



Global Mobility Through Changing Times

Sustainability Report Summary 2014/15



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corporate.ford.com/go/sustainability



Without question, we are embarking on one of the most transformative periods in our history.

Revolutions in connectivity and technology, as well as the changing needs and desires of our customers, are opening avenues for entirely new ways of thinking about our business. We see a future of connected cars that communicate with each other and the world around them to make driving safer, ease traffic congestion and sustain the environment. It's not only about cars and trucks. It's about helping people and things move seamlessly and efficiently using all available modes of transportation.

We understand that the winners will be the innovators, the disruptors and those willing to break with tradition and find new solutions. That's why we are pushing ourselves even harder to think, act and disrupt like a startup company.

“At Ford, mobility is about far more than motion. It is really about progress. Human progress.”

Mark Fields

We are driving to be both a product company and a mobility company. Our vision is nothing less than to change the way the world moves. At Ford, we view this as the ultimate opportunity. In fact it is as big of an opportunity as when our founder put the world on wheels more than a century ago.

Implementing our Blueprint for Sustainability, which focuses on our products and global environmental footprint, brings to life our pledge to build a strong business, deliver great products and create a better world – and makes this pledge relevant in a future that will be very different from the past.

William Clay Ford, Jr.
Executive Chairman


Mark Fields
President and Chief
Executive Officer

**We want to
change how
the world
moves.
Again.**

“Growing up, there was something almost heroic about the car. The automobile represented possibility. I think we are there again.”

Bill Ford

Through innovative use of high-strength steel, aluminum alloys and other improvements, we developed an all-new F-150 lineup with world-class fuel economy, power and durability, and we implemented closed-loop recycling of aluminum manufacturing scrap.

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OUR PEOPLE

Read about our approaches to talent management and diversity and inclusion and the related improvements we're seeing in employee satisfaction. Also read about health and safety and new efforts around strategic workforce planning and analytics to understand and address our future talent needs.

Changing times are creating exciting new opportunities for our business. At Ford, we're not just about making vehicles. We're about innovative, sustainable solutions for future global mobility. We're leveraging our people, products and supplier partners to deliver mobility solutions.

Our vision is to truly change how the world moves – again. Henry Ford did that a century ago when he manufactured affordable automobiles for the masses, thereby democratizing travel. We believe we have an opportunity to revolutionize transportation once more, only this time we'll be powered by the digital economy. We aim to make the entire transportation experience easier, to improve lives.

Here's how the pieces are coming together to transform our company while yielding broader social, economic and environmental benefits for both Ford and our communities.

Empowering Our People

Driving innovation will require our 187,000 people to learn, take risks, question customs and test tradition. The skills and talents of our employees have already enabled us to adapt and succeed in changing times. We're counting on our people to push us further, so we can predict and respond to the mobility needs of the future.

In 2014, our global workforce grew by about 6,000 people – part of our largest hiring initiative in more than a decade – in response to the most rapid manufacturing expansion we have experienced in 50 years. As we look to transform our business, planning for our future workforce will take on particular importance. Building successful leaders and developing a pipeline of talent worldwide are critical to our efforts.

- › In 2014 we had 187,000 employees – 6,000 more than in 2013 – in 62 plants and 8 regional engineering, research and development centers on 6 continents.
- › We achieved record high Total Employee Satisfaction in the 2014 Pulse Survey for salaried employees.
- › 2014 marked the best overall safety track record in the company's history.



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PRODUCT QUALITY AND SAFETY

Learn more about our progress in developing and implementing vehicle safety and driver assist technologies, our efforts to encourage safer driving, and our quality systems and performance.

➤ **15 of our 2015 model year vehicles earned 5 stars for overall safety in the U.S. New Car Assessment Program (NCAP), compared to 9 for the 2014 model year.**

Offering World-Class Products

Producing great vehicles – those that are world-class in safety, quality, green performance and smart technologies – is an integral part of mobility innovation.

The safety and driver assist technologies we are implementing today, such as adaptive cruise control, collision warning with brake support, rear inflatable safety belts and active park assist, are making driving safer and more convenient. Moreover, they are moving us toward the autonomous and connected vehicles of the future.



As we introduce new vehicles and technologies at an ever-faster pace, we remain relentless in the pursuit of quality. Our 2014 reported “things gone wrong” data shows that our quality is back on track in North and South America and is at best-ever levels in Europe and Asia Pacific. Customer satisfaction was trending up in 2014.

Leveraging Our Supply Chain

Whether delivering innovative mobility solutions or outstanding vehicles, our supplier partners are key to our success. We promote long-term relationships and seek alignment with our suppliers on sustainability-related issues such as human rights, working conditions and environmental responsibility.

Many of the sustainability impacts tied to vehicle manufacturing, ranging from resource use and emissions to economic development and factory working conditions, are found in our supply chain – and oftentimes deep in our supply chain. Our aim is to use the vast scale of our supply chain to make a positive impact in the markets in which we do business globally.

For more than a dozen years, Ford has promoted sound working conditions and environmental sustainability, working collaboratively with our suppliers and other automakers to raise standards across the automotive supply chain.


➤ **280 supplier companies in 6 countries were trained in 2014 on corporate social responsibility.**

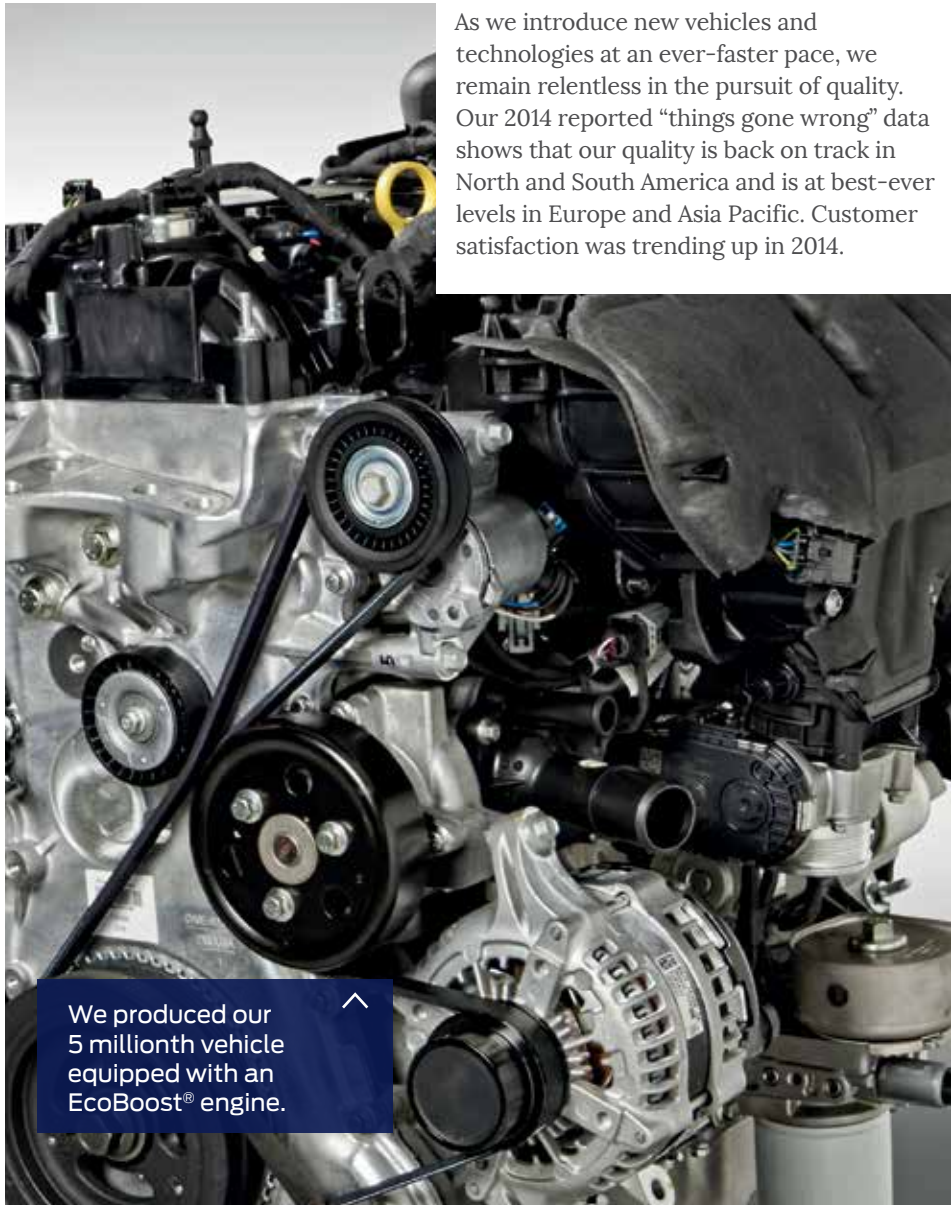
➤ **95% of our strategic production suppliers have a code of conduct aligned with Ford's Code of Human Rights, Basic Working Conditions and Corporate Responsibility.**


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SUPPLY CHAIN

Learn how we communicate expectations to our suppliers, assess their performance and collaborate with them and others so they can improve. Also learn how we manage the issue of conflict minerals in the supply chain.

 We produced our 5 millionth vehicle equipped with an EcoBoost® engine.





The top winner of a Ford mobility challenge experiment in Delhi, India, is an app designed to help improve health outcomes for victims of road accidents by reducing the time it takes for them to get medical treatment.

Innovating Mobility Solutions

We are focused on protecting the freedom of movement of people and goods – a freedom that is being affected by large societal megatrends such as urbanization and increased traffic congestion. To address the risks as well as the opportunities, Ford and society as a whole must change the way we think, collaborate and behave.


By harnessing the power of our people, our products and our supply chain, we are acting on our Blueprint for Mobility – our multi-decade plan for helping to develop better ways to move people and goods and thereby create a better world. In early 2015, we announced Ford Smart Mobility, which is using innovation to take Ford to the next level in connectivity, mobility, autonomous vehicles, big data and the customer experience. As the first step, in 2014 we kicked off 25 mobility experiments

around the globe – all designed to test new mobility concepts and evaluate their impact on the environment, while creating value for our business at the same time.

We're tying together the promise of connected and autonomous vehicles with a broader transportation network that can make traveling from Point A to Point B easier than ever, whether in crowded cities or remote rural landscapes. We're developing advanced new vehicles and new mobility solutions that, when coupled with other modes of transportation, will change the way the world moves by improving safety, reducing congestion and lowering greenhouse gas emissions.

By driving toward unfettered access to mobility, we can enable human progress. We view the disruption that's taking place in mobility as something to embrace – not fear. We want Ford to be part of the solution by redefining what's possible.

- There are about 1 billion vehicles on the road today. That number is expected to more than double by 2050.
- In early 2015, we opened our new Research & Innovation Center in Palo Alto, California, to accelerate our pace of innovation.


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MOBILITY

Learn more about our Ford Smart Mobility experiments, our fully autonomous research vehicle and the global megatrends that are driving our efforts.

Ford's car-sharing on-demand in London targets a better customer experience and improved operational efficiency compared to existing car-sharing models.



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CLIMATE CHANGE AND THE ENVIRONMENT

Learn about our climate change and water strategies, our sustainable technologies and fuels plan, our progress in improving vehicle fuel economy, our sustainable materials work and our efforts to reduce our manufacturing footprint.

✓ The 2014 Ford Fiesta with the award-winning 1.0L EcoBoost engine delivers best-in-class highway fuel economy.



Delivering Environmental Benefits

Connected, convenient and innovative mobility systems are a promising way to shrink the future environmental footprint of transportation. To deliver more immediate benefits for the environment and climate, we are continuing to evolve our vehicles and production processes today.

We are on course to meet our science-based climate goal: doing our part to stabilize carbon dioxide (CO₂) emissions in the atmosphere at 450 ppm, a level many scientists agree will forestall the worst projected impacts of climate change.

We are implementing a suite of fuel-efficiency technologies – from EcoBoost engines to alternative fuel powertrains – across millions of vehicles globally. We now offer electrified vehicles in the U.S., Europe, South America and Asia Pacific.

We are also making technology and process improvements in our operations to meet our energy, CO₂, water and waste goals. For example, from 2010 to 2014, we reduced manufacturing CO₂ emissions per vehicle produced by more than 22 percent, putting us well on track to achieve our 2025 reduction goal of 30 percent.

- We reduced our absolute water use by 3 percent globally from 2013 to 2014.
- In the U.S., we improved the average fuel economy of our combined car and truck fleet by 2 percent in 2014 compared to 2013.
- We are using REPREVE 100% recycled material in the seat fabric of the all-new F-150, which will divert more than 5 million plastic bottles from landfills in 2015.

Supporting Our Communities

Communities everywhere are changing, driven by growing urbanization, demographic and economic shifts and increasing resource scarcity. By serving ever-greater mobility needs in urban and rural settings alike, Ford is helping to create opportunities and enhance overall quality of life.

Ford also makes positive contributions by improving the social and environmental impacts of our operations. We invest in the locations where our employees live and work, focusing on education, driver safety and community life, including environmental and social issues such as the human right to water. As our business expands globally, so does our community engagement. Our financial contributions and employee volunteer efforts span 48 countries worldwide, supporting our company's goal of creating a better world.

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COMMUNITIES

Learn about our expanded investments in education, environmental programs, hunger relief and water projects, among many others.

Mobility innovation isn't just about making better vehicles and transforming transportation networks. We are also helping drivers to be safer and more eco-efficient through Ford Driving Skills for Life and other programs.

➤ Ford invested \$45.6 million in communities where we operate around the world in 2014.

➤ Our employees contributed 160,000 volunteer hours – the equivalent of a \$3.5 million investment.



2014 Performance Highlights¹

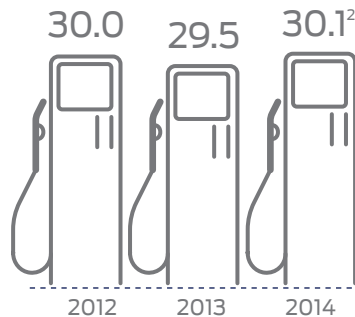
We always strive to improve our sustainability performance.

In 2014, Ford was named the Best Global Green Brand by Interbrand, and, in early 2015, Ford was named to the Ethisphere Institute's list of the World's Most Ethical Companies for the sixth year in a row, the only automaker to be named in all of those years.



FUEL ECONOMY

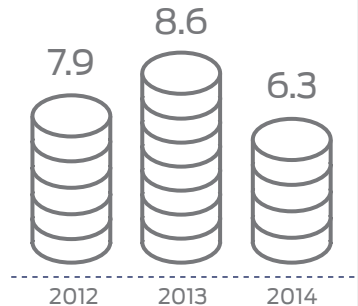
U.S. Corporate Average Fuel Economy, Combined Car and Truck Fleet (miles per gallon)



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FINANCIALS

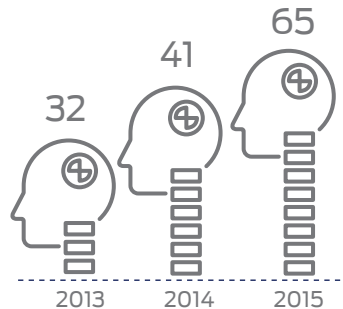
Pre-Tax Profits (excluding special items) (\$ billion)



DECLINED ↓

VEHICLE SAFETY

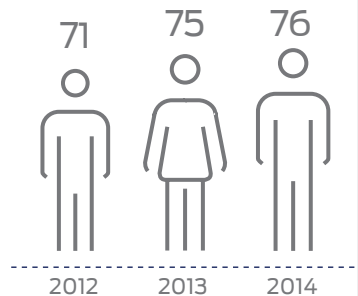
U.S. New Car Assessment Program (NCAP) Five-Star Overall Vehicle Scores (percent of Ford Motor Company vehicles tested that achieved five stars, by model year)



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EMPLOYEE SATISFACTION

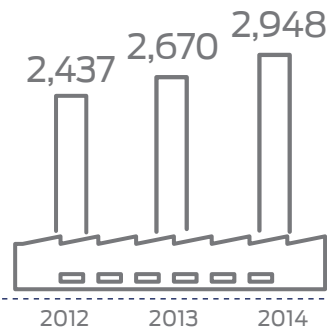
Pulse Survey Employee Satisfaction Index (percent satisfied)



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SUPPLY CHAIN

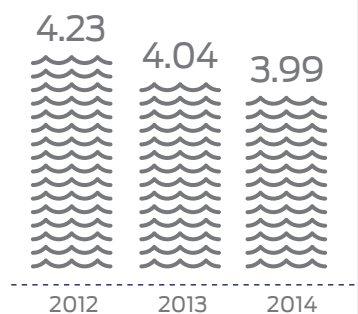
Total Supplier Sites Trained/Retrained in Sustainability Management (cumulative, since 2005)



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WATER USE

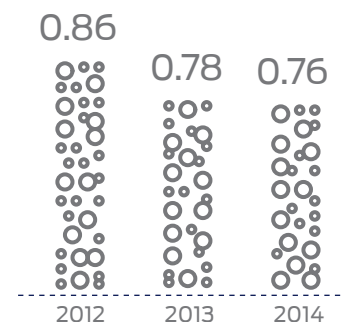
Global Water Use per Vehicle Produced (cubic meters)



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CO₂ EMISSIONS

Worldwide Facility CO₂ Emissions per Vehicle Produced (metric tons)



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CONTACT

Preparing this summary offers a valuable opportunity for us to assess and improve upon our progress and performance. To continue to do so, we need your feedback.

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¹ We have selected new metrics for the Financials and Supply Chain categories for this set of performance highlights. Complete data sets are available on our website, corporate.ford.com/go/sustainability.

² The average fuel economy of our car fleet and our truck fleet both remained unchanged compared to 2013. However, our combined corporate average fuel economy improved due to increased customer demand for cars versus trucks.