

**FORD MOTOR COMPANY AND SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 21. EMPLOYEE SEPARATION ACTIONS AND EXIT AND DISPOSAL ACTIVITIES (Continued)**

***United Automobile, Aerospace, and Agricultural Implement Workers of America ("UAW") Voluntary Separation Packages***

As agreed in the collective bargaining agreement ratified in November 2019, during the first quarter of 2020, we offered voluntary separation packages to our UAW hourly workforce who were eligible for normal or early retirement and recorded associated costs of \$ 201 million in *Cost of sales*. All separations occurred during 2020. In addition, we also offered voluntary separation packages in 2022 to certain of our UAW hourly workforce who were eligible for normal or early retirement and recorded associated costs of \$ 19 million in *Cost of sales*.

**Ford Credit**

Accumulated foreign currency translation losses included in *Accumulated other comprehensive income/(loss)* at December 31, 2022 of \$ 223 million are associated with Ford Credit's investments in Brazil and Argentina that have ceased operations. We expect to reclassify these losses to income upon substantially complete liquidation of Ford Credit's investments, which may occur over multiple reporting periods. In 2022, we reclassified losses of \$ 155 million to *Other income/(loss)*, net upon the liquidation of three investments in Brazil. Although the timing for the completion of the remaining actions is uncertain, we expect the majority of losses to be recognized in 2024 or later.

**NOTE 22. ACQUISITIONS AND DIVESTITURES**

**Company Excluding Ford Credit**

*Ford Romania S.R.L. ("Ford Romania")*. On July 1, 2022, we completed the sale of Ford Romania, our wholly-owned Romanian manufacturing subsidiary, to Ford Otosan, a joint venture in which Ford has a 41 % ownership share. The transaction resulted in deconsolidation of our Ford Romania subsidiary in the third quarter of 2022. The fair value of consideration received, consisting of cash and a note receivable, approximated the carrying value of Ford Romania at the time of sale. The Ford Romania plant in Craiova, Romania will continue to manufacture Ford-branded vehicles for Ford and Ford Otosan. Ford's portion of the output is expected to be significant; as a result, at the time of sale there were about \$ 100 million of assets, such as embedded leases, and related liabilities that continue to be reported as part of our financial statements.

*Sanand, India ("Sanand") Plants*. In the third quarter of 2022, we entered into an agreement to sell our Sanand vehicle assembly and powertrain plants to Tata Passenger Electric Mobility Limited ("Tata"), a subsidiary of Tata Motors Limited. The sale transaction includes the land, buildings, and other fixed assets (excluding the powertrain machinery and equipment) for the plants. Accordingly, we have reported \$ 88 million of fixed assets for this operation as held for sale for the period ended December 31, 2022. We recognized, in *Cost of sales*, pre-tax impairment charges of \$ 32 million in the third quarter of 2022 to adjust the carrying value of the held-for-sale assets to fair value less costs to sell. We determined fair value using the market approach, estimated based on the negotiated value of the assets. After the sale to Tata, Ford will continue to operate the powertrain facility by leasing back the associated land and building.

On January 10, 2023, we completed the sale of the plants to Tata, which will result in derecognition of the fixed assets and recognition of the powertrain facility operating lease right-of-use asset and related lease liability in the first quarter of 2023. The fair value of the cash consideration received approximated the carrying value of the fixed assets at the time of sale.

*Skinny Labs Inc., dba Spin ("Spin")*. On April 1, 2022, we completed the sale of Spin, our wholly-owned micro-mobility provider, to TIER Mobility SE, a German-based micro-mobility provider, which resulted in the deconsolidation of our Spin subsidiary in the second quarter of 2022. In exchange for our shares of Spin, we received preferred equity in TIER Mobility SE, which is reflected in our consolidated balance sheets in *Other assets* as of the second quarter of 2022. The fair value of the preferred equity approximated the carrying value of Spin at the time of the transaction.

*Electriphi, Inc. ("Electriphi")*. On June 18, 2021, we acquired Electriphi, a California-based provider of charging management and fleet monitoring software for electric vehicles. Assets acquired primarily include goodwill, reported in *Other assets*, and software, reported in *Net property*. The acquisition did not have a material impact on our financial statements.