

**Ford of Europe
and the
Ford European Works Council
(FEWC)
Agreed upon Social Rights and
Social Responsibility Principles**

Preamble

The diverse group of men and women who work for Ford of Europe is our most important resource. In recognition of their contributions, policies and programs have been developed to ensure that our employees enjoy the protection afforded by the principles agreed upon in this document (the "Principles"). While these Principles are not new to Ford, they are vitally important to what we stand for as a company. Consequently, we have chosen to summarise them here in an expression of our European commitment.

The Principles are based on a thorough review of labour standards espoused by various groups and institutions worldwide, including those outlined by the International Labour Organisation. However, they are intended to represent a statement of Ford of Europe's own high standards.

The universe in which Ford of Europe operates requires that these Principles be general in nature. In certain situations national law, local legal requirements, collective bargaining agreements and agreements freely entered into by employees may supersede portions of these agreed upon Principles. Nevertheless, we believe these Principles affirm important, universal values that serve as the cornerstone of the relationship between employees and management for us.

These Principles apply to Ford of Europe and the signatories to this document also confirm their support for the Company's Code of Basic Working Conditions, Business Principles, and Corporate Citizenship strategy.

Employee Representation and Social Dialogue

The achievement of business competitiveness, employee involvement and employment security are positively influenced by good relations and mutual trust between employees and management within the Company. This requires the on-going cooperation of management, unions, works councils, employee representatives and employees, ensuring that social dialogue at Ford of Europe be characterised by mutual respect and understanding. Procedures for information and consultation provide the opportunity for issues to be raised by either the management or employee representatives to ensure that the views of both parties are fully understood.

Ford of Europe recognises and respects its employees' right to associate freely and bargain collectively. The Company will work constructively with the FEWC to promote the interests of our employees and thereby supports European regional cooperation of employee representatives. In locations where employees are not represented by a body of employee representation/unions, the Company will provide opportunities for employee concerns to be heard.

Timely information and consultation is a prerequisite for successful communication between management and employee representatives. Information will be provided in good time to enable representatives to appropriately prepare for consultation.

Collective bargaining on conditions of work is the expression in practice of freedom of association within the workplace, a responsibility to bargain in good faith in order to build trust and productive workplace relations.

Even when disagreement occurs, all parties will be bound by group collective and legislative requirements and the aim will be to reach adequate solutions.

Harassment and Unfair Discrimination

Ford of Europe will not tolerate harassment or unfair discrimination on the basis of gender, race, colour, creed, religion, age, ethnic or national origin, marital/parental status, disability or sexual orientation.

Ford of Europe acknowledges the rights of its employees to submit grievances. From this it follows that any worker who, acting individually or jointly with other workers, considers that he has grounds for a grievance should have the right to submit such grievance without suffering any prejudice whatsoever as a result, and to have such grievance examined pursuant to an appropriate procedure.

Forced or Compulsory Labour

Ford of Europe will not use forced or compulsory labour, regardless of its form.

Child Labour

Ford of Europe opposes the use of child labour. In no event will the Company employ any person below the age of 15, unless this is part of a government-authorized job training or apprenticeship program that would be clearly beneficial to the person participating.

Wages and Conditions

Ford of Europe will promote its employees' material well being by providing compensation and benefits that are competitive and comply with applicable law, and acknowledges the principle of "equal pay for work of equal value".

Hours of Work and Vacation

Ford of Europe will comply with applicable law regulating hours of work and vacation periods.

Occupational Safety and Health Protection

Ford of Europe will strive to protect the safety and health of those who make, distribute or use its products.

The Company will provide and maintain for all employees a safe and healthy working environment that meets or exceeds applicable standards for occupational safety and health. Management and employee representatives work jointly regarding considerations and measures in the field of occupational safety and health protection to eliminate accidents, injuries and fatalities.

Education, Training and Development

Ford of Europe promotes and supports appropriate education, training and development for its employees, and will continue to establish beneficial ties with institutions with expertise in this area, such as universities, research and training facilities.

Continued dialogue in this area between employee representatives and management assists the early identification of employee adaptation needs, ensuring appropriate skills upgrading and improved employability, to meet long-term business requirements.

Suppliers and Business Partners

Ford of Europe will encourage business partners throughout its value chain to adopt and enforce similar policies to those contained in these Principles, as the basis for establishing mutual and durable business relationships. The Company will seek to identify and utilise business partners who aspire in the conduct of their business to standards that are consistent with this document.

Sustainability and Protection of the Environment

Ford of Europe will respect the natural environment and help preserve it for future generations by working to provide effective and practicable environmental solutions and avoiding waste. The Company will work to continuously reduce the environmental impacts of our business in line with our commitment to contribute to sustainable development. The Company will measure, understand and responsibly manage its resource use, especially the use of materials of concern, and the use of non-renewable resources.

Ford of Europe seeks to ensure coherence between social, economic and environmental objectives.

Accountability

Ford of Europe will be honest, open and transparent and model the highest standards of corporate integrity. The Company will compete ethically and avoid conflicts of interest and have zero tolerance for the offer, payment, solicitation or acceptance of bribes.

General

Ford of Europe and the Ford European Works Council commit themselves to the implementation of these Principles on a national/local level. Ongoing compliance with these Principles will be reviewed at the annual meeting of the FEWC with management. The assistance of independent third parties will be sought as appropriate to verify compliance.

Ford of Europe employees will be informed about these Principles and this document will be made accessible to them.

These agreed upon Principles enter into force when this document is signed.

December 4th, 2003

Signatures

Ford of Europe

FEWC

J Fleming

D Hinkelmann

N Caton

R Rowlands

