

Environmental, Social, and Governance Review

November 2024

The Ford logo, rendered in its signature blue script typeface.

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01

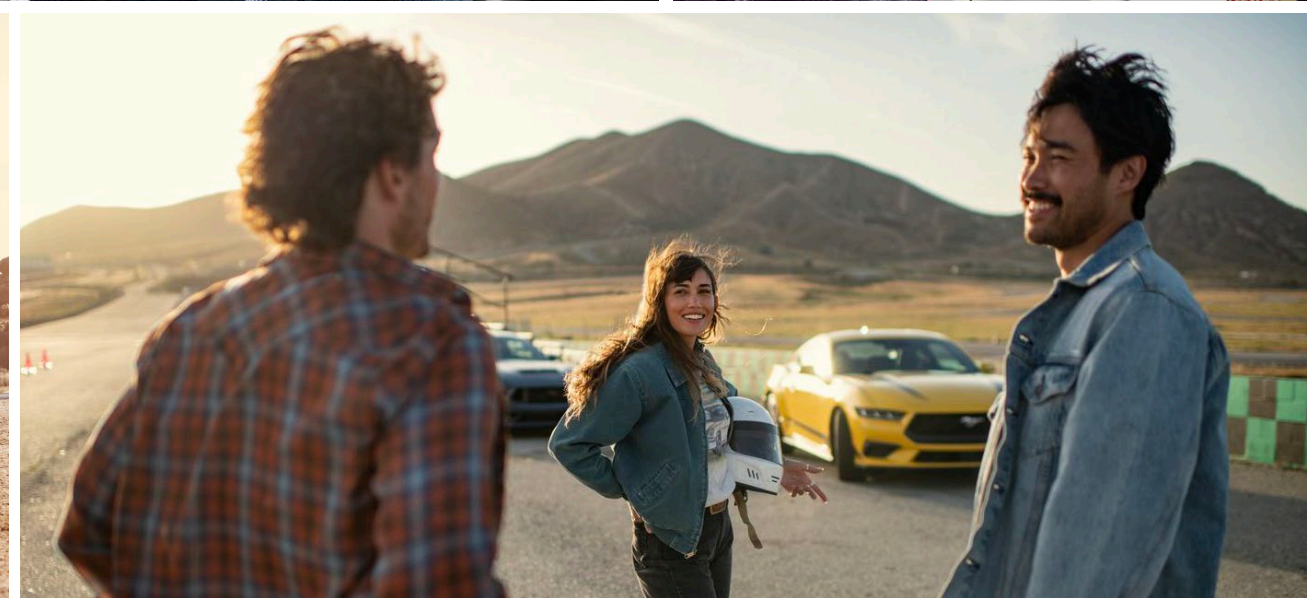
Introduction

Environmental, Social, and Governance Review

OUR COMPANY PURPOSE

To help build a better world,
where every person is free to
move and pursue their dreams.





Ford+ Investment Thesis

Disruptive technology allows us to leverage foundational strengths to build new capabilities enriching customer experiences and deepening loyalty.

Customer Experience

Foundational Strengths

- + Leading iconic nameplates
- + Leading commercial vehicle portfolio
- + Industry prowess

**Drives strong margins
and cash flow**



Enhanced Capabilities

- + Integrated hardware and software
- + Connectivity
- + Data analytics

**Enables deep
customer insight**



Expanded TAM and Value Creation

- + Ford Blue
- + Ford Model e
- + Ford Pro

**Unlocks new growth
opportunities**

Ford+ Business Model is Designed to Deliver Focused Innovation, Profit, and Growth

Ford Blue



Ford Model e



Ford Pro



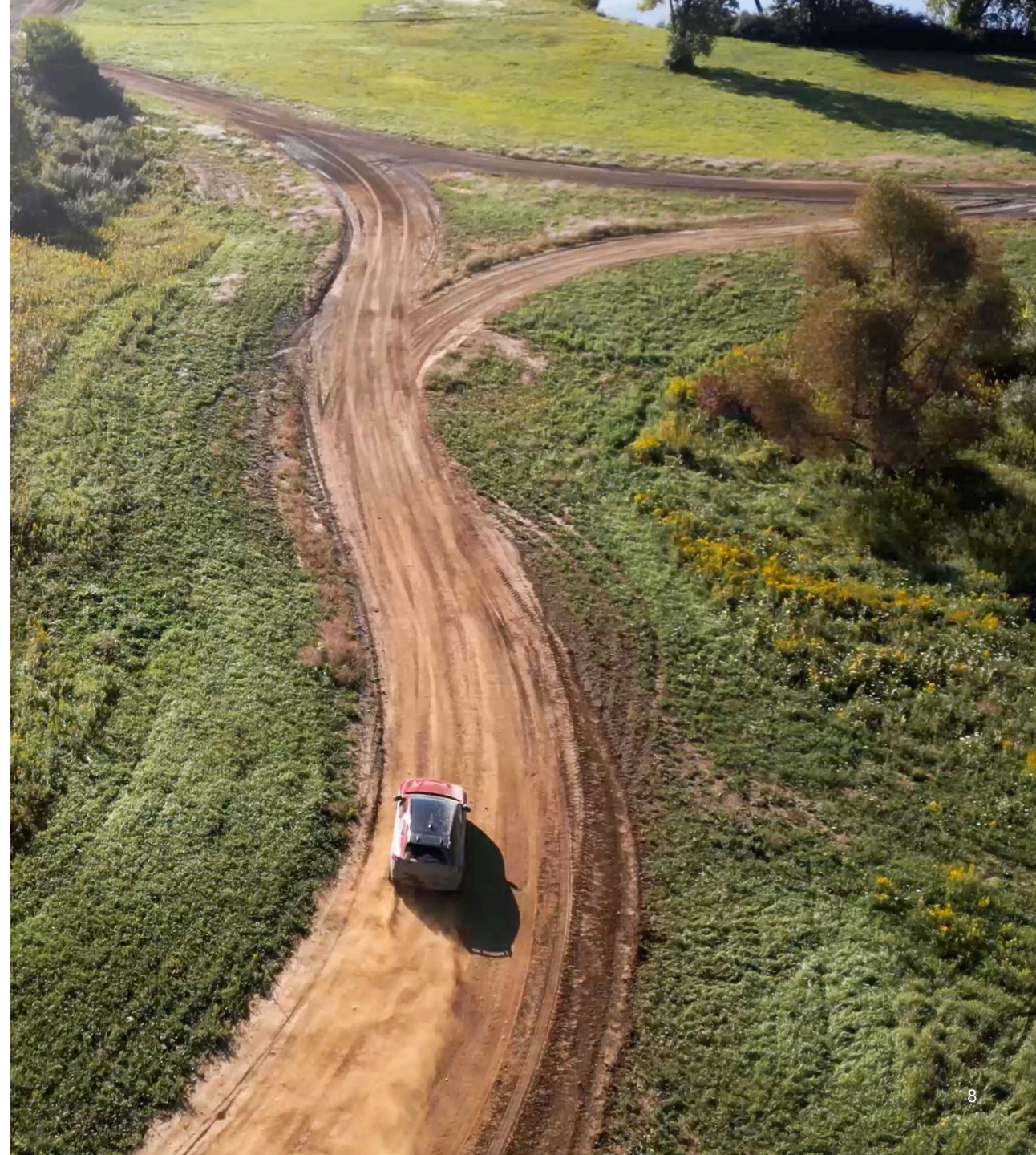
Ford's purpose has always been bigger than building vehicles.

We are driven by a desire to build a better world:
To improve the lives of our people,
the communities we call home,
and the planet we all share.

Our goal is to be carbon neutral by 2050:
Vehicles, operations, and supply chain.

It's going to take work. But that's what we do best.
This is the road we're on at Ford.

The Road to Better.



Ford Sustainability Aspirations





We adhere to the United Nations Guiding Principles on Business and Human Rights and the UN Sustainable Development Goals.



Sustainability Reporting

Ford has been a leader in sustainability reporting for 25 years. Disclosures show our commitment to transparency and meeting our sustainability goals.

1999

Ford is the first automotive company to issue a Sustainability Report.



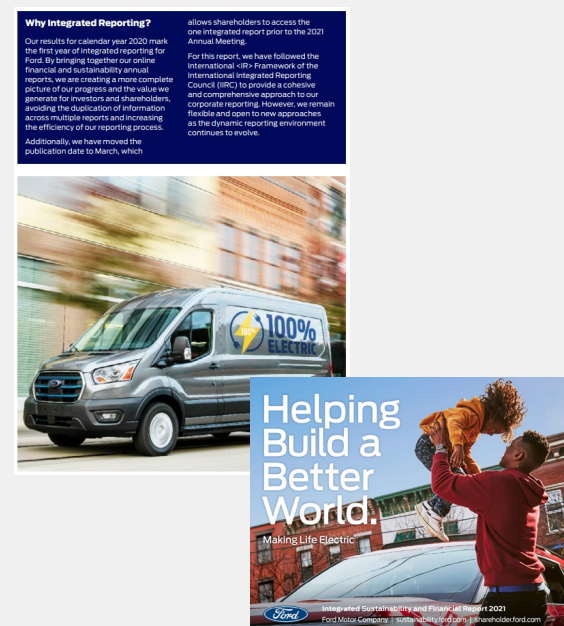
2019

Ford issues 20th annual Sustainability Report and publishes sustainability Aspirational Goals for the first time.



2021

Ford Integrated Sustainability and Financial Report launches, giving investors and stakeholders a more holistic review of our performance.



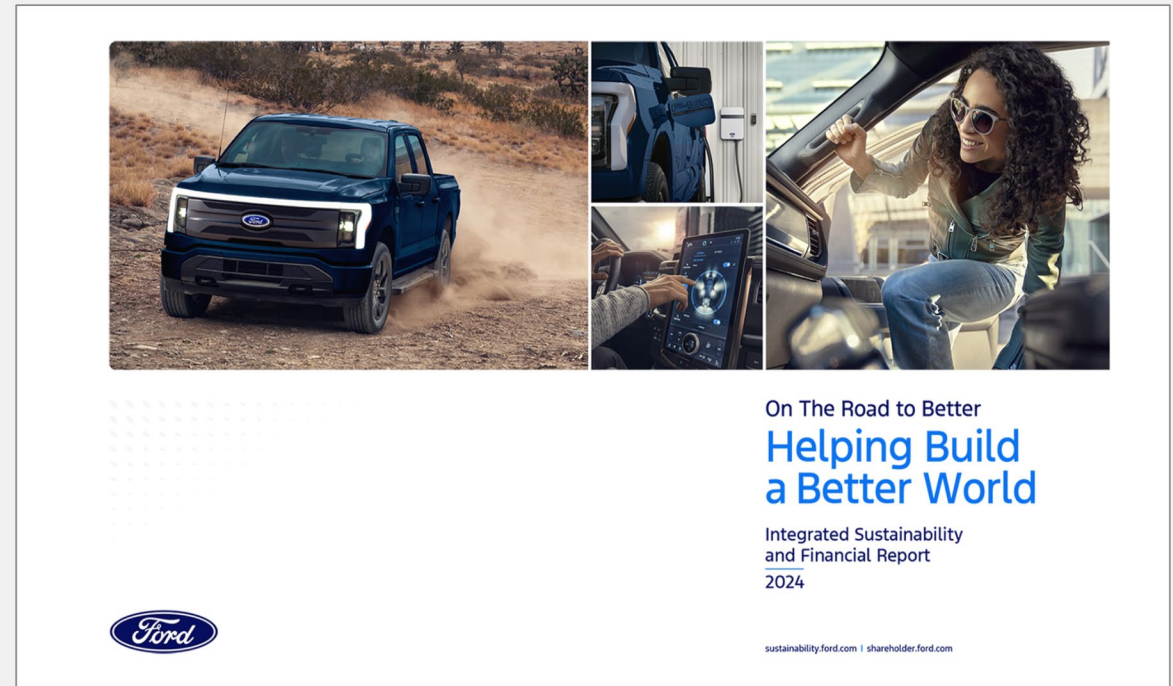
2022

Ford issues the first standalone Human Rights Report for a U.S. automaker.



2024 Integrated Sustainability and Financial Report

- Issued our fourth Integrated Sustainability and Financial Report in April 2024, making it our 25th annual sustainability report
- The report provides important updates on our progress to reach carbon neutrality no later than 2050 and deep dives on key topics including our EV strategy, our efforts to create a responsible supply chain that protects human rights and the environment, and our Just Transition plan
- The Integrated Report format and content is evolving to include required Corporate Sustainability Reporting Directive disclosures
- This includes combining the Human Rights Report and Climate Change Report into the main body of the Report
- [Download the report here](#)



Ford at a Glance – Highlights from Our 2024 Integrated Report

Report was issued in April 2024, and the data metrics used are for full year 2023

111,000+

chargers on the BlueOval™ Charge Network in North America, a 25% growth from 2022



Updated

our We Are Committed to Protecting Human Rights and the Environment policy to formally reflect our commitment to respecting the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) in both our own business and supply chain

[Read More](#)

In Human Rights on p.88

#1

overall score in Lead the Charge Coalition's annual Leaderboard report

\$4.21B

of net proceeds allocated from Green Bonds since 2021



\$73.7M

in charitable contributions to strengthen communities worldwide through the Ford Motor Company Fund

[Read More](#)

In Socioeconomic Contribution and Community Engagement on p.116



\$2B

invested to transform our historic plant in Niehl, Cologne to the Cologne Electric Vehicle Center. Once fully operational in 2024, the Cologne EV Center will be independently certified as carbon-neutral



[Read More](#)

In Climate Change on p.65



#2

in EV sales in North America, for the second year in a row



47%

reduction in Scope 1 and 2 global operations greenhouse gas (GHG) emissions since 2017. Science Based Target initiative (SBTi) approved reduction target is 76% by 2035

6%

reduction in Scope 3 GHG emissions per vehicle kilometer since 2019. SBTi approved reduction target is 50% by 2035



500,000+

charging plugs on the BlueOval Charge Network in Europe

[Read More](#)

In Electric Vehicles, Batteries and Charging Infrastructure on p.34



02

Environment

Environmental, Social, and Governance Review

Ford's ESG Progress

Carbon Neutrality Commitment

We aim to reach carbon neutrality no later than 2050, backed by science-based targets, by focusing on three areas that account for approximately 95% of our CO2 emissions — our vehicles, our operations, and our supply chain. In 2023, our global manufacturing operations used 51% renewable electricity and more than 70% carbon-free electricity. By 2026, every Ford vehicle manufactured in Michigan will be assembled with the equivalent of 100% carbon-free electricity.

Electric Vehicles

Ford sold more than 130,000 all-electric vehicles in 2023 globally and is the No. 2 EV brand in the U.S. year to date. Our top priority is to deliver a profitable, capital-efficient and growing EV business and add even more propulsion choices for customers that generate lower CO2 emissions. The company is in market now with our first gen EVs — Mustang Mach-E, F-150 Lightning and E-Transit, as well as the newly launched Explorer, Capri and E-Transit Custom for Europe. Our next gen fully electric portfolio will include a new digitally advanced commercial van in 2026, followed by two new pickup trucks in 2027 and other future affordable vehicles.

Sustainable Financing

Ford's Sustainable Financing Framework — introduced in 2021 and a first for the American auto industry — is supporting the financing of our clean transportation projects and efforts to create positive social and environmental benefits as we move towards a carbon neutral transportation future. To date, the company has raised more than \$4.2B through two Green Bonds for the design, development and manufacturing of our EV portfolio. Additionally, Ford has \$18B in revolving corporate credit facilities linked to sustainability metrics that further align our financing actions with our corporate and sustainability strategies.

Sustainable Materials

We aspire to use only recycled or renewable content in vehicle plastics. Our near-term target is to use 20% recycled or renewable plastics by 2025 in new vehicle designs for North America and Europe. Ford's closed loop recycling system maximizes aluminum recycling in our plant and minimizes the need for raw materials.

Waste

The focus of our global waste strategy is to manage and minimize the waste we generate to keep it out of landfills. We aim to eliminate single-use plastics from our operations by 2030 and aspire to reach true zero waste to landfill across our global operations. Currently, we have 86 zero waste to landfill sites, representing 77% of our global manufacturing facilities.

Water

Ford was one of the first companies to publicly make water stewardship a core sustainability priority. We have set the sustainability aspirational goals to make zero water withdrawals for manufacturing processes and use freshwater only for human consumption. Since 2000, we have achieved a 75.5% reduction in annual water use, accounting for nearly 200 billion cumulative gallons of water.

Carbon-free Electricity

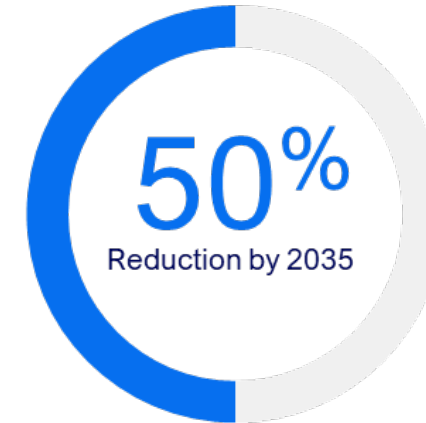
We are committed to sourcing 100% carbon-free electricity for our global manufacturing efforts by 2035 by procuring a mix of wind, solar power, nuclear, geothermal, biomass, and hydro. This will be achieved 10 years earlier in Michigan through a 650-megawatt solar energy deal with DTE, the largest renewable energy purchase from a utility in U.S. history.

Climate Change Strategy

Ford is making steady progress every day to reach carbon neutrality no later than 2050. Science-based targets approved by SBTi will help us achieve this aspiration:



Reduce Scope 1 and 2 greenhouse gas (GHG) emissions from our operations **76%** by 2035 from a 2017 baseline.



Reduce Scope 3 GHG emissions from the use of sold products **50%** per vehicle by 2035 from a 2019 baseline.

Electric Vehicles

We are focused on building a profitable electric vehicle business that aligns investment and manufacturing capacity with customer demand.

[Scaling and Reducing Costs of Our First Gen EVs](#) in market today - Mustang Mach-E, F-150 Lightning, E-Transit, and newly launched Explorer, Capri, and E-Transit Custom for Europe

[Developing Next Gen EVs](#), which will be cost optimized from the start, EBIT profitable within 12 months of launch, and packed with incredible technology

[Increasing Demand](#) by removing barriers to adoption; our U.S. customers have access to Tesla's Supercharger network and complimentary home charging and installation for new buyers or leases

[Helping Fleets Electrify](#) through Ford Pro's end-to-end solution including vehicles, charging and software – allowing businesses of all sizes to decarbonize, meet emerging regulations, improve productivity and lower total cost of ownership

[Remaking Our Battery Footprint](#), including shifting our battery mix to LFP and accelerating U.S. manufacturing; and [Creating a Robust EV Supply Chain](#) that upholds Ford's ESG values





Reducing Ford Vehicle Emissions

Ford expects a compound annual growth rate for EVs to exceed 90% through 2026, more than double forecasted global industry growth. Year to date, Ford is the number two EV brand in the U.S. thanks to product hits like F-150 Lightning, Mustang Mach-E, and E-Transit.

F-150 Lightning Platinum*,***(ext. range)



77
Lifetime EV GHG
Savings vs. ICE
Vehicle (metric tons)

GHG savings are
equivalent to
8,664
gallons of gasoline
not used****

Mustang Mach-E RWD*,***(base range)



37
Lifetime EV GHG
Savings vs. ICE
Vehicle (metric tons)

GHG savings are
equivalent to
4,163
gallons of gasoline
not used****

E-Transit**,***(low roof)



59
Lifetime EV GHG
Savings vs. ICE
Vehicle (metric tons)

GHG savings are
equivalent to
6,639
gallons of gasoline
not used****

*The 2023 model year F-150 Lightning Platinum (ext-range) and Mustang Mach-E RWD (base range) city and highway kWh/100 mile were obtained from fueleconomy.gov/ and weighted 43% city, 57% highway to get real-world combined kWh/100 mile, following the 2022 U.S. EPA Automotive Trends Report methodology (epa.gov/automotivetrends): F-150 Lightning Platinum (ext. range) 51.2 kWh/100 miles and Mustang Mach-E RWD (base range) 33.2 kWh/100miles.
**The estimated city and highway kWh/100 miles for E-transit (130-inch wheelbase, low roof) were analytically derived using models based on EPA test procedures and calculations for light duty electric vehicles set forth in 40 CFR Part 600, with inputs reflecting E-Transit attributes including Average Loaded Vehicle Weight Engineering Test Weight (ALVW ETW). Applying the EPA Automotive Trends Report real-world weightings of 43% city and 57% highway, gives combined realworld 62.3 kWh/100 miles. Estimates are illustrative only and not representative of all drivers or circumstances. Actual mileage will vary based on external environment (including ambient temperature), driving behaviors, payload, vehicleCO2 savings from EVs are converted to an equipment gallons of gasoline not used based on the EPA Greenhouse Gas Equivalencies Calculator, which applies the factor 0.008887 metric tons CO2 per gallon of gasoline consumed. (epa.gov/energy/greenhouse-gas-equivalenciescalculator).
***Lifetime miles for F-150 Lightning/Pickup (225,865) and Mustang Mach-E/Car SUV (195,264) are defined in 40 CFR 86.1865 12(k)(4) and for E-Transit/Transit useful life (150,000) in 48 CFR 535.5 (a)(10)(ii)
****The CO₂ savings from EVs are converted to an equivalent gallons of gasoline not used based on the EPA Greenhouse Gas Equivalencies Calculator, which applies the factor 0.008887 metric tons CO₂ per gallon of gasoline consumed. (epa.gov/energy/greenhouse-gas-equivalenciescalculator).

03

Social

Environmental, Social, and Governance Review

Ford's ESG Progress

Human Rights

Ford is committed to respecting human rights across its value chain, operations and suppliers. We continue to strengthen our policies on issues like child labor, forced labor and human trafficking. In 2023, we updated our We Are Committed to Protecting Human Rights and the Environment policy to formally reflect our commitment to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). Additional updates were made to Ford's Supplier Code of Conduct, like requiring age verification mechanisms for suppliers and recruiters. In 2024, we conducted our fourth formal salient human rights assessment. We ascribe to the Ten Principles of the UN Global Compact and signed an action pledge for the UN's "International Year for the Elimination of Child Labor."

Human Capital Management and Employee Engagement

Employee engagement and wellbeing is critical to our success. We aim to foster an inclusive and respectful workplace for everyone where diverse perspectives are valued. We encourage an open dialogue with employees and share business updates through multi-channel forums including monthly global Town Halls, our intranet and websites, corporate publications and reports, social media, webcasts, and Q&A sessions with senior management. We also conduct regular sentiment polls to understand employee concerns. In 2023, 87% of Global Salaried Voice Survey participants reported feeling they can be themselves at Ford, up from 82% in 2022.

Ethical and Sustainable Supply Chain

We are committed to using materials in our vehicles that are safe and sourced responsibly and protect human rights. Ford uses our purchasing power to enable responsible sourcing, including EV battery raw materials, and better protect impacted communities and the environment. Among the first for manufacturing companies, our policies reflect our aspiration that we and our suppliers strive to ensure free, prior, and informed consent of indigenous communities for our corporate projects and all suppliers beyond raw materials. We have established a new ESG EV Battery Material Management team that focuses on managing ESG requirements in our directly sourced EV battery material supply chain down to the raw materials.

Data Privacy

We take our responsibilities concerning the privacy and security of customer data seriously. Information that customers provide helps us deliver great products, a personalized experience, and continued innovation. Our companywide governance drives a holistic approach, which includes policies and directives focused on transparency, responsible data handling and use, and choice where appropriate. View Ford's U.S. data privacy policy [here](#).

Safety

We aspire to a future that is free from vehicle crashes and workplace injuries. To get there, we are leveraging innovative technologies to deliver vehicles with high levels of safety that meet or exceed applicable laws and regulations. Across our portfolio, our vehicles incorporate state-of-the-art passive and active safety features, as well as driver assist technology to help prevent or mitigate accidents. In 2024, Ford currently has ten U.S. NCAP, six Euro NCAP, and ten China NCAP nameplates that have achieved 5-Star ratings.

Ford Philanthropy

Our philanthropic arm, Ford Philanthropy, has been at the heart of Ford's commitment to help build a better world for 75 years. Its mission is to partner with communities to move people forward and upward. Working with local leaders and nonprofits, it supports under-resourced and underrepresented communities across four impact areas: essential services, education for the future of work, entrepreneurship and mobility. In 2023, Ford and Ford Philanthropy invested more than \$73.7M in charitable contributions.

Lead the Charge

Ford moved to #1 in the 2024 Lead the Charge annual Leaderboard report among 18 global automakers. Lead the Charge, a network of global advocacy organizations, evaluates automakers on their efforts to eliminate emissions, environmental harms, and human rights violations from their supply chains. Our top spot was driven by having the highest human rights score for the 2nd year in a row and the highest score on workers' rights. Our fossil free and environment category score also improved as we decarbonize our supply chain to align with Ford's 2050 carbon neutrality goals.

Diversity, Equity, and Inclusion

Our people are our greatest asset. We remain committed to fostering a respectful and inclusive workplace for every person at Ford. It's not just the right thing to do, it's great for business.

A workforce that includes people from different backgrounds, with diverse perspectives and ways of thinking, empowers us to create the best products and services to meet the needs of our customers. We have more work to do to realize the full potential of this vision.

As we evolve, it is our aspiration to sustain an inclusive workplace and we are committed to maintaining an approach that is modern, focuses on the experiences of our people and supports our Ford+ plan.

Evolution of our approach does not change our commitment to transparency and focus on creating a high-performance culture that values diversity and inclusion. We have published EEO-1 reports since 2020 and share human capital management and diversity metrics in our annual Integrated Report, which is being aligned with the guidelines from the Corporate Sustainability Reporting Directive (CSRD).



Supplier Code of Conduct

Ford has outlined guidelines for its suppliers since 2003, and in 2021, we established a formal [Supplier Code of Conduct](#) that applies requirements and expectations related to:

- Human rights
- Environment
- Responsible materials sourcing
- Responsible and lawful business practices

In 2023, we strengthened our Supplier Code of Conduct to reflect changing regulations and emerging issues, and help protect workers, children, communities and the rights of Indigenous Peoples, and the environment in areas where mines and processors operate.

Ford Supplier Code of Conduct



July 2023

Protect and Respect Human Rights

01

acceptable responsible sourcing audit.

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

Due Diligence
Suppliers are required to ensure this requirement is communicated to all suppliers and/or directly to identified suppliers/processors who are not RMAP certified.

Disclosure
Disclose sub-tier and raw material supply chain as far and locations that provide material used in products to Ford, such as conflict minerals, cobalt, mica, lithium, nickel, graphite, copper, aluminum, steel, rare earth elements, rubber, leather or any other materials that Ford requests.

Participate
Participate in initiatives to support responsible material sourcing.

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

Mineral processors are required to seek RMAP certification, use best efforts to implement RMAP ESG Standard or an agreed upon third-party certified equivalent, and request upstream material suppliers to undergo either applicable responsible sourcing and ESG standards.

Mining suppliers are required to seek certification by an independent third-party responsible mining assurance standard, such as the Standard for Responsible Mining from the Initiative for Responsible Mining Assurance (IRMA) or an agreed upon third-party certified equivalent.

July 2023

Human Rights

Our commitment to respecting human rights is a company-wide endeavor that guides our strategy and our actions.

- We are focused on protecting and respecting human rights
- We prioritize health and safety
- We are dedicated to creating a culture of inclusion
- We support a just transition
- We are passionate about partnering with communities

Our Sustainability Aspirations



Human Rights: Source only raw materials that are responsibly produced



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



Diversity, Equity, and Inclusion: Support a diverse, equitable, and inclusive workplace where each person is valued

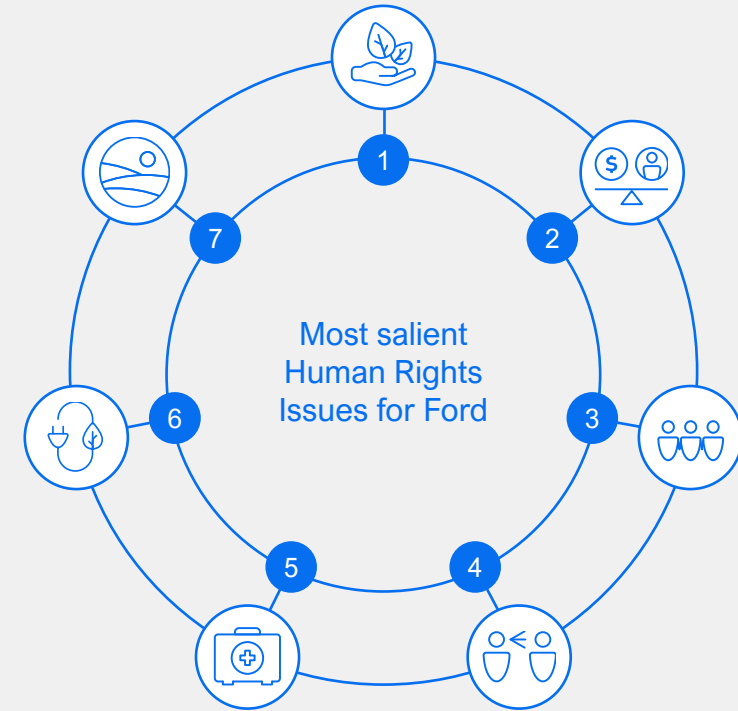


Saliency Assessment

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

- The saliency assessment identifies potential high-risk human rights areas within our operations and along our value chain
- Starting in 2023, in addition to human rights, our assessments have expanded the scope of environmental issues addressed
- Additionally, we plan to review and update the salient issues and key risks to the company annually
- Our saliency assessment includes four phases:
 - Identification
 - Prioritization
 - Validation
 - Reporting

Our 2023 saliency assessment resulted in an updated list of human rights and environment-related salient topics, as seen to the right:



Issues (listed alphabetically)	UN SDGs
1 Clean, healthy and sustainable environment	3 6 7 11 12 13
2 Fair and decent work	5 8 10
3 Forced labor, child labor and human trafficking	5 8
4 Harassment and discrimination	5 10
5 Health and safety	3 8 11
6 Impacts of EV transition	8 11 13
7 Rights of Indigenous Peoples	3 6 10 11 12

Respecting Rights of Indigenous Peoples

Indigenous Peoples are equal to all other people and have the right to full enjoyment of all human rights. Ford works to uphold the rights of Indigenous Peoples throughout our value chain.

- Over 50% of global mining projects sit on or near Indigenous Peoples' land*
- We Are Committed to Protecting Human Rights and the Environment policy updated to respect the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) in both our own business and supply chain
- Responsible Materials Sourcing Policy and Supplier Code of Conduct aligned on our requirement that our raw materials suppliers ensure Free, Prior, and Informed Consent of indigenous communities is pursued and obtained prior to projects or activities that may affect their lands, resources, and rights
- Our raw material suppliers are required to obtain certification from the Initiative for Responsible Mining Assurance or third-party certified equivalent, which requires its members to respect Indigenous Peoples' rights and gain Free, Prior, and Informed Consent

*Source: <https://www.nature.com/articles/s41893-022-00994-6>

An aerial photograph of a lush, dense green forest. A dark, winding river or stream flows through the center of the forest, creating a natural path through the trees. The foliage is thick and vibrant green, with varying shades indicating different types of trees and the density of the canopy.

Among the first for manufacturing companies, Ford's We are Committed to Protecting Human Rights and the Environment policy and Supplier Code of Conduct reflect our aspiration that we and our suppliers strive to ensure Free, Prior, and Informed Consent of indigenous communities for our corporate projects and all suppliers beyond raw materials.

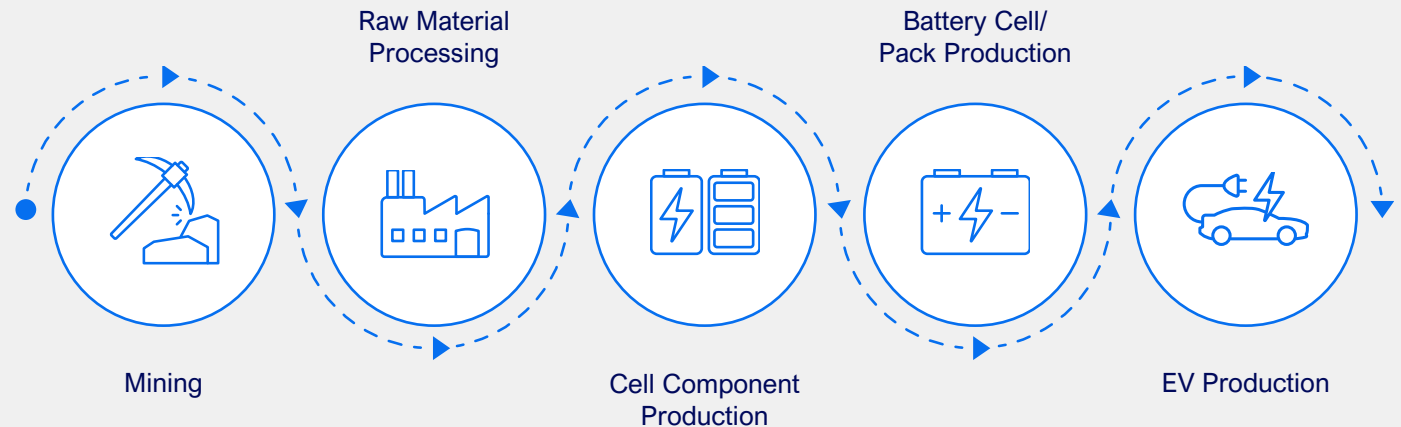
Battery Supply Chain Audits

Ford is building an EV supply chain that upholds our commitment to protect the people and planet.

Since 2021, we conducted mapping and auditing on our EV battery supply chains with RCS Global Group to better understand the sources of the cobalt, nickel, lithium, graphite and electrolyte materials used in our EVs.

To date, the project has mapped 151 suppliers and conducted 43 audits along five select battery supply chains at all tiers through to the mine site.

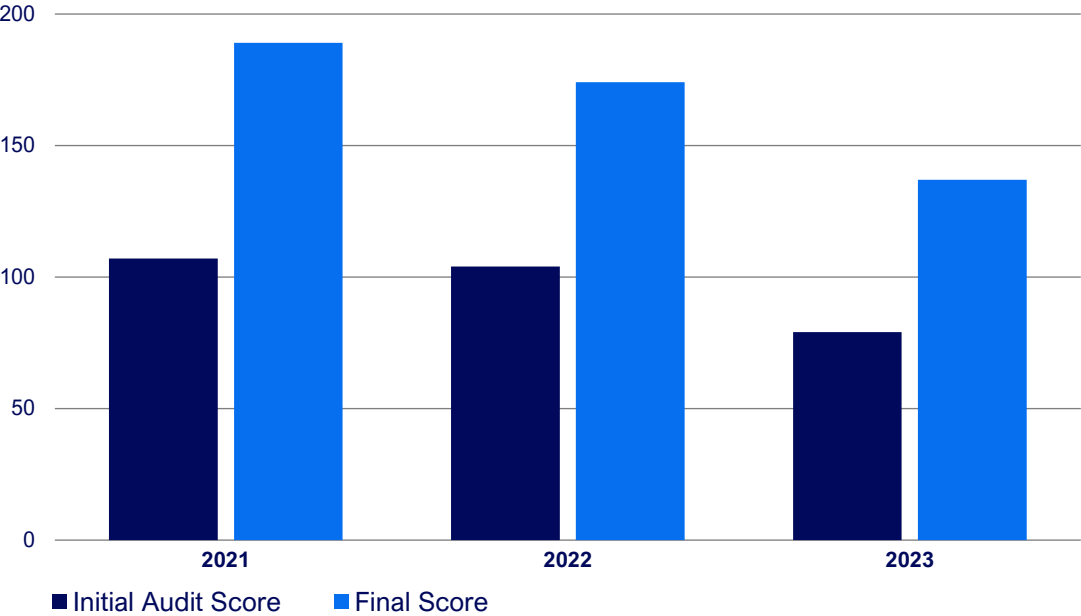
We also established a new ESG EV Battery Material Management team that focuses on managing ESG requirements in our directly sourced EV Battery material supply chain down to the raw materials.



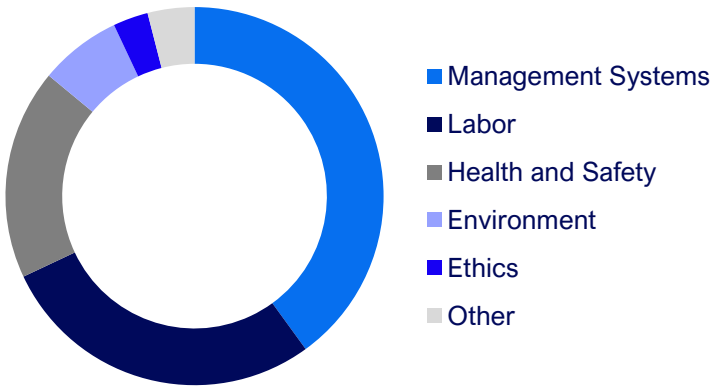


Increasing the Transparency, Traceability, and Due Diligence of Our Supply Chain

RBA Supplier Audit Scores (Average)



2023 RBA Supplier Audit Non-Conformances



1,298

Total supplier audits since 2003, as well as 1,725 follow-up audits

46

On-site audits of suppliers to date with the Responsible Business Alliance (RBA) and Responsible Supply Chain Initiative (RSCI)

If an issue is found, we work with suppliers to remediate.

Ford Philanthropy

Ford Philanthropy (formerly Ford Motor Company Fund) was established in 1949 by Henry Ford II as a nonprofit organization funded by company profits. Today, as the company's philanthropic arm, its mission is to partner with communities to help move people forward and upward. It is a mission that has remained steadfast for 75 years and served as the driving force behind the more than \$2.3 billion Ford and Ford Philanthropy have made in philanthropic contributions since 1949.

Working with nonprofits and community organizations in more than 30 countries, Ford Philanthropy invests in programs and partnerships that build equity and expand access to essential services, education and entrepreneurship. Whenever possible, the power of mobility is used to find new ways to connect people with the goods and services they need most.



Giving back has been an integral part of Ford's history and values since the very beginning. As we celebrate 75 years of impact, we remain deeply committed to leveraging Ford's unique capabilities and expertise, including our employees who volunteer, to help drive positive change in communities around the world where Ford has roots.

Mary Culler
President, Ford Philanthropy

04

Governance

Environmental, Social, and Governance Review



Risk Management

Ford has extensive and effective risk management processes relating specifically to compliance, reporting, and operating and strategic risks.

Board and Senior Management are deeply engaged in risk management, which is shown through top-down and bottom-up communication and active cross-functional participation across Business Segments and Skill Teams.

Board and its committees have responsibility for oversight over specific areas of risk management.

Critical risks are routinely reviewed by the Board and its committees as appropriate.

Oversight of Risk Management

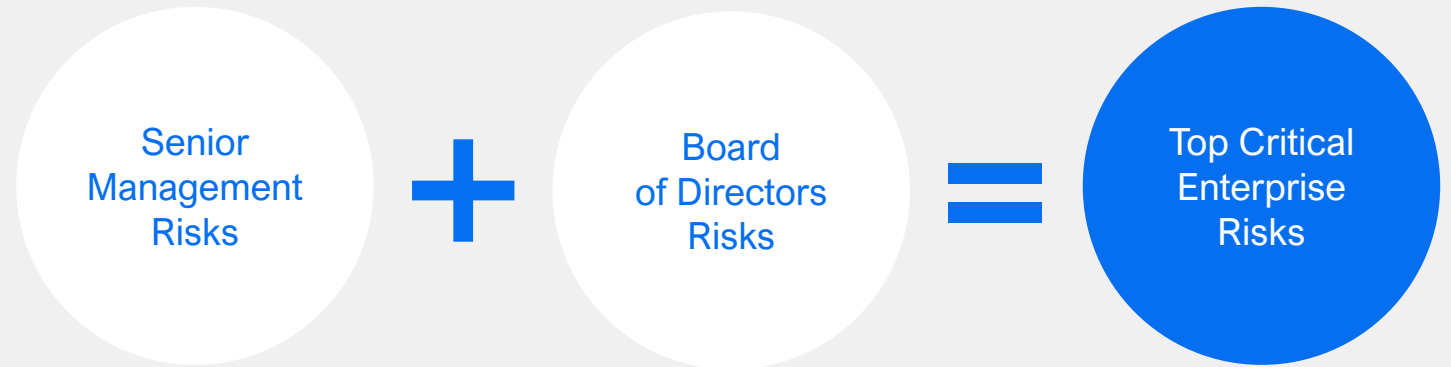
	Compliance and Reporting	Operating and Strategic
Ford Board Oversight	Audit Committee	Sustainability, Innovation and Policy Committee Compensation, Talent and Culture Committee Finance Committee Audit Committee
Ford Management Day-to-Day	Compliance Reviews Sarbanes-Oxley Compliance Internal Controls Disclosure Committee	Business Segments and Skill Team Governance Forums Financial Forecast, Controls, and Risk Review Special Attention Review Industrial Platform, EV Tech Forum, Software, Global Products and Services, Strategy, Business Ops Review, and People Forums

Enterprise Risk Management

Top critical enterprise risks are validated and updated through engagement with Senior Management and the Board, with updates on risk status and mitigation plans provided to the Board and appropriate committees throughout the year.

Assigned risk owners report on their status using a common Enterprise Risk framework, with alignment across the critical risks and validation of strategic assumptions and mitigation plans supported by a central Enterprise Risk Management team.

Process is designed for Business Segments and Skill Teams to utilize their own governance processes for local risk identification and management, with escalation of risks to the enterprise level when appropriate or in support of a relevant Board agenda topic.



Board and Senior Management collaborate for effective risk management.

Governance in Practice

- Ensures our business manages risk and operates in a transparent and accountable way
- Enables us to monitor the changing global business environment to inform and adjust our strategies as needed
- Creates accountability for setting, tracking, and reporting progress against our goals, objectives, revenue, and sustainability targets
- Helps ensure we implement sustainability-related risk assessments, planning strategy implementation and performance reviews consistently across the organization



Sound Governance Practices

Board Independence

- Majority independent Board
- Separate Chair of the Board and CEO with Lead Independent Director
- Independent (i) Audit, (ii) Compensation, Talent and Culture and (iii) Nominating and Governance committees

Board Practices

- Regular Board and committee self-evaluation process
- Committee charters reviewed annually
- Independent directors meet regularly without management and non-independent directors

Compensation

- Robust stock ownership goals for executives
- Compensation for Named Executives focused on performance
- Mandatory deferral of compensation for directors to link Board and shareholder interests
- Clawback provision in our incentive grants
- Officers are prohibited from hedging their exposure to, and limited in pledging, Ford common stock

Accountability

- Annual election of all directors
- Majority vote standard
- Shareholders have the right to call special meetings
- Shareholders may act by written consent

Board has a long history of operating under sound corporate governance practices.

Sound Governance Practices

Process Overview

- Robust Board assessment and succession planning process in place
- Regularly evaluate mix of Board skills and experience in the context of our strategy and evolving industry and business trends
- Focus on director candidates who possess a multitude of skills, professional experience, and backgrounds aligned with our strategy
- Prioritization of diverse backgrounds and perspectives
- 15-year term limits for new independent directors and mandatory retirement age at 72 provide regular opportunities for Board refreshment

Key Selection Criteria

- Possess the highest personal and professional ethical standards, integrity, and values (read our Governance policies [here](#))
- Commitment to represent the long-term interests of all shareholders
- Practical wisdom and mature judgment
- Objective and inquisitive
- Willing and able to devote sufficient time to carrying out their duties and responsibilities effectively
- Free from conflicts of interest

Refreshment

- Ford has experienced recent Board refreshment
- Adriana Cisneros, CEO of Cisneros Group, was elected to the Board in July 2024

Commitment to regular refreshment to evolve our board in line with our strategy.

Directors



Kimberly (Kim) Casiano

Director since 2003

I A N S

President, Kimberly Casiano and Associates
Former President and COO, Casiano Communications

- Expertise in marketing and sales, particularly in the U.S. Hispanic community and Latin America, as well as providing diversity advisory services
- Provides valuable insight to Ford's "where to play and how to win" analyses, enterprise risk management systems, and ESG strategy



Adriana Cisneros

Director since 2024

I N S

- Expertise in restructuring, growth strategy, and technology
- Leadership in digital advertising, media and entertainment, and real estate
- Success transforming a family company through innovation and digital strategy



Alexandra Ford English

Director since 2021

F S

Former Global Brand Merchandising Director,
Ford Motor Company

- Provides valuable insights into successful brand management and building trusted relationships with customers
- Experience and leadership in corporate strategy and extensive knowledge of autonomous vehicle operations



James (Jim) Farley, Jr.

Director since 2020

President and CEO, Ford Motor Company
Former GVP and GM, Lexus Division, Toyota

- Extensive automotive industry knowledge and experience
- Focused on transforming Ford to lead the digital and electric revolution in the automotive industry through the deployment of the ambitious, customer-focused Ford+ plan



Henry Ford III

Director since 2021

F S

Former Director of Investor Relations,
Ford Motor Company

- Unique insight into company operations and customer viewpoints from 15-year career at Ford Motor Company
- Cross functional experience in labor relations, purchasing, marketing and sales, corporate strategy, and investor relations



William (Bill) Clay Ford, Jr.

Director since 1998

F S

Executive Chair, Ford Motor Company
Former CEO, Ford Motor Company

- Long-term perspective and lifelong commitment to Ford, adding value to stakeholder relationships and corporate culture
- Recognized as a leader in advanced mobility, connectivity, and electrification in the auto industry

L Lead Independent

I Independent

A Audit

C Compensation, Talent and Culture

F Finance

N Nominating and Governance

S Sustainability, Innovation and Policy

Directors bring diverse experience and qualifications to deliver accountability, strong risk oversight, and strategic direction.

Directors



William (Bill) Helman IV

Director since 2011



General Partner, Greylock Partners

- Experience investing in new technologies provides critical perspectives as Ford continues to invest in connectivity and mobile technologies
- Expertise in finance, investing, and M&A



Gov. Jon Huntsman, Jr.

Director since 2020



Former Vice Chair, Policy, Ford Motor Company
Former U.S. Ambassador to Russia, China, & Singapore

- Brings a well-informed global perspective to Board deliberations
- Distinguished public service career provides important insight on governmental relations and policy at the state, federal, and international levels



William (Bill) Kennard

Director since 2015



Co-founding Partner, Astra Capital Management
Former U.S. Ambassador to the EU
Former Chairman of the U.S. FCC

- Extensive experience in private equity, law, and public policy
- Technological regulatory landscape expertise helps innovative work in connectivity and mobility solutions



John C. May II

Director since 2021



Chairman and CEO, Deere & Company

- Connectivity and advanced technology leadership
- Breadth of management experience and expertise in global operations, information technology, and manufacturing



Beth Mooney

Director since 2019



Former Chairman and CEO, KeyCorp
Former Vice Chair, Key Community Bank

- Public executive experience in finance and commercial lending
- Banking and business expertise enhances the Board during a transformational time for Ford and the industry



Lynn Vojvodich Radakovich

Director since 2017



Former Executive Vice President and
Chief Marketing Officer, Salesforce

- Marketing technology, innovation, and market analysis expertise
- Start-up and growth-stage technology expertise helps Ford as it invests in new technologies



John Thornton

Director since 1996



Executive Chairman, Barrick Gold
Former Co-CEO, Goldman Sachs International

- International business (especially in China), emerging markets, and financial expertise
- Offers insight in financing the strategic plan, improving the balance sheet, and creating profitable growth



John Veihmeyer

Director since 2017



Retired Chairman and CEO, KPMG
Retired Chairman, KPMG International

- International business expertise and financial and risk management skills add value at an unprecedented time of disruption in the automotive industry
- Recognized for his leadership in diversity and inclusion; board experience with gender equity-focused nonprofits



John Weinberg

Director since 2016



Chairman and CEO, Evercore Inc.
Former Vice Chairman, Goldman Sachs

- Finance, banking, and capital markets expertise with a deep understanding of Ford, its history, and its needs
- Financial expertise aids in addressing Ford's cost structure, reallocating capital, and financing the business

Diverse and Relevant Experience on the Board

Qualifications and Expertise	Relevance to Ford
Manufacturing	Relevant experience in the manufacturing industry provides valuable insight into our global manufacturing operations
Current or Former CEO	The significant leadership experience that comes from a CEO role can provide insight on business operations, driving growth and shareholder value, and strengthening corporate culture
Marketing	Effective marketing and communications are critical to building customer loyalty, deepening customer engagement, and expanding market share
International	With operations in several countries, international experience helps us better understand opportunities and challenges across global markets
Government	Experience in government and public policy is critical to our business, which operates in a highly regulated industry
Finance	Our business involves complex financial transactions and reporting requirements
Technology	Advanced technologies will be critical to delivering superior products and services to our customers
Risk Management	The Board plays an important role in risk oversight
Diversity	Diversity of skills, experience, race and ethnicity, and gender strengthens our competitive advantage and reflects the customers we serve
Sustainability	Experience with environmental/climate change, talent and culture, and social responsibility initiatives enables us to address key shareholder concerns regarding sustainability and corporate responsibility

Qualifications and Expertise*	
Manufacturing	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 4/14
Current or Former CEO	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 9/14
Marketing	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 5/14
International	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 9/14
Government	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 3/14
Finance	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 12/14
Technology	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 7/14
Risk Management	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 14/14
Sustainability	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 14/14
Diversity**	
Women	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 5/15
Identify as Member of Minority Group	■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ 3/15

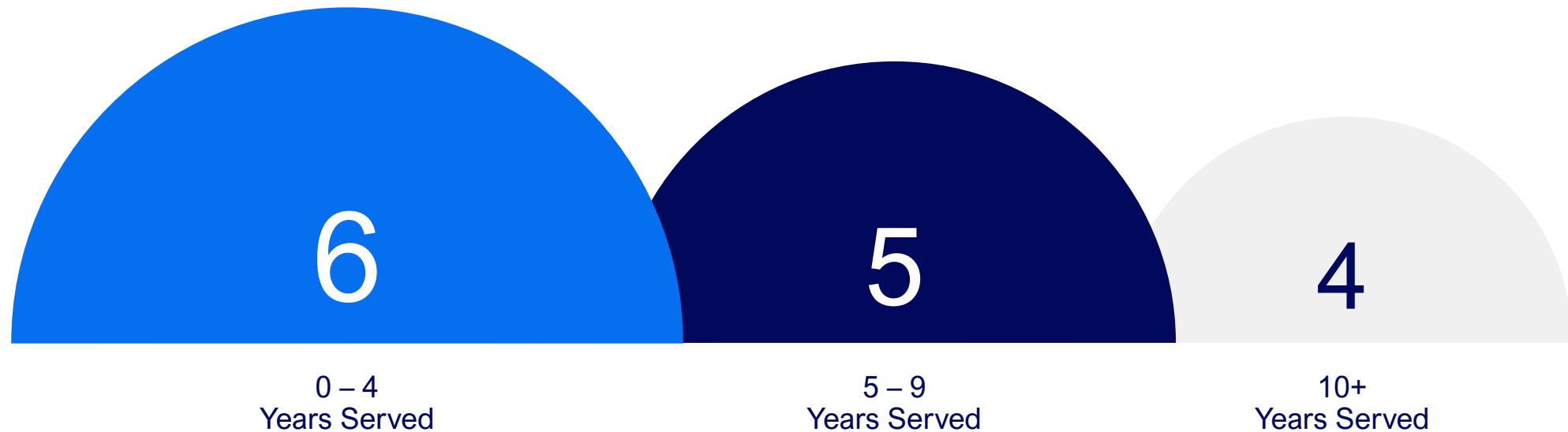
*As of March 29, 2024

**As of September 30, 2024

Industry leaders bring unique perspectives and insights to advance our strategy.

Director Tenure

Number of Directors



Board has appropriate mix of Director tenure to ensure diverse perspectives.

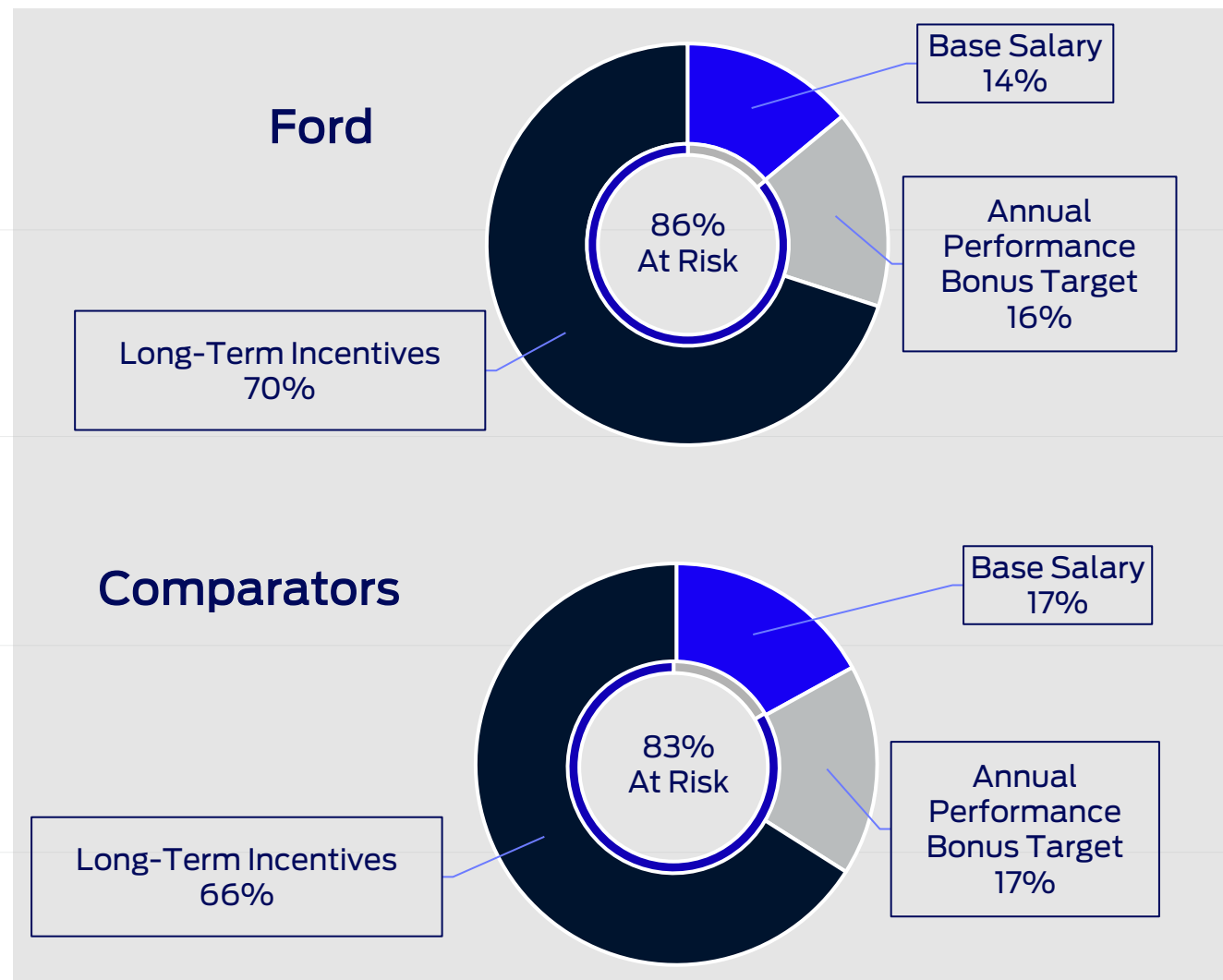
Average tenure is 10.2 years.

Executive Compensation

Executive compensation is structured to ensure that there is appropriate balance among various forms of compensation.

The Compensation, Talent and Culture Committee strikes a balance by looking at the competitive market for executive talent, our business results and forecasts, and our key strategic goals for the year.

The following comparisons show the target opportunity mix among our executive officer group in 2024 compared to the those in our comparator group.



Ford's Overall Executive Compensation Allocation is in Line With Its Comparator Group's Median



Executive Compensation

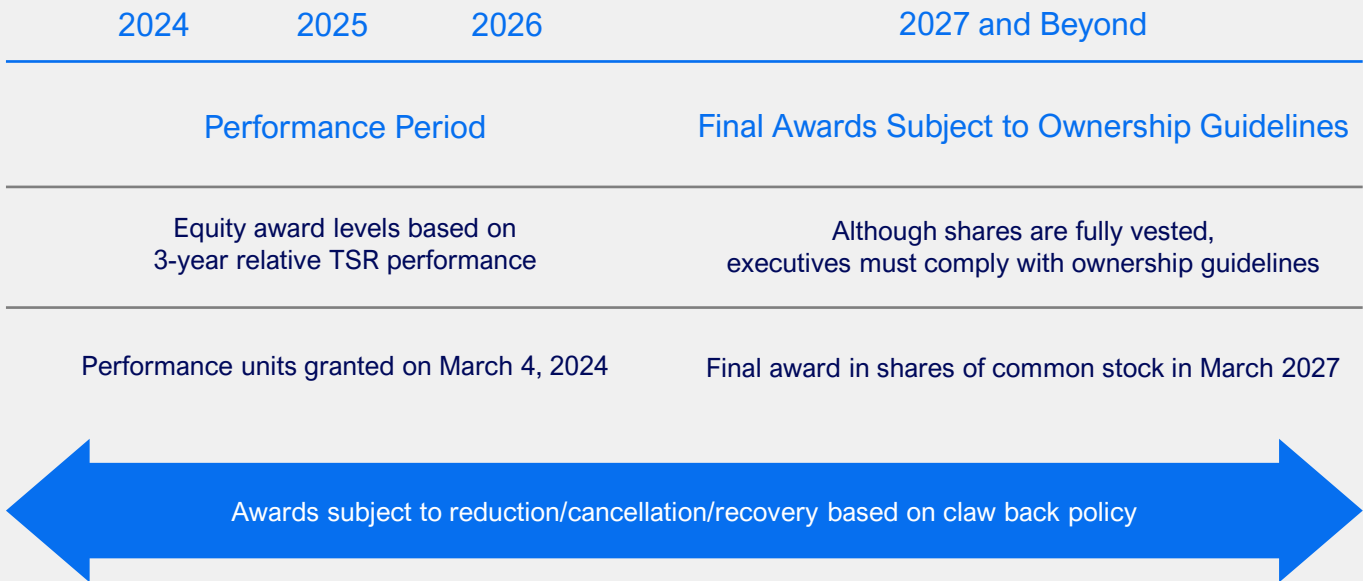
In 2024, long-term incentive awards were granted in Time-Based Restricted Stock Units (40%) and Performance Units with a three year performance period (60%).

Time-Based Units

Generally vest over three years at a rate of 33%-33%-34%.

Performance Unit Program

Aligns executive interests with shareholder interests by awarding performance to relative TSR performance against a peer group over a three-year performance period.



Our equity-based incentive awards are tied to our performance and the future value of common stock.

Cautionary Note On Forward-Looking Statements

Statements included or incorporated by reference herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts, and assumptions by our management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation:

- Ford is highly dependent on its suppliers to deliver components in accordance with Ford’s production schedule and specifications, and a shortage of or inability to acquire key components or raw materials, such as lithium, cobalt, nickel, graphite, and manganese, can disrupt Ford’s production of vehicles;
- To facilitate access to the raw materials and other components necessary for the production of electric vehicles, Ford has entered into and may, in the future, enter into multi-year commitments to raw material and other suppliers that subject Ford to risks associated with lower future demand for such items as well as costs that fluctuate and are difficult to accurately forecast;
- Ford’s long-term competitiveness depends on the successful execution of Ford+;
- Ford’s vehicles could be affected by defects that result in recall campaigns, increased warranty costs, or delays in new model launches, and the time it takes to improve the quality of our vehicles and services could continue to have an adverse effect on our business;
- Ford may not realize the anticipated benefits of existing or pending strategic alliances, joint ventures, acquisitions, divestitures, or business strategies;
- Ford may not realize the anticipated benefits of restructuring actions and such actions may cause Ford to incur significant charges, disrupt our operations, or harm our reputation;
- Operational information systems, security systems, vehicles, and services could be affected by cybersecurity incidents, ransomware attacks, and other disruptions and impact Ford and Ford Credit as well as their suppliers and dealers;
- Ford’s production, as well as Ford’s suppliers’ production, and/or the ability to deliver products to consumers could be disrupted by labor issues, public health issues, natural or man-made disasters, adverse effects of climate change, financial distress, production difficulties, capacity limitations, or other factors;
- Failure to develop and deploy secure digital services that appeal to customers could have a negative impact on Ford’s business;
- Ford’s ability to maintain a competitive cost structure could be affected by labor or other constraints;
- Ford’s ability to attract, develop, grow, and reward talent is critical to its success and competitiveness;
- Ford’s new and existing products and digital, software, and physical services are subject to market acceptance and face significant competition from existing and new entrants in the automotive and digital and software services industries, and its reputation may be harmed if it is unable to achieve the initiatives it has announced;
- Ford’s results are dependent on sales of larger, more profitable vehicles, particularly in the United States;
- With a global footprint and supply chain, Ford’s results and operations could be adversely affected by economic or geopolitical developments, including protectionist trade policies such as tariffs, or other events;
- Industry sales volume can be volatile and could decline if there is a financial crisis, recession, public health emergency, or significant geopolitical event;
- Ford may face increased price competition or a reduction in demand for its products resulting from industry excess capacity, currency fluctuations, competitive actions, or other factors, particularly for electric vehicles;
- Inflationary pressure and fluctuations in commodity and energy prices, foreign currency exchange rates, interest rates, and market value of Ford or Ford Credit’s investments, including marketable securities, can have a significant effect on results;
- Ford and Ford Credit’s access to debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts could be affected by credit rating downgrades, market volatility, market disruption, regulatory requirements, or other factors;
- The impact of government incentives on Ford’s business could be significant, and Ford’s receipt of government incentives could be subject to reduction, termination, or clawback;
- Ford Credit could experience higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Economic and demographic experience for pension and OPEB plans (e.g., discount rates or investment returns) could be worse than Ford has assumed;
- Pension and other postretirement liabilities could adversely affect Ford’s liquidity and financial condition;
- Ford and Ford Credit could experience unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, services, perceived environmental impacts, or otherwise;
- Ford may need to substantially modify its product plans and facilities to comply with safety, emissions, fuel economy, autonomous driving technology, environmental, and other regulations;
- Ford and Ford Credit could be affected by the continued development of more stringent privacy, data use, data protection, and artificial intelligence laws and regulations as well as consumers’ heightened expectations to safeguard their personal information; and
- Ford Credit could be subject to new or increased credit regulations, consumer protection regulations, or other regulations.

We cannot be certain that any expectation, forecast, or assumption made in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events, or otherwise. For additional discussion, see “Item 1A. Risk Factors” in our 2023 Form 10-K Report, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.



Ford