

Effective Tax Rate Reconciliation to Adjusted Effective Tax Rate

	2020	2021	2022
<u>Pre-Tax Results (\$M)</u>			
Income/(Loss) before income taxes (GAAP)	\$ (1,116)	\$ 17,780	\$ (3,016)
Less: Impact of special items	(2,003)	9,583	(12,172)
Adjusted earnings before taxes (Non-GAAP)	<u>\$ 887</u>	<u>\$ 8,197</u>	<u>\$ 9,156</u>
<u>Taxes (\$M)</u>			
(Provision for)/Benefit from income taxes (GAAP)	\$ (160)	\$ 130	\$ 864
Less: Impact of special items (a)	(721)	1,924	2,573
Adjusted (provision for)/benefit from income taxes (Non-GAAP)	<u>\$ 561</u>	<u>\$ (1,794)</u>	<u>\$ (1,709)</u>
<u>Tax Rate (%)</u>			
Effective tax rate (GAAP)	(14.3)%	(0.7)%	28.6 %
Adjusted effective tax rate (Non-GAAP)	(63.2)%	21.9 %	18.7 %

(a) 2020 includes an expense to establish valuation allowances primarily against U.S. tax credits; 2021 reflects a benefit from recognizing deferred tax assets and favorable changes in our valuation allowances offset by the tax consequences of unrealized gains on marketable securities; 2022 reflects the tax consequences of unrealized losses on marketable securities and favorable changes in our valuation allowances.

Net Cash Provided by/(Used in) Operating Activities Reconciliation to Company Adjusted Free Cash Flow (\$M)

	2020	2021	2022
Net cash provided by/(used in) operating activities (GAAP)	\$ 24,269	\$ 15,787	\$ 6,853
Less: Items not included in Company Adjusted Free Cash Flows			
Ford Credit operating cash flows (a)	\$ 21,592	\$ 15,293	\$ (5,416)
Funded pension contributions	(570)	(773)	(567)
Global Redesign (including separations) (b)	(503)	(1,855)	(835)
Ford Credit tax payments/(refunds) under tax sharing agreement (a)	477	15	147
Other, net	(583)	(421)	(58)
Add: Items included in Company Adjusted Free Cash Flows			
Company excluding Ford Credit capital spending	\$ (5,702)	\$ (6,183)	\$ (6,511)
Ford Credit distributions (a)	3,290	7,500	2,100
Settlement of derivatives	(171)	(255)	(90)
Company adjusted free cash flow (Non-GAAP) (a)	<u>\$ 1,273</u>	<u>\$ 4,590</u>	<u>\$ 9,081</u>

(a) 2020 amounts have been updated as a result of the adoption of ASU 2019-12, *Simplifying the Accounting for Income Taxes*.

(b) 2021 and 2022 Global Redesign excludes cash flows reported in investing activities.