ANNUAL REPORT 2 0 1 8



STRENGTHENING COMMUNITIES

AND MAKING PEOPLE'S LIVES BETTER



A MESSAGE FROM THE PRESIDENT

2018 was a busy year at Ford Fund – one that allowed us to see firsthand the looks on the faces of people who were the recipients of the programs and services we provide around the world.

We visited families and handed out supplies in Puerto Rico, where people are still reeling from the devastation of Hurricanes Irma and Maria.

We opened a new Ford Resource and Engagement Center in Romania and met many of the community members and social entrepreneurs it will serve.

We watched history in the making as young women in Saudi Arabia had their first-ever opportunity to get behind the wheel with our Driving Skills for Life for Her program.

And in Argentina, we traveled the countryside experiencing the remarkable work of Atomic Lab – an organization that uses 3D printing to make prosthetics for people in rural communities.

Here at home, we shared Ford's plan to transform the iconic Michigan Central Station into a new innovation hub with our longtime partners and friends in Corktown and the surrounding communities of Southwest Detroit. Ford Fund has been active in this neighborhood for years, and we will continue to engage with residents and community leaders to ensure the company is a strong partner as the transformation unfolds.

For decades, we have understood that part of being a trusted company means being there when people need you the most, side by side, doing the hard work. Over the last 70 years, we have invested more than \$2 billion to strengthen communities and help make people's lives better – locally and across the globe.



Puerto Rico

For decades, we have understood that part of being a trusted company means being there when people need you the most.

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Whether we are feeding the hungry, creating hands-on learning experiences for students, supporting multicultural initiatives or helping communities rebuild after a natural disaster, we work with our Ford dealers and other partners to provide access to opportunities that help people reach their full potential.

But we are at an inflection point. We have reached a moment of directional change.

The enthusiasm of the Millennial generation is creating a new movement toward social entrepreneurship. Millennials want to create their own organizations. They want to invest time and money in causes they can personally lead or be involved in. They want to take on age-old problems in new ways.

That is why we continue to expand beyond traditional grant making to find new ways to make an impact.

One example is the marked increase in the number of incubator and accelerator programs we are running around the world to support social entrepreneurs in their quest to develop businesses or nonprofits that help address social issues.

Another example is our creation of a new social impact investment fund, which is allowing us to help nonprofits and social enterprises achieve sustainability and scale while generating financial returns that can be redeployed to further advance our mission. As we prepare to make our first investments in 2019, we are excited to see how this innovative new approach can help grow and expand our impact.

No matter what tools we use, in the end it's about two things — building a strong network of partners and serving people. Our roots run deep in the nonprofit community, with relationships built over decades, allowing us to understand local needs and develop programs that are more impactful and relevant to the people we serve.

I invite you to learn more about how the Ford global team is working together to make the world a better place by exploring the following pages and visiting our new website, www.fordfund.org.

Jim Vella, President, Ford Motor Company Fund

2018 **CONTRIBUTIONS**



\$43.2M COMMUNITY



\$16.5M



\$8.0M



тотаL \$67.7М





1.3M
VOLUNTEER HOURS

'TOTAL OF \$67.7 MILLION REFLECTS
CONTRIBUTIONS FROM FORD MOTOR
COMPANY FUND PLUS FORD
MOTOR COMPANY CONTRIBUTIONS
ADMINISTERED THROUGH FORD FUND.

COMMUNITY LIFE

Ford Motor Company Fund was established in 1949 as the philanthropic arm of Ford Motor Company. At its inception and today, 70 years later, our mission remains the same – to strengthen communities and help make people's lives better. We do this with programing that empowers people, by encouraging and funding innovation, by promoting social mobility and by supporting communities so that they may prosper.

Using a framework we call Operation Better World, Ford Fund works strategically with nonprofit partners and Ford dealers around the world to develop programs to aid communities with hunger and disaster relief, healthcare, cultural activities and more.

In 2018, Ford Fund opened its fourth Ford Resource and Engagement Center

in Craiova, Romania – the first ever in Europe. These engagement centers work to bring nonprofit partners together with Ford Fund to support surrounding communities. Ford Resource and Engagement Center Craiova was designed to be an incubator space for local entrepreneurs to develop and launch initiatives that help drive social and economic progress within the community. Ford Fund also operates two centers in Detroit and one in South Africa. A fifth center is opening in Bangkok, Thailand, in 2019.

Also new to Ford Fund in 2018 was the Limbs Project by Argentina-based **Atomic Lab**. The project provides simple, 3D-printed prosthetic limbs to people in Argentina who are unable to afford more complex prosthetics. Ford Fund's \$50,000 investment helped with the purchase of a 3D printer that is powered by solar panels installed on a Ford Ranger truck provided by Ford Argentina. Atomic Lab founder Gino Tubaro recently became the first recipient of the Ford Social Entrepreneurship Ambassador Award for his work.





Argentina Limbs Project with Atomic Lab



SPOTLIGHT: FORD FUND IN CORKTOWN

When Ford announced our purchase of Michigan Central Station in June 2018 as the centerpiece of a 1.2-million-square-foot innovation campus in Corktown, we promised to "create tomorrow, together." This means we want the community actively involved in making our Corktown campus the next great anchor of Detroit's comeback. In addition to a launchpad for Ford's new mobility solutions, we are just as committed to creating vibrant, inclusive spaces for local entrepreneurs and families. The project will bring approximately 2,500 Ford employees to Corktown and 2,500 jobs with Ford's partners and suppliers who will help us define the future of transportation. Ford Fund and Ford Volunteer Corps have been active in Corktown and the surrounding Southwest Detroit neighborhood for years. As Ford deepens its roots in the area, we are playing a lead role in engaging the community and ensuring the company is a strong local partner.



Bill Ford, executive chairman, Ford Motor Company at Michigan Central Station



Retired Ford Motor Company executives Lewis Booth and Dave Schoch are recognized for their important contributions to community service at the Ford Resource and Engagement Center in Pretoria, South Africa.



Detroit Children's Choir at Ford World Headquarters



Ford Fireworks in Detroit



SPOTLIGHT: **DISASTER RELIEF**

Supporting nonprofit disaster relief efforts is an essential part of Ford Fund's mission to strengthen communities and make people's lives better.

Natural disasters impacted millions of people across the globe in 2018 – from the California wildfires and Hurricanes Florence and Michael in the United States, to droughts, typhoons and flooding throughout Asia, Australia and Africa. Ford Fund provided more than \$1.6 million in grants to internationally recognized aid organizations last year to support these and other relief efforts around the world.



Puerto Rico

When Puerto Rico was hit by two hurricanes in late 2017, Irma and Maria, Ford established pop-up community centers to provide food, water, clothing and transportation in devastated communities across the island. While this support continued throughout 2018, Ford Fund expanded its efforts to also provide longer term recovery assistance through medical and mental health services, educational grants and skills development — for people on the island and those who migrated to Central Florida as well.



Ford Fund matched employee and dealer contributions to support Team Rubicon's relief efforts for Hurricanes Florence and Michael.



Houston

In Houston, Ford and Ford Fund donated 38 vehicles to eight organizations supporting ongoing recovery efforts in Southeast Texas following Hurricane Harvey. Ford Fund also collaborated with the Congressional Black Caucus Foundation to honor 27 individuals with a Ford Freedom Unsung Heroes of Harvey award in recognition of their heroic contributions to their community during hurricane relief efforts in 2017.



Destroyed communities are seen in the aftermath of Hurricane Maria in Toa Alta, Puerto Rico. (Photo: Gerald Herbert, AP)

In 2018, Ford Fund again held its **Ford Disaster Relief Mobility Challenge.** The program awarded four U.S.
nonprofits a \$70,000 grant each to purchase and customize a Ford Transit cargo or passenger van to help meet specific needs of their communities in preparing for or responding to natural disasters. Winners include:



Puerto Rico



Empact Northwest in Kingston, Washington: A nonprofit technical rescue organization that provides immediate response, rescue training and community preparedness



Mercy Chefs in Portsmouth, Virginia: A faith-based nonprofit that serves professionally prepared meals to victims, volunteers and first responders in national emergencies and natural disasters



Second Harvest Food Bank of Greater New Orleans and Acadiana, Louisiana: An organization that provides food access, advocacy, education and disaster response to more than 700 community partners



The Salvation Army Team Emergency Radio Network in Kansas City, Missouri: A volunteer organization of licensed amateur radio operators that provides communication for The Salvation Army during disaster relief efforts



EDUCATION

Education is the foundation for success. It is key to making lives better, creating social change and building sustainable communities. Ford Fund invests more than \$16 million annually to support innovative education programs that take people and communities in new directions and inspire advancements never before imagined. We believe the best way to learn is by doing, by taking classroom and book knowledge and applying it in the real world. These values are central to all of the Ford Fund's signature educational programs, including the following highlights from 2018:

Ford First Gen at Spelman College was launched in 2018 to help improve college graduation rates among first-generation students. The program pairs 55 first-generation students in their first year with 10 juniors – also first-generation students – who serve as peer mentors. Students attend monthly seminars focused on networking, career development and building healthy relationships – all designed to help them succeed throughout their four years in college. They meet with industry professionals for insight into today's workplace, work with Spelman faculty and complete Fordsponsored summer internships. The program at Spelman College is the latest in Ford Fund's decades-long commitment to supporting Historically Black Colleges and Universities and the students who attend them.



Ford First Gen at Spelman College





Brazil backpack program



Ford Resource and Engagement Center graduation ceremony in Pretoria, South Africa



Detroit students learn from Ford engineer

Since 2012, **Ford Driving Dreams** has been supporting students in underserved communities across the United States, Puerto Rico and Latin America – inspiring them to achieve academic success via scholarships and motivational programs that encourage them to stay in school and continue to college. In 2018, the program expanded to Orlando, Florida, and reached a milestone when it launched in Mexico City, partnering with the Ford Dealers Civic Committee to support the nearly 200 Ford schools they have built across Mexico.

In collaboration with local Ford Dealers, Ford Driving Dreams has impacted more than 200,000 students and delivered more than \$10 million in educational resources such as scholarships, book donations, literacy activities, college preparedness, tutoring programs and parental engagement activities.

Ford Next Generation Learning career academies continued to work with communities to develop future scientists, entrepreneurs and inventors who will help make the world a better place for years to come. In 2018, Ford Fund awarded \$50,000 to student-led projects aimed at addressing community challenges as part of the third annual Ford Next Generation Learning STEAM High School Community Challenge. Students at the Academy of Information Technology and Robotics at Spruce Creek High School in Volusia County, Florida, won the \$20,000 grand prize for developing a smartphone application that allows people affected by natural disaster to communicate with emergency responders even when there is no internet or cellular service. The Utica Center for Science and Industry in Sterling Heights, Michigan, won the \$10,000 prize, while four additional teams received \$5,000 each for their innovations.



Ford Driving Dreams Mexico



Next Generation Learning students visit Ford Research and Innovation Center



STEMinista Project



Driving Skills for Life for Her in Saudi Arabia



EmpowerHER



Rhonda Walker Foundation



S.H.A.U.N. Foundation for Girls

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SPOTLIGHT: EMPOWERING WOMEN AND GIRLS

In a year marked by women's activism initiatives around the world, Ford Fund built on its long-standing commitment to empowering women and girls through a number of new and ongoing programs in 2018.

Ford Fund and Michigan Women Forward conducted their inaugural business pitch competition, awarding \$50,000 in investments to female entrepreneurs. Now in its second year, **Empower Change MI** (formerly titled **EmpowerHER**) provides educational opportunities, technical assistance, mentoring and financial assistance to support business startups focused on making their communities better places to live. Ford Fund also launched **HERImpact DC**, in partnership with D.C.-based business accelerator 1863 Ventures.

Saudi Arabia made history when women gained the legal right to drive for the first time in the country's history. Ford Fund marked the event, taking its award-winning **Ford Driving Skills for Life** program to Jeddah's Effat University to introduce nearly 250 Saudi women to the basics of driving.

Ford Fund again collaborated with the **S.H.A.U.N. Foundation for Girls** to conduct Empowered Girl panel discussions, teaching girls how to avoid being a victim of human trafficking.

Meanwhile, Ford Fund continued its support of the Michigan Science Center's **STEMinista Project** – a program designed to increase the confidence and skill sets in girls grades four through eight in their pursuit of STEM fields. STEMinista offers monthly workshops and gives girls opportunities to hear from Ford role models and others who use STEM skills in their daily jobs.

In the United Kingdom, Ford Fund again supported **Loughborough University**'s four-day residential STEM program for 14- and 15-year-old girls interested in science.



SPOTLIGHT: SOCIAL ENTREPRENEURSHIP

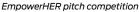
Social entrepreneurship – the process of applying an entrepreneurial mindset to address a social issue – is becoming an increasingly prevalent investment strategy within the world of philanthropy.

Ford Fund's first entry in this space dates back to 2008 with the U.S. launch of the Ford College Community Challenge – an innovative program that awards grants to student-led projects and social enterprises aimed at meeting community needs. In 2014, the Ford College Community Challenge was expanded to nine countries through a collaboration with international nonprofit Enactus and has since become one of Ford Fund's signature global programs.

Since that time, Ford Fund's approach to social entrepreneurship has seen rapid growth, with a marked increase in business incubator and accelerator programs around the world. 2018 highlights include:

- ★ Working with Artemisia, a Brazil nonprofit, Ford Fund provided seed capital and training to 20 startup businesses working on innovative solutions for lower-income families in Brazil facing mobility and transportation challenges
- Henry Ford Entrepreneurship Academy teaches future business leaders to think and act like entrepreneurs; workshops have been held in the United States, Morocco and Saudi Arabia, and expanded to the **United Arab Emirates** in 2018
- ★ Hosting business pitch competitions for veteran entrepreneurs in seven major cities throughout the United States in partnership with Bunker Labs — a national nonprofit that helps veterans and transitioning service members and spouses succeed as entrepreneurs
- ★ Launching a social entrepreneurship incubator space at the new Ford Resource and Engagement Center in Craiova, **Romania**; coaching social entrepreneurs to develop and strengthen their business models as part of the FREC City Accelerator program in **Detroit**; ongoing job and entrepreneurial training classes at the Ford Resource and Engagement Center in Pretoria, **South Africa**







Ford Fund mobility lab in Brazil



Bunker Labs competition in Los Angeles



ACTIVE IN 43 COUNTRIES



DRIVING **SAFELY**

Ford Driving Skills for Life celebrated 15 years of working to teach new drivers safety skills beyond what they learn in driver education programs. At its inception, the program focused on providing additional skills to inexperienced drivers but since has expanded to include distracted and impaired driving techniques, and cyclist and pedestrian safety training. Since 2003, Ford Driving Skills for Life has invested more than \$50 million to provide free, advanced driver education to more than 1 million people. The program originally launched in the United States and now operates in 43 countries, with the addition of the Czech Republic, Madagascar and Morocco in 2018.

Ford Driving Skills for Life's hands-on training is fully customizable to each country for cultural differences, laws and infrastructure. In India, the program talks about honking your horn and how increased noise levels interfere with emergency vehicle sirens. In other countries, drivers are taught not to overload their vehicles with people or possessions.



Hazard recognition and anti lock braking exercise





2018 marked the lifting of a royal decree in Saudi Arabia banning women from obtaining a driver's license. To help Saudi women build confidence behind the wheel, Ford launched a customized introductory program – Ford Driving Skills for Life for Her – at Effat University in Jeddah, Saudi Arabia. More than 250 students were trained on the makeup of a vehicle, distraction, impairment and braking.

In Europe, the team debuted a new Wheelswap virtual reality experience as part of its new Share the Road campaign, allowing participants to see the road from the perspective of cyclists. The training, which seeks to encourage greater empathy among different types of road users, was used in multiple countries around the world last year.



Driving Skills for Life Unsung Heroes of Highway Safety

In recognition of Ford DSFL's 15th anniversary, a national search was conducted for unsung heroes of highway safety. Ford Fund and the Governors Highway Safety Association selected six honorees. They are John Shallenberger of Pekin, Illinois; Martha Tessmer of Fresno, California; Jacob Smith of Whitehouse, Texas; Sandy Spavone of Reston, Virginia; Purnima Unni of Franklin, Tennessee; and Andy Pilgrim of Bowling Green, Kentucky.

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Throughout the past 15 years, we've met hundreds of individuals who share our passion and commitment to traffic safety. The six unsung heroes we recognized last year have all dedicated themselves – personally and professionally – to making roads safer in their local communities and beyond.

- Jim Graham, manager, Ford Driving Skills of Life

EMPLOYEE **VOLUNTEERING**

Ford Motor Company has always considered corporate responsibility a fundamental part of doing business. For 115 years, the company and its employees have volunteered time and resources to bring skills, enthusiasm and teamwork to nonprofits near and far. In 2005, Bill Ford established the Ford Volunteer Corps – a global network of employees and retirees who volunteer their time for community service projects.









Ford Global Caring Month is a signature event that happens annually in September. In 2018, more than 13,000 Ford employees tackled 575 projects in 41 countries. We contributed \$750,000 in grant funding to help nonprofit organizations purchase tools and supplies needed to complete projects. Volunteers in Brazil built a new kitchen at a children's cancer center, shipping containers in South Africa were transformed into classrooms and daycares, while access to water was made available to 3,500 households in two villages in India.

Ford volunteers tackled more than 120 projects in the United States in September, many of them focused on neighborhood revitalization. In Detroit, Ford volunteers were part of an effort that planted more than 600,000 daffodils on Belle Isle, one for every resident of the city. Hundreds of attorneys from Ford's office of general counsel and affiliated law firms from eight countries provided legal aid and assistance to community nonprofit agencies.

In the United Kingdom, Ford employees ran coding classes for primary school children to bring design and technology to life in a fun and engaging way — one of dozens of projects that took place in April as part of the second-annual **Vibrant Volunteer Week** throughout Europe.



Pretoria, South Africa



Employees planting daffodils on Belle Isle in Detroit



2018 Thirty Under 30 Class with Bill Ford

Thirty Under 30 fellows focused their work on housing, homelessness and shelter initiatives. Launched in 2016, the program works to further develop the philanthropic leadership skills of 30 young employees. Thirty Under 30 benefited communities in Canada for the first time in 2018 when a team of fellows focused their work on helping the United Way of Halton and Hamilton, both in Ontario.

The third class of

Bill Ford Better World Challenge continued to inspire Ford employees to find new ways to improve the daily lives of people across the globe by addressing issues of mobility and scarcity of food, clean water and shelter. Last year, Ford volunteers joined in completing the installation of 1,000 toilets in homes and public facilities in three rural villages in India, near Ford's Chennai plant. The improvements will help reduce disease and child mortality rates while improving hygiene and restoring dignity. A community center was built in Guayacan, Mexico, near Ford's Hermosillo plant. The center is providing 750 families with access to uncontaminated water and flushing toilets. We also launched the Ford Mobile Food Farm, an indoor farming and educational program that is delivering fresh produce to Detroit area residents and restaurants year-round.



Ford Mobile Food Farm



Guayacan, Mexico



Bangkok, Thailand



Cologne, Germany

WHAT FORD FUND SUPPORTS

Ford Motor Company Fund supports initiatives and nonprofit organizations in three areas education, community life and driving safely.

We seek to build partnerships with organizations that have a well-defined sense of purpose, a demonstrated commitment to maximizing available resources, and a reputation for meeting objectives and delivering quality programs and services. We place priority on the support and development of organizations that promote diversity and inclusion.

Ford Motor Company Fund evaluates grants on an annual basis. We reserve the right to cease support if the goals and objectives under which the grant was made have been changed by the grantee; if the grantee no longer meets its goals and objectives; and/or if its goals and objectives have become inconsistent with the vision, mission and values of Ford Motor Company Fund.

Ford Motor Company Fund recognizes there are many organizations worthy of support. Unfortunately, budget and policy limitations prevent us from honoring all requests.

WHAT FORD FUND DOES NOT SUPPORT

- Advocacy-directed programs, animal rights organizations, species-specific organizations
- Beauty or talent contests, sports teams, golf outings
- Day-to-day operations, debt reduction or donation of vehicles to business, labor groups or nonprofits
- Efforts to influence legislation, or the outcome of any elections, or any specific election of candidates to public office, or to carry on any voter registration drive, political contributions
- Endowments, fraternal organizations, organizations that do not have 501(c)(3) status, private K-12 schools, religious programs or sectarian programs for religious purposes
- General operating support to hospitals and healthcare institutions
- Individual sponsorship related to fundraising activities, individuals
- Organizations that unlawfully discriminate in their provision of goods and services based on race, color, religion, gender, gender identity or expression, ethnicity, sexual orientation, national origin, physical challenge, age or status as a protected veteran

HOW TO APPLY

Requests for support are accepted and reviewed throughout the year. There are no application deadlines. See the website for a complete description of contribution guidelines and directions for submission. To apply for support, an organization must complete the grant application available online at www.community.ford.com (click on "Apply for Funding"). Please note: Paper applications are no longer accepted.

CONTACT INFORMATION

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To view the Ford Motor Company Annual Report or Ford Motor Company Sustainability Report, visit corporate.ford.com.





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