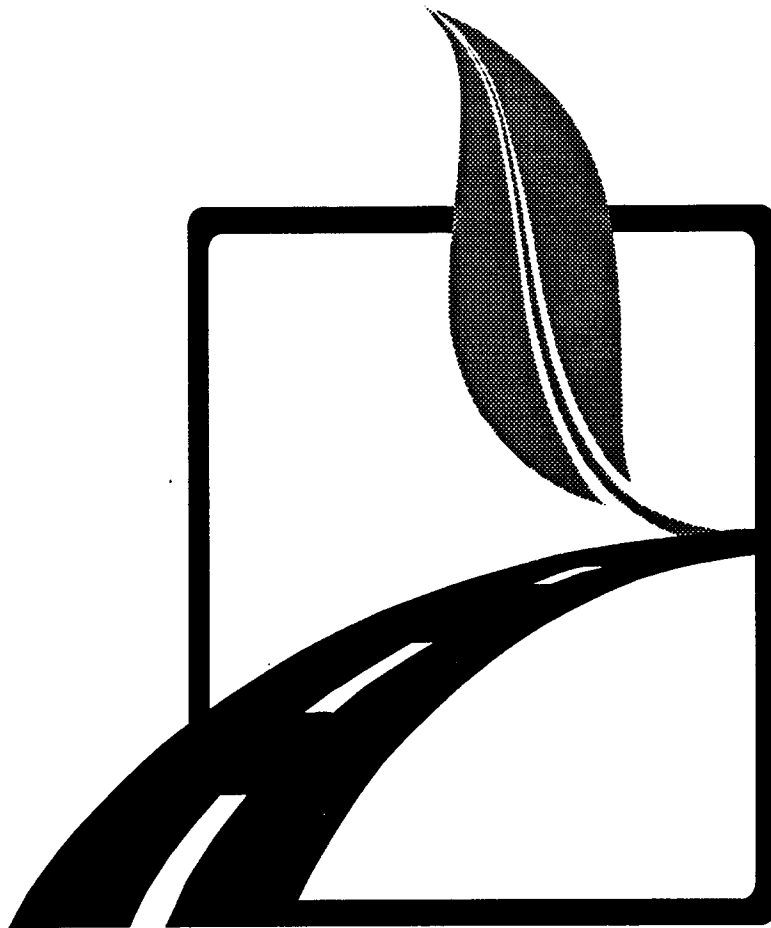


**AT FORD,
WE'RE DEDICATED
TO PROTECTING THE
ENVIRONMENT . . .**



Environmental Outreach & Strategy

March 30, 1995





*At Ford,
we're dedicated to protecting
the environment . . .*

In our products with recycling:

1. **In the U.S., automobiles are among the most highly recycled consumer products.** More than 94% of all salvaged vehicles are processed by dismantlers and shredders. They collect parts and materials for reuse, remanufacturing and recycling. More than 75% of an automobile's content is recycled--including steel, iron, aluminum, copper and other non-ferrous metals.
2. **Ford was the first company to issue worldwide automotive recycling guidelines to its suppliers and engineers.** The guidelines outline ways to design autos for easier disassembly and how recycled and recyclable materials can be used in vehicle and component designs.
3. **Ford's North American assembly plants use protective seat covers made of recycled plastic.** More than 40,000 covers are used daily to protect seats traveling from plants to dealerships. Using recycled plastic eliminates the need for 400,000 pounds of new plastic each year.
4. **Ford has established recycling teams around the world to address all aspects of vehicle recycling, including plastics, rubber and automotive components.** Within Ford, this initiative is being pursued by the Recycling Action Team, known at Ford as the "Rat Patrol".
5. **Ford assembly plants recycle 70 percent of all solid waste material -- more than 380 million pounds annually.** That's enough to cover 72 football fields edge to edge and waist high.
6. **Ford was honored by the Society of Plastics Engineers as the first automaker to recycle salvaged plastic parts** from its previous models back into new Ford vehicles. Working with GE Plastics, Ford is using a material created from salvaged Ford plastic bumpers to mold new taillight housings for the Ford Taurus and Mercury Sable wagons.
7. **Old battery casings are reused by Ford's Milan (Mich.) Plastics Plant and battery recycler KW Plastics of Troy, Ala., to make polypropylene splash shields on the Ford Taurus and Thunderbird, Mercury Cougar and Sable, and Lincoln Continental and Town Car.** In this program alone, Ford uses more than 5 million pounds of recycled polypropylene annually.
8. **Ford is using recycled soda pop bottles in vehicle plastic parts to annually save more than 50 million 2-liter plastic bottles from being put in landfills.** They are used in grille opening reinforcements and luggage racks in several cars and light trucks.
9. **Old tires are being recycled by Ford and its supplier, Syntene Co., as part of a pilot program.** The material is used to create such parts as brake pedal pads, which are being tested on a fleet of Taurus police cars, Crown Victoria taxicabs and Town Car limousines.
10. **Old plastic water cooler bottles from offices will be recycled into new headlamp housings for the 1995 Ford Explorer and Ranger pickups.** Using recycled plastic eliminates the need for more than 240 tons of new plastic annually and keeps the water bottles from ending up in landfills.
11. **Old computer housings and telephones will be recycled to make grilles for Ford's Econoline vans and F-Series pickups.**

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In the use of our products with alternative fuel vehicles:

1. **Ford was the first auto manufacturer to put large numbers of alternative fuel vehicles on the road in North America.** The company has been working on alternative sources of energy for vehicles for more than 30 years. In the past 10 years, that effort has accelerated in response to public concerns about energy security and environmental protection.
2. **Hybrid Electric Vehicle development is proceeding under a five year, \$138 million cooperative research program between Ford and the Department of Energy.** The goal of this program is to create hybrid vehicle prototypes that combine electric vehicle components with conventional systems to increase fuel efficiency, reduce tailpipe emissions and operate on alternative fuels - while meeting customer expectations for cost, safety and performance. The program represents a significant challenge because hybrids must possess all the technical sophistication of electric vehicles combined with the additional requirements of a conventional system.
3. **Ford is a leader in alternative fuel technology, and the Ecostar is the latest example** of our efforts to move electric vehicle technology forward. The Ecostar -- which incorporates an advanced sodium sulfur battery -- has the greatest combination of cargo capacity and range of any electric vehicle on the road today and features more advanced electronics than any vehicle except for concept cars. But even with these technological strides, electric vehicles remain a challenge because of their high cost, limited range and limited battery life.
4. **1996 will make the fourth model year for production of the Ford Taurus FFV (flexible fuel vehicle).** The FFV operates on methanol, unleaded gasoline or any combination of the two fuels. Operating on methanol, the car's smog-forming potential can be reduced by 30 percent. With the past three model years combined, Ford has placed nearly 7,500 of the alternatively fueled Taurus models on the road. The 1996 Ford Taurus FFV will also be offered to run on ethanol.
5. **Ford is offering a natural gas powered Ford F-Series pickup** for sale in selected markets (Texas currently). The "bi-fuel" vehicle operates on natural gas or gasoline through two separate fuel tanks. Natural gas powered for 1996, Ford Crown Victoria sedans will be produced beginning the 3rd quarter 1995. It is expected to be the first natural gas powered passenger car produced in-house by an automaker.
7. **Ford currently is the only American automaker to offer a factory-warranted, emissions-certified, medium-duty truck that operates on propane** (liquified petroleum gas). In the last year, Ford had sold more than 2,300 propane-powered F-700 trucks -- more than triple the sales volume for the entire previous model year. Certification tests show that the trucks produce 55% fewer hydrocarbons and 35% fewer nitrogen oxide emissions.

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In our processes with waste minimization and efficiency:

1. **Ford has eliminated CFCs from its vehicles and manufacturing processes in North America.** Air conditioners in all new Ford, Lincoln and Mercury cars and light trucks have been designed to use a new, "environmentally friendly" refrigerant that is CFC-free. Ford plants also have eliminated the CFCs once used in manufacturing.
2. **The Environmental Protection Agency cited Ford's "exemplary efforts to protect the ozone layer."** The EPA gave Ford its Stratospheric Ozone Protection Award for eliminating CFCs in products and processes.
3. **The President's Commission on Environmental Quality has recognized Ford for a model pollution prevention program.** Ford developed an innovative water and detergent-based washing system to clean radiators rather than the chemical-based solvent previously used.
4. **Even the packaging is reused at Ford.** Ford works with its suppliers to reduce packaging wastes. For example, 95 percent of the production parts used by Ford's Romeo Engine Plant in Michigan are packaged in returnable containers.
5. **Ford saves more than \$300,000 annually through its laser printer toner cartridge recycling program.** In addition to the cost savings from not having to buy new cartridges, the company last year helped keep more than 30 tons of the cartridges from landfills.
6. **"Reduce, Reuse and Recycle" is a Ford motto.** Approximately 100 active recycling programs are in place within Ford in North America alone. Employees now routinely reuse or recycle telephone books, magazines, printer cartridges, three-ring binders and manuals. In addition, most of the company's printed products -- including the annual report, employee newspaper, business cards and stationery -- are printed on recycled paper, often using environmentally friendly soybean-based ink.
7. **Ford's gasoline-powered vehicles are "cleaner" than ever.** Since the 1960s, Ford has reduced the hydrocarbon and carbon monoxide emissions from its vehicles by 98 percent, using highly sophisticated vehicle computers and advanced technology.
8. **Today's Ford vehicles get double the fuel economy of 20 years ago.** Such innovations as aerodynamic designs, lightweight materials, improved tire performance, sophisticated transmissions and advanced engines have led to significant fuel-economy gains. In fact, Ford's largest car today gets better fuel economy than the company's smallest car 20 years ago.

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In our cities with community action:

1. **Ford supports conservation of endangered species, preservation of tropical rainforests and natural births of animals through participation in Zoo Atlanta.** This program, a coalition of Ford and other area businesses, Atlanta and Georgia government agencies, and Emory University, has as its theme: "Conservation: because extinction is forever". Zoo Atlanta also includes an educational component for children who visit the zoo, as well as the Ford "Zoo-mobile" to reach those in outlying areas.
2. **Ford establishes wildlife habitats outside its plants.** The Wildlife at Work program encourages community programs to educate children on the importance of preserving endangered species, lands and other natural wildlife environments.
3. **An exhibit called "The Stinking Truth About Garbage" is being co-sponsored by Ford and Chicago's Department of the Environment.** It has been on display at the Chicago Children's Museum since July, 1992 and focuses on educating children on the need to reduce, reuse and recycle. The exhibit will run through spring 1998.
4. **"Helping the Planet A to Z",** an environmental poster designed and written for children, was sponsored by Ford and produced in conjunction with the exhibition "The Stinking Truth About Garbage" at the Chicago Children's Museum.
5. **Ford helps give used yuletide cards a second life.** Ford locations collect card fronts in January for St. Judes Ranch, a non-profit, nonsectarian home for neglected and abused children. The kids earn pocket money for every card they cut, trim, and paste into a new card. More than 270,000 cards were collected from Ford last year -- internally by employees and externally at the Detroit auto show and the general public -- representing the largest card donation ever.
6. **Since May 1990 Ford has sponsored six programs for our national parks.** In cooperation with the National Park Service, educational multi-image orientation programs have been produced for Kings Canyon National Park, Everglades National Park, Acadia National Park, Shenandoah National Park and Chattahoochee River National Recreation Area, which will reach more than 12 million park visitors through the year 1999.
7. **Not only is Ford promoting recycling within the auto industry, but the company is also reaching out into the educational community.** Ford is working with four universities -- Carnegie Mellon, University of Detroit Mercy, University of Florida and University of Oklahoma in Tulsa -- on vehicle recycling research projects.
8. **Ford is sponsoring the Smithsonian Institution's new traveling environmental exhibition, "Ocean Planet",** the largest ocean conservation project ever presented. Ocean Planet will open at the National Museum of Natural History in Washington D.C. April 22, 1995 (25th anniversary of Earth Day) and then travel to 11 U.S. cities through 1999.

The more than 7,000 square foot exhibition will combine state-of-the-art computer animation, interactives and other means in its educational outreach effort to promote understanding of how our lives are influenced by the health of the oceans and to promote their conservation.

9. **Children will learn how their choices make a positive impact on the environment when they visit a new Ford-sponsored interactive museum exhibit called "EarthQuest: The Challenge Begins".** EarthQuest, which opened in February at the Franklin Institute Science Museum in Philadelphia, takes visitors on an interactive adventure through cyberspace inside a giant video game. EarthQuest also will tour major science and natural history museums in 14 other cities throughout the U.S. and Canada during the next 5 years.