



SECOND PARTY OPINION

on the sustainability of Ford’s Sustainable Financing Framework

V.E is of the opinion that Ford’s Sustainable Financing Framework is aligned with the four core components of the Green Bond Principles 2021 (“GBP”) and Social Bond Principles 2021 (“SBP”).

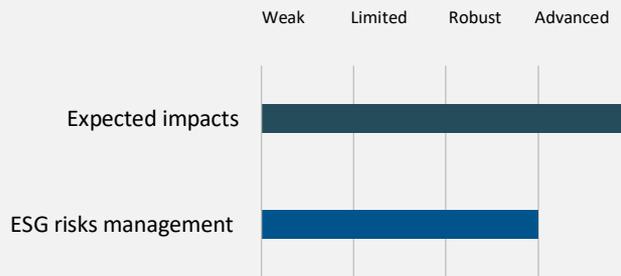


Framework

Contribution to Sustainability:



- Advanced
- Limited
- Robust
- Weak



SDG Mapping



Characteristics of the Framework

Project Categories	⇒ 3 Green categories ⇒ 3 Social categories
Target population	Defined
Project locations	To be communicated in each issuance reporting
Existence of framework	Yes
Share of refinancing	To be communicated before each issuance
Look back period	24 months

Issuer

Controversial Activities

The Issuer appears to not be involved in any of the 17 controversial activities screened under our methodology:

- | | | | |
|---|--|---|--|
| <input type="checkbox"/> Alcohol | <input type="checkbox"/> Fossil fuels industry | <input type="checkbox"/> High interest rate lending | <input type="checkbox"/> Pornography |
| <input type="checkbox"/> Animal welfare | <input type="checkbox"/> Coal | <input type="checkbox"/> Human embryonic stem cells | <input type="checkbox"/> Reproductive medicine |
| <input type="checkbox"/> Cannabis | <input type="checkbox"/> Gambling | <input type="checkbox"/> Military | <input type="checkbox"/> Tar sands and oil shale |
| <input type="checkbox"/> Chemicals of concern | <input type="checkbox"/> Genetic engineering | <input type="checkbox"/> Nuclear power | <input type="checkbox"/> Tobacco |
| <input type="checkbox"/> Civilian firearms | | | |

ESG Controversies

Number of controversies	19
Frequency	Frequent
Severity	High
Responsiveness	Reactive

Coherence

Coherent
Partially coherent
Not coherent

We are of the opinion that the contemplated Sustainable Financing Framework is coherent with Ford’s strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer’s sustainability commitments.



Keys findings

Context:

Ford has established a Ford and Ford Credit Sustainable Financing Framework (the “Framework”) under which it expects to obtain financing through green, social and sustainability related transactions. Transactions may include senior unsecured notes, securitizations, loans, commercial paper, retail deposits, convertible notes or other Transactions (each a “Sustainable Financing”).

Issuing entities will include both Ford Motor Company (“Ford” or the “Company”) and Ford Credit entities, which include but are not limited to Ford Motor Credit Company LLC, FCE Bank plc, and Ford Bank GmbH (referred to as “Ford Credit” in the SPO).

Alignment

V.E is of the opinion that Ford’s Framework is aligned with the four core components of the GBP and SBP.

Use of Proceeds - aligned with GBP and SBP and best practices identified by VE

- Eligible categories are clearly defined, the Issuer has communicated the nature of the expenditures and the eligibility criteria of all Eligible Categories, as well as the target population for the Social Categories. The location of the Eligible Projects will be communicated for each issuance.
- The Environmental and Social objectives are clearly defined; these are relevant for all of the Eligible Categories and set in coherence with sustainability objectives defined in international standards.
- The Expected Environmental and Social Benefits are clear and precise for all Eligible Categories; these are considered relevant, measurable, and will be quantified for all categories in the reporting.
- The expected share of refinancing will be communicated before each issuance. The look back period will be a maximum of 24 months.

Evaluation and Selection - aligned with GBP and SBP and best practices identified by VE

- The process for project evaluation and selection has been clearly defined by the Issuer. The process is considered structured. The roles and responsibilities are clear and include relevant internal expertise. The process will be publicly disclosed in the Framework and the herewith SPO.
- Eligibility Criteria (selection) for project selection has been clearly defined by the Issuer for all of the Eligible Categories.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed (in the herewith SPO). The process is considered robust: it combines monitoring, identification and corrective measures for all Eligible Categories.

Management of Proceeds - aligned with GBP and SBP and best practices identified by VE

- The process for the allocation and management of proceeds is clearly defined and is publicly available in the Framework and in the herewith SPO.
- The allocation period will be 24 months or less.
- The net proceeds will be placed in each of the Issuer’s General Treasury accounts and will be tracked in an appropriate manner and attested to in a formal internal process.
- Information on the intended types of temporary placements for the balance of the unallocated net proceeds is publicly disclosed.
- The Issuer has committed that as long as the Issuance is outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to Eligible Categories made during that period.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the Framework within 24 months.



Reporting - aligned with GBP and SBP

- The Issuer has committed to report on the Use of Proceeds annually, until the full allocation of the Ford transactions and until Issuance maturity of the Ford Credit transactions. The report will be publicly available on the Issuer's website. The reporting will cover relevant information related to the allocation of proceeds and the expected sustainable benefits at Issuance and Eligible Category levels. The Issuer has also committed to report on material developments related to the projects.
- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Categories until full allocation. Indicators used to report on the environmental and social benefits of the Eligible Categories will be verified internally by the Issuer.

Contact

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SCOPE

V.E was commissioned to provide an independent opinion (thereafter “Second Party Opinion” or “SPO”) on the sustainability credentials and management of the Sustainability Transactions¹ (“Transactions”) to be undergone by Ford or Ford Credit (the “Issuer”) in compliance with the Sustainability Financing Framework (the “Framework”) created to govern their issuance.

Our opinion is established according to V.E’s Environmental, Social and Governance (“ESG”) exclusive assessment methodology and to the latest version of the ICMA’s e ICMA’s Green Bond Principles (“GBP”) - edited in June 2021 - and Social Bond Principles (“SBP”) - edited in June 2021 - voluntary guidelines (referred together as the “GBP & SBP”).

Our opinion is built on a review of the following components:

- Framework: we assessed the Framework, including the coherence between the Framework and the Issuer’s environmental commitments, the Transactions’ potential contribution to sustainability and the Framework’s alignment with the four core components of the GBP & SBP.
- Issuer²: we assessed the Issuer’s management of potential stakeholder-related ESG controversies and its involvement in controversial activities³.

Our sources of information are multichannel, combining data (i) gathered from public sources, press content providers and stakeholders, (ii) from V.E’s exclusive ESG rating database, and (iii) information provided by the Issuer through documentation and interviews conducted with the Issuer’s managers and stakeholders involved in the Transactions, held via a telecommunications system.

We carried out our due diligence assessment from April 16 to June 11, 2021. We consider that we were provided with access to all of the appropriate documents and interviewees we solicited. To this purpose, we used our reasonable efforts to verify such data accuracy.

Scope of External Reviews

<input checked="" type="checkbox"/>	Pre-issuance Second Party Opinion	<input type="checkbox"/>	Independent verification of impact reporting
<input checked="" type="checkbox"/>	Independent verification of funds allocation	<input type="checkbox"/>	Climate Bond Initiative Certification

¹ The “Sustainability Issuance” is to be considered as the financial instrument to be potentially issued, subject to the discretion of the Issuer. The name “Sustainability Issuance” has been decided by the Issuer: it does not imply any opinion from V.E.

² Ford Motor is part of V.E rating universe - the last ESG rating was performed in 2020. In agreement with the Issuer, this Second Party Opinion does not include the 2020 assessment of its ESG performance.

³ The 17 controversial activities screened by V.E are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

COHERENCE

Coherent
Partially coherent
Not coherent

We are of the opinion that the contemplated Framework is coherent with Ford's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

The industrial production process of the automobile sector has major environmental impacts that can be effectively minimized with environmental management systems (including water consumption and pollution, energy consumption, VOC emissions and waste associated with the production process). Environmental management systems such as ISO 14000 standards have already been implemented by most companies in the sector as they are key to continuous improvement of their environmental performance.

Climate change has been deemed the most critical environmental challenge for the sector as road transport is one of the main contributors to greenhouse gas emissions. According to the International Energy Agency (IEA), transportation is responsible for 24% of direct CO₂ emissions from fuel combustion, of which road vehicles account for nearly three-quarters of the transport CO₂ emissions.⁴ The materiality of the issue appears to increase in the future given emission regulations are tightening across the world. In this context, the electrification technology is considered to be indispensable for the improvement of the fuel efficiency of vehicles and the promotion of zero-emission vehicles.

In terms of eco-design, taking a life cycle approach to consider environmental criteria from the design stage of product development is a key responsibility for companies in the sector. Automobile companies should ensure to ban the use of hazardous substances in new vehicles, reduce the use of fluorinated gases in vehicle air conditioning, and integrate R&D to reduce the environmental impact of vehicles at the use and disposal phases. The impacts of end of life products can be reduced through the choice of raw material or working to reduce vehicle weight. This requires the assistance of auto-part suppliers.

According to OECD Guidelines for Multinational Enterprises⁵, companies should fully consider established policies of the countries in which they operate. In this regard, companies should contribute to social progress with a view to achieving sustainable development. In addition, companies should encourage business partners, including suppliers and sub-contractors, to apply the principles contained in the OECD Guidelines. The Fundamental ILO Conventions, specifically freedom of association, abolition of forced labor, equality, and the elimination of child labor, must be respected in all activities. Also, the ILO Tripartite declaration of principles concerning multinational enterprises and social policy foresees that "Multinational enterprises, particularly when operating in developing countries, should endeavor to increase employment opportunities and standards".

Ford has defined six primary areas in its sustainability strategy: People, Human Rights, Climate Change, Sustainable Materials, Circular Economy and Renewable Electricity Strategies.

Aligned with these key areas, the Issuer has set a series of sustainability goals and targets, including:

- Achieve carbon neutrality by 2050
- To attain zero emissions from its vehicles and facilities
- To use 100% local renewable electricity in all manufacturing by 2035
- To make zero water withdrawals for manufacturing processes and use freshwater only for human consumption
- To reach zero waste to landfill across operations and eliminate single-use plastics from operations by 2030
- To use only recycled or renewable content in vehicle plastics
- Working towards a future free from vehicle crashes and workplace injuries
- To source only raw materials that are responsibly produced

⁴ <https://www.iea.org/topics/transport>

⁵ <http://mneguidelines.oecd.org/guidelines/>



- To drive human progress by providing mobility and accessibility for all

Ford has committed to lead the electrification process of the automobile industry, reduce its CO2 emissions in line with the Paris Climate Agreement⁶ and has reached an agreement with the state of California to set stronger standards on vehicle greenhouse gas emissions.⁷

Ford has committed to reducing (i) Scope 1 and 2 greenhouse gas (GHG) emissions in its operations by 76% by 2035 from a 2017 baseline and (ii) Scope 3 GHG emissions from use of products sold by 50% per vehicle km by 2035 from a 2019 baseline.

In line with the above, the Issuer has reported that it will invest more than \$22 billion by 2025 to develop connected, electric vehicles and services and is working to be carbon neutral company wide by 2050, focused on its new science-based interim targets for CO2 emissions reductions.⁸

By creating a Sustainable Financing Framework to finance or refinance Eligible Projects falling under the three green and three social Eligible Categories, the Issuer coherently aligns with its sustainability strategy and commitments and addresses the main sector issues as far as sustainable development.

⁶ <https://media.ford.com/content/fordmedia/fna/us/en/news/2020/06/24/ford-expands-climate-change-goals.html>

⁷ <https://ww2.arb.ca.gov/news/framework-agreements-clean-cars>

⁸ <https://media.ford.com/content/fordmedia/fna/us/en/news/2021/03/31/ford-integrated-sustainability-financial-report.html>

FRAMEWORK

The Issuer has described the main characteristics of the Transactions within a formalized Sustainable Financing Framework which covers the four core components of the GBP 2021 and SBP 2021 (the last updated version of the Framework was provided to V.E on November 3, 2021). The Issuer has committed to make this document publicly accessible on Ford's shareholder website⁹, in line with good market practices.

Alignment with the Green Bond Principles and the Social Bond Principles

Use of Proceeds



The net proceeds of the Transactions will exclusively finance or refinance, in part or in full, projects falling under three Green Project Categories and three Social Project Categories ("Eligible Categories"), as indicated in Table 1.

- Eligible categories are clearly defined; the Issuer has communicated the nature of the expenditures and the eligibility criteria of all Eligible Categories, as well as the target population for the Social Categories. The location of the Eligible Projects will be communicated for each issuance.
- The Environmental and Social objectives are clearly defined; these are relevant for all of the Eligible Categories and set in coherence with sustainability objectives defined in international standards.
- The expected Environmental and Social Benefits are clear and precise for all of the Eligible Categories, these are considered relevant, measurable, and will be quantified for all categories in the reporting.
- The expected share of refinancing will be communicated before each issuance. The look back period will be a maximum of 24 months.

The Issuer has communicated that in the case of a securitization by any Ford Credit Entity, either the proceeds will be allocated by the Sponsor to finance or refinance Eligible Projects that meet the eligibility criteria outlined in the Framework or the receivables underlying the securitization (the "Eligible Receivables") will meet the eligibility criteria in the Framework.

BEST PRACTICES

- ⇒ Eligibility and exclusion criteria are clear and in line with international standards for all categories
- ⇒ Relevant environmental and/or social benefits are identified and measurable for all project categories
- ⇒ The Issuer has committed to transparently communicate the estimated share of refinancing for each bond issuance
- ⇒ The look back period in case of refinancing will be a maximum of 24 months

⁹ shareholder.ford.com

Table 1. V.E's analysis of Eligible Categories, Sustainability Objectives and Expected Benefits as presented in the Issuer's Framework

- The Eligible Categories are divided into two broad types: the categories for Transactions by Ford and the categories for Transactions by Ford Credit.
- Nature of expenditures: Expenditures are related to CAPEX and OPEX in Ford's manufacturing facilities and R&D investments. Ford Credit transactions are to (re)finance loans/credits for the acquisition of electric and plug-in hybrid vehicles.
- Location of the projects: Eligible Projects are mostly located in the United States.

ELIGIBLE GREEN CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Ford Transactions			
Clean Transportation (Ford Motor Transactions)	<p>Investments and expenditures for the design, development and manufacturing of zero emission vehicles that are battery electric vehicles ("BEV"), fuel cell electric vehicles ("FCEV") or other future carbon-neutral transportation.</p> <ul style="list-style-type: none"> - Research and development dedicated to zero emission vehicles and technology, which include testing, development of facilities, tooling and manufacturing of zero emission vehicles; - Manufacturing facilities, including new facilities and upgrading or modifying current manufacturing facilities to produce zero emission vehicles; - Projects related to the manufacturing and / or procurement of components for electric vehicles such as batteries and powertrains, as well as remanufacturing and/or recycling of batteries; - Projects related to electric scooters and e-bikes; - Projects related to the development and installation of vehicle charging infrastructure. 	<p><u>Climate change mitigation</u></p> <p>Reduction of CO₂ emissions</p> <p>Reduction of air emissions from vehicles</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects, and will communicate their location for each transaction.</p> <p>The Eligible Category follows the Technical Screening Criteria specified in the EU Taxonomy Climate Delegated Act.¹⁰</p> <p>The Environmental Objective is clearly defined and relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>

¹⁰ https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en#taxonomy

ELIGIBLE GREEN CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Clean Manufacturing	Renewable Energy	Investments and expenditures related to: <ul style="list-style-type: none"> - Renewable Energy: new or existing investments in or expenditures related to the construction, development, acquisition, maintenance, and operation of renewable energy projects including wind, solar, geothermal, hydropower and biomass. 	<u>Climate change mitigation</u> Avoidance of CO ₂ emissions Reduction of CO ₂ emissions	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects, and will communicate their location for each transaction.</p> <p>The Issuer states that all renewable energy projects will comply with the 100gCO₂e/kWh threshold.</p> <p>The Issuer states that biomass projects will comply with the CBI standard of 80% GHG emissions reductions compared to baseline and will be sourced from sustainable feedstock.</p> <p>The Environmental Objectives are clearly defined and are relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>
Clean Manufacturing	Sustainable water and wastewater management	Investments and expenditures related to water conservation, water efficiency and improved water quality in production and office facilities including recycling, reuse and sustainable water management in industrial processes.	<u>Pollution prevention and control</u> Wastewater treatment <u>Sustainable water management</u> Improving water efficiency	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>The Issuer states that these projects will have no net GHG emissions.</p>

ELIGIBLE GREEN CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
				<p>The Environmental Objectives are clearly defined and relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>
Clean Manufacturing	Waste management and circular economy	<p>Expenditures related to projects that decrease waste generation, increase waste diversion from landfills and reduce consumption of natural resources and energy, including:</p> <ul style="list-style-type: none"> - Increasing the use of renewable, recycled, or reused materials; - Improving the separation and recovery of commodities from materials; and - Reducing the hazards of waste generated by the company's operations. 	<p><u>Transition to a circular economy</u></p> <p>Reduction in use of virgin materials Increase in re-use and recycling</p> <p><u>Pollution Prevention and control</u></p> <p>Reduction of waste generated</p>	<p>The Eligible projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>The Issuer has set corporate targets for waste reduction (towards 2022, compared to 2017 baselines):</p> <ul style="list-style-type: none"> - 35 percent reduction in waste sent to landfill - 15 percent reduction in waste generation - 25 percent reduction in general trash <p>The Issuer states that these projects will have no net GHG emissions.</p> <p>The Environmental Objectives are clearly defined and relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear; these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>
Ford Credit Transactions				
Clean Transportation		<p>Expenditures related to offering automotive financing products and wholesale loans for vehicles that are purchased, in whole or in part, by Ford Credit and that meet the following eligibility criteria:</p> <ul style="list-style-type: none"> - BEV, FCEV or other future carbon-neutral transportation vehicles; - Plug-in hybrid vehicles ("PHEV") with tailpipe CO2 emissions at or below 50 grams of CO2 per passenger kilometer travelled (g CO2 /km); 	<p><u>Climate change mitigation</u></p> <p>Reduction of CO₂ emissions</p> <p>Reduction of air emissions from vehicles</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>Ford Credit's Clean Transportation is expected to migrate over time to include a greater majority of BEV vehicles versus qualifying PHEV models. By 2025, only BEV models are expected to be included as Eligible Models.</p>

ELIGIBLE GREEN CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
		<ul style="list-style-type: none"> - Financings related to establishing or improving charging station infrastructure for individual customers or dealers. 		<p>The Eligible Category follows the Technical Screening Criteria specified in the EU Taxonomy Climate Delegated Act.¹¹</p> <p>The Environmental Objective is clearly defined and relevant for all of the Eligible Projects; it is set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, as well as considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>

¹¹ https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en#taxonomy

ELIGIBLE GREEN CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Ford Transactions			
Making Lives Better	<p>Expenditures focused on advancing economic opportunity and equity for under-represented and/or disadvantaged populations:</p> <ul style="list-style-type: none"> - Expenditures related to widening the supplier diversity network – creating opportunities for diverse suppliers running minority-, women-, disability- and veteran-owned businesses; - Expenditures related to expanding Ford's minority-owned dealer network; - Social enterprises that benefit women (SHE-MOVES program).¹² 	<p><u>Local social and economic Development</u></p> <p>Increasing job and business opportunities</p> <p>Support training and education</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>The target population is clearly identified, projects are directed to the whole population with a particular focus on minority owned supplier businesses and dealers.</p> <p>The Issuer has a Supplier Diversity and Inclusion program which covers suppliers previously qualified by external stakeholders such as the National LGBT Chambers of Commerce, Disability: IN, LGBT Detroit, the Small Business Association and WEConnect International.</p> <p>For minority dealers, the Issuer defines minority-owned dealerships based on their race/ethnicity and uses the definition set by the Federal Government.¹³</p> <p>The Issuer also tracks the number of dealerships that are majority owned by women.</p> <p>The Social Objectives are clearly defined and are relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Social Benefits are clear, they are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>
Community Revitalization	<p>Expenditures and investment in internal and external projects that provide support or uplift to disadvantaged communities through contributions creating and renovating spaces to provide opportunities for economic employment and access to essential services.</p> <p>Examples include:</p>	<p><u>Local social and economic Development</u></p> <p>Increasing job and business opportunities</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>The target population is clearly identified as the whole community of Detroit, including disadvantaged communities.</p>

¹² <https://media.ford.com/content/fordmedia/img/za/en/news/2019/07/17/ford-launches-she-moves-empowerment-programme-in-south-africa-an.html>

¹³ Using that definition, ethnic minorities fall into 4 categories: Black/African American, Hispanic, Asian American/Pacific Islander, and Native American.

ELIGIBLE GREEN CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
	<ul style="list-style-type: none"> - Expenditures related to new development and community projects in Detroit's Corktown; and - Expenditures related to redeveloping Michigan Central Station¹⁴ to become the centerpiece of the new Corktown campus. 		<p>The Social Objectives are clearly defined and are relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Social Benefits are clear; they are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>
Ford Credit Transactions			
Making Lives Better	<p>Providing automotive financing products and wholesale loans focused on advancing economic opportunity and equity for all. This includes:</p> <ul style="list-style-type: none"> - Supporting underserved populations by providing affordable, equitable and non-discriminatory access to credit for credit-worthy borrowers with lower FICO scores. - Payment extensions offered to provide relief to customers impacted by events such as public health emergencies, natural disasters, or other extenuating circumstances.¹⁵ 	<p><u>Financial inclusion</u></p> <p>Increase access to vehicle financing</p> <p><u>Responsible lending</u></p> <p>Prevent over-indebtedness</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria as well as the location of the Eligible Projects.</p> <p>The target population is clearly identified as the general public, including people with limited to no access to credit and people under financial stress.</p> <p>Ford Credit reports to be working to increase fair, equitable and non-discriminatory access to credit for customers in the <660 FICO segment¹⁶, including no FICO customers, who may not have access to traditional or cost-effective vehicle financing as of today.</p> <p>For disaster relief purposes, the Issuer may provide disaster extensions to certain zip codes classified as federal disaster areas by the Federal Emergency Management Agency (FEMA).</p> <p>The Issuer communicates that these loans and payment extensions will be originally applied in North America (US and Canada) and Europe, with the aim to extend these initiatives to a global scope.</p> <p>The Social Objectives are clearly defined and are relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Social Benefits are clear, considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>

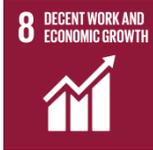
¹⁴ <https://michigancentral.com/about/#michigan-central>

¹⁵ The issuer states these payment extensions would be available for any customers requesting it with no need to provide proof of their situation.

¹⁶ <https://www.investopedia.com/terms/f/ficoscore.asp>

SDG Contribution

The Eligible Categories are likely to contribute to 10 of the United Nations' Sustainable Development Goals ("SDGs"), namely:

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Clean Transportation (Ford and Ford Credit)		3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
Community Revitalization – Michigan Central Station project		4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
Making Lives Better: (Ford) – Supplier Diversity program, SHE-MOVES Program		5.a Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws
Clean Manufacturing		6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
Clean Manufacturing		8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
Clean Manufacturing		9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Community Revitalization – Michigan Central Station project		9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Making Lives Better (Ford) – Supplier Diversity program		10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
Community Revitalization		10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
Making Lives Better (Ford Credit)		10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
Clean Transportation (Ford and Ford Credit)		11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons



ELIGIBLE CATEGORY	SDG	SDG TARGETS
Clean Manufacturing		12.2 By 2030, achieve the sustainable management and efficient use of natural resources
Clean Transportation (Ford and Ford Credit)		SDG 13 is about taking urgent action to combat climate change and its impacts



Evaluation and Selection of Eligible Projects



- The process for project evaluation and selection has been clearly defined by the Issuer. The process is considered structured. The roles and responsibilities are clear and include relevant internal expertise. The process will be publicly disclosed in the Framework and the herewith SPO.
- Eligibility Criteria (selection) for project selection has been clearly defined by the Issuer for all Eligible Categories.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed (in the herewith SPO). The process is considered robust: it combines monitoring, identification and corrective measures for all Eligible Categories.

Process for Project Evaluation and Selection

The Issuer has created a Sustainable Finance Committee (the “Committee”) to govern the decision-making process of all Transactions issued under the Framework. This Committee is composed of Ford Senior leadership and representatives from Ford’s Treasury, Sustainability, Corporate Finance, Investor Relations, Ford Credit, and Office of the General Counsel teams.

The Committee will meet at least twice per year and will be responsible for:

- Approving the Sustainable Financing Framework and any subsequent amendments;
- Evaluating and approving the selection of Eligible Projects or Eligible Receivables based on the selection criteria defined in the Use of Proceeds;
- Monitoring Eligible Projects throughout the life of the Sustainable Financing(s);
- Replacing any projects that no longer meet the eligibility criteria with new projects as soon as feasible;
- Reviewing and validating the impact and allocation reports for investors and ensuring robustness of the external review process.

The Committee will not be directly involved in the vehicle loan assessment and approval process for Ford Credit loans. However, the Issuer states the loans selected for green, social, or sustainable financing will be those meeting eligibility criteria described in the Framework.

The traceability and verification of the selection and evaluation of the projects is ensured throughout the process:

- The Issuer states minutes will be captured at each Sustainable Finance Committee meeting and will be distributed to all members and retained within a central repository.
- The Sustainable Finance Committee will review and ensure the continued compliance of Eligible Categories at least once a year throughout the life of the Sustainable Financing. In the case a project no longer meets the eligibility criteria in the Framework, the Issuer will reallocate the funds to other Eligible Projects.
- Ford’s Global Sustainability Team will monitor potential ESG controversies in all of Ford’s activities as part of Ford’s risk management, including investments related to the Eligible Projects.

The Global Sustainability Team uses the different corporate grievance mechanisms to communicate with the most relevant stakeholders depending on the nature and severity of the controversies raised. These are studied on a case-by-case basis.

All due diligence to address ESG controversies would start with direct engagement with the most impacted stakeholder.

The Issuer states that if any eligible social project becomes involved in a material ESG controversy, it will intend to reallocate funds to an eligible project not involved in any material ESG controversies.



Eligibility Criteria

The process relies on explicit eligibility criteria (selection), relevant to the environmental and social objectives defined for the Eligible Categories.

- The selection criteria are based on definitions of Eligible Categories defined in Table 1 in the Use of Proceeds section.

BEST PRACTICES

- ⇒ Eligibility criteria for project selection are clearly defined and detailed for all of the Eligible Categories
- ⇒ The Issuer reports that it will monitor compliance of selected projects with the eligibility criteria specified in the Framework throughout the life of the instruments and has provided details on content, frequency, duration and on procedure adopted in case of non-compliance
- ⇒ The Issuer reports that it will monitor potential ESG controversies associated with the projects throughout the life of the instrument and has provided details on frequency, content and procedures in case a controversy is found on a project



Management of Proceeds



- The process for the allocation and management of proceeds is clearly defined and is publicly available in the Framework and in the herewith SPO.
- The allocation period will be 24 months or less.
- The net proceeds will be placed in the Issuer's General Treasury accounts and tracked in an appropriate manner and attested to in a formal internal process.
- Information on the intended types of temporary placements for the balance of the unallocated net proceeds is publicly disclosed.
- The Issuer has committed that as long as the Issuance is outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to Eligible Categories made during that period.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the Framework within 24 months.

Management Process

- The net proceeds of the Transactions will be credited to the Issuer's General Treasury account and these will be managed in cash.
- In case the Eligible Project portfolio is smaller than the Transactions' net proceeds outstanding, Ford has committed to fill the gap and load the Eligible Project Portfolio with new project production or existing unallocated projects as soon as possible.
- The unallocated funds would be held in cash, cash equivalents, and/or US government or agency securities, or used to repay short-term borrowings until the amount can be allocated towards the relevant Eligible Portfolio.
- In case of project postponement, cancelation, divestment or ineligibility, or in case an Eligible Project has matured, the Issuer has committed to replace the no longer Eligible Project with a new Eligible Project.

The Issuer has defined separate mechanisms for the management of proceeds according to the issuing entity. Eligible Projects or Eligible Receivables will be tracked internally in a register comprising Eligible Projects for each Sustainable Financing (each an "Eligible Portfolio"). Ford or Ford Credit may decide to aggregate Eligible Portfolios of Sustainable Financings from the same issuer when issuing instruments with the same classification (Green Financings, Social Financings, or Sustainability Financings).

Transactions by Ford Company

An amount equal to the net proceeds of any financing will be allocated to new projects or the refinancing of Eligible Projects under the review of the Committee. In case the funds cannot be immediately and fully allocated, divestment, or if a project no longer meets the eligibility criteria listed above, the Issuer will reallocate the funds to other Eligible Projects.

If, for any reason, the aggregate amount in each Eligible Portfolio is less than the total outstanding amount of Ford's Sustainable Financings issued, the Issuer will hold the net amount in cash, cash equivalents, and/or US government or agency securities (investments that exclude any high emitting and controversial activities), or use it to repay short-term borrowings until the amount can be allocated to a new Eligible Portfolio.

Transactions by Ford Credit

The Asset-Liability Committee (the "ALCO") at each Ford Credit Entity is responsible for supervising each Eligible Portfolio and the total aggregate amount issued in each Sustainable Financing. The ALCO is jointly chaired by the Ford Treasurer and the CFO of Ford Credit, and includes the CEO of Ford Credit along with other senior representatives in Treasury and Ford Credit. The Ford Treasurer and Ford Credit CEO are both part of the Sustainable Finance Committee. The ALCO meets monthly and will be responsible to ensure that the aggregate amount in each Eligible Portfolio is equal to or greater than the aggregate amount raised in each Sustainable Financing.



If, for any reason, the aggregate amount in each Eligible Portfolio is less than the total outstanding amount of each Sustainable Financing, the Ford Credit Entities will hold the net amount in cash, cash equivalents, and/or US government or agency securities (investments that exclude any high emitting and controversial activities), or use it to repay short-term borrowings until the amount can be allocated towards the relevant Eligible Portfolio.

BEST PRACTICES

- ⇒ The allocation period is 24 months or less
- ⇒ The Issuer has committed not to invest temporarily unallocated net proceeds in GHG intensive activities or controversial activities
- ⇒ The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the Framework within 24 months

Monitoring & Reporting



- The Issuer has committed to report on the Use of Proceeds annually, until full allocation and in case of material changes to the Ford Motor Transactions, and until maturity of the Ford Credit Transactions. The Report will be publicly available on the Issuer's website.
 - The reporting will cover relevant information related to the allocation of proceeds and the expected sustainable benefits at Issuance and Eligible Category level. The Issuer has also committed to report on material developments related to the projects (if any).
 - The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be publicly disclosed.
 - An external auditor will verify the tracking and allocation of funds to Eligible Categories until full allocation. Indicators used to report on the environmental and social benefits of the Eligible Categories will be verified internally by the Issuer.
- An area for Improvement is to externally verify at least the environmental benefits data.

Indicators

The Issuer has committed to transparently communicate at Eligible Category level, on:

- Allocation of proceeds: The indicators selected by the Issuer to report on the allocation of proceeds are relevant and exhaustive.

REPORTING INDICATORS

- ⇒ The list of Eligible Projects (re)financed, including a brief description
- ⇒ The aggregated amount of (re)allocated net proceeds to Eligible Projects, subject to confidentiality considerations
- ⇒ The proportion of financing vs refinancing (%)
- ⇒ The balance of the unallocated proceeds and the used temporary placements
- ⇒ Where applicable, and if it represents a material portion of any given project, the co-financing percentage will be disclosed



- Environmental/social benefits: The indicators selected by the Issuer to report on the environmental and social benefits are clear and relevant.

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFIT INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Clean Transportation (Ford Motor)	<ul style="list-style-type: none"> - Expected/achieved new production capacity of electric vehicles - Number of electric vehicles manufactured - Number of electric scooters and e-bikes produced - Number of EV charging ports/stations installed 	<ul style="list-style-type: none"> - Reduction in Scope 3 GHG emissions per vehicle kilometer from use of sold products
Clean Manufacturing	N/A	<p><u>Renewable energy:</u></p> <ul style="list-style-type: none"> - Reduction in Scope 1 and 2 GHG emissions <p><u>Sustainable Water and Wastewater Management:</u></p> <ul style="list-style-type: none"> - Volume of water saved, reduced or treated (m3) - Improved water use efficiency expected / achieved compared to pre-investment (in percent) <p><u>Waste Management and Circular Economy:</u></p> <ul style="list-style-type: none"> - Waste recycled or diverted from landfill (tonnes) - Percentage of recycled or renewable plastic content
Making Lives Better (Ford Motor)	<ul style="list-style-type: none"> - Qualitative description of the projects - Number of beneficiaries - Number of diversity suppliers 	N/A
Community Revitalization	<ul style="list-style-type: none"> - Qualitative description of the projects 	<ul style="list-style-type: none"> - Number of jobs expected to be created
Clean Transportation (Ford Credit)	<ul style="list-style-type: none"> - Number of electric and plug-in hybrid vehicles financed 	<ul style="list-style-type: none"> - Estimate of the lifetime reduction in CO2 emissions achieved by the electric and plug-in hybrid vehicles financed by the Green Issuance proceeds

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFIT INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Making Lives Better (Ford Credit)	<ul style="list-style-type: none"> - Amount of automotive financing and wholesale loans provided to minority-owned or minority-operated dealers - Number of contract extensions granted 	N/A

BEST PRACTICES

- ⇒ The Issuer report will be publicly available
- ⇒ The reporting will cover relevant information related to the allocation of Issuance proceeds and to the expected sustainable benefits of the projects/categories. The Issuer has also committed to report on material developments related to the projects, including ESG controversies (if any)
- ⇒ The indicators selected by the Issuer are exhaustive with regards to allocation reporting
- ⇒ The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible Categories will be disclosed publicly



Contribution to sustainability

Expected Impacts

Ford transparently communicates in the Framework that a significant portion of the net proceeds of any Green and/or Sustainability Financing is expected to be allocated to Clean Transportation Eligible Categories (Ford and Ford Credit). Therefore, V.E considers that the potential positive impact of the eligible projects on environmental and social objectives is considered to be Advanced.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Clean Transportation (Ford Motor)	ADVANCED	The projects within this category intend to address climate change mitigation. The electric vehicles developed by the Issuer will help reduce GHG emissions, especially scope 3 emissions, tackling one of the key environmental impacts for the sector. The projects have a positive impact on the company and its supply chain, as well as the general public who will benefit from the reduction of air pollution and reduction of GHG emissions. The Eligible Category is aligned with the CBI and EU Taxonomy technical criteria.
Clean Manufacturing	ADVANCED	The projects within this category intend to mitigate the impact of climate change, to prevent and control the impact linked to pollution and to ensure the protection of water resources, addressing key environmental impacts for the sector. Wastewater treatment and the reduction of water losses in industrial processes are important environmental issues which will bring overall positive impacts locally on water resources by improving water use efficiency and providing alternative water sources through water re-use. Projects related to waste management and circular economy will yield overall positive impacts locally as well as bring positive impacts to the company and its value chain. Finally, renewable energy projects will positively impact the company, its value chain as well as local and global stakeholders. For renewable energy and wastewater projects, the Issuer follows the CBI's screening indicators.
Making Lives Better (Ford Motor)	ROBUST	The projects within this category intend to address mainly the reduction of inequalities. The Supplier Diversity program is expected to generate new economic opportunities for minority-owned businesses. In a similar way, the extension of Ford's minority-owned dealer network will provide further business opportunities to this target population.
Community Revitalization	ROBUST	The projects within this category intend to promote sustainable cities and communities. The Michigan Central Station and related projects will contribute to improve public spaces in Detroit and will also provide tools and promote empowerment for the local community through its training programs, creation of new jobs and support of small businesses.
Clean Transportation (Ford Credit)	ADVANCED	The projects within this category intend to address climate change mitigation. By increasing access to electric vehicles, the Issuer promotes a greater use of these and contributes to reduce scope 3 GHG emissions, reducing as a result the overall environmental impact of its products and its customers. The Eligible Category is aligned with the CBI and EU Taxonomy technical criteria.
Making Lives Better (Ford Credit)	ROBUST	The projects under this category intend to contribute to financial inclusion to tackle inequalities with regard to access to transport and mobility. In the United States, car ownership is strongly tied to income; families living below the poverty line are much less likely to own cars, even though they represent the population most likely to have poor access to public transport. The mobility disparities experienced by poor households can result in significant inequalities in access to essential services (education, health, leisure, etc.) and employment. Projects falling within this category intend to increase access to automotive financing products especially for customers who may have limited access to it today. Although, the Issuer is not exclusively targeting populations in most need of these types of financial services. In addition, the payment extension programs contribute to reducing the short-

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
		term indebtedness of customers. An area for improvement is to limit the car credits and payment extensions to low and zero-direct emission vehicles (as defined in the Clean Transportation categories of this Framework) in order to promote equitable access to individual mobility solutions that contribute to decarbonization of the transport sector; hence equally addressing socio-economic development needs, the Paris Agreement goals and Sustainable Development Goals.
OVERALL ASSESSMENT	ADVANCED	

ESG Risks Identification and Management systems in place at project level

The identification and management of the environmental and social risks associated with the Eligible Projects are considered robust¹⁷.

	ELIGIBLE CATEGORIES					
	CLEAN TRANSPORTATION (Ford)	CLEAN MANUFACTURING	MAKING LIVES BETTER (Ford)	COMMUNITY REVITALIZATION	CLEAN TRANSPORTATION (Ford Credit)	MAKING LIVES BETTER (Ford Credit)
Environmental Management	X	X				
Eco-design and Waste Management	X	X				
Human Rights		X	X	X		
Labor Relations		X				
Supply Chain		X				
Health & Safety		X				
Community Involvement		X	X	X		
Product Safety	X					
Customer Relations	X				X	X
Ethics Risks	X	X	X	X	X	X
OVERALL ASSESSMENT	Advanced	Robust	Advanced	Advanced	Robust	Robust

Environmental Management

The Issuer reports to have an Environmental Management System in place at all of its manufacturing facilities; the Environmental Management System is ISO 14001 certified.

¹⁷ The "X" indicates the E&S risks that have been activated for each Eligible Category.



In terms of climate adaptation, all projects related to clean manufacturing are assessed holistically and designed to support strategic objectives set forth by the company. The Issuer conducts climate-related physical risk assessments at all of its production sites.

Regarding GHG emissions, the Issuer reports that its vehicles are measured for their emissions performance in various company and government run test labs globally. Progress against company targets is monitored internally and adjustments are made to meet product requirements.

In terms of pollution and inconveniences derived from the operation of its manufacturing facilities, Ford states all Clean Manufacturing will include appropriate mitigation and monitoring systems to prevent and mitigate environmental pollution when applicable. Environmental management programs are in place at most facilities to mitigate any adverse impacts to neighboring communities. In addition, the company sets specific measures at each facility when applicable, including dust control plans and noise assessments. Ford has mechanisms in place to report and investigate any possible complaints by the communities surrounding these production sites.

Finally, Ford conducts risk assessments and emergency response plans are required for mitigation purposes. Auditing of the response plans are part of Ford's ISO 14001 Third Party audits and certification.

Eco-design and waste management

In terms of eco-design of its products, the company is focusing on improving tailpipe or tank-to-wheels (TTW) emissions but has also set targets for well-to-wheels (WTW) impacts aimed at its carbon-neutrality goal. WTW emissions vary by vehicle, engine type and energy source. The company's Scope 3 SBTi vehicle CO₂ target is based on WTW emissions.

Regarding waste management, the company states that it seeks the exclusive use of recycled or renewable content in vehicle plastics with lower life cycle impacts that provide equivalent quality, appearance and performance in comparison to existing materials.

Ford reports to keep waste out of landfills by using recycled plastics, incorporating it in the manufacturing of its vehicles in several ways. This includes using discarded carpet in melded engine components and recycled tires in extension dash panels.

Through research, the company reports to have discovered new, robust natural-fiber-reinforced materials that improve fuel economy because they are lighter in weight. These materials also sequester carbon, reducing global warming impacts, and require less energy to process.

Ford reports over 85 percent of vehicle parts and materials are recycled and reused at the end of their useful lives and aims to improve that percentage through materials selection as well as with vehicle dismantlers.

In terms of end-of-life decommissioning, the company reports that through its Go Green Dealer Sustainability Program, many U.S. service centers collect the headlights, bumpers and windshield-wiper motors removed during servicing. The parts are either cleaned and remanufactured, or dismantled and recycled for use in new applications. The company also states that it has recycling programs for its electric scooters.

Ford also works with the U.S. Environmental Protection Agency, state authorities, dismantlers, steelmakers and environmental groups to recycle mercury switches in older vehicles.

Human Rights

Ford's commitment to respect human rights is embodied in its revised policy, *We are Committed to Protecting Human Rights and the Environment*. The company is committed to respecting the UN Guiding Principles on Business and Human Rights and has also issued public commitments to Universal Declaration of Human Rights, the ILO Declaration of Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises. In addition, Ford is a signatory to the UN Sustainable Development Goals, UN Global Compact, UN Women Empowerment Principles, and CEO Action for Diversity and Inclusion.

The company has a Code of Conduct Handbook, which is available in 14 languages, and sets out the Issuer's expectations for employees and other business partners towards respecting human rights, working conditions, ethics and health and safety. The Code also highlights the duty to report violations of legal requirements and these policies. These expectations are reinforced in mandatory online training courses, which are periodically refreshed and reviewed to ensure the content remains relevant and appropriate.

Ford's compliance program facilitates the confidential reporting of known or potential violations of the law or of the company's policies. Ford's employees can report violations directly to Human Resources or to the Compliance, Ethics and Integrity Office, as well as to the Office of General Counsel or the General Auditor's Office. Violations can also be reported



using the SpeakUp reporting mechanism, telephone hotlines, websites or email, some of which allow for anonymous reporting. External stakeholders may report by emailing SpeakUp@ford.com. All reports are reviewed and addressed, and corrective or disciplinary action is taken where appropriate. A cross-functional committee oversees this process.

Ford has signed an International Framework Agreement with IndustriALL Global Union which reinforces the company's commitments to respected labor standards and ensures ongoing compliance through open dialogue with its union partners.

To support this commitment, the company launched this year (2021) its first Supplier Code of Conduct. This Code of Conduct includes protecting human rights, protecting the environment, responsibly sourcing materials and maintaining responsible business relationships. The Supplier Code of Conduct applies to all company suppliers, requiring 100% of production suppliers to enforce a similar code of practice and requiring subcontractors to do the same. The company's commitment requires a robust approach to safeguarding against human rights abuses in the supply chain. This includes:

- Working with suppliers that align with Ford's human rights standards and policies
- Analyzing the human rights risks associated with the supply chain
- Conducting trainings to build capacity, both with the company's suppliers and its employees, to improve supply chain working and environmental conditions
- Auditing Tier 1 supplier facilities that have a higher risk of substandard working conditions
- Collaborating with others in multi-stakeholder initiatives and partnerships to develop tools and training to support continual improvement throughout the global supply chain

Ford prohibits the use of forced labor, child labor or human trafficking in its operations. The company has put in place policies and guidelines to prevent these issues from occurring at its facilities. For instance, Ford verifies that all employees meet the minimum working age in any region where it operates, and in no instance employs individuals below the age of 15. Ford verifies age using government-issued identification or other mechanisms that are consistent with local legal requirements. In addition, the company safeguards against these human rights violations in its business and supply chain by maintaining compliance with all legislative initiatives, acts and regulations aimed to increase transparency and promote due diligence.

Ford's Global Modern Slavery and Human Trafficking Disclosure Statement reports its progress on the California Transparency in Supply Chains Act of 2010, the U.K. Modern Slavery Act of 2015 and the Australia Modern Slavery Act of 2018.

Finally, in terms of non-discrimination, Ford reports to have a strong focus on reinforcing its policies to ensure that the work environment at all manufacturing facilities is free of harassment and discrimination. In recent years, the company reports having bolstered its employee programs to address these issues more directly. Ford's *We Are Committed to Protecting Human Rights and the Environment Policy* requires that everything the company and its business partners do is consistent with local laws and Ford's commitment to respecting human rights.

Throughout all of its facilities, Ford encourages employees to report any incidents of harassment, discrimination or retaliation, and in all cases, the company investigates promptly and takes appropriate action.

Labor Relations

Ford is committed to respecting the UN Guiding Principles on Business and Human Rights and other international human rights frameworks and charters, such as the Universal Declaration of Human Rights, the ILO Declaration of Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises. In addition, Ford is a signatory to the UN Sustainable Development Goals, UN Global Compact, UN Women Empowerment Principles, and CEO Action for Diversity and Inclusion.

Ford's Code of Conduct Handbook formally sets out its expectations for employees and others working on its behalf including, respecting human rights, working conditions, ethics and health and safety. The Code highlights its duty to report violations of legal requirements and these policies. Ford reports to have mandatory online training courses, which are periodically refreshed and reviewed to ensure the content remains relevant and appropriate.

Ford's Board periodically reviews policies related to employee matters including those concerning sexual harassment and anti-retaliation to whistle-blowers and the company conducts reporting on governance of harassment and discrimination.

Ford works with 42 unions globally, representing approximately 72 percent of its global workforce covered by collective bargaining agreements.



Health & Safety

Ford's Code of Conduct covers its commitment to protecting health and safety. As stated in its Integrated Report, all Ford employees are responsible and accountable for the company's overall safety initiatives and performance. Safety performance is managed by senior leadership through Plant Operation Reviews, Manufacturing Safety Councils and Plant Safety Review Board meetings. The company has in place an internal Safety Operating System to monitor and improve workplace safety throughout its operations.

The company requires, at a minimum, compliance with legal requirements and, when necessary, establishes internal standards which may go beyond legal requirements. For instance, the company implemented a COVID-19 Return to Workplace Guide¹⁸ and a Return to Work Manufacturing Playbook¹⁹ to address key safety issues during the pandemic.

Ford establishes that all workers must comply with health and safety requirements and failure to do so may result in disciplinary actions, up to and including termination or release.

To enforce the company's health and safety policies, Ford has implemented different measures such as:

- effective communications through regular talks and events on key safety issues, including reporting all injuries, hazards and near misses
- conducting external benchmarking and participation in multi-industry groups, within and outside the automotive sector to share best practices and collaborate to address common issues
- running campaigns and raising awareness initiatives promoting occupational health and safety
- conducting mandatory training and emergency drills.

Additionally, the company reports to work towards employees' well-being. To address this, Ford has curated webinars, learning solutions and tools to help employees manage the challenges of COVID-19, remote work and social unrest. The company also reports to have held hundreds of employee listening sessions to understand their feelings, beliefs and concerns. Some of these resources were designed to be shared with family members, friends and the community as a whole. Ford also states that it conducts weekly employee polls on a range of relevant topics – including COVID-19, return to the workplace and social unrest – to gain insight into how best to support its workforce.

Community Involvement

Ford's GRI Index²⁰ summarizes Stakeholder Groups and the approach taken for engagement, including: Communities (Community Relations Committees, dialogue with nongovernmental organizations, etc.), Employees (employee surveys, union representatives, joint labor - management committees, etc.) and Suppliers (supplier quality roundtables, Supplier Diversity Development Networking), among others.

The company's compliance program includes confidential reporting of known or potential violations of the law or of corporate policies. Ford employees can report violations directly to Human Resources or to the Compliance, Ethics and Integrity Office, as well as the Office of General Counsel or the General Auditors' Office. Violations can also be reported using the SpeakUp reporting mechanism, telephone hotlines, websites or email, some of which allow for anonymous reporting. External stakeholders may report by emailing SpeakUp@ford.com. All reports are reviewed and addressed, and corrective or disciplinary action is taken where appropriate. A cross-functional committee oversees this process.

Regarding the support of small businesses related to the Michigan Central Station project, the company reports that its engagement with these diverse businesses is conducted with a dedicated team working to grow, develop, and advocate for them.

Ford has a Mentor ME program for its suppliers through its supplier diversity program to partner minority business enterprises (MBEs) with corporate subject matter experts to work on specific challenges MBEs are facing. The benefits are mutual, the MBE receives assistance to grow and develop while Ford mentors gain insight on the supply base and act as champions for supplier diversity when they return from mentoring rotation. These mentor programs include:

- Mentor WE – Ford's mentoring and development program for women business enterprises (WBEs) in conjunction with the Great Lakes Women's Business Council (GLWBC). This Mentor WE is a program where Ford pairs larger WBEs with smaller WBEs to provide women owners with peer mentoring, capacity-building support, business-growth training and professional coaching. The program is set-up as a 12-month program broken out into quarterly

¹⁸ <https://fordland.com/news/return-to-work-non-manufacturing-playbook>

¹⁹ https://media.ford.com/content/dam/fordmedia/North%20America/US/2020/05/01/Ford_ReturnToWork_COVID-19_Playbook_ME.pdf

²⁰ <https://corporate.ford.com/microsites/integrated-sustainability-and-financial-report-2021/files/ir21-gri.pdf>



modules focusing on sales, strategic planning, program management, capability statements and new-business pitches.

- Tier 2 WIN – WIN (Widening the Inclusion Network): designed to assist Tier 1 suppliers who struggle to achieve Ford’s Supplier Diversity Tier 2 spend goals due to various challenges within their buy. The purpose of WIN is to further develop Ford suppliers’ Supplier Diversity programs through coaching and mentorship as well as connecting them with diverse businesses.
- Michigan Minority Supplier Diversity Council (MMSDC) Collaborative Growth Initiative: a partnership with MMSDC to grow high performing minority owned businesses.
- Joint Technology Framework (JFT): an industry exclusive initiative for Ford’s certified diverse suppliers to enhance their technical capacity and sustainability through access to Ford’s intellectual assets including patented technologies, formulation, processes and/or support from subject matter experts.

Supply chain

As part of its standard procurement process, Ford issues purchase orders that incorporate its Purchasing Global Terms and Conditions (GT&Cs), which this year (2021) include the Supplier Code of Conduct. The Supplier Code is aligned with Ford’s new *We Are Committed to Protecting Human Rights and the Environment Policy*. It requires all production suppliers to know and follow the Code, enforce a similar code of practice and require that subcontractors do the same.

Ford addresses human rights issues in its supply chain using a formal saliency assessment process (applied to the entire company and its supply chain). Conducted in line with the UN Guiding Principles Reporting Framework (UNGPRF), its 2020 formal saliency assessment identified 10 salient human rights issues that have the most potential for severe negative impacts on people through its activities and business relationships. These apply throughout its business and extend to partners and the supply chain, including raw material sourcing. The company takes actions to address these issues and report them in their UN Guiding Principles Reporting Framework. Ford’s Human Rights Governance Team, with oversight from the Director of Global Sustainability, manages and tracks these action plans to prevent, manage and remediate salient human rights issues. Ford reports to be conducting human rights risk assessments at its global manufacturing facilities, including all joint ventures. The company targets to expand risk assessments in 2021 to approximately 75% of its facilities.

The Issuer reports to be implementing a process to assess human rights risks at approximately 75 percent of its global manufacturing facilities in 2021. This process utilizes the RBA online assessment tool²¹ that was developed by human rights experts to help identify areas within facilities that may be more at risk for human rights issues.

Supply chain initiatives include auditing limited high-risk Tier 1 sites with corrective action plans and monitoring through completion. Ford verifies that its suppliers have codes of conduct aligned with its *We Are Committed to Protecting Human Rights and the Environment Policy*. In addition, the company uses Self-Assessment Questionnaires (SAQ) with all suppliers and reports to be currently working to integrate sustainability assessments into its sourcing processes. The company reserves the right to end the relationship with any supplier if they fail to comply with their GT&Cs.

On the other hand, Ford works to create opportunities for diverse suppliers running minority-, women and veteran-owned businesses that foster innovation, drive profitability and prioritize sustainability. Through its nationally recognized Supplier Diversity and Inclusion (SD&I) program, the company facilitates productive business partnerships with a diverse range of entrepreneurs and develops services for customers by driving innovative best practices. It now includes certifications from the National LGBT Chambers of Commerce, Disability:IN, LGBT Detroit, the Small Business Association and WEConnect International.

Product Safety

Ford’s Corporate Safety Policy outlines its commitment to creating vehicles that achieve the highest levels of safety. The company is currently revamping its processes and leveraging cutting-edge technologies to ensure quality, customer satisfaction and recall actions have more visibility and support at all levels of the firm.

The company uses warranty repairs as a key metric to measure initial quality and also includes measures of customer satisfaction to review the quality of its products.

²¹ <http://www.responsiblebusiness.org/>



Ford has increased the use of advanced data analytics and machine learning to help with earlier detection of potential issues across its vehicle portfolio, even before delivering the vehicle to the customer. The company's new Early Quality Issue Suite draws on multiple data sources, from connected vehicles to customer service calls, to accelerate the investigative process.

New tools will enable Ford to trace parts and subsystems more precisely to vehicle-specific builds when an issue arises, rather than issuing wider recalls targeting a date range of vehicle identification numbers, which generally involve broad vehicle populations that may not all be affected.

The company continues to improve investigation tracking and dealer engagement processes. Using an integrated data management system, the company expects to be able to monitor all stages of a quality investigation. Ford is also implementing mechanisms to address potential customer concerns in a faster way, even before delivering the vehicle to the customer, including any flaws, safety risks, and product recalls.

Customer Relations

Regarding Ford Credit projects, the Issuer's proprietary origination scoring models are influenced by capacity ("over-indebtedness") factors; primarily, payment-to-income (PTI) ratio and debt-to-income (DTI) ratio. Additionally, for the purchase of marginal customers (based on the output of the scoring model), Ford Credit employs Risk Factor Guidelines for specific attributes, including capacity measures such as PTI and DTI.

For less creditworthy applicants or if there is a discrepancy in the information provided by the applicant, the credit analyst may verify the identity, employment, income, residency and other applicant information using Ford Credit's procedures before making a decision. Credit analysts' decisions are reviewed regularly to ensure they are consistent with origination standards and purchased contracts exceeding Risk Factor Guidelines are specifically subject to management review.

Ford Credit is committed to the responsive and responsible handling of all consumer complaints as well as to the appropriate resolution of each complaint received. Customer complaints are handled by customer-facing business center employees (e.g. customer service, account servicing, collections), and a dedicated customer relations team that is experienced and authorized to resolve customer issues and handle customer complaints.

All complaints are entered into a complaint tracking system for tracking and reporting purposes, and reports are monitored to promote uniform, consistent, and timely handling. Intelligence gathered from complaints is used to identify trends and risks, implement process improvements and take other appropriate actions as well as to identify and implement process improvements. Ford Credit has established complaint handling procedures, job aids, and training that help guide all customer-facing employees in logging and resolving complaints appropriately.

Ethics Risks

Ford has a Compliance, Ethics, and Integrity Office that manages a compliance program consisting of Code of Conduct, corporate policies, reporting and investigations, training, third party due diligence and other areas of control protecting against corruption.

For the prevention of anti-competitive practices, Ford has an antitrust compliance program, which covers the Code of Conduct and policies addressing antitrust law. The company reports to conduct general and targeted antitrust trainings as well as frequent counselling and advising on specific issues.

The company requires all contractors and suppliers to act in accordance with the Supplier Code of Conduct²². Suppliers must demonstrate appropriate internal controls upon Ford's request and enforce a similar code of practices among subcontractors. To assess compliance, third party supplier audits and Self-Assessment Questionnaires are completed periodically, and the aggregated results of supplier audits are published in conjunction with the Integrated Sustainability and Financial Report annually.

Ford employees and partners can report violations on any of these policies directly to Human Resources or the Compliance, Ethics and Integrity Office, as well as to the Office of General Counsel or the General Auditors' Office. Violations can also be reported using the SpeakUp reporting mechanism, telephone hotlines, websites or email, some of which allow for anonymous reporting. External stakeholders may report by emailing SpeakUp@ford.com.

²² <https://corporate.ford.com/supplier-code-of-conduct>

ISSUER

Management of ESG Controversies

As of today, Ford is involved in 19 ESG controversies²³, related to five of the six domains analyzed by V.E:

- Business behavior, namely “Product safety”, “Environmental standards in the Supply chain”, “Social standards in the supply chain” and “Anti-competitive practices”
- Human Rights, namely “Respect for human rights standards and prevention of violations”, “Non-discrimination” and “Fundamental labor rights”
- Environment, namely “Pollution prevention and control (soil, accident)”, “Waste”, “Water”, “Use and disposal of products” and “Environmental strategy”
- Community Involvement, namely “Social and economic development”
- Human Resources, namely “Responsible management of reorganization”, “Reorganization”, “Social dialogue” and “Quality of remuneration systems”

Frequency: On average the controversies are considered frequent, ranging from: isolated to persistent, above sector average

Severity: The severity of their impact both on the company and its stakeholders is considered overall high, ranging from minor to high, in line with the sector average

Responsiveness: Ford is overall reactive to the controversies, in line with the sector average

Involvement in Controversial Activities

The Issuer appears to not be involved in any of the 17 controversial activities screened under our methodology, namely: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from V.E.

²³ V.E’s controversies screening of Ford covers all the subsidiaries’ controversies.



METHODOLOGY

In V.E's view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity or transaction. In this sense, V.E provides an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review, following three levels: first, the team in contact with the company; then the Executive Director in charge of Methods, Innovation & Quality; and finally, V.E's Scientific Council. All employees are signatories of V.E's Code of Conduct, and all consultants have also signed its add-on covering financial rules of confidentiality.

COHERENCE

Scale of assessment: not coherent, partially coherent, coherent

This section analyses whether the activity to be financed through the selected instrument is coherent with the Issuer's sustainability priorities and strategy, and whether it responds to the main sustainability issues of the sector where the Issuer operates.

ISSUANCE

Alignment with the Green and/or Social Bond Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by V.E according to the ICMA's Green Bond Principles - June 2021 ("GBP") and/or the Social Bond Principles - June 2021 ("SBP"), and/or the Loan Market Association's Green Loan Principles – February 2021 ("GLP"), the TEG proposal for a Green Bond Standard, and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and their sustainable objectives and benefits are a core element of Green/Social/Sustainable Bonds and Loans standards. V.E evaluates the clarity of the definition of the Eligible Categories, as well as the definition and the relevance of the primary sustainability objectives. We evaluate the descriptions of the expected benefits in terms of relevance, measurability and quantification. In addition, we map the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process is assessed by V.E on its transparency, governance and relevance. The eligibility criteria are assessed on their clarity, relevance and coverage vs. the intended objectives of the Eligible Projects.

Management of proceeds

The process and rules for the management and the allocation of proceeds are assessed by V.E on their transparency, traceability and verification.

Reporting

The monitoring and reporting process and commitments defined by the Issuer are assessed by V.E on their transparency, exhaustiveness and relevance, covering the reporting of both proceeds' allocation and sustainable benefits (output, impact indicators).



Contribution to sustainability

Scale of assessment: Weak, Limited, Robust, Advanced

V.E's assessment of activities' contribution to sustainability encompasses both the evaluation of their expected positive impacts on environmental and/or social objectives, as well the management of the associated potential negative impacts and externalities.

Expected positive impact of the activities on environmental and/or social objectives

The expected positive impact of activities on environmental and/or social objectives to be financed by the Issuer or Borrower is assessed on the basis of:

- i) the relevance of the activity to respond to an important environmental objective for the sector of the activity; or to respond to an important social need at country level;²⁴
- ii) the scope of the impact: the extent to which the expected impacts are reaching relevant stakeholders (i.e. the issuer, its value chain, local and global stakeholders); or targeting those populations most in need;
- iii) the magnitude and durability of the potential impact of the proposed activity on the environmental and/or social objectives (capacity to not just reduce, but to prevent/avoid negative impact; or to provide a structural/long-term improvement);
- iv) only for environmental objectives, the extent to which the activity is adopting the best available option.

Activities' ESG risk management

The identification and management of the potential ESG risks associated with the eligible projects/activities are analysed on the basis of V.E's ESG assessment methodology, international standards and sector guidelines applicable in terms of ESG management and assessment.

ISSUER

Management of stakeholder-related ESG controversies

A controversy is an information, a flow of information, or a contradictory opinion that is public, documented and traceable, allegation against an Issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation based on unproven facts.

V.E reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

V.E provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- **Frequency:** reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- **Severity:** the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the company, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- **Responsiveness:** ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, V.E's controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

17 controversial activities have been analysed following 30 parameters to screen the company's involvement in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The specific nature of the controversial products or services provided by the company.

²⁴ The importance of a specific social need at country level is assessed on the basis of the country performance on the priority SDG that the project is targeting using data from Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. 2020. The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press



V.E'S ASSESSMENT SCALES

Scale of assessment of Contribution to sustainability		Scale of assessment of financial instrument's alignment with Green and/or Social Bond and Loan Principles	
Advanced	An advanced expected impact combined with an advanced to robust level of E&S risk management & using innovative methods to anticipate new risks.	Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles by adopting recommended and best practices.
Robust	A robust expected impact combined with an advance to robust level of assurance of E&S risk management or an advanced expected impact combined with a limited level of assurance of E&S risk management.	Aligned	The Instrument has adopted all the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles.
Limited	A limited expected impact combined with an advanced to limited level of assurance of E&S risk management; or a robust expected impact combined with a limited to weak level of assurance of E&S risk management; or an advance expected impact combined with a weak level of assurance of E&S risk management.	Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles, but not all of them.
Weak	. A weak expected impact combined with an advanced to weak level of assurance of E&S risk management or a limited expected impact with a weak level of assurance of E&S risk management.	Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles.

Statement on V.E' s independence and conflict-of-interest policy

Transparency on the relation between V.E and the Issuer/Borrower: V.E has not carried out any audit mission or consultancy activity for Ford Motor Company and or Ford Credit entities, which include but are not limited to Ford Motor Credit Co LLC, FCE Bank plc, and Ford Bank GmBH. No established relation (financial or commercial) exists between V.E and the Issuer. V.E's conflict of interest policy is covered by its Code of Conduct, which can be found at <http://vigeo-eiris.com/wp-content/uploads/2018/07/Code-of-Conduct-Vigeo-Eiris-EN.pdf>

This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond/Loan, based on the information which has been made available to V.E. V.E has neither interviewed stakeholders out of the Issuer/Borrower's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer/Borrower. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer/Borrower. The Issuer/Borrower is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by V.E neither focuses on the financial performance of the Bond/Loan, nor on the effective allocation of its proceeds. V.E is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction. Restriction on distribution and use of this opinion: The deliverables remain the property of V.E. The draft version of the Second Party Opinion by V.E is for information purpose only and shall not be disclosed by the client. V.E grants the Issuer/Borrower all rights to use the final version of the Second Party Opinion delivered for external use via any media that the Issuer/Borrower shall determine in a worldwide perimeter. The Issuer/Borrower has the right to communicate to the outside only the Second Party Opinion complete and without any modification, that is to say without making selection, withdrawal or addition, without altering it in any way, either in substance or in the form and shall only be used in the frame of the contemplated concerned bond/loan(s) issuance. The Issuer acknowledges and agrees that V.E reserves the right to publish the final version of the Second Party Opinion on V.E' website and on V.E' internal and external communication supporting documents.



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