



Rivian Automotive, Inc.

Group 6:

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Agenda

Market and Industry Overview

Company Overview

Business Model Canvas

Balanced Scorecard Review

- Financial perspective
- Customer perspective
- Technology and innovation
- People, culture and ESG

Proposed Actions



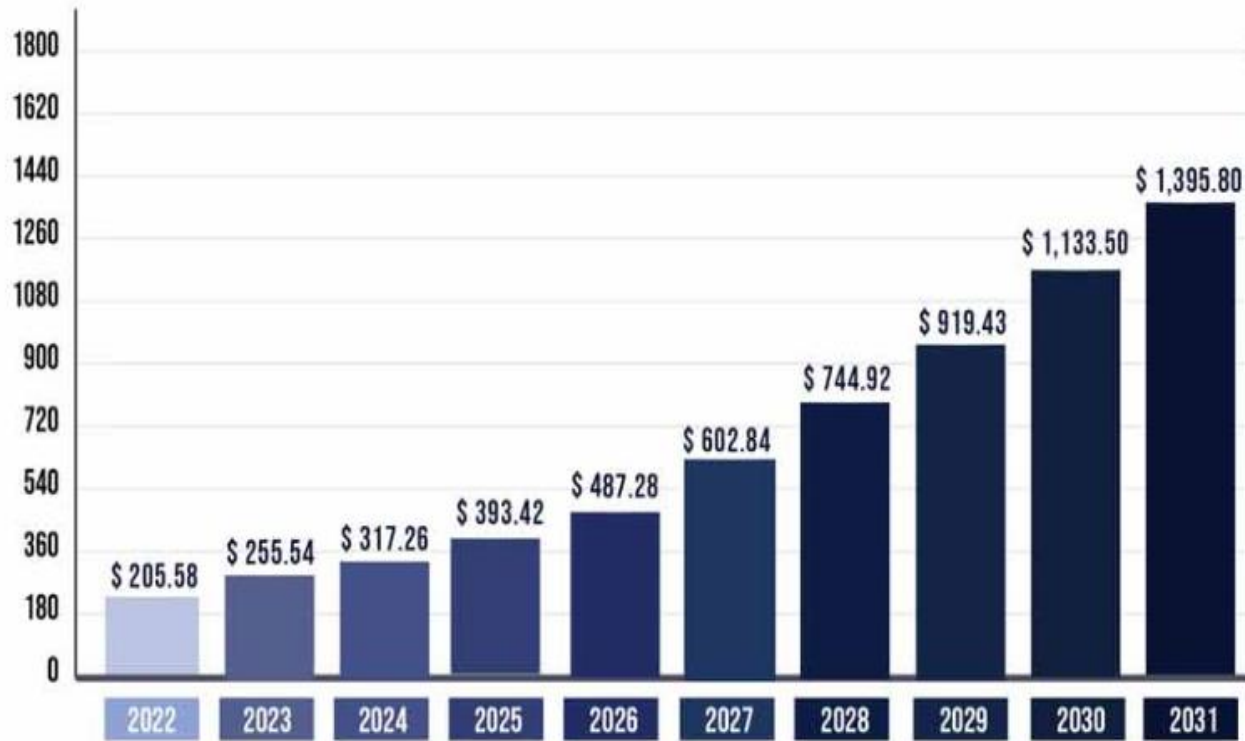
Market & Industry Overview



Global EV Market Overview

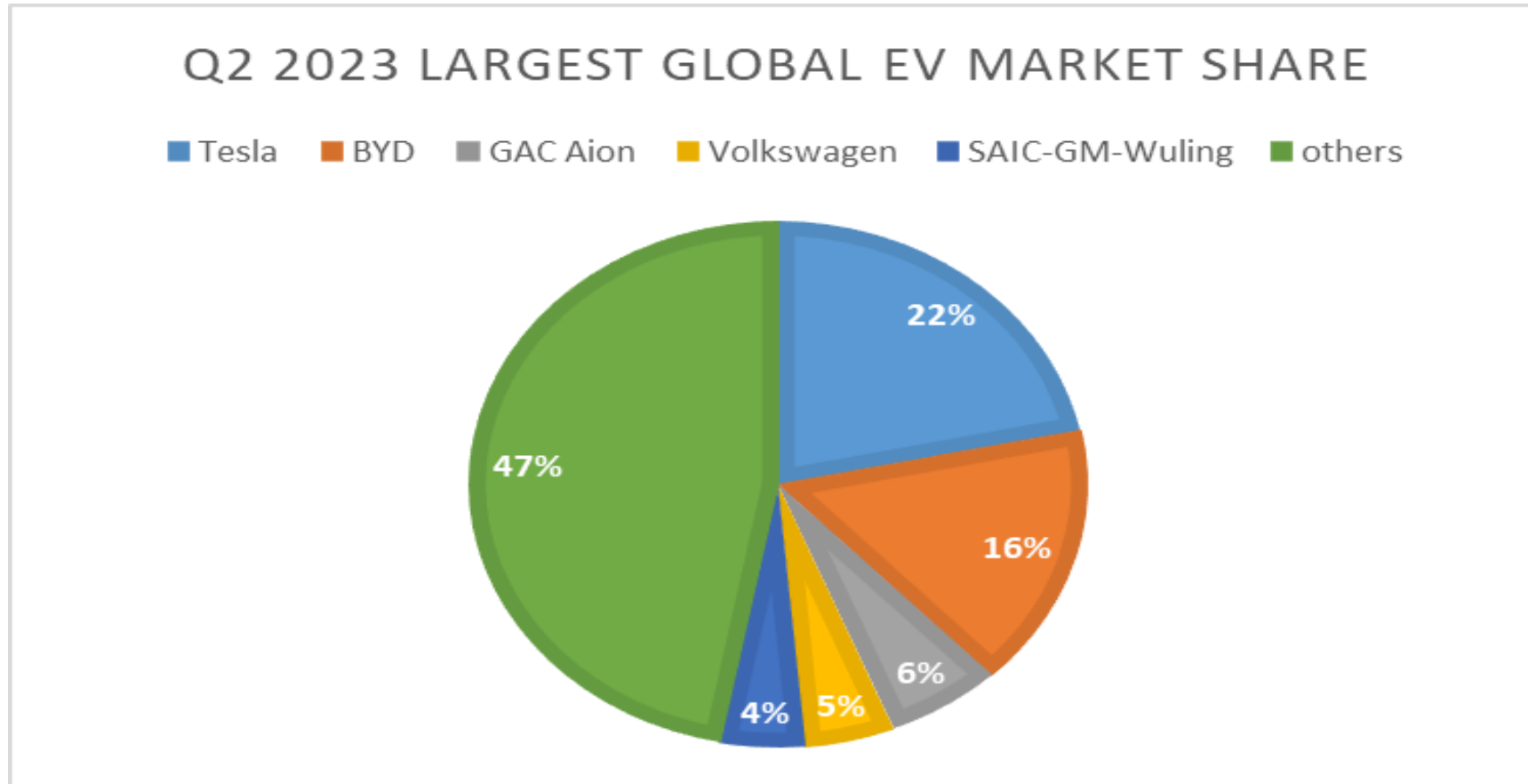


ELECTRIC VEHICLE MARKET SIZE, 2022 TO 2032 (USD BILLION)



- **Market Size & Growth:** The global EV market was valued at USD 205.58 billion in 2022, expected to reach USD 1,395.8 billion by 2031.
- **Annual Growth Rate:** Anticipated Compound Annual Growth Rate (CAGR) of 17.8% during the forecast period.
- **Sales Forecast:** EV sales are projected to reach 17.07 million units by 2028. In 2023, sales are expected to be around 13.8 million, rising to over 30 million by 2030.
- **Global Trends:** Approximately 380 electric car models on sale globally as of June 2023, with annual sales of about 18.9 million units. Market penetration of plugged-in EVs was ~13% in 2022 and could exceed 20% by 2026.

Q2 2023 Largest Global EV Market Share



Rivian Market share is less than 1% and goal is to reach 10% by 2030





Rivian Overview



Rivian: Innovating for a Sustainable Future

Foundation and Vision:

- **Founded:** 2009
- **Founder:** RJ Scaringe
- **Mission:** Dedicated to building sustainable transportation solutions that inspire adventure.
- **Headquarters:** Irvine, California, USA
- **Primary Plant:** Located in Normal, Illinois, underlining its commitment to manufacturing in the United States.



Rivian's IPO



Detail	Information
IPO Date	November 9, 2021
First Trading Day	November 10, 2021
Ticker Symbol	RIVN
Exchange	Nasdaq Global Select Market
Initial Offering Price	\$78.00 per share
Opening Price on First Day	\$106.75
Highest Price on First Day	\$119.40
Closing Price on First Day	\$100.73
Number of Shares Offered	153 million shares
Additional Option for Shares	22,950,000 shares (for underwriters)
Closing Date of Offering	November 15, 2021 (expected)
Amount Raised	\$11.9 billion
Valuation	Approximately \$66.5 billion



Rivian's Core Offerings

The Rivian Ecosystem

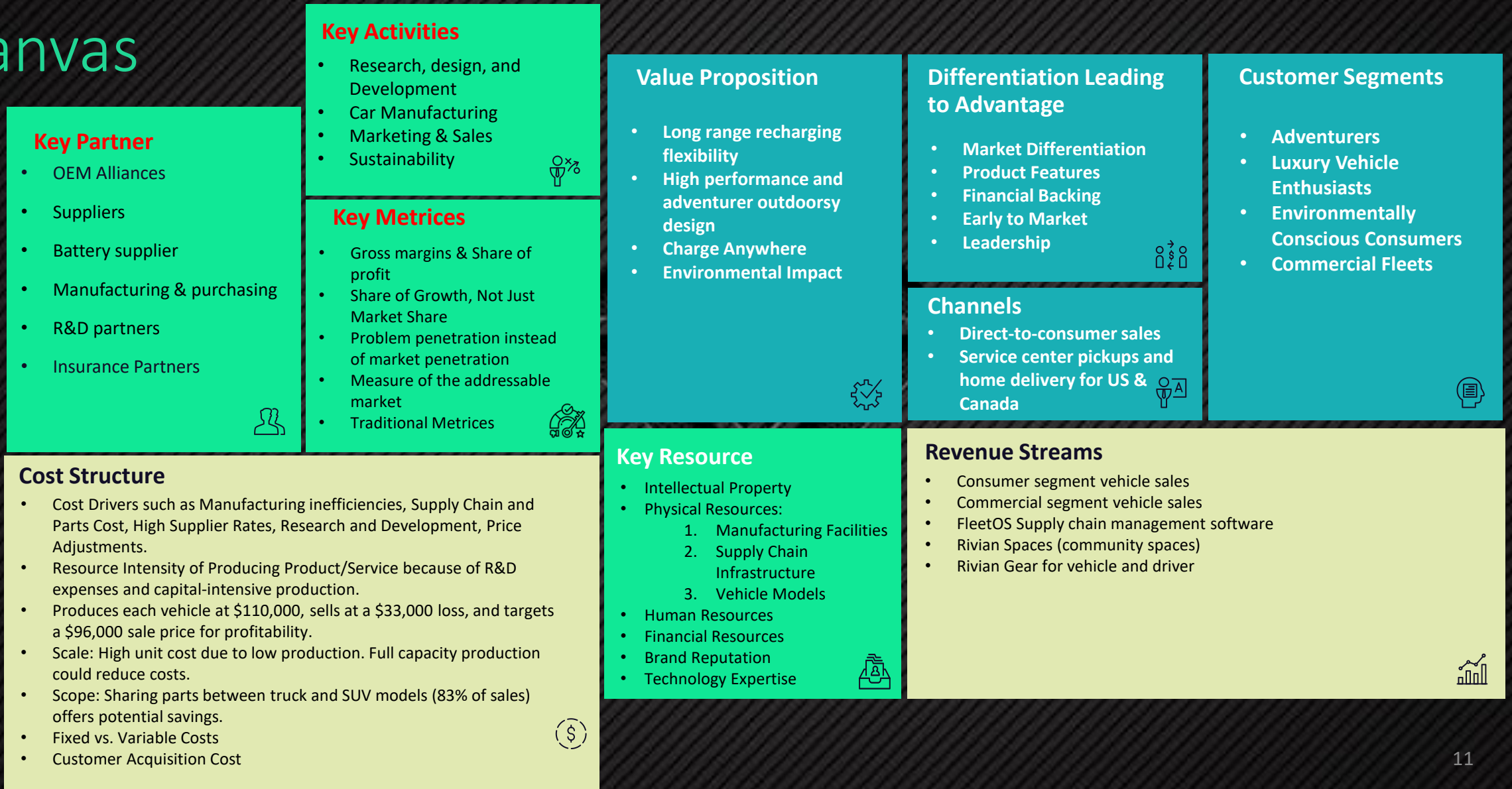
1. Consumer Vehicles
 2. Consumer Services
 3. Charging Solutions
 4. Commercial Vehicles
 5. Commercial Services
 6. Direct-to-Customer Model
-



Business Model Canvas



Business Model Canvas

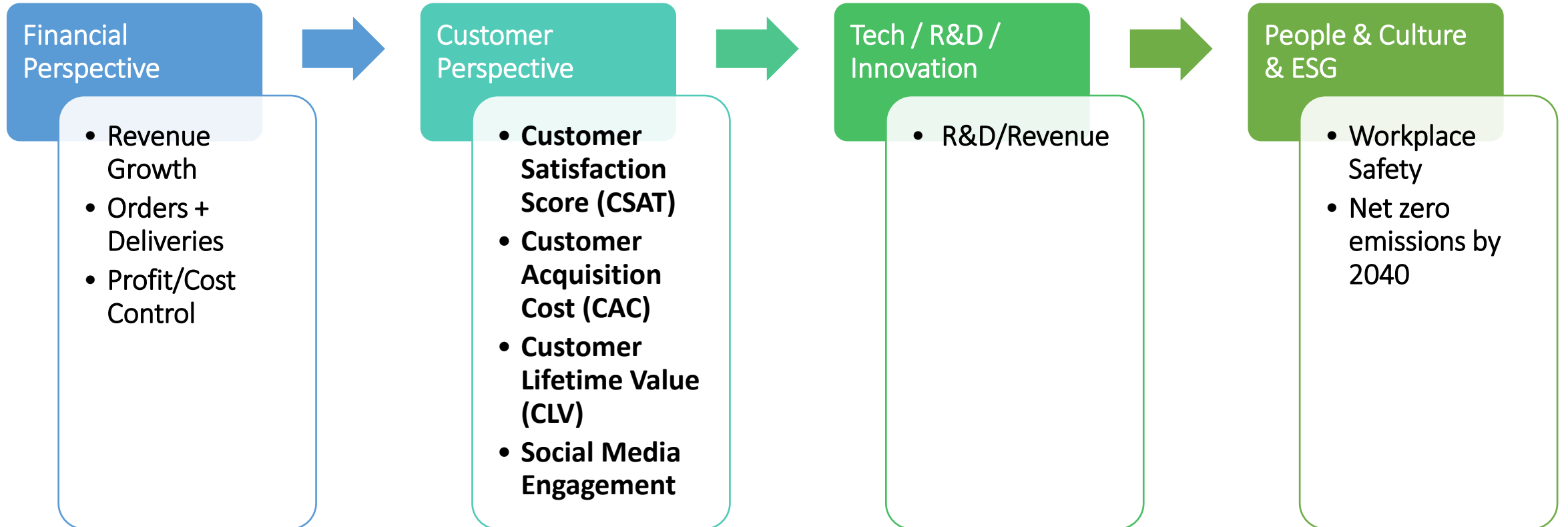




Balanced Scorecard



Balanced Scorecard Overview





Financial Perspective



Financial Perspective: Revenue Growth

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Revenue Trend	% Growth – period over period vs LY	(revenue this period – revenue previous period)/revenue previous period	Quarterly & Annually	+595%	2-3x growth YoY

IN USD THOUSANDS
QUARTERLY ▾

Quarterly Ending:	9/30/2023	6/30/2023	3/31/2023	12/31/2022
Total Revenue	\$1,337,000	\$1,121,000	\$661,000	\$663,000
Cost of Revenue	\$1,814,000	\$1,533,000	\$1,196,000	\$1,663,000
Gross Profit	-\$477,000	-\$412,000	-\$535,000	-\$1,000,000
Operating Expenses				
Research and Development	\$529,000	\$444,000	\$496,000	\$402,000
Sales, General and Admin.	\$434,000	\$429,000	\$402,000	\$393,000
Non-Recurring Items	–	–	–	–
Other Operating Items	–	–	–	–
Operating Income	-\$1,440,000	-\$1,285,000	-\$1,433,000	-\$1,795,000
Add'l income/expense items	\$128,000	\$144,000	\$123,000	\$105,000
Earnings Before Interest and Tax	-\$1,312,000	-\$1,141,000	-\$1,310,000	-\$1,690,000
Interest Expense	\$55,000	\$54,000	\$38,000	\$33,000
Earnings Before Tax	-\$1,367,000	-\$1,195,000	-\$1,348,000	-\$1,723,000
Income Tax	–	–	\$1,000	–
Minority Interest	–	–	–	–
Equity Earnings/Loss Unconsolidated Subsidiary	–	–	–	–
Net Income-Cont. Operations	-\$1,367,000	-\$1,195,000	-\$1,349,000	-\$1,723,000
Net Income	-\$1,367,000	-\$1,195,000	-\$1,349,000	-\$1,723,000
Net Income Applicable to Common Shareholders	-\$1,367,000	-\$1,195,000	-\$1,349,000	-\$1,723,000



Revenue is a useful indicator for assessing the business's sales, price, and customer demand.

Revenue growth is especially sought after for new companies as investors will often apply added emphasis on demand and revenue over profitability especially in high cost environments such as the automobile industry as operating losses are to be expected in the early launch period.



Financial Perspective: Profit & Cost Control

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Profitability	Profit Margin	(Units Sold x ASP) - (COGS)	Quarterly & Annually	<div> <div>-\$477M GP</div> <div>-\$32k Per Vehicle</div> </div>	+ profit per vehicle

IN USD THOUSANDS
QUARTERLY ▾

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Gross Profit	-\$477,000	-\$412,000	-\$535,000	-\$1,000,000



Profit Margin and more specifically, gross profit and the relation between revenue, cost of revenue, and gross profit per vehicle are a critical measure for Rivian as they work to scale towards profit.

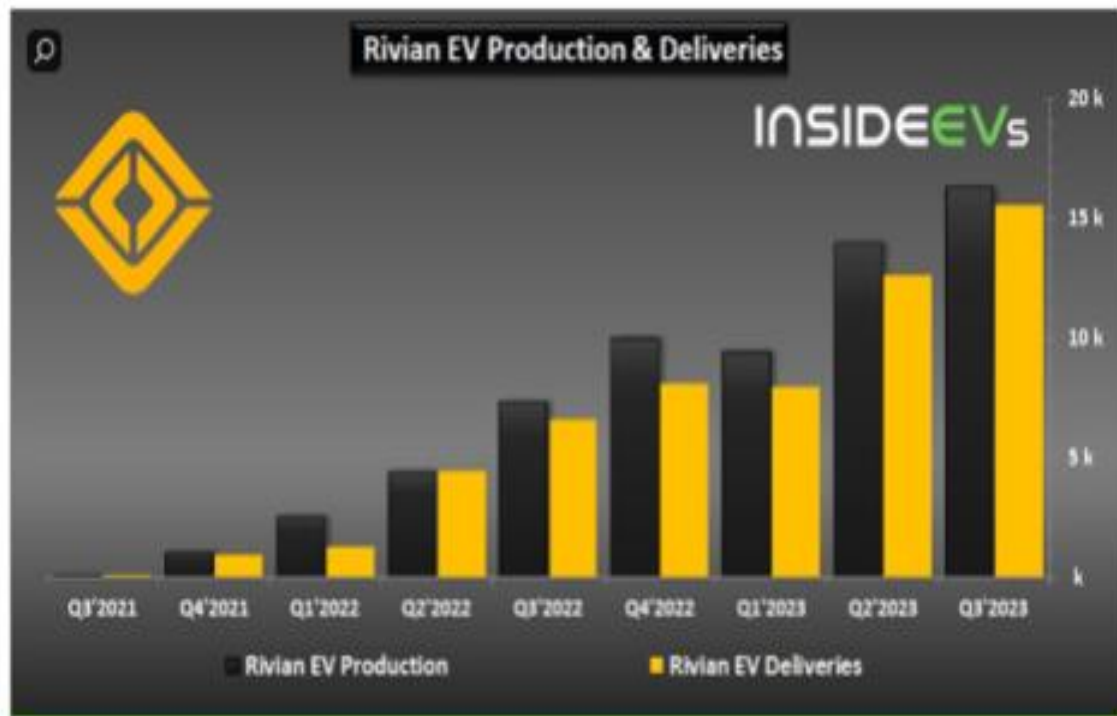
While growth, revenue, and demand are all very important, it is also critical that Rivian is investing in both process and resources to help it become profitable.

Currently the company is operating at a loss, but is improving its cost profile and losing less per vehicle now than it was



Financial Perspective: Orders & Deliveries

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Production Qty & Delivered Qty	Revenue	Customer Orders received vs Customer Orders produced and delivered	Quarterly & Annually	16k produced 15.1k delivered	18k



Production Qty vs Delivered Qty is a critical measure to gauge the company's ability to fulfill the customer demand.

Rivian as a early car company will be graded heavily by investors on its ability to (1) drive and initiate demand via customer orders and (2) its ability to then fulfill the demand it gains. Additionally, investors will want to see demand & deliveries + productions growing!





Customer Perspective



Customer Perspective: Customer Satisfaction

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
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Customer Satisfaction Score (CSAT)

Survey-based

Measure of overall customer satisfaction with Rivian's products and services based on surveys or feedback forms.

Quarterly

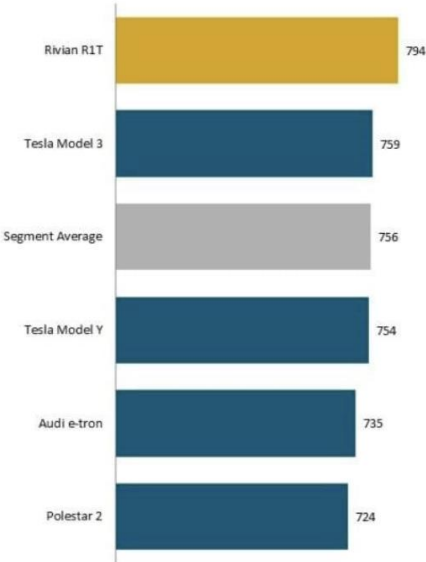
87%

90%

**J.D. Power
2023 U.S. Electric Vehicle Experience (EVX)
Ownership StudySM**

Overall Customer Satisfaction Index Ranking
(Based on a 1,000-point scale)

Premium Battery Electric Vehicles



Measure of overall customer satisfaction with Rivian's products and services based on surveys or feedback forms.

87% is the most recent CSAT for Rivian
It is consistent improvement but its needed to surpass industry standard.

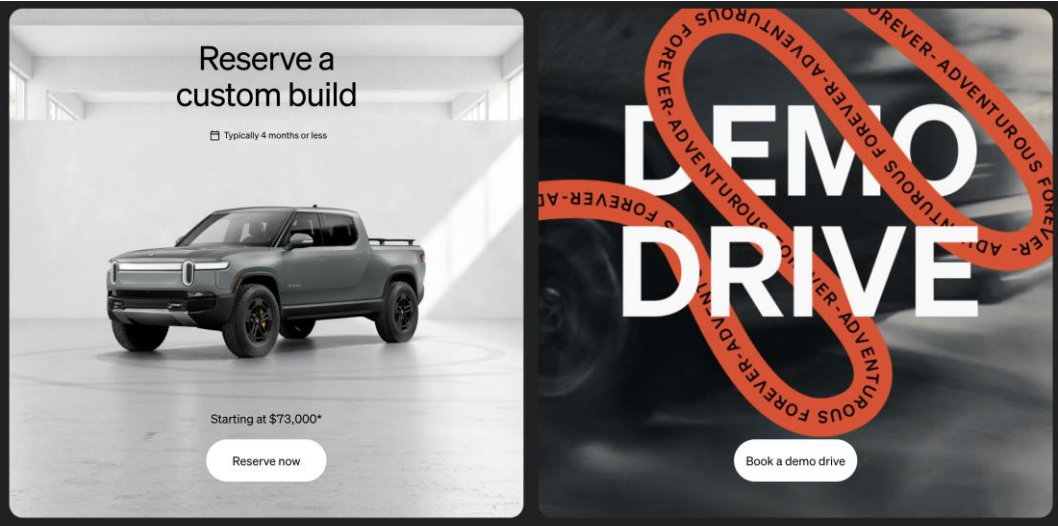
Rivian R1T earns highest satisfaction ranking of any vehicle in 2023 J.D. Power U.S. Electric Vehicle Experience Ownership Study

Source: J.D. Power 2023 U.S. Electric Vehicle Experience (EVX) Ownership StudySM
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.



Customer Perspective: Customer Satisfaction

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Customer Acquisition Cost (CAC)	Financial	Cost associated with acquiring new customers for Rivian's products or services.	Quarterly	\$750	\$650



CAC is a crucial metric for Rivian to assess the effectiveness of its marketing and sales efforts in acquiring new customers. Continuous optimization and tracking of CAC help Rivian ensure cost-effective strategies for customer acquisition while maintaining competitiveness in the electric vehicle industry.



Customer Perspective: Customer Satisfaction

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Customer Lifetime Value (CLV)	Financial	Total value a customer brings to Rivian over their entire relationship, including repeat purchases and referrals.	Yearly	\$50,000	\$55,000



This indicates the average total revenue expected from a customer during their entire relationship with the company.

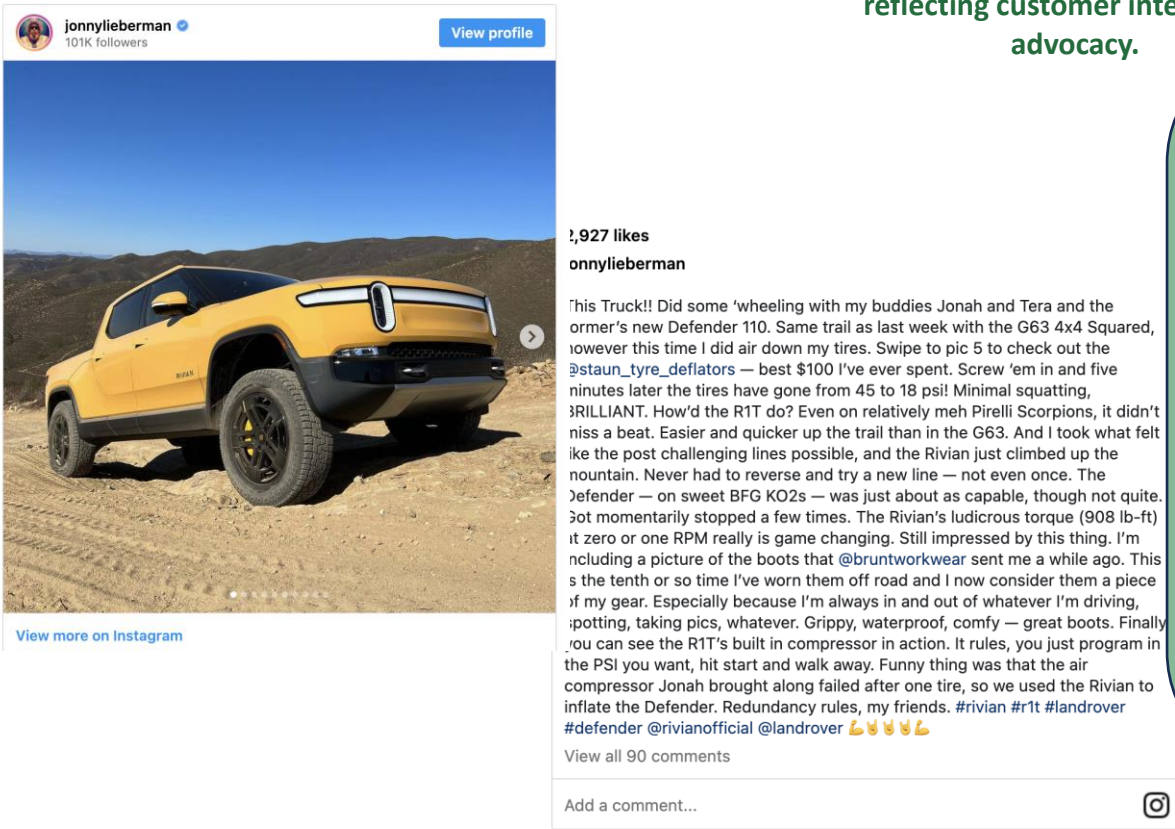
CLV can be attributed to loyalty programs and personalized offerings.

Focus on enhancing customer value over time.



Customer Perspective: Customer Satisfaction

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Social Media Engagement	Engagement-based	Measure of likes, shares, comments, and user-generated content related to Rivian, reflecting customer interest and advocacy.	Monthly	12,000 engagements/ 30% followers increase	15,000 engagements





Rivian's strong social media engagement reflects its brand resonance, indicating customer interest and advocacy, potentially impacted by marketing initiatives and content strategies.

Consistent engagement is crucial for brand visibility and advocacy.



Brand Positioning





Technology & R&D Perspective



R&D/Revenue as a Key Factor of Success

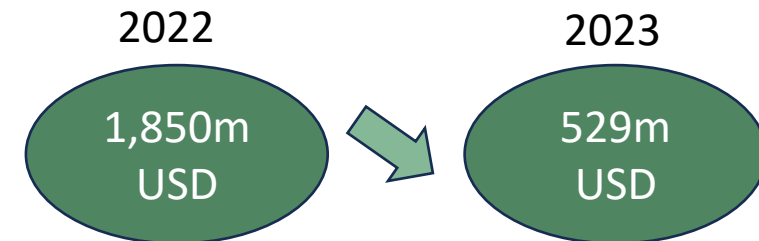
Performance measure name	Type of measure	Definition of measure	Frequency of reporting	Company results for most recently available data
R&D	R&D expense as a percentage of revenue(%)	R&D expense /Revenue	Quarterly Here is the 2023 yearly KPI	c. 40%

Rivian invests heavily in its technology and innovation, at levels similar to market players, in order to:

- 1- Create an enhanced after-sale quality of service:
- 2- Keep improving the software and hardware platform to provide high-end features and an enhanced driving experience
- 3- Create economies of scale through the build-up of new processes to eventually reach break-even

Rivian is now launching its commercialization phase, what will compromise its ability to invest in tech.

Rivian's invest. In R&D





People, Culture & ESG Perspective



People, Culture & ESG: Diversity & Inclusion

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Total Recorded Incident Rate	People - Workplace Safety	The number of incidents during total hours of production	Quarterly & Annually	2.5 PER 200,000 Hrs	6.4 = Industry Avg.



Car manufacturing, especially when a newer company and trying to accelerate production can be dangerous and accidents with machinery can happen.

Rivian currently has recognized about 2.5 incidents per 200,000 hours for its TRIR which is better than the industry avg of 6.4 cases.

The company also says that in the last year they have improved by 44% - 44% less incidents



People, Culture & ESG: Emissions

Performance Measure Name	Type of Measure	Definition of measure	Frequency of Reporting	Company Results for most recently available data	"Reasonable" benchmark target
Environmental Impact of Emissions	ESG	Measure of GHG emissions for total company and operations	Quarterly & Annually	TBD	0 by 2024

Results to be available early Q1'24 for the first time!



Rivian has said that the firm is "We are focused on accurately accounting for the comprehensive impact of our business through transparent impact reporting. In 2023, after our first full calendar year of production, we will publish our first impact report."

Rivian has signed the Climate Pledge to reach zero emissions by 2040 – 10 years ahead of the Paris Agreement



Proposed Action – The Path to Profit

Decrease the price to position itself on the low-cost market to capture a market share in a concentrated market

Keep investing heavily in R&D to both enhance customer experience & decrease unit cost

Keep a low turnover of highly-skilled engineers working on technology

Increase the production to the maximum level to lower the burn rate

Build Community Spaces to drive and increase customer engagement

ESG Transparency – match to company ethos – elevate reporting with Impact Reporting

Proposed Action – The Path to Profit

Financial

- Drive volume via price reduction to position for lower-cost markets & optimize capacity
- Increase production to maximize op capacity and reduce burn rate

Tech & R&D

- Amplify R&D investment to remain 'best in class' with product offerings – what are the next Rivian models?
- Invest in tech to enhance consumer experience AND improve cost profile for mftg.

People + ESG

- Build Community Spaces to drive and increase customer engagement
- ESG Transparency – match to company ethos / mission – elevate reporting to consumer with environmental Impact Report

Appendix

Please use the following slides and images wherever applicable

Customer perspective

In 2022, global electric vehicle sales surpassed 10.2 million units, an increase of 55% over 2021

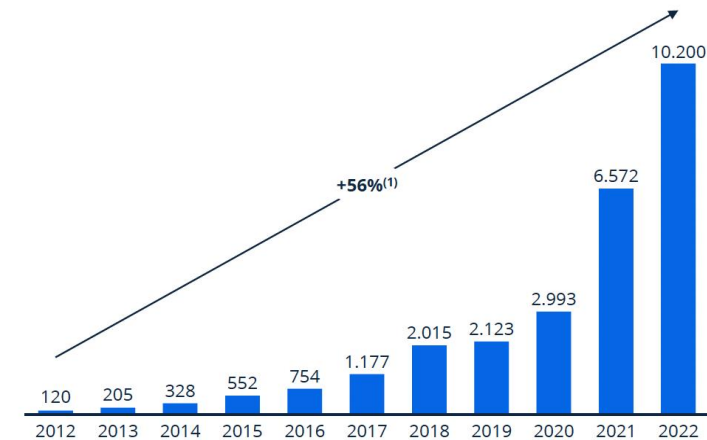
Rivian's Value Proposition:

1. High-performance EVs with aesthetic appeal.
2. Aligns with eco-conscious consumer preferences.
3. Innovation in tech and utility (R1T truck, R1S SUV) for diverse market segments.

Number of EVs sold reached the ten million mark in 2022

Electric vehicles: Sales (1/2)

Global plug-in electric vehicle sales in thousands



15 Notes: (1) CAGR: Compound Annual Growth Rate
Sources: International Energy Agency (IEA)



Direct-to-Consumer Sales:

Bypasses traditional dealerships, offering a personalized buying experience and direct customer relations.



Electric Adventure Vehicles:

Focuses on a niche market with products like the R1T electric pickup and R1S electric SUV, designed for durability and off-road capability.



Strategic Partnerships:

Key collaborations, notably with Amazon for producing 100,000 electric delivery vans, enhancing commercial EV presence.



Technology and Innovation:

Emphasizes R&D in efficient battery systems, autonomous driving tech, and user-centric vehicle platforms.



Sustainability Focus:

Commitment to eco-friendly manufacturing, sustainable materials, and reducing overall carbon footprint.



Service Network:

Developing a combination of remote diagnostics, mobile service units, and physical service locations for customer convenience.

Customer perspective



EV Market Growth:

Global plug-in EV market surged from 120k in 2012 to 10.2M in 2022 at a CAGR of 56%.

2022 saw a 55.2% increase over 2021 due to stringent emissions regulations, subsidies, and eco-conscious consumers.



Regional Sales Share:

Mainland China dominates with 58% sales share in 2022 (5.9M EVs sold).

U.S. and Germany follow at 10% each (990k and 830k cars sold).

UK, France, Norway combined for 9% share (876k cars sold).



Drivers of EV Market:

Government policies, "Tesla effect," lower battery costs, 5G rollouts, Battery-as-a-Service model.

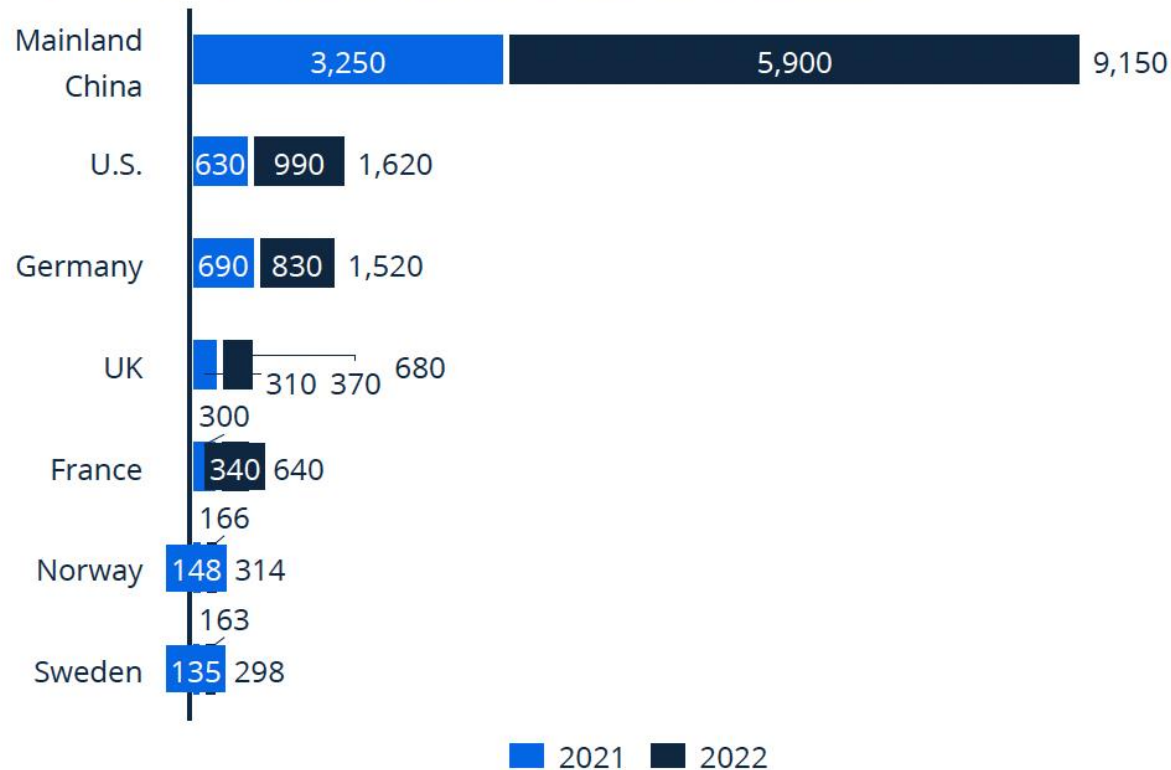
Govt incentives drive EV sales for emission goals; Tesla reshaped EV image with performance focus.

Future growth driven by 5G, new business models like Battery-as-a-Service.

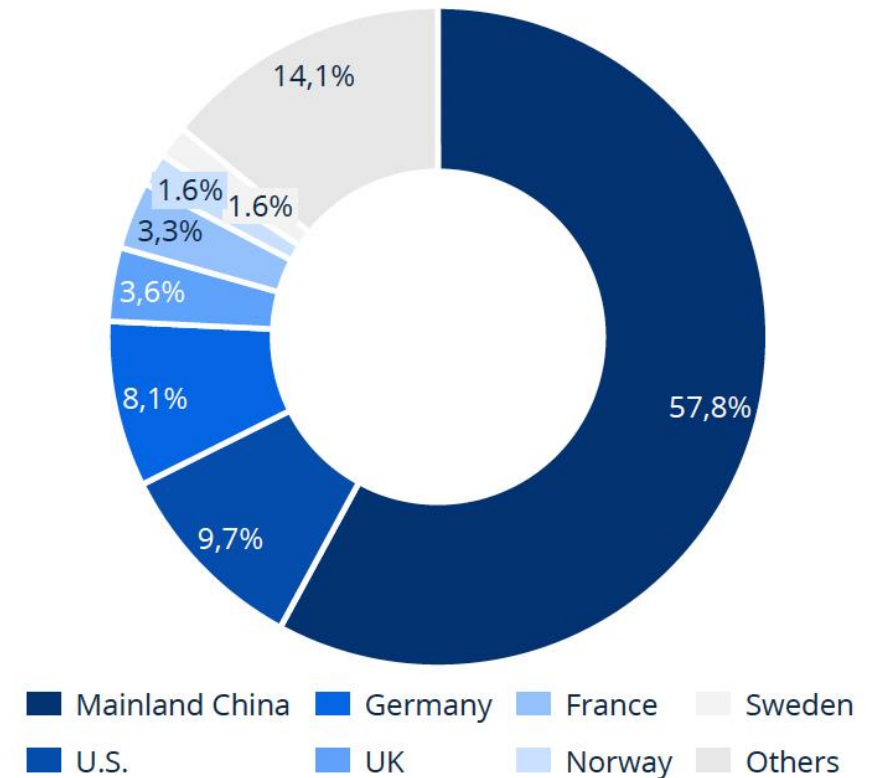
Mainland China is the leading country in terms of EV sales

Electric vehicles: Sales (2/2)

PEV⁽¹⁾ and PHEV⁽²⁾ sales in selected countries in thousands



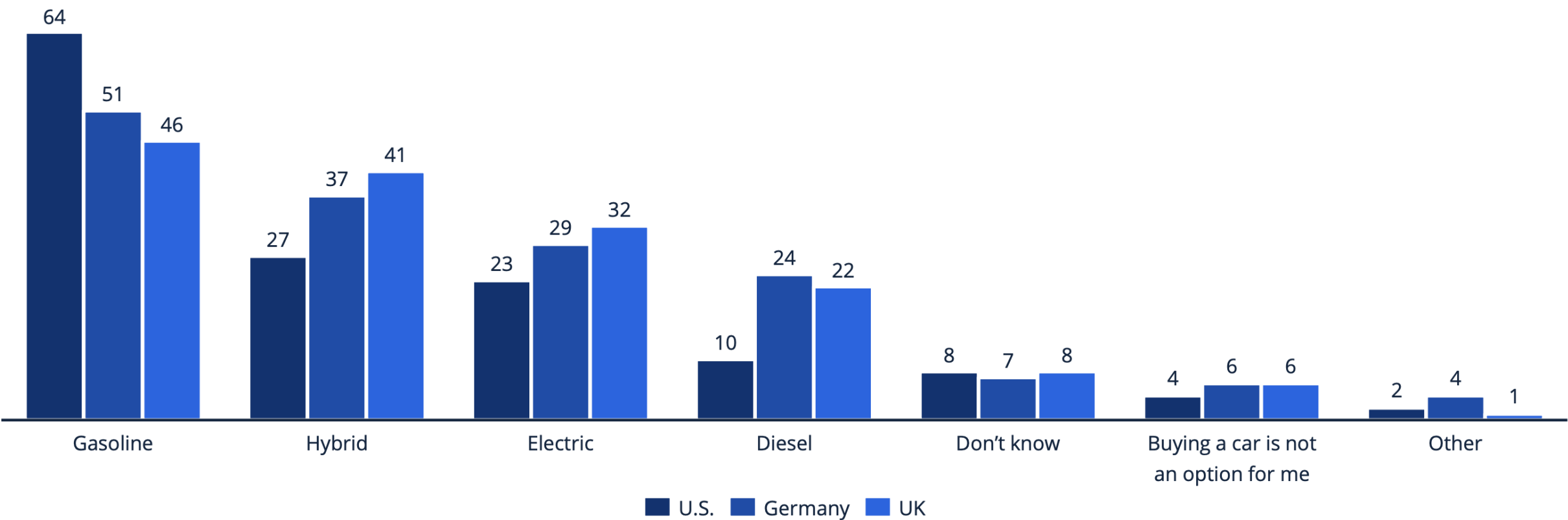
Share of leading countries in PEV⁽¹⁾ and PHEV⁽²⁾ sales in 2022



Gasoline still the most probable drive for future car purchases

Electric cars: Overview (2/3)

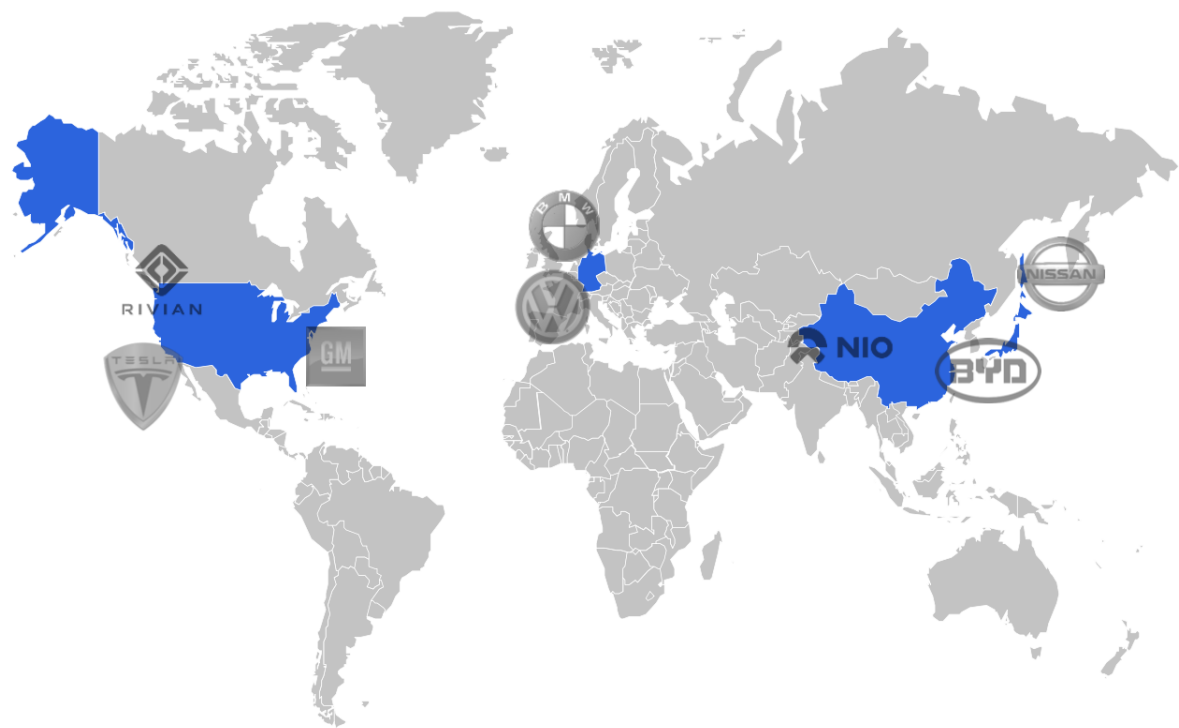
Probable drive in a future car in %



NIO and Rivian are the two biggest challengers to Tesla

Company comparison

Location of selected leading OEMs in EV development



Company	Headquarter	Selection of EV models	USP
BMW	Munich, Germany	<ul style="list-style-type: none">BMW iX, i4, i7BMW Mini Electric	<ul style="list-style-type: none">Sustainable/recycled interiorSpecial leasing/rental offers
BYD	Xi'an, Shaanxi, Mainland China	<ul style="list-style-type: none">BYD Han, AttoBYD Qin, Tang	<ul style="list-style-type: none">Domestic market focusLower prices
General Motors	Michigan, U.S.	<ul style="list-style-type: none">Bolt EVLYRIQ	<ul style="list-style-type: none">Futuristic projects⁽¹⁾Lower price compared to Tesla in >200 miles battery range
NIO	Shanghai, China	<ul style="list-style-type: none">eT5 and eT7ec6es6 and es8	<ul style="list-style-type: none">Battery-as-a-ServiceAvailability of rescue van service with integrated chargers
Nissan	Yokohama, Japan	<ul style="list-style-type: none">Nissan LeafNissan Ariya	<ul style="list-style-type: none">Advanced dedicated IT system⁽²⁾
Rivian	California, U.S.	<ul style="list-style-type: none">R1TR1SEDV700	<ul style="list-style-type: none">Focus on pickup trucks and SUVs instead of carsDistinctive styling
Tesla	California, U.S.	<ul style="list-style-type: none">Tesla Model STesla Model 3Tesla Model X, Y	<ul style="list-style-type: none">Supercharger infrastructureCost-free chargingOver-the-air software updates
Volkswagen	Wolfsburg, Germany	<ul style="list-style-type: none">E-up!E-GolfID.4	<ul style="list-style-type: none">US\$100 billion EV spending until 2026Reliable battery supply chains

129 Notes: (1) Wireless and solar EV charging stations (2) Remote charging and status check via mobile apps

Sources: Annual reports; Corporate newsletters

Rivian's IPO toppled Facebook from its position among U.S. companies

Rivian (1/2)

Founded in 2009, Rivian Automotive is an American electric vehicle manufacturer. The company, whose investors include Amazon, Ford, and T. Rowe Price, among others, is currently manufacturing an electric pickup truck (R1T) and a sports utility vehicle (R1S). Production of the FF91 line of sedans is set to begin in 2022. Like Tesla, Rivian uses a skateboard platform, a flexible proprietary architecture that facilitates the seamless manufacture of different types of vehicles.

Although Rivian had made only 1,015 vehicles at its factory in Illinois by the end of 2021, plans are being made to ramp up production at its new US\$5 billion factory just outside Atlanta, Georgia in 2024. At present, the company's largest order is to produce 10,000 electric delivery vans for Amazon by the end of 2022 and 90,000 more by the end of the decade.

In November 2021, Rivian raised nearly US\$12 billion in what was the biggest IPO of the year and assigned the company a valuation of over US\$100 billion. This was more than the valuations of General Motors, Ford, and Honda but far behind Tesla's. However, the company's market value has since dropped to approximately US\$65 billion. Rivian plans to use these funds to produce 150,000-200,000 vehicles annually by 2023/2024.



List of suppliers (List 1)

Audio - [Meridian](#)

Suspension - [Tenneco](#)

Could be almost anything - [Magna](#)

Tires - [Pirelli](#)

Seats - [Hyundai Transys](#)

Batteries - [Samsung](#)

Motors - [Bosch](#)

Braking System - [Bosch](#)

Front End - [Plastic Omnium](#)

Multiple Components - [Ningbo Tuopo Group](#)

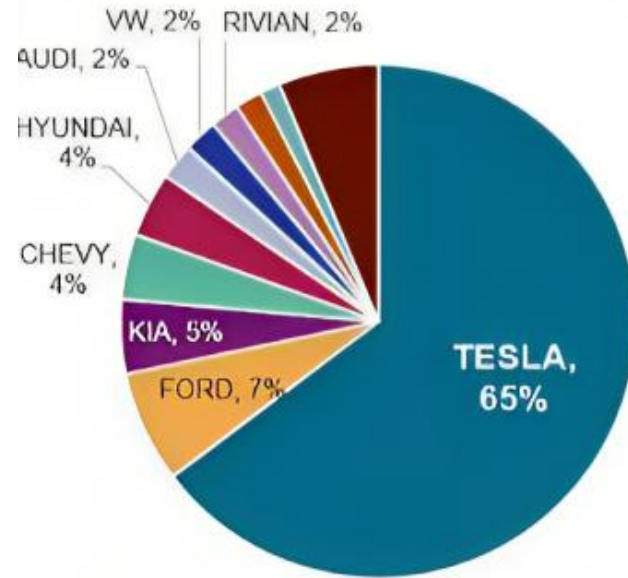
Lighting - [Varroq Group](#)

Manufacturing/Support

Suspension Testing - [AB Dynamics](#)

Robotics - [Paslin](#)

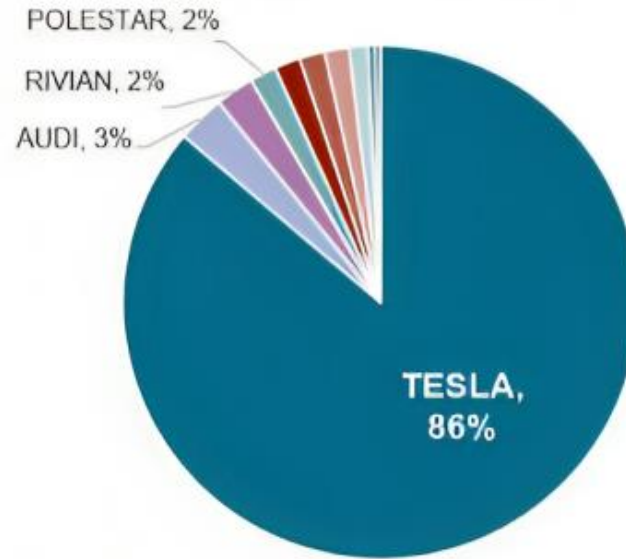
Registration share in EV market



■ TESLA ■ FORD ■ KIA ■ CHEVY
 ■ HYUNDAI ■ AUDI ■ VW ■ RIVIAN
 ■ NISSAN ■ POLESTAR ■ OTHER

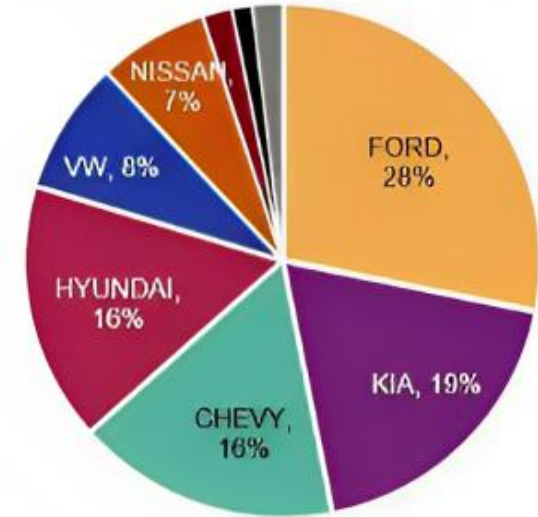
Source: S&P Global Mobility

Registration share in luxury EV market (75%)



■ TESLA ■ AUDI ■ RIVIAN ■ POLESTAR
 ■ BMW ■ MERCEDES ■ PORSCHE ■ VOLVO
 ■ LUCID ■ OTHER

Registration share in non-luxury EV market (25%)



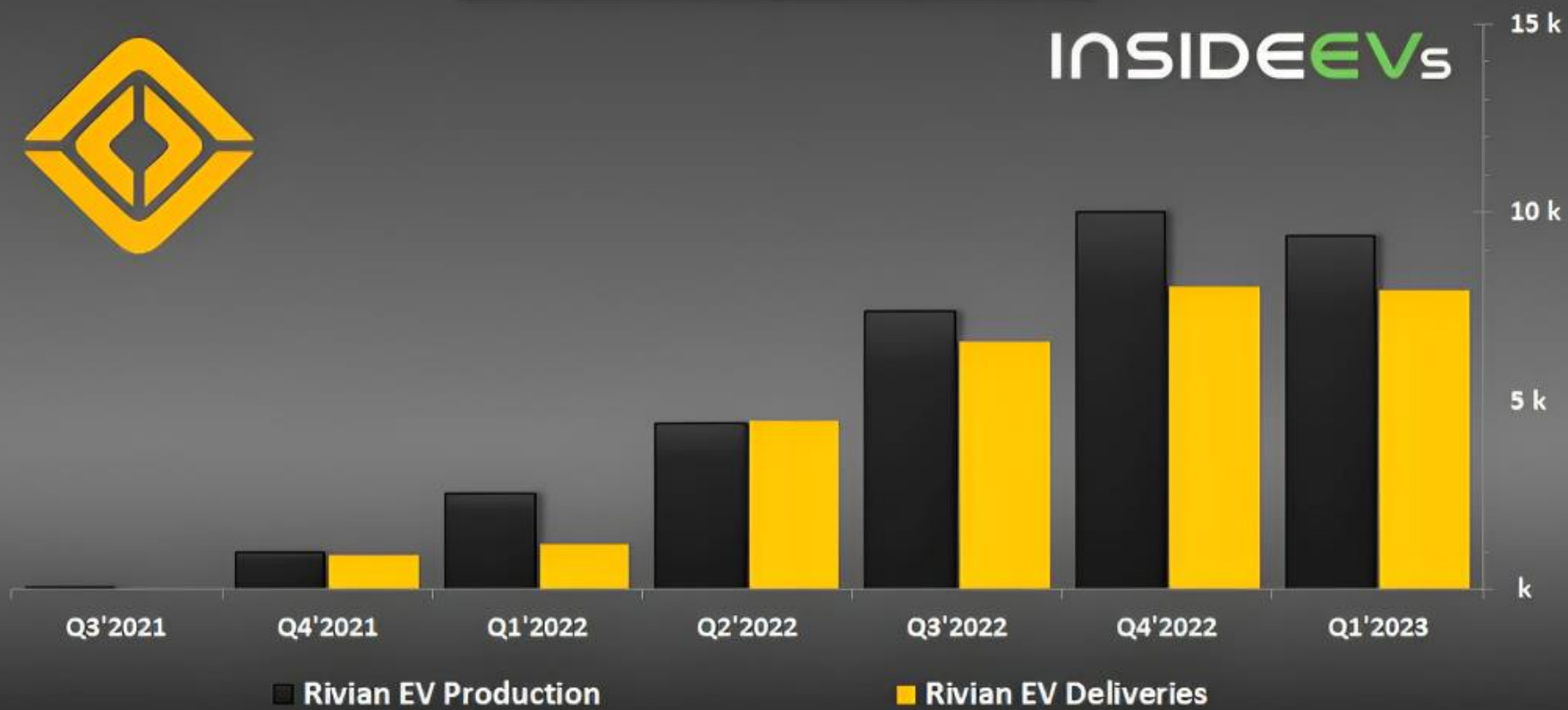
■ FORD ■ KIA ■ CHEVY ■ HYUNDAI ■ VW
 ■ NISSAN ■ MINI ■ TOYOTA ■ OTHER

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Rivian Production & Sales Results



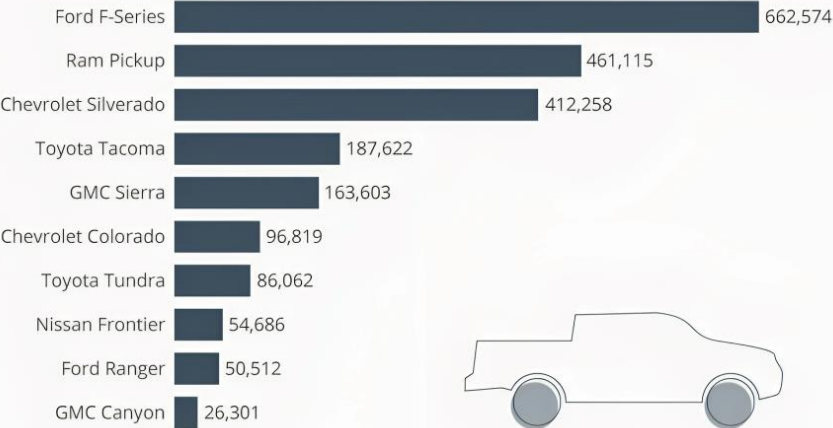
INSIDE EVs



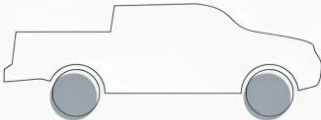
Subsidiaries of Rivian Automotive, Inc.	
Legal Name of Subsidiary	Jurisdiction of Organization
Rivian Holdings, LLC	Delaware
Rivian Adventure Holdings I, LLC	Delaware
Hunter Excelsior Holdings, LLC	Delaware
Groveland Eureka Holdings, LLC	Delaware
Rivian, LLC	Delaware
Rivian Automotive Canada, Inc.	Canada
Rivian United Kingdom Limited	England and Wales
RIV UK Engineering Limited	England and Wales
Rivian Automotive, LLC	Delaware
Rivian Michigan, LLC	Delaware
Rivian Insurance Services, LLC	Delaware
Rivian Europe, B.V.	Netherlands
Rivian Adventure Holdings II, LLC	Delaware
Rivian Utah, LLC	Delaware
Rivian Tennessee, LLC	Delaware
Rivian Lone Star Holdings, LLC	Delaware
Rivian IP Holdings, LLC	Delaware
Rivian Horizon, LLC	Delaware
Rivian Mexico Sociedad de Responsabilidad Limitada de Equity	Mexico
Rivian Asia Limited	Hong Kong
Rivian Netherlands, B.V.	Netherlands
Rivian GmbH	Germany

America's Best-Selling Pickup Trucks

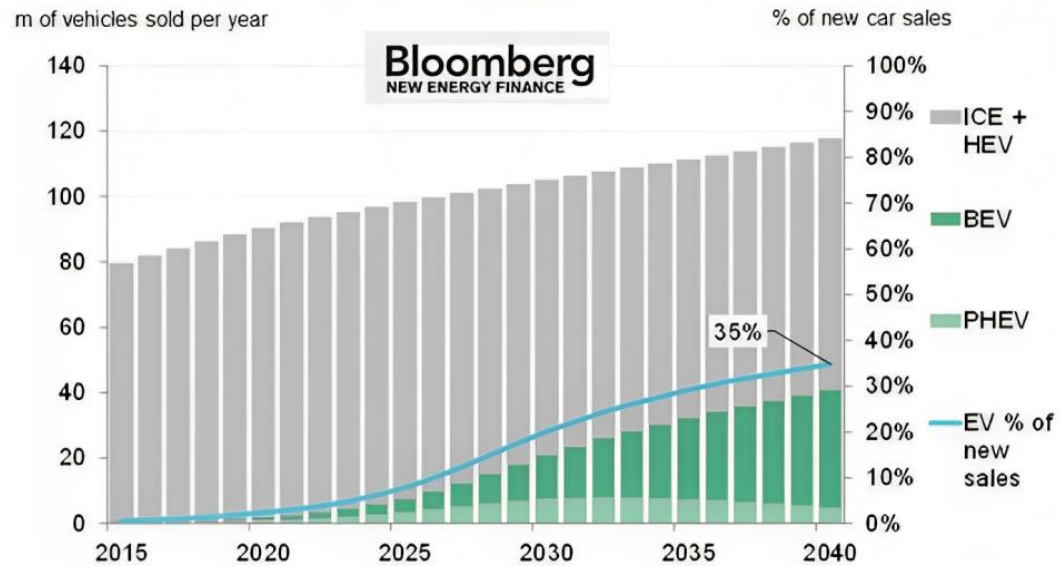
U.S. sales of new pickup trucks in 2019 (January-September)



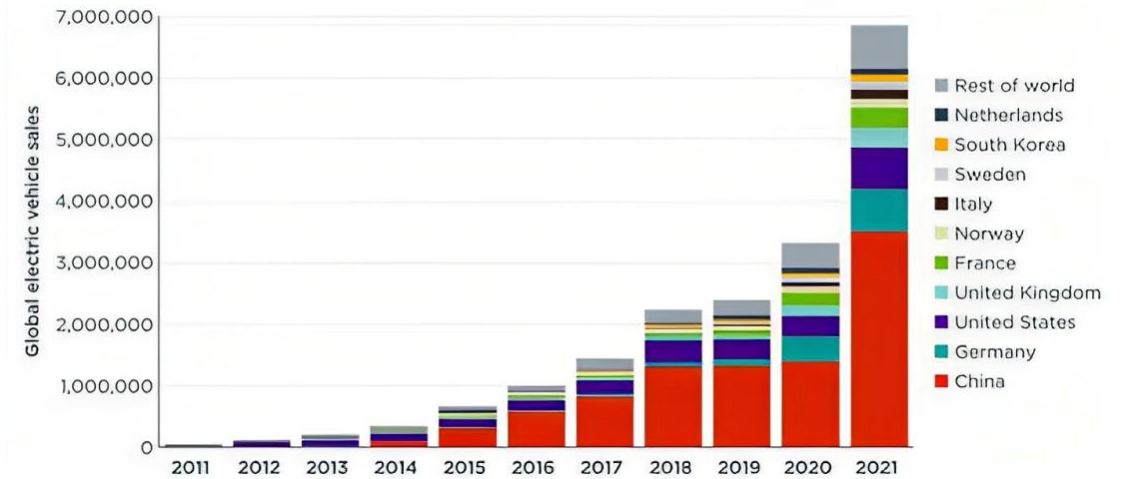
CC BY ND
@StatistaCharts Source: GoodCarBadCar.net



Domestic and Foreign Market Potential



Global Market



Tesla's Market Share Takes a Dent

Worldwide BEV sales between Q1 and Q3 2021
by manufacturer (in units)

YoY market share change

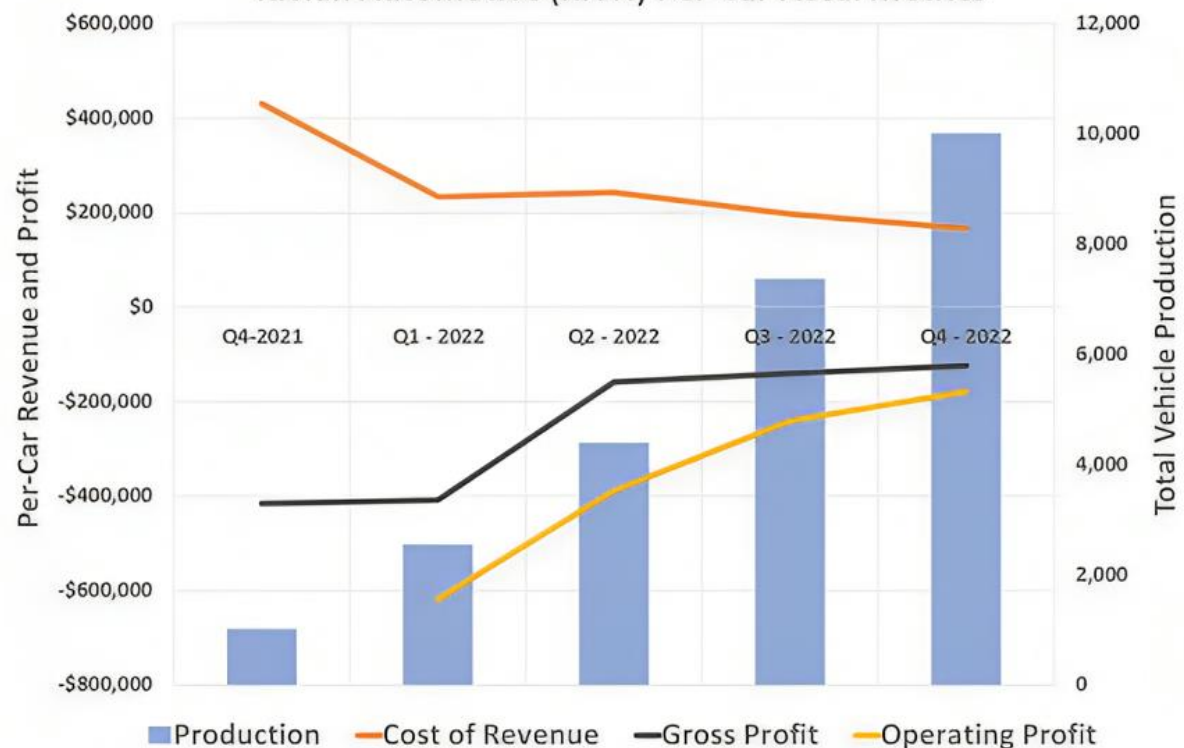


* Incl. SAIC-GM-Wuling
Source: Inside EVs



statista

Rivian Automotive (RIVN) Per-Car Fiscal Metrics





Rivian Automotive, Inc

Group 6: Matthew Dee



Rivian

Rivian exists to create products and services that help our planet transition to carbon neutral energy and transportation. Rivian designs, develops, and manufactures category-defining electric vehicles (“EVs”) and accessories and sells them directly to customers in the consumer and commercial markets. Rivian complements its vehicles with a full suite of proprietary, value-added services that address the entire lifecycle of the vehicle and deepen its customer relationships.

Rivian: Product Services & Revenue Streams

- Consumer Vehicles
- Consumer Services - our current suite of value-added services includes digitally enabled financing, telematics-based insurance, proactive vehicle service
- Charging Solutions - charging solutions that include Rivian Adventure Network Direct Current fast charging sites (“Rivian Adventure Network”) and Rivian Waypoints chargers
- Commercial Vehicles - we launched the Rivian Commercial Vehicle (“RCV”) platform, which underpins the Electric Delivery Van (“EDV”)
- Commercial Services - we offer FleetOS, our proprietary, end-to-end centralized fleet management subscription platform.
- The Rivian Ecosystem - Our direct-to-customer model allows us to manage all sales, deliveries, service operations, and resales in-house, without reliance on a franchise dealership network or other third parties.



Rivian: Financial Perspective – Summary of Risk Factors

Growth stage company w/ limited operating history and history of losses and expectation of incurring significant expenses
Ability to develop and manufacture vehicles of high quality and that appeal to consumers at scale is unproven
Cost increases and disruption to in supply of raw materials is a risk
Dependent on existing suppliers, many of which are limited source suppliers and are dependent on ability to source suppliers as the firm completes building out the supply chain

The success of our business depends on attracting and retaining a large number of customers. If we are unable to do so, we will not be able to achieve profitability.

The automotive market is highly competitive, and we may not be successful in competing in this industry.

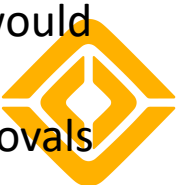
We are highly dependent on the services and reputation of Robert J. Scaringe, our Founder and Chief Executive Officer (“CEO”).

Our distribution model is different from the predominant current distribution model for automobile manufacturers and is subject to regulatory limitations on our ability to sell and service vehicles directly, which subjects us to substantial risk and makes evaluating our business, prospects, financial condition, results of operations, and cash flows difficult.

We are, and may in the future become, subject to patent, trademark and/or other intellectual property infringement claims, which may be time-consuming, cause us to incur significant liability, and increase our costs of doing business.

Our vehicles are subject to motor vehicle safety standards and the failure to satisfy such mandated safety standards would have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

We may be exposed to delays, limitations, and risks related to the environmental permits and other permits and approvals required to operate or expand operations at our manufacturing facility and any future facilities.



Rivian: Keys To Driving Operational Growth

If we fail to scale our business operations or otherwise manage our future growth effectively as we attempt to rapidly grow our company, we may not be able to produce, market, service and sell (or lease) our vehicles successfully.

We intend to continue to expand our operations significantly, which will require hiring, retaining and training new personnel, controlling expenses, efficiently and effectively expanding operational capabilities, establishing more facilities and experience centers, and growing administrative infrastructure, systems, and processes.

- attracting and hiring skilled and qualified personnel to support our expanded operations at existing facilities or operations at any facilities we may construct or acquire in the future;
- constructing and operationalizing our planned second manufacturing plant;
- implementing IT systems that allow for efficiently scalable manufacturing operations;
- managing a larger organization with a greater number of employees in different divisions and geographies;
- training and integrating new employees into our operations to meet the growing demands of our business;
- controlling expenses and investments in anticipation of expanded operations;
- establishing or expanding design, manufacturing, sales, charging and service facilities;
- managing regulatory requirements and permits, labor issues and controlling costs in connection with the construction of additional facilities or the expansion of existing facilities;
- implementing and enhancing administrative infrastructure, systems and processes;
- facing opposition from local anti-development groups or other special interest groups that are adverse to our business interests;
- failing to receive or maintain the support of local, state, federal or international politicians or other policymakers necessary to support expansion or new construction plans; and
- addressing any new markets and potentially unforeseen challenges as they arise.

We must continue to develop complex software and technology systems in coordination with vendors and suppliers to reach mass production for our vehicles, and there can be no assurance such systems will be successfully developed or integrated.

If there is inadequate access to charging stations, our business will be materially and adversely affected and we may not realize the benefits of our charging networks.

We rely on complex machinery for our operations, and production involves a significant degree of risk and uncertainty in terms of operational performance, safety, security, and costs.

Our vehicles rely on software and hardware that is highly technical, and if these systems contain errors, bugs, vulnerabilities, or design defects, or if we are unsuccessful in addressing or mitigating technical limitations in our systems, our business could be adversely affected.

Our passion and focus on delivering a high-quality and engaging Rivian experience may not maximize short-term financial results, which may yield results that conflict with the market's expectations and could result in our stock price being negatively affected.

Our distribution model is different from the predominant current distribution model for automobile manufacturers and is subject to regulatory limitations on our ability to sell and service vehicles directly, which subjects us to substantial risk and makes evaluating our business, prospects, financial condition, results of operations, and cash flows difficult.

We have limited experience servicing and repairing our vehicles. If we or our partners are unable to adequately service our vehicles, our business, prospects, financial condition, results of operations, and cash flows could be



Rivian: The Consumer & Willingness to Adopt EVs

Our future growth is dependent on the demand for, and upon consumers' willingness to adopt, EVs.

The market for new alternative energy vehicles is still rapidly evolving, characterized by rapidly changing technologies, competitive pricing and competitive factors, evolving government regulation and industry standards, and changing consumer demands and behaviors. Other factors that may influence the adoption of alternative fuel vehicles, and specifically EVs, include:

- perceptions about EV quality, safety, design, performance and cost, especially if negative events or accidents occur that are linked to the quality or safety of EVs, whether or not such vehicles are produced by us or other manufacturers, resulting in adverse publicity and harm to consumer perceptions of EVs generally;
- perceptions about vehicle safety in general, in particular safety issues that may be attributed to the use of advanced technology, including EV systems;
- range anxiety, including the decline of an EV's range resulting from deterioration over time in the battery's usable capacity;
- the availability of new alternative energy vehicles;
- competition, including from other types of alternative fuel vehicles, plug-in hybrid EVs, and high fuel-economy ICE vehicles;
- the quality and availability of service and charging stations for EVs;
- the costs and challenges of installing home charging equipment, including for multi-family, rental, and densely populated urban housing;
- the environmental consciousness of consumers, and their adoption of EVs;
- the higher initial upfront purchase price of EVs, despite lower cost of ongoing operating and maintenance costs, compared to ICE vehicles;
- the availability of tax and other governmental incentives to purchase and operate EVs and future regulations requiring increased use of nonpolluting vehicles;
- perceptions about and the actual cost of alternative energy;
- volatility in the price of gasoline or other petroleum-based fuel, any extended periods of low gasoline or other petroleum-based fuel prices or an improved outlook for the long-term supply of oil to the United States;
- regulatory, legislative and political changes; and
- macroeconomic factors.



Rivian: Cap Structure Information

Market Information

Rivian Automotive, Inc. (together with its consolidated subsidiaries, “Rivian” or the “Company”), Class A common stock has been traded on the Nasdaq Global Select Market under the symbol “RIVN” since November 10, 2021. Prior to that date, there was no public trading market for our Class A common stock.

Our Class B common stock is not listed or traded on any stock exchange.

Holders

As of February 14, 2023, there were approximately 74 shareholders of record of our Class A common stock and one shareholder of record of our Class B common stock. The number of beneficial owners is substantially greater than the number of shareholders of record because a large portion of our Class A common stock is held in “street name” by brokers, banks, and other financial institutions.

Dividend

Policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and future earnings, if any, for the operation and expansion of our business and do not anticipate declaring or paying any dividends in the foreseeable future. Our operations are generally conducted through our subsidiaries, and accordingly, our ability to pay dividends to our stockholders will be dependent on the earnings and distributions of funds from these subsidiaries. Covenants in the ABL Facility and the indenture governing the 2026 Notes are material restrictions on the ability of certain of our subsidiaries to pay dividends to us, and we may enter into credit agreements or other borrowing arrangements in the future that restrict our ability to declare or pay cash dividends or make distributions in the future. Any future determination related to our dividend policy will be made at the discretion of our board of directors after considering our financial condition, results of operations, capital requirements, contractual requirements, business prospects and other factors the board of directors deems relevant, and subject to the restrictions contained in any future financing instruments and applicable law.

Use of Proceeds

On November 15, 2021, we completed our IPO. The net proceeds to us from the IPO were \$13.5 billion, after deducting the underwriting discount and commissions of approximately \$185 million. All shares sold were registered pursuant to a registration statement on Form S-1 (File No. 333-259992), as amended, which was declared effective by the SEC on November 9, 2021.



Rivian: Performance Factors – Keys to Delivering Future Growth

Ability to Develop and Launch New Offerings --> R1T, R1S, and EDV appear to resonate with customers based on positive responses to vehicles delivered and preorder data . Our future financial performance will also depend on our ability to offer services that deliver an intuitive, seamless, and compelling customer experience

Ability to Attract New Customers --> Our growth will depend in large part on our ability to attract new consumer and commercial customers.

Ability to Scale our Ecosystem and Brand Experience --> Our go-to-market strategy requires us to scale our ecosystem quickly and effectively, including our technology platform and product development and operational infrastructure

Ability to Convert our Customers to Subscribers of our Services --> Services are a key part of our growth strategy. We offer a variety of services, including financing and insurance, vehicle maintenance and repair, charging, and FleetOS solutions that we believe will grow our revenue outside of vehicle sales.

Ability to Invest in our Production and Capabilities --> We believe that customer acquisition and retention is contingent on our ability to produce innovative offerings, including vehicles that deliver the broadest combination of performance, utility, and capability, as well as services that enhance the ownership journey through new features, functions, and a best-in-class customer experience.

Ability to Develop and Manage a Resilient Supply Chain. Our ability to manufacture vehicles and develop future solutions is dependent on the continued supply of input materials (e.g., lithium and nickel) and product components (e.g., semiconductors).

Ability to Grow in New Geographies. We plan to invest in international operations and grow our business outside of our existing operations.

Ability to Maintain Our Culture, Attract and Retain Talent, and Scale Our Team. We believe our culture has been a key contributor to the positive response from our customers, and our mission promotes a sense of greater purpose and fulfillment in our employees.



Rivian: Performance Factors – Keys to Delivering Future Growth

Revenues increased for the year ended December 31, 2022, compared to the year ended December 31, 2021 primarily due to increased deliveries of 19,412 vehicles.

For the year ended December 31, 2022, we incurred cost of revenues of \$4,781 million, including \$475 million of depreciation and amortization expense. Cost of revenues increased compared to the year ended December 31, 2021 as a result of the increased production and delivery of 23,322 and 19,412 vehicles, respectively.

We had a \$920 million charge to reflect the lower of cost or net realizable value ("LCNRV") of inventory and losses on firm purchase commitments as of December 31, 2022 compared to a \$95 million as of December 31, 2021 for an increase of \$825 million, increased depreciation and amortization expense by \$371 million, and increased stock-based compensation expense by \$44 million.

	2022		2021		2020
Revenues	\$	—	\$	55	\$ 1,658
Cost of revenues		—		520	4,781
Gross profit		—		(465)	(3,123)
Operating expenses					
Research and development	\$	766	\$	1,850	\$ 1,944
Selling, general, and administrative		255		1,242	1,789
Other expenses		—		663	—
Total operating expenses		1,021		3,755	3,733
Loss from operations		(1,021)		(4,220)	(6,856)
Interest income		10		3	193
Interest expense		(8)		(29)	(103)
Loss on convertible notes, net		—		(441)	—
Other income (expense), net		1		(1)	18
Loss before income taxes		(1,018)		(4,688)	(6,748)
Provision for income taxes		—		—	(4)
Net loss	\$	(1,018)	\$	(4,688)	\$ (6,752)



Rivian: Performance Factors – Keys to Delivering Future Growth

(in millions)	Years Ended December 31,		
	2020	2021	2022
Net cash used in operating activities	(848)	(2,622)	(5,052)
Net cash used in investing activities	(914)	(1,794)	(1,369)
Net cash provided by financing activities	2,500	19,828	99

Operating Activities

Net cash used in operating activities increased during the year ended December 31, 2022 compared to the year ended December 31, 2021. This increase was primarily driven by higher cash outlays to support overall growth of the business, especially the manufacturing and sale of our products from our Normal Factory and building up inventory to support our increasing production levels.

Investing Activities

Net cash used in investing activities decreased during the year ended December 31, 2022 compared to the year ended December 31, 2021, primarily due to higher capital expenditures related to the build-out of our manufacturing capabilities at our Normal Factory in the prior year. We continued to invest in the growth of our business at our Normal Factory, our next generation vehicle platforms and technologies, along with our service centers in the current year.

Financing Activities

Net cash provided by financing activities during the year ended December 31, 2021 was primarily driven by \$13.5 billion in net proceeds from our IPO, \$2.7 billion in proceeds from the issuance of shares of Series F contingently redeemable convertible preferred stock, \$2.5 billion in proceeds from the issuance of the 2021 Convertible Notes, and \$1.2 billion in net



Rivian: People & Culture

As of December 31, 2022, we had 14,122 employees across North America and Europe. Our global workforce is comprised of engineering and technology teams that are designing and developing future products and services, our operations and go-to-market teams that support the production, sale, and service of our launch vehicles, and our general and administrative teams. Our global footprint will continue to grow as we seek diverse communities to join us on our adventure. As a team, we strive to Keep The World Adventurous Forever by attracting the right people in the right roles and harnessing their adventurous spirit. Below are our Compass principles: a set of behaviors that serve as the backbone of Rivian’s organizational culture. Compass serves as our guide to ensure we preserve and augment our culture through the people we attract, develop, and inspire.

•**Come Together.** We never take for granted the magic that occurs when thinkers and doers from different industries and geographies, lived experiences, and perspectives surround a challenge from all sides. So, we insist that our team members bring their authentic selves to work every single day. At times there will be disagreements, but that’s a good thing. Tension strengthens ideas. The scale of our impact rests on our ability to move quickly as one team. We challenge each other to deliver more as a group than we can as individuals - and get it done together. Many of our decisions around vehicle development were built on cross-functional discussion and debates which ultimately required coming together to produce the right outcome.

•**Ask Why.** Innovation isn’t the job of a small group within the Company. Better ways of doing things are waiting to be discovered, and it’s incumbent upon all of us to approach our work from a place of curiosity. Despite the breadth of objectives and the complexity of our goals, all our ideas begin the same way - from first principles. When we start with undeniable basic truths, it opens up a world of possibility. A first-principles approach enables us to discuss ideas rather than debate different sets of ideologies or dogmas from previous experiences. Every part of the Rivian customer experience is derived from employees continuously asking why and understanding the rationale behind every decision.

•**Stay Open.** The draw toward the unknown is strong within our team. We must continue to cultivate a willingness to greet uncertainty with open arms, and all the other stuff that comes along with it. Difficult questions. Unexpected turns. Redrawn plans. Gnawed pencils. Temple rubbing. Lots and lots of temple rubbing. When we stay open, hearts stretch, minds grow, new ideas surface and the impossible becomes fun. As our industry rapidly evolves, we don’t stand near existing anchors but instead plan ahead to imagine what this could be.

•**Zoom Out.** Look up from where you are! We’re part of not one but many interdependent ecosystems, and our actions have ripples across our entire organization and beyond. While it’s easy to get mired in the day-to-day, so focused on the task in front of us, it’s important we never lose sight of what’s at stake or why we started down this path to begin with. As we develop our commercial roadmaps and blueprints, each team curates their share of the Rivian customer experience with a keen awareness of the broader ecosystem.

•**Over Deliver.** The word *forever* says it all. Our work is never done and that’s by design. Loving the world means always looking for more ways to do better. We don’t stop at good enough. In order to create the change we seek, we go beyond what is expected of us - respond to the problems of today while intentionally laying the groundwork for a better tomorrow. Multiple product launches and cutting-edge development across domains - over delivery on expectations is a core tenet of our strategy.

Our Commitment to Diversity, Equity, Inclusion, and Belonging

At Rivian, we believe that *forever* is for EVERYONE and this philosophy is symbiotic with our mission to Keep the World Adventurous Forever. Belonging is the outcome of Diversity, Equity, and Inclusion. It is a cultural imperative, is intentionally woven in all we do, and is a key driver of our values. Belonging is about building cultures, celebrating each other, and fostering communities where we feel a deep sense of connectedness, like we are a part of the larger whole and can thrive in these spaces.