicle parts – an industry first.</li><li>• Ford Bronco Sport Parts made from 100% Ocean-Harvested Plastic is an Industry First.</li></ul>	<p><b>IR:</b>     <a href="#">Waste Management</a> &gt; page 95</p> <p><b>IR:</b>     <a href="#">Sustainable Materials</a> &gt; pages 96-97</p> <p><b>HRR:</b>   <a href="#">Access to water and sanitation</a> &gt; page 28</p> <p><b>HRR:</b>   <a href="#">Climate Change</a> &gt; page 34</p> <p><b>TCFD:</b> <a href="#">About this report</a> &gt; page 2</p> <p><b>CDPW:</b> <a href="#">CDP Water Response</a></p>



# SDG 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns

Why Is This a Priority?	How We're Contributing	More Information
	<p><b>Sustainable Materials:</b></p> <ul style="list-style-type: none"><li>• Our LCA-based studies evaluate potential environmental implications of vehicle raw materials and manufacturing; for example, aluminum production and recycling, recycled polymers, cradle-to-gate impacts of lithium-ion batteries, environmental benefits of using second-life EV batteries, and additive manufacturing.</li><li>• Renewable, plant-based materials also play a role in our sustainability strategy. Ford has launched over a dozen industry-first, plant-based materials in production vehicles since 2007, establishing a reputation as a leader in this space. These robust materials are often lighter in weight, improving fuel economy. They also sequester carbon during the plants growing phase, reducing global warming impacts, and they require less energy to manufacture. Ford first sustainable materials include soy foam, wheat straw, rice hulls, tree-based cellulose, coconut fiber, and coffee chaff.</li><li>• Batteries are at the heart of our electrification strategy. We are collaborating with Redwood Materials to integrate battery recycling into our domestic battery strategy. Redwood's recycling technology can recover, on average, more than 95% of strategic materials such as nickel, cobalt, lithium and copper. These materials can be recycled in a closed-loop with Redwood moving to produce anode copper foil and cathode active materials for future battery production. Using locally produced, recycled battery materials, will help ensure valuable materials in products re-enter the supply chain, reducing our reliance on the existing commodities supply chain that will be quickly overwhelmed by industry demand.</li><li>• Our packaging guidelines for North America and Asia Pacific require our suppliers' packaging to have at least a neutral, if not positive, environmental footprint, achieved through the use of 100% recycled, renewable or recyclable materials.</li><li>• The team at the Dagenham Engine Plant in the U.K. have been honored for creating the Frame Tray system, injection-molded trays and lids that can be endlessly recycled, saving millions of dollars and 50% increase in packing density.</li><li>• We also work to minimize substances of concern in our products and facilities. We have developed a list of targeted chemicals compiled from international, authoritative sources and engage suppliers to reduce these substances through process efficiencies, product replacements or reformulation.</li><li>• To help our suppliers source materials ethically and responsibly, we use enhanced requirements in contracts, reporting requests and transparent dialogue. We've extended our responsible sourcing requirements beyond conflict minerals. We monitor our supply chains to ensure our materials are safe and responsibly sourced.</li><li>• In January 2021, we joined the Initiative for Responsible Mining Assurance (IRMA), a global group that promotes ecologically and socially responsible mining in large-scale operations. We also joined the Copper Mark's Advisory Council in early 2021.</li></ul>	



# SDG 13: Climate Action

Take urgent action to combat climate change and its impacts

Why Is This a Priority?	How We're Contributing	More Information
<p>Climate change is a global challenge that affects us all, so we are strengthening our commitment to the Paris Agreement through our aspiration to achieve carbon neutrality by 2050. Emissions from our operations and the use of our vehicles contribute to climate change, negatively impacting people and communities.</p>	<p><b>Carbon Neutrality:</b></p> <ul style="list-style-type: none"><li>Our commitment to carbon neutrality by no later than 2050 is at the heart of our climate change strategy. We are the only full-line U.S. automaker committed to reducing CO<sub>2</sub> emissions in line with the Paris Agreement and working with California for stronger greenhouse gas emission standards.</li><li>At the COP26, the UN Climate Summit in November 2021, we signed the RouteZero pledge committing to rapidly accelerating the transition to zero emission vehicles to achieve the goals of the Paris Agreement and working towards all sales of new cars and vans being zero emission globally by 2040, and by no later than 2035 in leading markets.</li><li>To achieve our carbon neutrality goal, we are focusing on three areas that account for approximately 95 percent of our CO<sub>2</sub> emissions – our vehicles, our operations and our suppliers. Our strategy to achieve carbon neutrality by 2050 is supported by:<ul style="list-style-type: none"><li>Electrifying our iconic vehicles beginning with the iconic Mustang Mach-E which launched in late 2020 and the E-Transit and the F-150 Lightning which will be on the market in 2022</li><li>Investing in EV technology and charging infrastructure in North America and Europe</li><li>Investing in clean manufacturing to create the future of our industry</li><li>Working with suppliers to reduce their emissions and develop science-based emissions reduction targets in line with the Paris Agreement</li></ul></li><li>The above pledges are backed by interim targets approved by the Science Based Targets initiative (SBTi). Our emissions targets call for a 76% reduction in Scope 1 and 2 GHG emissions by 2035 from a 2017 base year, and a 50% reduction in Scope 3 GHG emission per vehicle kilometer from use of sold products by 2035 from a 2019 base year.</li><li>We're investing \$50 billion in electric vehicles and battery production from 2022 through 2026.</li><li>By 2026 we will grow to an annual production of more than 2 million EVs.</li><li>Expect EVs to represent 50% of global sales volume by 2030.</li><li>Ford and SK Innovation to invest \$11.4 billion and create nearly 11,000 new jobs in Tennessee and Kentucky with production of the electric vehicles and lithium-ion batteries in 2025, creating our first greenfield carbon neutral facilities.</li><li>In November 2021, we announced a \$2.5 billion green bond to help us achieve our carbon neutrality goal. Proceeds from the bond sales are aimed at initiatives to benefit the environment, including designing developing and manufacturing zero-emissions transportation solutions.</li><li>Improved energy efficiency and conservation in our facilities and manufacturing processes have resulted in a 35% reduction in our GHG footprint since 2017.</li><li>Global amount of renewable electricity for 2021 was 32.4%.</li><li>Joined the U.S. Department of Energy's Better Climate Challenge to reduce GHG emissions from our facilities by at least half by 2030.</li><li>The <a href="#">We Are Committed to Protecting Human Rights and the Environment</a> policy commits Ford to drive human progress by enhancing the health and well-being of the communities that surround us, respecting the rights of the people who live there and protecting the environment.</li><li>Our Supplier Code of Conduct outlines our requirements for supplier relationships in areas related to human rights, the environment, responsible material sourcing, responsible and lawful business practices and the associated implementation of these principles.</li></ul> <p><b>Climate Reporting:</b></p> <ul style="list-style-type: none"><li>We are committed to transparently reporting our climate change strategies and their resilience. We have received the 2020 CDP ratings and received A ratings for both Water and Climate (our 3rd year in a row as "A" for climate and 7th for water).</li><li>We have issued climate change scenario reports since 2020. This year we have produced our first consolidated report that combines our Climate Change Scenario Report and the Task Force on Climate-related Financial Disclosures (TCFD) Index.</li><li>Shared GHG emission reduction best practices with nearly 80 key Tier 1 suppliers through PACE.</li><li>FastPACE suppliers, a streamlined version of our PACE supply chain sustainability program, key partners in China, India, Thailand and South Africa are on track to save an estimated 4,909 metric tons of CO<sub>2</sub> over the next three years.</li></ul>	<p><b>IR:</b> <a href="#">Climate Change</a> &gt; pages 83-90</p> <p><b>HRR:</b> <a href="#">Climate change</a> &gt; page 34</p> <p><b>TCFD:</b> <a href="#">About this Report</a> &gt; page 2</p> <p><b>CDPC:</b> <a href="#">CDP Climate Response</a></p> <p><b>CDPW:</b> <a href="#">CDP Water Response</a></p>





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