

HUMAN CAPITAL RESOURCES

People Strategy and Governance

We strive to create an employee experience that enables an inclusive environment of excellence, focus, and collaboration among team members, allowing us to deliver short- and long-term business success. Ford maintains an Executive People Forum consisting of the CEO and top leadership team that meets monthly with a specific focus on people and organizational topics that will enable and accelerate delivery of the business plan. Key topic areas include Compensation & Retention, Diversity, Equity, and Inclusion (“DEI”), Organization Design, Talent Planning & Development, and Culture.

Our Board of Directors and Board committees provide important oversight on certain human capital matters, including items discussed at the Executive People Forum. The Compensation, Talent and Culture Committee maintains responsibility to review, discuss, and set strategic direction for various people-related business strategies, including: compensation and benefit programs; leadership succession planning; culture; DEI; and talent development programs. The Sustainability, Innovation and Policy Committee is responsible for discussing and advising management on maintaining and improving sustainability strategies, the implementation of which creates value consistent with the long-term preservation and enhancement of shareholder value and social wellbeing, including human rights, working conditions, and responsible sourcing. The collective recommendations to the Board and its committees are how we proactively manage our human capital and create an employee experience that allows employees and our organization to thrive.

Diversity, Equity, and Inclusion

At Ford, we believe that creating a Culture of Inclusion for all our employees is both foundational to achieving our Ford+ plan and the right thing to do. Ford offers 12 Employee Resource Groups (“ERGs”) that represent various dimensions of our employee population, including racial, ethnic, gender, religious, sexual orientation and gender identity, ability, and generational communities with chapters throughout the world, in addition to Ford Advocacy for Belonging (“FAB”) Councils in every region. Our ERGs and FAB Councils are instrumental in providing a voice to our globally diverse workforce as well as sharing valuable insights into the development of products, services, and experiences.

Our business has developed DEI action plans specific to each region's unique needs and culture. From an enterprise perspective, we have taken several concrete steps to further these efforts, including embedding DEI into our corporate strategy and governance, ensuring that revisions to employee expected behaviors enable an inclusive culture, and establishing objectives for progress for every salaried employee. This holistic DEI strategy includes a strong focus on racial equity, growing representation of diverse talent throughout the pipeline, and DEI education.

Our diversity statistics include the following as of December 31, 2022 (based on self-reporting at the date of hire): 28.8% of our salaried employees worldwide are females (excludes certain employees in Europe in accordance with the European Union's General Data Protection Regulation); 25.4% of our total salaried and hourly employees in the United States are females; and 36.2% of our total salaried and hourly employees in the United States are minorities.

Talent Attraction, Growth, and Capability Assessment

The workplace is quickly evolving, and new working practices are constantly developing. Many employees are no longer bound to physical locations, where and how we source our talent is evolving, and employee expectations have shifted. From a growth perspective, we are focused on several key areas vital to our success (e.g., software, electrification, and data science). Ford continues to accelerate its efforts to attract new employees with diverse skill sets and capabilities, and more resources have been dedicated to recruiting these employees, who are critical to supporting our business model.

From a capability perspective, we are leveraging best practices in assessments and talent management to strengthen our current capabilities and future pipeline while reinforcing a culture of belonging, collaboration, empowerment, and innovation. The performance management process is reviewed regularly to ensure we set clear expectations, measure individual performance, and reward appropriately. We are also creating targeted learning experiences, democratizing learning and career development opportunities across the organization, and empowering employees to design their own career paths with skill development targeted for the roles of today and the future.