



## Ford Expands Climate Change Goals, Sets Global Target to Become Carbon Neutral By 2050

- Company on track to power all its manufacturing plants with 100 per cent locally sourced renewable energy by 2035; in Europe, Ford is already using 100 per cent green electric energy to power all Ford facilities in UK, Craiova plant, Romania, and in Cologne, Germany
- Europe to be among the first Ford regions to become carbon neutral, before global target
- In the U.S., Ford is the only full line automaker committed to doing its part to reduce CO<sub>2</sub> emissions in line with the Paris Climate Agreement and working with California for stronger vehicle greenhouse gas standards
- Ford of Europe also joined the call for businesses, governments and organisations to work together to develop a Sustainable Europe 2030 strategy
- Ford is investing more than \$11.5 billion in electric vehicles through 2022 and committed to offering an electrified version of every passenger vehicle it brings to market in Europe where it will grow its range of electrified vehicles on sale to 18 before the end of 2021, including mild hybrid, full hybrid, plug-in hybrid and battery electric vehicles

**COLOGNE, Germany, June 26, 2020** – Ford Motor Company intends to achieve carbon neutrality globally by 2050, while setting interim carbon neutrality targets to even more urgently address climate change challenges for example in Europe.

The company announced that ambition as it issued its 21<sup>st</sup> annual Sustainability Report. Ford is the only full line U.S. automaker committed to doing its part to reduce CO<sub>2</sub> emissions in line with the Paris Climate Agreement and working with California for stronger vehicle greenhouse gas standards.

In Europe, Ford is already using 100 per cent green electric energy to power all Ford facilities in the U.K, the Craiova plant in Romania, and all facilities in Cologne, Germany, including the vehicle assembly and engine plants. Ford expects that Europe will be among the first global regions to become carbon neutral.

In November last year, [Sustainable Europe 2030 strategy](#). Initiated by CSR Europe, the European business network for Corporate Sustainability and Responsibility, the call-to-action was endorsed by 380 CEOs in 24 European countries, including Stuart Rowley, president, Ford of Europe.

The company previously announced its plan to use 100 per cent locally sourced renewable energy for all its manufacturing plants globally by 2035. That means energy would come only from sources that naturally replenish – such as hydropower, geothermal, wind or solar.

Carbon neutrality refers to achieving zero carbon emissions by balancing such emissions with carbon removal. To achieve its goal, Ford will focus initially on three areas that account for approximately 95 per cent of its CO<sub>2</sub> emissions – vehicle use, its supply base and the company’s facilities.

Ford said it is setting the 2050 goal fully aware of challenges, including customer acceptance, government regulations, economic conditions and the availability of renewable, carbon-neutral electricity and renewable fuels.

“We can develop and make great vehicles, sustain and grow a strong business and protect our planet at the same time – in fact, those ideals complement each other,” said Bob Holycross, vice president, chief sustainability, environment and safety officer. “We don’t have all the answers yet but are determined to work with all of our global and local partners and stakeholders to get there.”

Ford also is working to develop goals approved and defined by the Science Based Targets initiative for its Scope 1, Scope 2 and Scope 3 emissions. Scope 1 covers direct emissions from company-owned or -controlled sources, while Scope 2 addresses indirect emissions from generation of purchased electricity, steam, heating and cooling consumed by Ford. Scope 3 emissions speak to in-use emissions from vehicles that Ford sells and emissions from its supply base, among others.

The 2050 commitment represents Ford continuing to ratchet up more environmentally friendly performance for its products and operations. In 2019, the company expanded its climate strategy to find more effective ways to integrate the wants and needs of people and its business, along with the possibilities of technology, by applying human-centred, design thinking.

A cross-functional Ford team from around the world – including the U.S., Europe and China – developed the company’s carbon-neutral approach after analysing information on the environment, customers, technology, legislation, energy, competitive approaches, life-cycle assessments and other trends.

Meeting the challenge of climate change is a key responsibility and a strategic priority for Ford.

This includes helping limit the global temperature increase in keeping with the Paris Agreement.

Mindy Lubber, CEO and president of the sustainability nonprofit organisation Ceres, hailed Ford’s long-term goal and encouraged other companies to follow suit.

“We congratulate Ford on its commitment to be carbon neutral by 2050,” she said. “Ford recognises the urgency to address climate change, and we urge every company to take action and commit to science-based targets within their global enterprises.”

Ford is investing more than \$11.5 billion in electric vehicles through 2022, and is committed to offering an electrified version of every passenger vehicle it brings to market in Europe and will grow its range of electrified vehicles in Europe to 18 on sale before the end of 2021, including mild hybrid, full hybrid, plug-in hybrid and battery electric vehicles.

## **Additional Report Highlights**

In addition to the company’s carbon neutrality goal and progress, the report highlights the company’s sustainability work across the company and around the world, including:

- **COVID-19: Keeping People Safe:** The health and safety of employees is one of Ford’s highest priorities. The company moved quickly during COVID-19 to close production sites, use technology to enable many of its employees to work remotely and implement programs to support the physical, mental and emotional health of its team. Around the world, Ford also helped produce ventilators, respirators and personal protective equipment.
- **Electrification:** Ford significantly accelerated its plan for electric vehicles during 2019, unveiling the all-electric Mustang Mach-E that will be available in Europe in early 2021 with a targeted EPA-estimated range of up to 600 kilometers under Worldwide Harmonised Light Vehicles Test Procedure (WLTP) regulations.<sup>1</sup>
- **Circular Economy:** Deriving value from waste material, or “upcycling”, including a new collaboration to turn coffee chaff, a waste byproduct from coffee production, into vehicle parts that uses less petroleum, lowers the weight by 20 per cent and requires up to 25 per cent less energy to produce. The company also has been redirecting waste streams into biomaterials for vehicle parts for years, including using a soy foam alternative to petroleum-based seats – more than 25 million vehicles to date – preventing hundreds of millions of pounds of carbon dioxide from entering the atmosphere.

- **Diversity and Inclusion:** In February, the company signed the United Nations Women’s Empowerment Principles, earned a leadership spot in the Bloomberg Gender-Equality Index for the second straight year, and received a perfect score of 100 in the 2019 Disability Equality Index<sup>®</sup>. Ford’s Sustainability Report also addresses the issue of social injustice. While there are no easy fixes to longstanding systemic issues, Ford is committed to listening, learning and being a leader in co-creating solutions that better the company and society.

To learn more about Ford’s sustainability leadership, progress and commitments, visit [sustainability.ford.com](https://sustainability.ford.com).

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1 Based on full charge when configured with optional extended range battery and RWD. Actual range varies with conditions such as external elements, driving behaviours, vehicle maintenance, lithium ion battery age and state of health. Final EPA-estimated ratings available in the 2020 calendar year.