



Dear Supplier:

Starting in 2020, Ford will require due diligence on your cobalt supply chain to demonstrate that you are sourcing this mineral responsibly. There are serious concerns that cobalt sourced from Conflict-Affected or High-Risk Areas ("CAHRAs") contributes to severe human rights violations, including worst forms of child labor. Customers and investors are demanding that cobalt materials in manufactured products be responsibly sourced. Cobalt supply chain visibility and mapping are important steps towards identifying the refiners that process cobalt for the parts you manufacture for Ford. Ford has outlined its expectations regarding responsible materials sourcing in its Supplier Social Responsibility and Anti-Corruption Requirements Web-Guide.

To support this effort, your company must complete a Cobalt Reporting Template (CRT) for calendar year 2020, including a list of the refiners providing the cobalt contained in the products your company sells to Ford Motor Company. To complete this requirement, you may need to request information from relevant lower tier suppliers.

#### **Action Due by Sept. 30, 2020**

**Submit the completed CRT in Excel format via email to [cmineral@ford.com](mailto:cmineral@ford.com) by replying to this email.**

- Include subject line: **Company name CRT submission GSDB: GSDB code** (GSDB code is found in the subject line of this communication)
- On the CRT in the "Company Unique ID" field (row 12) include the same GSDB code

#### **In-Scope Parts List**

To assist with your cobalt reporting, attached is a list of parts identified through your company's International Material Data System (IMDS) submissions as containing cobalt. These parts are in-scope for cobalt reporting.

#### **2020 Cobalt Reporting Requirements**

- Submit only latest CRT version 2.XX by September 30, 2020 ([CRT Template](#))
- Include GSDB in "Company Unique ID"
- Answer "Yes" to Question 1 for cobalt identified in your parts list/IMDS, or provide explanatory comment. A CRT submission that does not include these details will be assessed as incomplete and resubmission will be required
- Complete the Smelter List tab and identify both cobalt crude refiners and cobalt refiners used to process the cobalt identified in your parts

- In 2020, Ford will require its suppliers to source cobalt from refiners that have been validated as conformant by a 3<sup>rd</sup> party audit such as the RMI's [Responsible Minerals Assurance Process](#) (RMAP)
- Ford will notify you if you report any refiner not listed as “conformant” or “active” on the public [RMI Smelter or Refiner list](#). We expect you to also notify your suppliers if a reported refiner isn't on the RMI “conformant” or “active” lists, and to notify your suppliers to source from 3<sup>rd</sup> party validated refiners throughout your supply chain
- Additionally, we expect your company and your relevant suppliers to contact the refiner directly to participate in a 3<sup>rd</sup> party validated audit such as the RMAP. If suppliers or refiners refuse, we expect you to consider alternate sourcing of cobalt

Mapping the supply chain to focus on refiners enables companies to identify the pinch point. Because refiners that participate in the RMAP are publicly listed, downstream companies may use this data to make informed sourcing decisions.

### **Sanctions Compliance**

Please note that your company must comply with all applicable Ford Production Purchasing Global Terms and Conditions including all Web-Guides. As stated in the Export Controls and Sanctions Compliance Web-Guide,

*Supplier represents that it shall not provide any Supplies to Ford that it procured from, or manufactured using the services, technology or financing of, any individual or entity located in a country or region that is subject to a comprehensive trade embargo, currently including Crimea, Cuba, Iran, North Korea, and Syria, or from any other country in violation of applicable law.*

Also,

*Supplier shall not provide any Supplies to Ford procured from, or manufactured using the services, technology or financing of, any individual or entity designated on a Prohibited Parties List.*

### **Sanctions Compliance Due Diligence Requirements**

Based on your contractual obligations in the Export Controls and Sanctions Compliance Web Guide, please ensure the following:

- Confirm no products provided to Ford contain material from any sanctioned party that may be in your supply chain.
- Once confirmed, ensure no sanctioned party is included in smelter list before submitting a Cobalt Reporting Template (CRT)

For additional direction on completing your CRT, please visit the “Responsible Material Sourcing including Conflict Minerals” section of the Ford Supplier Portal (<https://fsp.portal.covisint.com/web/portal/home>) or send an email to [cmineral@ford.com](mailto:cmineral@ford.com) with your GSDB code in the subject line.

Thank you for your continued efforts.

Sincerely,

Ford Responsible Materials Sourcing Team

[cmineral@ford.com](mailto:cmineral@ford.com)