



## **Due Diligence Report required by the Norway Transparency Act**

**(→ Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions; Enterprises shall carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises.)**

### **1. INTRODUCTION**

Ford's purpose has always been bigger than building vehicles. We are driven by a desire to build a better world. One that is more equitable, inclusive, and sustainable. A world in which every person is free to move and pursue their dreams.

There is no easy formula for how to achieve these ambitious goals. It's a journey Ford has been on since our first sustainability report 25 years ago, requiring both courage and care, seeking to continually evolve while honouring what we have already built.

Today, we find ourselves at the intersection of Ford's unrivalled legacy — and its unbridled potential. Only Ford can claim this space. It's where we choose to compete, and where we know we will win.

We published our first Corporate Citizenship report in 1999 and adopted our first Code of Human Rights and Basic Working Conditions for the company and our suppliers in 2003. To enforce our policy, we have conducted internal human rights assessments and social responsibility audits of our suppliers since 2003. We joined the United Nations (UN) Global Compact in 2007 and became a signatory to the UN Sustainable Development Goals in 2016, reporting our progress annually. In 2016, we were the first automotive company to join the Responsible Business Alliance (RBA) and currently are a member of the Board.

This year in 2024 we published our [Integrated Report](#), which presents key progress we've made in the past year to protect human rights within our business and manage the salient issues we have identified across our value chain. The report applies to Ford and all of its subsidiaries.

The content of this Due Diligence report is based on Ford's 2024 Integrated Sustainability and Financial Report and related documents ([sustainability.ford.com](https://sustainability.ford.com)).

### **2. FORD MOTOR NORGE AS**

The company's immediate parent company is Ford Motor Company A/S located in Denmark. The ultimate parent company and controlling party is Ford Motor Company, a company incorporated in the State of Delaware in the USA, which is the parent undertaking of the largest group to consolidate these financial statements.

Ford Motor Norge AS is engaged in importing and distributing Ford Motor vehicles and ancillary products in Norway and does not sell cars directly to customers themselves or have its own unique supply base. In 2023 Ford became the 6th largest car brand in Norway with a total market share of 5.0 % with the company's total volume of 8.196 units. Ford achieved a passenger car market share of 3.5 % and 10% for commercial vehicles. In 2023 total revenue was TNOK 4.215.446 and at year end Ford Motor Norge AS had 42 employees.

### **3. GUIDELINES AND PROCEDURES FOR HANDLING ACTUAL AND POTENTIAL ADVERSE IMPACTS ON FUNDAMENTAL HUMAN RIGHTS AND DECENT WORKING CONDITIONS**

#### **3.1 Guidelines & Procedures**

We are committed to respecting human rights everywhere we operate and throughout our entire value chain. Ford's human rights strategy for our business, applicable to Ford and all its subsidiaries including Ford Motor Norge AS, and suppliers is aligned with the United Nations (UN) Guiding Principles on Business and Human Rights and focuses on:

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

Aligned with the UN Guiding Principles on Business and Human Rights, we are committed to respecting these widely accepted international human rights frameworks and charters:

- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises Revision 2011
- International Bill of Human Rights (The United Nations Universal Declaration of Human Rights and its two Covenants) 1948
- The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work (2022)
- UN Women's Empowerment Principles
- United Nations Declaration on the Rights of Indigenous Peoples (2007)

We aspire to ensure that everything we do – or that others do for us – is consistent with local law and our own commitment to human rights per our policy. Ford's [We Are Committed to Protecting Human Rights and the Environment](#) policy reinforces our commitment to human rights and the environment, and our [Supplier Code of Conduct](#) explicitly requires our suppliers to adopt and enforce similar policies and extend them to their own supply chain.

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

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

#### Due Diligence in Our Own Business

In line with our corporate policy, Ford conducts human rights risk assessments across our global manufacturing facilities using the Responsible Business Alliance (RBA) Online Self-Assessment Questionnaire (SAQ).

The RBA Facility SAQs highlight areas of potential human rights, health and safety, and environment risks at the facility level by identifying gaps in systems, policies, and practices. They provide a consistent process to analyse responses globally and across multiple facilities.

In 2023, 48 assessments were completed covering all global manufacturing facilities including majority-owned joint ventures. Updated assessment methodology, including the addition of inherent geographical and industry risk factors, resulted in a broader range of risk scores and highlighted additional areas for improvements in our facilities.

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 our suppliers.

#### Due Diligence in Our Supply Chain

With more than 1,600 Tier 1 production suppliers and 4,600 supplier sites providing vehicle parts composed of nearly 1,000 different materials, our supply chain is vast and complex. To support our commitment to use materials in our vehicles that are safe and sourced responsibly and protect human rights, it's important for us to understand where the materials come from.

Ford uses our purchasing power to enable responsible sourcing, including EV battery raw materials, and better protect impacted communities and the environment.

We utilize a variety of tools, including our [Supplier Code of Conduct](#), to ensure that our commitment to respecting human rights everywhere we operate cascades throughout our supply chain.

We place a heavy focus on Supply Chain Transparency to give us visibility into our supply chain and, when necessary, launch an investigation to ensure suppliers are meeting Ford's environmental, social, and governance (ESG) expectations as outlined in our Supplier Code of Conduct. We also partner with other businesses across sectors to learn from each other and share best practices.

We continue to work closely with our suppliers and with third-party assurers such as the Initiative for Responsible Mining Assurance (IRMA), Responsible Minerals Initiative (RMI), and Responsible Business Alliance (RBA), to identify and immediately address human rights issues in our supply chain.

We offer training resources to help our suppliers build their capacity to manage supply chain issues, and we meet with our top suppliers individually to discuss specific sustainability topics on an annual basis.

We launched the integration of sustainability metrics into supplier sourcing decisions in 2022. The first metric launched, the Sustainability Self-Assessment Questionnaire Rating, requests that suppliers complete the Drive Sustainability Self-Assessment Questionnaire (SAQ) and share responses with Ford. In 2023, we continued to focus on growing our supplier SAQ completions and policy alignment with Ford's Supplier Code of Conduct across our global supply base. We migrated from SAQ 4.0 to SAQ 5.0 in 2023, moving to a more comprehensive SAQ.

We conducted third-party Responsible Business Alliance (RBA) Validated Assessment Program (VAP) audits and Responsible Supply Chain Initiative (RSCI) assessments across a range of high-risk suppliers and helped them to improve working conditions at their plants. Ford audited suppliers representing a broad range of commodity groupings from all regions of the world that were identified using our risk assessment process. Audit results are used to identify and prioritize needed improvements at the facility level. For identified supplier non-conformances, each supplier is expected to develop a Corrective Action Plan (CAP) detailing root cause, planned remediation actions to address identified areas of concern and measures to correct non-conformances, as well as timing for resolutions. Such plans are regularly reviewed with in-region Supply Chain Sustainability personnel to ensure compliance aligned with Ford's expectations. We also review the overall status of supplier compliance with our commodity Purchasing teams.

For more information, please see the following areas of our [2024 Integrated Sustainability and Financial Report](#):

- Social – Human Rights – Our Human Rights Strategy/Due Diligence in Our Own Business, page 89
- Social – Human Rights – Supply Chain Due Diligence, page 90
- Performance Data – Human Rights, page 149 - 154

### **3.2 Notification channels and grievance mechanism**

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

#### **Grievance Mechanisms**

Ford has established internal grievance channels as well as a dedicated external grievance channel specifically designed for other people affected by the activities of Ford and its suppliers for receiving complaints regarding human rights and environment-related issues.

Internal grievance channels:

Ford provides multiple ways for employees to report potential violations of law or policy, as well as human rights and environment-related concerns, including:

- The SpeakUp web reporting system (accessible through internal web reporting for individuals within Ford's domain);
- E-mail mailbox (speakup@ford.com);
- Internal global hotline (\*1-800-847-7911); and,
- Designated individuals such as Regional and Local Investigations Coordinators, representatives from the Office of the General Council, Human Resources, and Security.

In addition, you can find more information on our internal grievance channels in our global Code of Conduct ([Speaking Up and Preventing Retaliation – Code of Conduct \(ford.com\)](#)) as well as on Ford's global website ([Governance and Policies \(ford.com\)](#)).

External grievance channels:

For human rights and environment-related complaints of other people affected by the business activities of Ford and its suppliers, Ford has established a dedicated separate channel using the RBA Worker Voices Platform (accessible via APP using QR code, or via internet link, both available on the Ford public webpage).

The public information is available on Ford's global website ([External Grievances](#)).

For more information, please see the following areas of our Integrated Sustainability and Financial Report 2024:

- Corporate Grievance Mechanism, page 89
- Grievance Mechanisms and Remedies, pages 91 – 92
- Grievance Mechanisms and Remediation, pages 106-107
- Reporting Violations, page 126

**4. INFORMATION REGARDING ACTUAL ADVERSE IMPACTS AND SIGNIFICANT RISKS OF ADVERSE IMPACTS THAT THE ENTERPRISE HAS IDENTIFIED THROUGH ITS DUE DILIGENCE**

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**INFORMATION REGARDING MEASURES THE ENTERPRISE HAS IMPLEMENTED OR PLANS TO IMPLEMENT TO CEASE ACTUAL ADVERSE IMPACTS OR MITIGATE SIGNIFICANT RISKS OF ADVERSE IMPACTS, AND THE RESULTS OR EXPECTED RESULTS OF THESE MEASURES.**

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, we have changed how we conduct saliency assessments and risk assessments. In addition to human rights, we have expanded the scope of environmental issues addressed in the saliency assessment. We plan to review and update the salient issues and key risks to the company annually. This saliency assessment is aligned with the United Nations Guiding Principles Reporting Framework.

#### Saliency Assessment Process:

In early 2023, we worked with an outside consultant to review and update our prior saliency assessment to ensure the salient human rights and environment-related issues were still valid. We then updated the definitions based on recent trends and developments, as well as the scope of what the issues encompass.

Our saliency assessment includes four phases: identification, prioritization, validation, and reporting.

For more information on past salient human rights assessments and processes, you can view our previously standalone 2022 Human Rights Report and 2023 Human Rights Progress Report under “Previous Sustainability and Financial Reports” on our sustainability website.

Our 2023 saliency assessment resulted in an updated list of human rights and environment-related salient topics (listed alphabetically):

- Clean, Healthy and Sustainable Environment
- Fair and Decent Work
- Forced Labor, Child Labor and Human Trafficking
- Harassment and Discrimination
- Health and Safety
- Impacts of EV Transition
- Rights of Indigenous Peoples

Some examples which we would like to highlight within this context:

##### A. Child Labor

Ford prohibits the use of child labor in any form and requires our suppliers to enforce similar policies. Our commitment to global good includes a pledge to eliminate child labor and a promise not to employ anyone under the age of 15 unless it is for a training program that clearly benefits the worker.

We have reviewed our contracted recruiting firms to ensure our hiring practices are aligned with our Global Terms and Conditions and Supplier Code of Conduct. We also have increased audits within Ford manufacturing facilities to ensure compliance with our child labor and human rights policies and expectations.

Also, we continue to audit suppliers that have been assessed as having the highest risk of human rights violations. In 2023, audits did not reveal any instances of child, forced, or involuntary labor. We continue to evolve our risk management system including continuous evaluation of our high-risk considerations.

##### B. Health and Safety

The health, safety, and wellbeing of our people continues to be a top priority for Ford. Many of our internal standards go beyond applicable laws and regulations so that we can meet our commitment to protecting the safety of our workforce in all our locations.

The global Safety Operating System (SOS) allows for comprehensive self-assessments of our corporate safety standards in both our manufacturing and, beginning in 2024, non-manufacturing locations.

The SOS helps ensure the work environment within our facilities is safe for our employees and meets or exceeds all regulatory and company requirements.

This internal tool validates each facility's capability and adherence to meet our safety requirements. The SOS is designed to prevent and reduce incidents by implementing different elements such as incident investigation and analysis, training, risk assessment, and emergency preparedness.

In 2023 we took another step in our journey to modernize our safety and ergonomic processes globally. A dashboard created by our Global Data Insight and Analytics (GDIA) team provides global, regional, manufacturing director, and plant specific self-assessment results. This tool, which is integrated with the SOS, has simplified data review by allowing us to quickly identify issues by location, region, or globally to ensure allocation of resources. Our GDIA partners will continue to work with us and improve our SOS dashboard to ensure the necessary data is mined from the new application globally, regionally, locally, by question, etc.

The lagging indicator for safety performance is the Global Lost-Time Case Rate. In 2023, our Global Lost-Time Case Rate was 0.40 per 100 employees. These were cases with one or more days away from work per 200,000 hours.

For more information on the progress we have made in reducing risk related to these issues, please see the following areas of our 2024 Integrated Sustainability and Financial Report:

- Our Human Rights Saliency Assessment, pages 22 – 25
- Refer to '2023 Update' under each salient issue in the Our Human Rights Saliency Assessment section

## **5. LINKS TO USEFUL RESOURCES**

- (a) [Integrated Sustainability and Financial Report 2024](#)
- (b) [We Are Committed to Protecting Human Rights and the Environment](#)
- (c) [Corporate Code of Conduct](#)
- (d) [Supplier Code of Conduct](#)
- (e) [Ford Sustainability](#)
- (f) [Conflict Materials Report](#)
- (g) [Responsible Materials Policy](#)
- (h) [Corporate Responsible Material Sourcing Site](#)