

REFINITIV

# DELTA REPORT

## 10-K

RIVN - RIVIAN AUTOMOTIVE, INC. /

10-K - DECEMBER 31, 2023 COMPARED TO 10-K - DECEMBER 31, 2022

The following comparison report has been automatically generated

TOTAL DELTAS	3885
--------------	------

 CHANGES	254
---	-----

 DELETIONS	1846
---	------

 ADDITIONS	1785
---	------

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-K


(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2022** **December 31, 2023**  
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number **001-41042**

 **Rivian\_Digital\_Full\_Logo\_Gold\_Fusion.jpg**

**Rivian Automotive, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**14600 Myford Road  
Irvine, California 92606**

(Address of Principal executive offices)(ZIP Code)

**47-3544981**

(I.R.S. Employer Identification No.)

**(888) 748-4261**

(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.001 par value per share	RIVN	The Nasdaq Stock Market

**Securities registered pursuant to Section 12(g) of the Act: None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

[Table of Contents](#)

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements."

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to Exchange Act Rule 10D-1(b)."

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).    Yes    No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of **June 30, 2022** **June 30, 2023**, the last business day of the registrant's most recently completed second fiscal quarter, was approximately **\$12.3 billion** **\$12.9 billion** based upon the closing price reported for such date on the Nasdaq Global Select Market. For purposes of such calculation, the registrant has assumed that all outstanding shares of common equity are held by non-affiliates, except for shares held by each of the registrant's executive officers, directors, and 5% or greater stockholders. In the case of 5% or greater stockholders, we have not deemed such stockholders to be affiliates unless there are facts and circumstances which would indicate that such stockholders exercise any control over the registrant. These assumptions should not be deemed to constitute an admission that all executive officers, directors, and 5% or greater stockholders are, in fact, affiliates of the registrant, or that there are not other persons who may be deemed to be affiliates of the registrant. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of **February 14, 2023** **February 16, 2024**, **919,265,013** **969,624,611** shares of the registrant's Class A common stock were outstanding, and 7,825,000 shares of the registrant's Class B common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement related to its **2023** **2024** Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year ended **December 31, 2022** **December 31, 2023** are incorporated by reference into Part III of this Form 10-K.

RIVIAN AUTOMOTIVE, INC.  
FORM 10-K  
TABLE OF CONTENTS

	<u>Page</u>
<a href="#">Forward-Looking Statements</a>	<a href="#">2</a>
<a href="#">Summary of Risk Factors</a>	<a href="#">2</a>
<a href="#">Part I</a>	<a href="#">3</a>
<a href="#">Item 1. Business</a>	<a href="#">3</a>
<a href="#">Item 1A. Risk Factors</a>	<a href="#">12</a> <a href="#">13</a>
<a href="#">Item 1B. Unresolved Staff Comments</a>	<a href="#">48</a> <a href="#">50</a>
<a href="#">Item 1C. Cybersecurity</a>	<a href="#">50</a>
<a href="#">Item 2. Properties</a>	<a href="#">48</a> <a href="#">51</a>
<a href="#">Item 3. Legal Proceedings</a>	<a href="#">48</a> <a href="#">51</a>
<a href="#">Item 4. Mine Safety Disclosures</a>	<a href="#">49</a> <a href="#">52</a>
<a href="#">Part II</a>	<a href="#">50</a> <a href="#">53</a>
<a href="#">Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</a>	<a href="#">50</a> <a href="#">53</a>
<a href="#">Item 6. [Reserved]</a>	<a href="#">51</a> <a href="#">54</a>
<a href="#">Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">52</a> <a href="#">55</a>
<a href="#">Item 7A. Quantitative and Qualitative Disclosures About Market Risk</a>	<a href="#">60</a> <a href="#">64</a>
<a href="#">Item 8. Financial Statements and Supplementary Data</a>	<a href="#">62</a> <a href="#">65</a>
<a href="#">Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosures</a>	<a href="#">90</a> <a href="#">96</a>
<a href="#">Item 9A. Controls and Procedures</a>	<a href="#">90</a> <a href="#">96</a>
<a href="#">Item 9B. Other Information</a>	<a href="#">91</a> <a href="#">97</a>
<a href="#">Item 9C. Disclosure Regarding Foreign Jurisdiction that Prevent Inspections</a>	<a href="#">91</a> <a href="#">97</a>
<a href="#">Part III</a>	<a href="#">92</a> <a href="#">98</a>
<a href="#">Item 10. Directors, Executive Officers and Corporate Governance</a>	<a href="#">92</a> <a href="#">98</a>
<a href="#">Item 11. Executive Compensation</a>	<a href="#">92</a> <a href="#">98</a>
<a href="#">Item 12. Security Ownership of Certain Beneficial Owner and Management and Related Stockholder Matters</a>	<a href="#">92</a> <a href="#">98</a>
<a href="#">Item 13. Certain Relationships and Related Transactions, and Director Independence</a>	<a href="#">92</a> <a href="#">98</a>
<a href="#">Item 14. Principal Accounting Accountant Fees and Services</a>	<a href="#">92</a> <a href="#">98</a>
<a href="#">Part IV</a>	<a href="#">93</a> <a href="#">99</a>
<a href="#">Item 15. Exhibits, Exhibit and Financial Statement Schedules</a>	<a href="#">93</a> <a href="#">99</a>
<a href="#">Item 16. Form 10-K Summary</a>	<a href="#">96</a> <a href="#">102</a>
<a href="#">Signatures</a>	<a href="#">97</a> <a href="#">103</a>

## RIVIAN AUTOMOTIVE, INC.

### Forward-Looking Statements

This Annual Report on Form 10-K ("Form 10-K") contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Form 10-K may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "forecasts," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this Form 10-K include, but are not limited to statements regarding our future results of operations and financial position, industry and business trends, equity compensation, business strategy, plans, market growth, plans and objectives relating to our climate commitment, and our objectives for future operations.

The forward-looking statements in this Form 10-K are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition, and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the important factors discussed in [Part I, Item 1A. "Risk Factors"](#) in this Form 10-K for the year ended [December 31, 2022](#) [December 31, 2023](#) and other important factors discussed in this report and from time to time in our other filings with the SEC. The forward-looking statements in this Form 10-K are based upon information available to us as of the date of this Form 10-K, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this Form 10-K and the documents that we reference in this Form 10-K and have filed as exhibits to this Form 10-K with the understanding that our actual future results, performance, and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this Form 10-K. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Form 10-K, whether as a result of any new information, future events or otherwise.

As used in this Form 10-K, unless otherwise stated or the context requires otherwise, references to "Rivian," the "Company," "we," "us," and "our," refer to Rivian Automotive, Inc. and its consolidated subsidiaries.

## Summary of Risk Factors

Our business is subject to a number of risks and uncertainties, including those described in [Part I, Item 1A. "Risk Factors"](#) in this Form 10-K. The principal risks and uncertainties affecting our business include the following:

- We are a growth stage company with limited operating history and a history of **losses and losses**. We expect to incur significant expenses and continuing losses for the foreseeable future and may not be able to achieve or maintain profitability in the future.
- We expect to continue to incur significant cost of revenues, operating expenses, and capital expenditures, and we may underestimate or not effectively manage the cost of revenues, operating expenses, and capital expenditures and costs associated with our business and operations, which could have a material and adverse effect on our business, prospects, financial condition, results of operations, and cash flows. operations.
- We may also will require additional financing financings to raise capital to support our business, which may not be available in a timely manner or on terms that are acceptable, or at all.
- The success of our business depends on attracting and retaining a large number of customers and maintaining strong demand for our vehicles. 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.
- Our future growth is dependent on the demand for, and upon consumers' willingness to adopt, EVs.
- Our long-term results depend upon our ability to develop successfully introduce, integrate, and manufacture vehicles market new products and services, which may expose us to new and increased challenges and risks, and any inability to do so could materially and adversely affect our business, prospects, financial condition, results of sufficient quality operations, and appeal to customers on schedule and on a large scale is unproven, and we cash flows.

### RIVIAN AUTOMOTIVE, INC.

- We have experienced, and may in the future experience, significant delays in the manufacture and delivery of our vehicles, which could harm our business, prospects, financial condition, results of operations, and cash flows.
- We have experienced, and could experience in the future, cost increases and disruptions in supply of raw materials or other components used in our vehicles.
- We are dependent on our existing suppliers, a significant number of which are single or limited source suppliers, and are also dependent on our ability to source suppliers, for our critical components, and to complete the building out of our supply chain, while effectively managing the risks due to such relationships.

### RIVIAN AUTOMOTIVE, INC.

- We depend upon third parties to manufacture and to supply key semiconductor chip components necessary for our vehicles. We do not have long-term agreements with all of our semiconductor chip manufacturers and suppliers, and if these manufacturers or suppliers become unwilling or unable to provide an adequate supply of semiconductor chips, with respect to which there is a global shortage, we would may not be able to find alternative sources accurately estimate the supply and demand for our vehicles, which could result in a timely manner and variety of inefficiencies in our business would be adversely impacted, and hinder our ability to generate revenue and profits. If we fail to accurately predict our manufacturing requirements, we could incur additional costs or experience delays.
- We expect that a significant portion of our near-term revenue will be has been from one customer that is an affiliate of one of our principal stockholders. If we are unable to maintain this relationship, or if this customer purchases significantly fewer vehicles than we currently anticipate, then our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.
- 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.
- Breaches in data security, failure of information security systems, cyber attacks cyber-attacks or other security or privacy-related incidents affecting us or our suppliers could have a material adverse effect on our reputation and brand, harm our business, prospects, financial condition, results of operations, and cash flows, and subject us to legal or regulatory fines or damages.
- 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 build, operate, or expand operations at our manufacturing facility facilities and any future facilities, face risks in connection with the construction and development of our Stanton Springs North Facility.
- Increasing scrutiny and changing expectations from global regulators, our investors, consumers, and employees with respect to our environmental, social, and governance ("ESG") practices may impose additional costs on us or expose us to new or additional risks.

## PART I

### Item 1. Business

#### Overview

Rivian exists to create products and services is an American automotive manufacturer that help our planet transition to carbon neutral energy and transportation. Rivian designs, develops and manufactures builds category-defining electric vehicles ("EVs") and accessories accessories. The Company creates innovative and sells them technologically advanced products that are designed to excel at work and play with the goal of accelerating the global transition to zero-emission transportation and energy. Rivian vehicles are built in the United States and are sold directly to customers in the consumer and commercial markets. Rivian complements its vehicles with customers. The Company provides a full suite of proprietary, value-added services that address the entire lifecycle of the vehicle and deepen stay true to its customer relationships, mission to keep the world adventurous forever. Whether taking families on new adventures or electrifying fleets at scale, Rivian vehicles all share a common goal — preserving the natural world for generations to come.

Starting with a clean sheet, we built a vertically integrated ecosystem comprised of our vehicle technology platform, cloud architecture, product development and operations, products, and services. Interconnected by our data and analytics backbone, our ecosystem is designed to deliver fast-paced innovation cycles, structural cost advantages, and exceptional customer experiences.

### RIVIAN AUTOMOTIVE, INC.

#### Our Products and Services

##### Consumer Vehicles

Engineered for all of life's adventures, our Electric Adventure Vehicles combine performance, utility, and efficiency. In the consumer market, we launched the R1 platform with our first generation of consumer vehicles: the R1T, a two-row, five-passenger pickup truck, and the R1S, a three-row, seven-passenger sport utility vehicle ("SUV").

### RIVIAN AUTOMOTIVE, INC.

#### R1T

The R1T is a category-defining electric pickup truck, providing a combination of performance, utility, and capability without compromising on sustainability. The R1T is capable of carrying five passengers and large loads with a bed that is 54 inches long with the tailgate up (84 inches long with tailgate down) and 50 inches wide.

#### R1S

The R1S is a large format all-electric SUV, with enough space to comfortably fit up to seven passengers and their gear. Utilizing the same battery, propulsion, and chassis systems as the R1T, R1S customers can expect the same combination of on- and off-road performance.

The R1T and R1S are equipped with a proprietary set of advanced technology systems, including vehicle electronics, battery, electric drive, chassis, Driver+, our advanced driver assistance system ("ADAS"), and digital user experience management. These technologies can continuously improve and expand functionality through cloud-enabled over-the-air ("OTA") updates.

The R1T and R1S introduced our brand to the world and serve as our flagship vehicles as we continue to expand our offerings. To accompany our vehicles, we have developed a comprehensive portfolio of vehicle accessories that further sharpen our brand's focus on adventure and active lifestyles.

We have also announced plans to manufacture the R2 vehicle in 2026, which will be built on our mid-sized platform and targets the SUV market. We plan to leverage the development of our proprietary set of technologies in the R2 and our future vehicles.

##### Consumer Services

Complementing our consumer vehicles, our current suite of value-added services includes digitally enabled financing and leasing, telematics-based insurance, proactive vehicle service (maintenance and repair), software services, and charging solutions. These We expect these services will to continue to generate long-term brand loyalty while also creating a recurring revenue stream for each vehicle across its lifecycle.

### Charging Solutions

We are providing charging solutions that include design, develop, manufacture, and operate the Rivian Adventure Network Direct Current fast charging sites chargers ("Rivian Adventure Network") and Rivian Waypoints chargers at sites across North America. Our solutions are designed to be cost effective and aim to deliver clean energy to our customers while offering a convenient and seamless charging experience. In addition to Rivian Adventure Network sites, our vehicles use the customers are able to access Combined Charging Standard ("CCS") connection which enables our customers public charging sites and in 2024 are expected to leverage other nationwide networks gain integrated access to over 12,000 Tesla Superchargers in the United States on the North American Charging Standard ("NACS").

### Commercial Vehicles

In the commercial market, we launched the Rivian Commercial Vehicle Van ("RCV") platform which underpins the Electric Delivery Van ("EDV"), variant, designed and engineered by Rivian in collaboration with Amazon.com, Inc. and its affiliates (collectively, "Amazon"), our first commercial customer. In addition to the EDV variant, we also intend to sell RCV variants of the commercial van to customers beyond Amazon. The EDV is a and RCV are long-range, electric commercial step-in van step in vans designed for large-scale large scale production and deployment in a centrally managed fleet. Amazon has ordered an initial volume of 100,000 vehicles EDVs globally, subject to modification. We have delivered over 10,000 EDVs across the United States and Europe.

Developed to be comfortable We have designed a 500 and easy to operate for drivers, our commercial vehicles are designed to achieve lower total cost of ownership ("TCO") for customers while supporting a path to carbon neutral deliveries.

#### EDV-700

The EDV-700 is the 700 cubic foot version of the EDV. The vehicle's design is vans, optimized for various commercial uses, including last mile delivery use cases cases. Both the EDV and includes RCV's features include a rear roll-up door, ideal for warehouse bulk loading, which eliminates cargo area side doors that would otherwise consume valuable precious cargo storage. The vehicle's features also include an integrated automatic bulkhead door designed for safety and security, a tall roof to allow drivers to walk through the vehicle, driver-centric ergonomics, creating space for package handling, and a curb-side sliding door designed for ease of package handling and safe vehicle access away from traffic.

### RIVIAN AUTOMOTIVE, INC.

#### EDV-500

The EDV-500 is Developed to be comfortable and easy to operate for drivers, our commercial vans are designed to achieve lower total cost of ownership ("TCO") for customers while supporting a narrower and shorter version of the EDV-700 and an important vehicle for expanding path to markets and geographies for which smaller form factors are better suited. decarbonization.

### Commercial Services

Alongside our commercial vehicles, we offer FleetOS, our proprietary, end-to-end centralized fleet management subscription platform. It encompasses vehicle distribution, service, telematics, software services, charging, connectivity management, Driver+, and lifecycle management. Building upon this foundation, FleetOS is designed to support more features over time, including leasing, financing, insurance, driver safety and coaching, smart charging and routing, remote diagnostics, 360°

### RIVIAN AUTOMOTIVE, INC.

collision reports, and vehicle resale. This cloud-based platform integrates and analyzes vehicle, infrastructure, and operations data, driving us toward industry-leading TCO, safety, and fleet utilization.

### 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. network. We employ an integrated, digital-first strategy that is not only convenient and transparent for our customers, but also efficient and scalable to support our continued growth. Our efforts to create brand awareness include an extensive mix of social and digital media, demonstration drive events, brand partnerships and collaborations, targeted search, email communications, public relations and community outreach. Our website and mobile app, retail customer engagement spaces ("spaces"), and service centers facilitate brand engagement, product discovery, demonstration drives, purchase transactions, vehicle deliveries, vehicle service, account management, and resale. We believe this strategy will allow allows us to deliver uncompromised experiences well beyond what is available through the standard franchise dealership model.

Each element of our ecosystem has been designed from a clean sheet, resulting in end-to-end integration across a range of complementary offerings. Our proprietary technology platform is the foundation of our ecosystem and is comprised of two interconnected elements: vehicle technology and Rivian Cloud. This highly extensible platform

will allow allows us to tailor our offerings to serve both the consumer and commercial markets, powering our products and complementary services. Our product development and operations infrastructure are deeply integrated with our technology platform, making it easier to deliver on our ambitions. The Rivian ecosystem consists of the following components:

- **Vehicle Technology.** A secure, reliable, scalable combination of hardware and software, connecting our proprietary in-vehicle systems, including vehicle electronics, battery, electric drive, chassis, Driver+, and experience management.
- **Rivian Cloud.** Our architecture of interconnected software applications designed to deliver seamless, end-to-end digital commerce solutions and experiences across web, mobile, and app. Rivian Cloud enables FleetOS, remote diagnostics, OTA software updates, and remote vehicle controls, including vehicle access.
- **Product Development and Operations.** Our vertically integrated product development and operations functions include design, development, manufacturing, sales, delivery, service, and charging. These functions serve the unique needs of our consumer and commercial customers.
- **Products and Accessories.** Our consumer portfolio is comprised of category-defining vehicles and accessories that reimagine the pickup truck and SUV segments. We entered the Our commercial market with portfolio consists of long-range electric step-in vans developed for large-scale production. The EDV is production which are designed to lower TCO, improve uptime, and facilitate Amazon progressing in its commitment support a path to net zero carbon operations, decarbonization. We expect our products and accessories to provide greater access to new markets the market and bring new customers into our ecosystem.
- **Services.** We offer highly tailored and differentiated services that enable seamless and intuitive experiences throughout the entire customer lifecycle. We expect this holistic approach to drive higher customer satisfaction, create strong brand loyalty, and increase operational efficiency while simultaneously allowing us to capture a greater share of the full lifecycle value of every Rivian vehicle produced.
- **Data and Analytics.** Our ecosystem is interconnected by our proprietary data and analytics backbone housed in Rivian Cloud. It is comprised of a centralized data lake and analytics tools, providing valuable insights that can be applied to continuously improve ecosystem-wide performance, functionality, and uptime to drive increased customer satisfaction.

#### RIVIAN AUTOMOTIVE, INC.

Our ecosystem is designed to be highly scalable, flexible, integrated, and interconnected to power an immersive customer journey. This will enable us to maximize our impact by addressing both the consumer and commercial markets simultaneously. We can deploy our offerings at scale using a shared, vertically integrated technology platform, comprised of vehicle technology and Rivian Cloud, with network effects that will build data insights to improve our ecosystem. By utilizing our common technology platform, we strive to generate synergies and scale efficiencies, enabling us to increase our pace of innovation and create offerings that serve the unique needs of our customers. Our direct-to-customer relationships and connected vehicle technologies allow us to gather customer and product insights over the full lifecycle of our vehicles. We will

#### RIVIAN AUTOMOTIVE, INC.

utilize these insights to continuously improve our offerings by adding new capabilities and functionality. Enhanced We believe enhanced offerings will attract more customers, deepen existing customer relationships, and expand our data repository and insights, which will further benefit our customers and Rivian.

#### Manufacturing

We currently manufacture all vehicles on the R1 and RCV platforms at our manufacturing facility in Normal, Illinois ("Normal Factory"), which is equipped to produce up to 150,000 vehicles annually when the equipment is operated at full rate and on multiple shifts. This annual installed capacity is currently comprised of expected to be approximately 65,000 85,000 vehicles for the R1 platform and 85,000 65,000 vehicles for the RCV platform. platform following a planned shutdown to rerate the lines in the second quarter of 2024. In addition, we have announced plans are planning to construct begin construction on a second manufacturing facility near Atlanta, Georgia ("Stanton Springs North Facility") in 2024 with an anticipated capacity to produce 400,000 vehicles annually. We plan to build the plant in two phases, each consisting of 200,000 units of annual capacity. We In the first phase, we plan to produce our next generation consumer vehicle manufacture the mid-sized platform, with R2 being the R2, at this facility, first variant.

#### Supply Chain

We procure raw materials and product components from hundreds of suppliers across the globe that we work closely with to bring our vehicles to market.

Our supplier selection process is based on a wide variety of factors, including technical expertise, product quality, cost, location, and location. With ramp capability. Given the value we place on product performance, many suppliers, our relationship extends supplier relationships extend beyond the procurement of raw materials and product components as we collaborate through the to include collaboration on product development, process, performance improvement and/or cost reduction opportunities. We believe these strategic partnerships have led will lead to pricing and timing advantages in the development of our vehicles.

Our products contain thousands of parts raw materials and product components that we purchase from hundreds of mostly single- or limited-source suppliers, for which no immediate or readily-available alternative supplier exists. In order to To mitigate risks related to a single source of supply, sole-sourcing, we seek to qualify alternative suppliers

and manufacturers when possible, and develop contingency plans for responding to supply chain disruptions, such as including carrying higher buffer inventory levels where possible. Despite these actions, we have faced, and may still continue to face, challenges with various manufacturing-related product component shortages, especially particularly as our suppliers scale their operations strive to match expand at a rate that matches our vehicle ramp rate.

Battery raw materials, including lithium, nickel, graphite, and cobalt, represent one of the most vulnerable parts of our supply chain. Timelines for these upstream input materials are notably longer and more variable than the downstream supply chain due to factors outside of our control including permitting under applicable regulations and rules, underestimation of capital requirements, reliance on overseas equipment and plant, insufficient infrastructure capacity, intellectual property/know-how concentration, competition for supply, price volatility, and variability between mineral resources which inhibits standardization of production process and industry specifications.

Given the complexity of these challenges, we proactively engage with a wide range of industry stakeholders necessary to create the alignment and momentum required for change through the following:

- Ongoing engagement with raw materials suppliers of varying experience to understand the evolving challenges to expansion and efficient operations;
- Attending key industry conferences and events to understand the most salient issues and attitudes towards them;
- Participation in policy advocacy and industry groups that support improved battery raw material supply;
- Setting expectations with our supply chain partners relating to their raw materials sourcing practices and conducting due-diligence into their long-term supply security plans; and
- Identifying supply security and cost escalation risks and developing/adjusting sourcing strategies and priorities accordingly.

## Seasonality

Historically, the automotive industry has experienced higher revenue in the spring and summer months. Additionally, we expect delivery volumes of commercial vehicle sales to be less in the winter months as customers shift their focus to making

### RIVIAN AUTOMOTIVE, INC.

last mile deliveries during holidays rather than incorporating more vehicles into their fleet. We do not expect such seasonality fleet which could result in demand to significantly impact our operations in the near-term as we scale our business due to our backlog of preorders; however, we may experience seasonal variations in our business in the long-term, higher finished goods inventory levels during this period.

## Competition

We aspire to drive meaningful change in the world's transition to sustainable mobility. We believe multiple industry tailwinds such as regulatory support and shifting consumer demand will continue to drive a transition from legacy internal combustion engine ("ICE") vehicles to EVs. We believe the primary competitive factors in our markets are talent and culture, technological innovation, product performance and quality, customer experience, brand differentiation, product design, pricing and TCO, and manufacturing scale and efficiency.

Our competition includes the millions of traditional ICE vehicles and EVs sold each year in the consumer and commercial markets. Our competitive set also represents our total addressable market ("TAM") which we aim to target over the long term with an expanded product portfolio in our current and future geographies.

### RIVIAN AUTOMOTIVE, INC.

As we participate across the spectrum of the consumer and commercial value chain, our competition extends beyond providers that operate in the capacity of an original equipment manufacturer or dealer. Downstream competitors include a collection of third parties such as charging providers, vehicle service providers, vehicle remarketers, and traditional fleet management companies.

Across the automotive value chain, we believe our vertically integrated business model and technology platform, focus on customer experience, direct-to-customer relationships, and ability to efficiently launch multiple vehicle platforms position us to compete effectively.

## Regulatory

### Environmental, Health and Safety Matters

Certain of our operations, properties, and products are subject to stringent and comprehensive federal, state, and local laws and regulations governing matters related to environmental protection, occupational health and safety, and the release or discharge of materials into the environment, including air emissions and wastewater discharges. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of investigatory and remedial obligations and the issuance of orders enjoining some or all of our operations in affected areas.

We are also subject to permitting, registration, and other government approval requirements under environmental, health, and safety laws and regulations applicable in the jurisdictions in which we operate. Those requirements obligate us to obtain permits, registrations, and other government approvals from one or more governmental agencies to conduct our operations and sell our products. The requirements vary depending on the location where our regulated activities are conducted.

The following summarizes certain existing environmental, health, and safety laws and regulations applicable to our operations and products. For additional information, see [Part I, Item 1A, "Risk Factors."](#)

#### **Regulations in the United States of America ("United States")**

- **National Highway Traffic Safety Administration ("NHTSA") Safety and Self-Certification Obligations.** As a manufacturer of EVs, our vehicles are subject to, and must comply with, numerous regulatory requirements established by NHTSA, including all applicable United States Federal Motor Vehicle Safety Standards ("Safety Standards"). Under the National Traffic and Motor Vehicle Safety Act, we must certify that our vehicles meet all applicable Safety Standards, as well as the NHTSA bumper standard, or are otherwise exempt from such standards. The categories of Safety Standards that apply to our vehicles include crashworthiness requirements, crash avoidance requirements, and EV requirements. The R1T, R1S, EDV, and EDV RCV are fully compliant with all such Safety Standards and other NHTSA requirements without the need for any additional exemptions.

We are also required to comply with or demonstrate exemptions from other requirements of federal laws administered by NHTSA, including the Federal Corporate Average Fuel Economy ("CAFE") standards, Theft Prevention Act requirements, consumer information labeling requirements, Early Warning Reporting requirements regarding warranty claims, field reports, death and injury reports and foreign recalls, and owner's manual

#### **RIVIAN AUTOMOTIVE, INC.**

requirements. The R1T, R1S, EDV, and EDV RCV are fully compliant with or exempted from compliance with the foregoing referenced standards. Rivian also has a system in place to ensure compliance with all reporting obligations to NHTSA.

The Automobile Information and Disclosure Act requires manufacturers of motor vehicles to disclose certain information regarding the manufacturer's suggested retail price, optional equipment, and pricing. In addition, the Automobile Information and Disclosure Act allows inclusion of city and highway fuel economy ratings, as determined by the United States Environmental Protection Agency ("EPA"), as well as crash test ratings as determined by NHTSA if such tests are conducted.

- **EPA Certificate of Conformity and California Executive Order.** The Clean Air Act requires that we obtain both an EPA-issued Certificate of Conformity and a California Air Resources Board ("CARB")-issued Executive Order with respect to emissions for our vehicles, and include labeling providing consumer information such as miles per gallon of gas-equivalent ratings and maximum range on a single charge. The R1T, R1S, EDV, and EDV RCV (where applicable) have received EPA Certificates of Conformity and California Executive Orders for model years 2022, 2023, and 2023, 2024.

#### **RIVIAN AUTOMOTIVE, INC.**

- **Battery Safety and Testing.** Our battery pack conforms to mandatory regulations that govern transport of "dangerous goods," defined to include lithium-ion batteries, which may present a risk in transportation. Governing regulations, issued by the Pipeline and Hazardous Materials Safety Administration, are based on the United Nations ("UN") Recommendations and Model Regulations on the Transport of Dangerous Goods, as well as related UN Manual of Tests and Criteria. The regulations vary by mode of shipping transportation, such as by ocean vessel, rail, truck, or air. We have completed the applicable transportation tests for our prototype and production battery packs, demonstrating our compliance with the UN Manual of Tests and Criteria.

We also subject our battery packs to selected tests specified in the Society of Automotive Engineers ("SAE") J2464 and J2929 standards, as well as tests defined by other standards and regulatory bodies and Rivian's own internal tests. These tests evaluate battery function and performance as well as resilience to conditions including immersion, humidity, fire, and other potential hazards. We currently use lithium metal oxide cells in our high voltage battery packs. Our battery packs include certain packaging materials that contain trace amounts of hazardous chemicals whose use, storage, and disposal is regulated under federal and state laws.

If a customer wishes to dispose of a battery pack from one of our vehicles, we will accept the depleted battery without any additional charge.

- **Right to Repair.** We are also subject to certain laws and regulations, e.g., "Right to Repair," laws, that would require us to provide third-party access to our network and/or vehicle systems.

#### **Emission Credit Programs**

As a manufacturer devoted to the design, development, and production of all-electric, battery-powered vehicles, we will generate credits from regulatory mandates standards that we can monetize through sale to other manufacturers. For example, in connection with the delivery and placement into service of our zero-emission vehicles vehicle ("ZEV") in California and a number of other states that have adopted the California standards applicable to light-duty and heavy-duty medium-duty vehicles, we have earned and will continue to earn tradable light-duty tradeable Advanced Clean Cars and heavy-duty zero-emission vehicle Advanced Clean Trucks ("ZEV" ACT) credits and California greenhouse gas ("GHG") credits that can be monetized.

In addition to state level credits, the EPA and NHTSA also mandate set minimum greenhouse gas ("GHG") GHG emissions and CAFE standards applicable to light- and heavy-duty medium-duty vehicles. Under the Biden Administration, a final rule was rules were issued in late 2021 and 2022 that increased the stringency of these standards. These federal regulations require that manufacturers of light- and heavy-duty medium-duty vehicles meet minimum standards pertaining to GHG emissions and fuel economy based on a vehicle's footprint or overall dimensions. As the first an early manufacturer to produce zero-emission vehicles of this larger footprint heavy duty ZEVs at scale, we expect to generate substantial GHG and CAFE credits, and to benefit financially from these regulations. In addition, in 2022, the EPA reinstated California's ability to establish its own vehicle emission standards in lieu of the federal standards. As a result, standards and to set ZEV requirements. California regulators have since extended the ZEV portion of the Advanced Clean Cars rule for model years 2026 through 2035, 2035 and have been considering potential further amendments. These standards, which as many as 17 other states have also adopted, are more stringent than federal requirements, thus providing provide additional credit generating opportunities beyond the federal programs for Rivian through potential sales of those credits by the Company.

## RIVIAN AUTOMOTIVE, INC.

In 2023, Rivian recognized \$73 million from sales of regulatory credits earned for model year 2022. Rivian expects to continue to recognize revenue in 2024 from credits earned for both model year 2022 and 2023 as regulatory agencies approve compliance reports.

### Automobile Manufacturer and Dealer Regulation

State laws regulate the manufacture, distribution, sale, and service (including delivery) of automobiles, and generally require motor vehicle manufacturers and dealers to be licensed in order to sell vehicles directly to customers in the state. As of December 31, 2022 December 31, 2023, 25 states and the District of Columbia permit us, Rivian, as a manufacturer of motor vehicles, to apply for and receive obtain a dealer license to conduct vehicle sales, provided we meet certain requirements. Once licensed in one or more of these 25 states, we may sell our vehicles to any consumer in the United States as a matter of interstate commerce. By contrast, 25 states restrict our ability to obtain a dealer license to sell within those states. To sell vehicles to residents of states where we do not have a license or are unable to be licensed due to our status as a manufacturer, we must conduct the sale out of state over the internet or telephonically. Rivian currently has dealer licenses to sell vehicles directly in four eleven states. We also have pending applications for dealer licenses to sell vehicles in another five two states.

### Automobile Manufacturer Regulation in Canada

Our vehicles available for sale in the Canadian market are subject to environmental and safety certifications administered by the appropriate Canadian regulatory authorities, including, but not limited to Transport Canada and Environment Canada. We

## RIVIAN AUTOMOTIVE, INC.

have obtained all required national certifications to enable sales in Canada for 2022, 2023, and 2023, 2024. Unlike the United States, there are no impediments to a manufacturer applying for and receiving a dealer license to perform sales and service, however, we must obtain the necessary provincial licenses to enable sales and service in each location. We have these licenses in British Columbia, Ontario, and Quebec and are in the process of obtaining the remaining licenses in the other provinces of Canada.

### Federal and State Incentives in the United States

As of December 31, 2022 December 31, 2023, incentives in the United States included:

- **United States Federal Tax Credits.** The Qualified Plug-In Electric Drive Motor Vehicle Tax Credit program instituted by the United States government provides a tax credit of up to \$7,500 for the purchase of new qualified plug-in electric drive motor vehicles. In August 2022, Congress modified section 30D ("30D") of the Internal Revenue Code of 1986 (the "Code") by limiting the tax credit to electric trucks, SUVs and vans priced below \$80,000 and imposing certain income restrictions for taxpayer eligibility to receive the 30D tax credit. Eligibility for the 30D tax credit is also contingent on (i) the vehicle's final assembly occurring in North America, (ii) the vehicle having a certain percentage of the battery's critical minerals originating from a United States free trade agreement partner or being recycled in North America, and (iii) the vehicle having a certain percentage of its battery's components being manufactured or assembled in North America. Moreover, if a vehicle battery's critical minerals were extracted, processed or recycled by a "foreign entity of concern," such as China or Russia, the 30D tax credit would not apply. Congress also added a new provision to the Code under section 45W ("45W") that provides an incentive of between \$7,500 and \$40,000 depending on the Gross Vehicle Weight Rating and incremental cost increase between the electric commercial vehicle and a comparable internal combustion engine equipped vehicle. Unlike the consumer tax credit under 30D, there are no price limits, income caps, manufacturing mandates or content restrictions.

In addition to 30D and 45W, Congress also extended the Alternative Fuel Infrastructure Tax Credit under section 30C ("30C") to tax credits for businesses up to 30% of the cost of installing alternative fueling equipment in eligible census tracts, up to \$100,000. Consumers who purchased residential fueling equipment but were not eligible to depreciate such equipment may receive a tax credit of up to \$1,000 for equipment placed in service after December 31, 2022. The program included electricity as an alternative fuel and potentially could be used by Rivian customers to offset the cost of their home charging systems and by businesses to offset the costs of installing electric vehicle charging stations. Additionally, if Rivian sells such equipment to a tax-exempt entity, Rivian would be eligible to claim the credit for itself. Unused credits may be carried backward one year and carried forward 20 years. The 30C credit was extended until December 31, 2032.

Along with these consumer-facing credits, Congress also passed some manufacturing incentives in the Inflation Reduction Act of 2022 ("IRA") that can benefit Rivian. The 45X Advanced Manufacturing Production Tax Credit

## RIVIAN AUTOMOTIVE, INC.

provides a \$35/kwh incentive for cell manufacturing and \$10/kwh for module assembly through 2032. Rivian was able to claim the module assembly benefit starting in 2023.

The 48C Qualifying Advanced Energy Project Investment Tax Credit provides a 30% tax credit on investments to build production facilities for advanced energy technology, including wind, solar, energy storage, and EVs, among others. Congress appropriated \$10 billion into this program, with \$4 billion allocated in a first round in late 2023/early 2024 for “energy communities” - projects in census tracts on or adjacent to census tracts containing former coal mines or power plants. The remaining \$6 billion is expected to be allocated in 2024 and Rivian is prepared to submit applications for both the Normal Factory and the Stanton Springs North Facility.

- **State Incentives.** A number of states and municipalities in the United States, as well as certain private enterprises, offer incentive programs to encourage the adoption of alternative fuel vehicles, including tax exemptions, tax credits, exemptions, and special privileges.

Other states have also implemented various incentives for the purchase of eligible ZEVs based on weight class and propulsion type. For example, New Jersey and Washington exempt the purchase of EVs from state sales tax. California, Colorado, Oregon, and Oklahoma provide substantial state tax credits or rebates for the purchase of EVs. Some of these programs have eligibility limits based on either consumer income or the manufacturer's suggested retail price of the vehicle. Others will supply rebates only until a set aside amount of funding exists. Several states will also be phasing out incentives over time or volume of EVs are sold. Other incentives include preferential parking at for free or reduced rates or free, or single occupancy and access to high-occupancy vehicle access lanes on highways for all EVs.

### Intellectual Property

Rivian's intellectual property is a core asset of our company, and an important tool to drive value and differentiation in our products and services. We protect, use, and defend our intellectual property in support of our business objectives to increase our return on investment, enhance our competitive position, and create shareholder value. Through strategic and business assessments of our intellectual property, we rely on a combination of patents, trade secrets, copyrights, service marks, trademarks, domains, contractual terms, and enforcement mechanisms across various international jurisdictions to establish and protect intellectual property rights related to our current and future business and operations. While we do not believe that any single piece of intellectual property is individually material to the entirety of our business, our intellectual property is important to our operations and development of technologies.

## RIVIAN AUTOMOTIVE, INC.

As of December 31, 2022 December 31, 2023, we held over 230 400 granted patents and registrations worldwide, and had filed over 1,600 1,800 patent applications pending with domestic U.S. and foreign international patent offices. As of December 31, 2022 December 31, 2023, we had held over 1,700 2,700 registered trademarks and had filed over 4,600 800 trademark applications pending with domestic U.S. and foreign international trademark offices, had two held seven registered copyrights, and had filed one copyright application with foreign pending in an international copyright offices. office.

We will pursue intellectual property protection to the extent we believe it would be advantageous to our business objectives. Despite our efforts to protect our intellectual property rights, they may not be respected in the future or may be invalidated, circumvented, or challenged.

### Our Approach to Environment, Social, and Governance (“ESG”)

Fulfilling our ambitious mission and contributing to our vision for helping change the trajectory of our planet's future for generations to come requires a holistic approach. At Rivian, this means that we consider our impacts throughout our business. A detailed understanding of our products informs our decisions and drives our actions—from exploring options to decarbonize our materials to enhancing our designs to improving product efficiency.

#### Environment

Rivian is focused on creating solutions and demonstrating ways of operating that not only help shift mindsets, but also help support a healthy competitive landscape to shift away from fossil fuels and curtail climate change. We believe we have an opportunity to play a role in the global economic transition to net zero emissions by working towards carbon-free electrification of road transportation. Specifically, we are focused on:

- Producing EVs to reduce carbon emissions and other pollution; and

## RIVIAN AUTOMOTIVE, INC.

- Actively reducing our environmental footprint, considering the impacts of EVs and their supply chains on communities and ecosystems, and protecting nature.

Our current focus on applying sustainable practices across several facets of our business include the following:

- **Vehicles.** Rivian's EVs are designed to reduce impact on the environment over their life cycle and we engage at the product component level to develop targets directly into the product requirements to reduce environmental impacts and to integrate sustainability into decision-making. This includes striving to incorporate sustainable materials versus conventional materials, prioritizing energy efficiency, and recycling key materials, where feasible. We develop life cycle assessments ("LCAs") for our EVs which help us understand their environmental footprints. These LCAs conform with industry standards (International Organization for Standardization 14040 and 14044) and are reviewed by a third-party expert.
- **Sourcing.** As Rivian continues to grow and ramp up production, we are simultaneously mapping our supply chain for the next stage of our development. This includes prioritizing traceability for priority materials, focusing on steel, aluminum, and batteries, and incorporating standards to help protect communities involved in bringing our vehicles to life through membership in various coalitions and industry organizations.
- **Circularity.** The aim of circularity is to keep materials and products in use as long as possible, ultimately decoupling economic activity from finite resources. Rivian is exploring options to embed circular principles into our business and is pursuing pathways to operationalize circularity that slow consumption of primary materials, reduce waste, limit biodiversity loss, and decarbonize our business.
- **Transitioning to Carbon-Free Energy.** Our aim is to accelerate the amount of carbon-free energy on the nation's electricity grid so that we can achieve even greater system-wide impact and prevent a shift of emissions from tailpipes to power plants. Specifically:
  - **Charging.** As we expand our charging deployments, we have, and intend to continue to find ways to help drivers accelerate the transition to a carbon-free grid by matching 100% of the energy the vehicle consumed with renewable energy purchases no matter where the vehicle charged—at home, on a third-party network, or on the Rivian Adventure Network.
  - **Renewable Energy.** We are investing in purpose-driven renewable energy projects that seek to positively impact our communities, our customers, our climate, and our industry.

#### Social: Human Capital

As of December 31, 2022 December 31, 2023, we had 14,122 16,790 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, our engineering and technology teams that are designing and developing future products and services, and our general and administrative teams. Our global footprint will We continue to grow as we our global footprint and seek diverse communities to join us on our adventure.

As a team, we strive to Keep The World Adventurous Forever keep the world adventurous forever by attracting the right people in the right roles, and harnessing their adventurous spirit. spirit, and keeping a safe and inspiring environment as a daily practice. Below are our Compass principles: Values: a set of behaviors that serve as the backbone of Rivian's organizational culture. Our Compass serves Values serve 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

#### RIVIAN AUTOMOTIVE, INC.

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 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.

## RIVIAN AUTOMOTIVE, INC.

### Our Commitment to Focus on Diversity, Equity, Inclusion, and Belonging

At Rivian, we believe that *forever* is for EVERYONE and this philosophy is symbiotic with our mission to **Keep keep the World Adventurous Forever. world adventurous forever.** Belonging is the outcome of Diversity, Equity, and Inclusion. It is a cultural imperative, is intentionally woven **in into** 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 where we can thrive in those spaces. thrive.**

Below are our **Operating Principles operating principles** that anchor all of our work for Belonging:

- **Representation Matters.** There is undeniable power in representation, and **we believe** attracting, hiring, and retaining diverse talent at all levels is **key.**
- **Diverse Teams are Better Teams.** They bring broader perspective and experiences that enable us **key to innovate and solve big problems. productivity.**
- **Self-Awareness is the Gateway to Learning.** Being the bridge to a new way of thinking and working together starts with us as individuals.
- **Diverse Teams are Better Teams.** We believe diverse teams bring broader perspective and experiences that enable us to innovate and solve big problems.
- **Embedding Equitable Practices is Key.** Equity is intentionally built into our broader people and talent processes with clear accountabilities for our leaders.

To support, facilitate, **Environment, Health,** and drive towards the goal of Belonging for all, Rivian continues to develop a full range of internal programs and offerings for our employees. This includes internal mobility, career development, strategic hiring programs, commitments to inclusion through allyship, and learning and development initiatives. In addition, we offer Belonging Resource Groups and other networks which facilitate the opportunity for our communities to come together in conversation, education, moments of celebration, and in times of change. All are welcome. **Safety ("EHS")**

### Our Climate Commitment

Responding effectively **Creating a safe and inspiring environment is a priority that we expect Rivian employees to climate change requires collective action and urgency. We believe we have a responsibility and opportunity to play a role uphold in their daily activities. EHS oversight occurs at the global economic transition to net zero emissions. We are one highest level of the signatories to Company. The Climate Pledge, through which signatories commit to reaching net-zero carbon emissions by 2040. We aim to: Rivian board of directors reviews, on a quarterly basis, key performance indicators, past EHS accomplishments, and continuous improvement initiatives.**

- **measure and report our GHG emissions;**
  - **implement decarbonization strategies in line with The Climate Pledge through real business change and innovations, including energy efficiency improvements, renewable energy use, designing for circularity of materials, and other carbon abatement strategies; and**
  - **power charging on the Rivian Adventure Network and Rivian Waypoints Network with 100% renewable energy, which may be achieved by a variety of mechanisms, including, but not limited to, power purchase agreements and the purchase of renewable energy credits.**

Our climate commitment is backed by our current focus on applying sustainable practices across several facets of our business:

- **Product Development.** Rivian's products are being designed to reduce impact on the environment over their life cycle. This includes looking to incorporate sustainable materials versus conventional, prioritizing energy efficiency, and recycling key materials. We are integrating recycled content, material utilization, and other sustainability metrics directly into the product requirements so impact can be reduced at the earliest stages of design. Advanced diagnostics allow us to identify areas to optimize battery and overall vehicle health which may increase the use phase of our vehicles. We also track and forecast the carbon footprint of design iterations throughout the product development process to provide teams with the ability to integrate sustainability into daily decision-making.
- **Operations.** Like any company, we use resources to operate. Our goal is to do so efficiently and thoughtfully at our existing facilities and new facilities as we grow and scale our business. Our team is dedicated to measuring our GHG emissions and decarbonizing our operations. Where possible, we utilize energy management systems, purchase recycled and reusable packaging materials, and actively utilize rail across our distribution channels to reduce our

## RIVIAN AUTOMOTIVE, INC.

logistics related carbon footprint. Rivian is pursuing a high performance, energy efficient central thermal building for our future production facility, which will provide higher quality and better operational performance over the life of the system than comparable options. Rivian evaluates operational design decisions through a lens of total cost of ownership to highlight the long-term value of energy reduction strategies for the business. As we expand production capacity at our Normal Factory and build new sites to support our growth, we intend that environmental impact will be a significant factor in our planning. We are making progress on powering our charging network and production facilities with renewable energy.

#### **Forever: Philanthropic Activities and Corporate Giving**

At Rivian, we believe sustainable and inclusive business is vital to society, the environment, and humanity's continued prosperity. Our philanthropic mission is focused on helping to **Keep keep the World Adventurous Forever world adventurous forever** by preserving the planet for future **generations. generations and advancing a just transition to a clean mobility future.** Through a **non-operating work with an IRS-registered**

### **RIVIAN AUTOMOTIVE, INC.**

**501(c)(3)** private foundation **currently seeking 501(c)(3) designation** (the "Rivian Foundation"), **Forever by Rivian, Inc., a 501(c)(4) social welfare organization ("Forever by Rivian"), which intends to commence grantmaking in 2024,** and efforts by Rivian directly (collectively, "Forever"), we **intend aim to expand extend** our impact beyond the **transportation and energy products and services** we make and the associated competition they **inspire.** We aim for Forever to go further to address climate change **inspire** and to **help preserve the critical biodiversity needed advance progress towards building a sustainable future for our planet's long term survival. generations.**

#### **Corporate Information**

Rivian Automotive, Inc. was incorporated on March 26, 2015 as a Delaware corporation. Our principal executive offices are located at 14600 Myford Road, Irvine, CA 92606, and our telephone number is (888) 748-4261. Our website address is [www.rivian.com](http://www.rivian.com). Information contained on, or that can be accessed through, our website does not constitute part of this Form 10-K, and the inclusion of our website address in this Form 10-K is an inactive textual reference only.

We have proprietary rights to trademarks, trade names, and service marks appearing in this Form 10-K that are important to our business. Solely for convenience, the trademarks, trade names, and service marks may appear in this Form 10-K without the ®, ™, and ™ symbols, but any such references are not intended to indicate, in any way, that we forgo or will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, trade names, and service marks. All trademarks, trade names, and service marks appearing in this Form 10-K are the property of their respective owners.

#### **Available Information**

The Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to reports filed with or furnished to the Securities and Exchange Commission ("SEC") pursuant to Sections 13(a) and 15(d) of the "Exchange Act", **Exchange Act**, are available, free of charge, on our Investor Relations website at <https://rivian.com/investors> as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC maintains a website at <http://www.sec.gov> that contains reports, proxy, information statements and other information regarding registrants that file electronically with the SEC. We use our Investor Relations website as a means of disclosing material information. Accordingly, investors should monitor our Investor Relations website, in addition to following our press releases, SEC filings, and public conference calls and webcasts.

#### **Item 1A. Risk Factors**

*Our business is subject to various risks and uncertainties, including those described below, that may cause actual results to differ materially from historical performance or projected future performance expressed in forward-looking statements made by us. We encourage you to consider carefully the risk factors described below in evaluating the information in this Form 10-K as the outcome of one or more of these risks and uncertainties could have a material adverse effect on our financial condition, results of operations, and cash flows as well as on our reputation, business, growth, future prospects, and ability to accomplish our strategic objectives.*

#### **Risks Related to Our Business**

**We are a growth stage company with limited operating history and a history of losses and losses. We expect to incur significant expenses and continuing losses for the foreseeable future. We may underestimate or not effectively manage the capital expenditures future and costs associated with our business and operations, which could have a material and adverse effect on**

### **RIVIAN AUTOMOTIVE, INC.**

**our business, prospects, financial condition, results of operations, and cash flows. We may also require additional financing to support our business, which may not be available able to achieve or maintain profitability in a timely manner or on terms that are acceptable, or at all. the future.**

We have incurred net losses since our inception, including net losses of **\$1.0 billion \$4.7 billion, \$4.7 billion \$6.8 billion, and \$6.8 billion \$5.4 billion** for the years ended **December 31, 2020 December 31, 2021, 2021 2022 and 2022, 2023,** respectively. Our costs will continue to be significant in the foreseeable future as we grow our go-to-

market operations and sales of our vehicles, scale our operations, identify and commit resources to consider and address new areas of demand, including new geographies, and incur costs from operating as a public company. These expenditures include production costs, such as raw materials, labor and logistics costs, research and development investments and expenses, sales and distribution expenses, costs in connection with expanding our charging networks, and general and administrative expenses, and our level of expenditures will be significantly affected by consumer demand for our current products and services along with anticipated demand for future products and services. We do not expect to be profitable for the foreseeable future as we continue to invest in our business, build capacity, and ramp up operations, and there is no assurance that we will ever achieve or be able to maintain profitability in the future. Our ability to become profitable in the future will depend on the continued successful development, and commercial production, and acceptance adoption of our vehicles and services, our ability to maintain strong demand and to align production with such demand, our ability to maintain the average selling prices for our vehicles as well as and services, and our capability to source materials cost-effectively and manufacture our vehicle portfolio efficiently and estimate and efficiently. In addition, we must effectively manage both all aspects of our financial operations, including our sales and revenue flows, operating expenditures, capital expenditures, working capital, and our capital expenditures. If we are unable cash flows. Any failure to efficiently manage our adequately increase revenue or contain costs could prevent us from achieving or maintaining profitability in the future, in which case our business, prospects, financial condition, results of operations, and cash flows would be materially and adversely affected.

## RIVIAN AUTOMOTIVE, INC.

**We expect to continue to incur significant cost of revenues, operating expenses, and capital expenditures, and we may underestimate or not effectively manage the cost of revenues, operating expenses, and capital expenditures associated with our business and operations.**

As we have transitioned from an early-stage company focused on research and development activities to rapidly expanded the large-scale manufacture, sale, and support of our vehicles, we have required and expect to continue to require significant capital to develop and grow our business, including developing scaling our vehicles to be manufactured at volume, rolling out operations, growing our go-to-market, infrastructure sales, and service operations, identifying and committing resources to consider and address new areas of demand, including new geographies, as well as building our brand and investing in our next generation technologies, products, and products, manufacturing facilities and capabilities. These efforts may be more costly than we expect and may not result in sufficient increased revenue or growth in our business to offset such costs. Our expenditures will continue to be significant in the foreseeable future and include production costs, such as raw materials, labor, and logistics costs, research and development investments and expenses, costs associated with increasing sales, marketing, and advertising activities and expanding our spaces, costs in connection with the construction of our Stanton Springs North Facility, costs in connection with expanding our charging network, sales and service expenses, and general and administrative expenses. In addition, our level of capital requirements are subject to uncertainty, particularly since we have a limited operating history as well as limited historical data on the will also be significantly affected by consumer demand for our current products and services along with anticipated demand for future products and services, and the costs that we will incur over time in delivering these products and services to our customers. In addition, we have limited insight into trends that may emerge and affect our business as we operate in a relatively new industry segment that is rapidly evolving and highly competitive. business. As a result, our future capital requirements are subject to uncertainty and our actual capital requirements may be different from or greater than those we currently anticipate. If we are unable to efficiently manage our cost of revenues, operating expenses, and capital expenditures, our business, prospects, financial condition, results of operations, and cash flows would be materially and adversely affected.

**We will require additional financings to raise capital to support our business, which may not be available in a timely manner or on terms that are acceptable, or at all.**

We expect that we will need to seek additional equity or debt financing in both the near- and long-term to finance a portion of our costs and capital expenditures. Our ability to obtain the necessary financing to carry out our business plan is subject to a number of factors. These include general conditions in the global economy and financial markets, which continue to experience volatility and disruptions as a result of inflation and interest rate changes, investor and customer acceptance of our business model, and market confidence in our ability to execute against our business plans. plans, industry wide EV adoption rates or slower growth in demand, delays or cutbacks in EV production plans announced by other manufacturers, and general conditions in the global economy and financial markets, including volatility and disruptions in the capital and credit markets due to inflation, interest rate changes, and global conflicts or other geopolitical events. These factors may make the timing, amount, terms and conditions of such financing unattractive or unavailable to us. Any additional indebtedness we incur would result in increased debt service obligations and could involve additional restrictive covenants relating to our capital raising activities and other financial and operational matters, and the sale of additional equity or equity-linked securities would result in dilution for our stockholders. If we are unable to raise sufficient funds or obtain funding on terms satisfactory to us, we may have to significantly reduce our spending, delay, or cancel our planned activities or substantially change our corporate structure, and we may not have sufficient resources to conduct our business as projected. This planned, which would materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

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

Our success depends on attracting a large number of customers and maintaining strong demand for our vehicles and the associated services we provide and may in the future provide to our customers. We offer our customers the ability to make reservations in the United States and Canada with a cancellable and fully refundable deposit of \$1,000. Deposits paid to reserve the R1T and R1S are cancellable by the customer until the customer enters into a lease or purchase agreement. We have experienced, and may in the future experience, customer cancellations, which may result in lower vehicle unit sales and increased inventory, which could mean adversely affect our business, prospects, financial condition, results of operations, and cash flows. When we launched and began selling our R1 vehicles, we generated a large order bank of reservations. In 2023, the increased volume of produced and delivered R1 vehicles and increased order cancellation rate has notably reduced this R1 vehicle order bank. For 2024, we expect our total deliveries to be both derived from our existing order bank as well as new orders generated during the year. In addition, our current rate of new orders must improve to meet our delivery targets, and there is no assurance that we will be able to adequately increase new orders to meet these targets. To support demand generation, we are in the process of implementing new capabilities, such as expanding our spaces, expanding our demonstration drives, offering leasing programs, and building our sales and marketing team, technology, and infrastructure, which increases our costs and adversely impacts our profitability. Additionally, we have limited experience in marketing,

## RIVIAN AUTOMOTIVE, INC.

selling, and advertising, and there can be no assurance that we will be successful in ramping up these new capabilities on a timely basis or to their full potential or that we will achieve the expected benefits.

Demand in the automobile industry is volatile. A number of factors can impact overall demand and consumer decisions on whether to purchase our vehicles, including changes in customer preferences, competitive developments, introduction of new vehicles and technologies, general economic or geopolitical conditions (such as decreases in per capita income and level of disposable income, increased and prolonged unemployment, or a decline in consumer confidence), increases in interest rates that could make financing less attractive for some customers, higher insurance premiums for EVs, lack of charging infrastructure, negative perceptions regarding EV demand and adoption, and any event or incident that generates negative media coverage about us or the safety or quality of EVs and our vehicles. As a newer manufacturer, we will have fewer financial resources than more established manufacturers to withstand changes in the market and disruptions in demand. Reduced EV segment demand could lead to lower sales, revenue shortfalls, loss of customers, and increased inventory, which may result in further downward price pressure and adversely affect our business, prospects, financial condition, results of operations, and cash flows. These effects may also have a more pronounced impact on our business given our relatively smaller scale and financial resources as compared to other established manufacturers.

If customers do not perceive our vehicles and services to be of sufficiently high value and quality, cost competitive, and appealing in aesthetics or performance, if customers prefer to purchase the same brand of vehicle that they have owned in the past, whether due, in part, to familiarity with the brand, ease of transition, or the ability of dealerships to provide financial incentives or terms to entice customers, or if customers prefer to purchase a vehicle in person, we may not be able to retain our reservations or attract new customers, and our business, prospects, financial condition, results of operations, and cash flows would be forced materially and adversely affected. To generate and maintain demand, we expect to curtail incur significantly higher and more sustained marketing and promotional expenditures than we have previously incurred to attract customers. If, for any of these reasons, we are not able to attract and maintain consumer customers, our business, prospects, financial condition, results of operations, or discontinue cash flows would be materially and adversely affected.

Our future success will also depend on growing the sale of our commercial vehicles and securing additional commercial agreements with businesses and/or fleet operators for our commercial vehicles. As we continue to target commercial customers, we may face increased costs, longer sales cycles, greater competition, and less predictability in completing our sales given that the sales cycle for commercial vehicles is multi-phased and complex. For our commercial customers, the evaluation process may be longer and more involved, with complex procurement and budgeting considerations, and require us to invest more in educating our customers about our products and services. The entry of commercial EVs is a relatively new development, particularly in the United States, and operators of commercial vehicle fleets will consider many factors when deciding whether to purchase our commercial EVs, including the availability of commercial charging infrastructure to support EV fleets. Furthermore, although we have entered into pilot programs to sell our commercial vehicles to new commercial customers, there can be no assurance that these pilot programs or other commercial sales efforts will result in higher volume orders or will attract more fleet customers. If we are unable to increase sales of our commercial vehicles while mitigating the risks associated with serving commercial customers, our business, prospects, financial condition, results of operations, and cash flows may be adversely impacted.

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

Both the automobile industry generally, and the EV segment in particular, are highly competitive, and we are competing for sales with both EV manufacturers and traditional automotive companies, including those who have or have announced consumer and commercial vehicles that may be directly competitive to ours. Many of our current and potential competitors have significantly greater financial, technical, manufacturing, marketing, or other resources than we do and may be able to devote greater resources to the design, development, manufacturing, distribution, promotion, sale, and support of their products than we may devote to our products. We expect competition for EVs to intensify due to increased global sales volume, government incentives, launch of new variants, discounts and incentives, and a regulatory push for alternative fuel vehicles, continuing globalization, and consolidation in the worldwide automotive industry, as well as the significant volatility in oil and gasoline prices. In addition, as fleet operators begin transitioning to EVs on a mass scale, we expect that more competitors will enter the commercial fleet EV market. In addition, the existence of our commercial relationship with Amazon, notwithstanding the recent amendment to our commercial agreement with Amazon, coupled with its significant holdings of our securities, and the fact that sales of RCVs to certain last-mile delivery customers and certain customers in the retail industry require Amazon's consent, may deter Amazon's competitors or other third parties from contracting with us. Further, due to new entrants in the commercial fleet EV market, we may experience increased competition for components and other parts of our vehicles, which may have limited or single-source supply.

## RIVIAN AUTOMOTIVE, INC.

Factors affecting competition include product performance and quality, technological innovation, customer experience, brand differentiation, product design, pricing and TCO, and manufacturing scale and efficiency. The EV sector has recently experienced increasing price competition due in part to general economic conditions, including a rise in interest rates for vehicle loans. Several of our competitors have announced changes in EV production plans and their pricing strategy, including vehicle price reductions and incentives, which may result in downward price pressure. Our competitors with greater financial resources may be able to adjust their pricing strategies with limited impact on their business, while any adjustment in pricing strategies that we undertake will have a greater impact on our business and we may not be able to competitively match their actions. If we do not adjust our pricing strategies, we may experience lower vehicle unit sales and increased inventory, reduced demand for our vehicles, a loss of customers, or a loss in future market share, any of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

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

Our future growth is dependent on the demand for, and upon consumers' willingness to adopt EVs, and even if EVs become more mainstream, consumers choosing us over other EV manufacturers is not assured. Demand for EVs may be affected by factors directly impacting automobile prices or the cost of purchasing and operating automobiles,

such as sales and financing incentives, prices of raw materials and components, cost of energy, and governmental regulations, including tariffs, import regulation, and other taxes. Volatility in demand may lead to lower vehicle unit sales, which may result in downward price pressure and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

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, reliability, 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 potentially lower cost of ongoing operating and maintenance costs, compared to ICE vehicles, as well as the cost and time required to service and repair EVs, as compared to ICE vehicles;
- the higher cost of insurance for EVs, as compared to ICE vehicles;
- the perception that EVs have lower residual values, as 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, including the capacity and reliability of the electric grid;
- 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.

We will also depend upon the adoption of EVs by operators of commercial vehicle fleets for future growth, and on our ability to produce, sell and service vehicles that meet their needs. The entry of commercial EVs is a relatively new development, particularly in the United States, and is characterized by rapidly changing technologies and evolving government regulation, industry standards, and customer views of the merits of using EVs in their businesses. This process has been slow to date. As

#### RIVIAN AUTOMOTIVE, INC.

part of our sales efforts, we must educate fleet managers as to the economical savings during the life of the vehicle and the lower TCO of our vehicles. As such, we believe that operators of commercial vehicle fleets will consider many factors when deciding whether to purchase our commercial EVs (or commercial EVs generally), including the factors set forth above, as well as corporate sustainability initiatives, government regulations, economic incentives applicable to commercial vehicles, and the availability of commercial fleet charging infrastructure.

Our long-term results depend upon our ability to successfully introduce, integrate, and market new products and services, which may expose us to new and increased challenges and risks, and any inability to do so could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

We operate in a very competitive industry with market participants routinely introducing new and improved vehicle models and features to meet rapidly evolving consumer expectations. To meet these expectations and evolving areas of market demand, we plan to introduce new variants and new EV models, including our mid-sized platform, with R2 being the first variant. Our ability to develop achieve or maintain profitability will depend on our ability to fund and successfully design, manufacture, vehicles introduce, and market new vehicle models that attract a sufficient number of sufficient customers. If the production and delivery of new models are delayed or reduced, or if they are not manufactured in line with cost and volume targets, or if new models do not meet customer expectations or are not well-received by the market for any reason, including due to pricing considerations, competitors' product introductions, technological innovations, macroeconomic conditions, regulatory developments, transportation infrastructure, and changes in quality, safety, reliability, and appeal to customers on schedule styling demands and on a large scale is unproven, preferences, our revenue and cash flow would be adversely affected and we may not be able to generate sales in sufficient quantities and at high enough prices to be profitable. We are also subject to the risk that the announcement of new EV models, such as R2, may have a negative impact on our revenue in the near-term if customers decide to delay or cancel orders of R1 vehicles in anticipation of new EV models, which may also create pricing pressure for our currently available vehicles and may result in additional costs to generate demand.

Furthermore, our growth strategy depends, in part, on our ability to successfully introduce and market new products and services, such as financing, insurance, vehicle services, charging solutions, vehicle resale, as well as software services for consumer customers and fleet management for commercial customers. If we experience significant future growth, we may be required not only to make additional investments in our ecosystem and workforce, but also to expand our distribution infrastructure and customer support or expand our relationships with various partners and other third parties with whom we do business.

As we introduce new products and services or refine, improve, begin charging customers for, or upgrade versions of existing products and services, we cannot predict the level of market acceptance or the amount of market share these products or services will achieve, if any. There can be no assurance that we will not experience material delays in the introduction of new products and services in the future or that we will not experience higher-than-expected costs to launch new products and services. Consistent with our strategy of offering new products and product refinements, we expect to continue to use a substantial amount of capital for product refinement, research and development, and sales and marketing. We will need additional capital for product development and refinement, and this capital may not be available on terms favorable to us, if at all, which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**We have experienced, and may in the future experience, significant delays in the manufacture and delivery of our vehicles, which could harm our business, prospects, financial condition, results of operations, and cash flows.**

Our business depends in large part on our ability to develop, manufacture, obtain regulatory approval for, market, and sell vehicles of sufficient quality and appeal to customers on schedule and on a large scale. Our vehicles may not meet customer expectations and may not be commercially viable. Our initial deliveries for the R1T and R1S were delayed, and our production ramp **is taking took** longer than originally expected **as a result of due to** operational and supply chain challenges **in addition to** we experienced along with other related factors. In addition, from time to time, we have implemented planned shutdowns of our facility to prepare for changes in our manufacturing facility. In the **cascading impacts** second quarter of 2024, we plan to implement a shutdown to implement product and technology enhancements and upgrades, which will temporarily impact our production. There can be no assurance that the COVID-19 pandemic planned shutdown will not result in delays or unexpected challenges or that the planned shutdown will be successful and achieve the **ongoing military conflict between Russia and the Ukraine impacted our business and operations from facility construction to equipment installation and vehicle component supply. expected benefits.** Any **further delay delays** in the manufacture or delivery of our vehicles could materially damage our brand, business, prospects, financial condition, results of operations, and cash flows, and could cause **us to experience** liquidity constraints.

### RIVIAN AUTOMOTIVE, INC.

We launched our first consumer vehicles, the R1T and R1S, and first commercial vehicle, the EDV, and made our first deliveries in 2021. In conjunction with **the construction of our Stanton Springs North Facility** and the launch of future products, we **may need expect** to manufacture our vehicles in increasingly higher volumes than our present production **capabilities at the Normal Factory. capabilities.** We have limited experience as an organization in high volume manufacturing of EVs, and **there the Normal Factory is operating significantly below full vehicle production rate capacity, with** no certainty as to when we will reach full **vehicle production rate capacity at the Normal Factory. capacity.** Even if we are successful in developing our high-volume manufacturing capability and processes and in reliably sourcing our component supply, we cannot assure that we will be able to do so in a manner that avoids significant delays and cost overruns. The continued development of and the ability to manufacture our vehicles at scale, including the R1T, R1S, and commercial fleet vehicles, such as the EDV, and other commercial products **and our ability to develop and manufacture the midsize vehicle platform in the near future,** are and will be subject to risks, including with respect to:

- **our ability to expand operations at existing and future facilities;**
- **construction of our Stanton Springs North Facility, including potential problems or delays in the construction or operationalizing of the facility;**
- securing in a timely manner necessary raw materials, supplies, and components that meet our quality standards;
- our ability to negotiate and execute definitive licenses and agreements, and maintain arrangements on reasonable terms, with our various suppliers for hardware, software, or services necessary to engineer or manufacture components of our vehicles;
- quality controls, including within our manufacturing operations, that prove to be ineffective or inefficient and so drive **higher than expected higher-than-expected** warranty or other costs;
- our ability to accurately forecast, purchase, warehouse, and transport components at high volumes to our manufacturing facility;
- our ability to successfully implement automation, inventory management, and other systems to accommodate the increased complexity in our supply chain and components management, which may result in unexpected production disruption, storage, transportation and write-off costs;
- defects in design and/or manufacture that cause our vehicles not to perform as expected or that require repair, field actions, including product recalls, and design changes;
- delays, disruptions, or increased costs in our supply chain, including raw material supplies;
- scaling our production processes to reduce the number of labor hours required to manufacture each vehicle;
- other delays, **new technology and design introductions, which from time to time require temporary manufacturing shutdowns to implement product and technology enhancements and upgrades,** backlog in manufacturing and research and development of new models, and cost overruns;
- obtaining required regulatory approvals and certifications;
- compliance with environmental, health, safety, and similar regulations; **and**
- our ability to attract, recruit, hire, retain, and train skilled **employees; and employees.**
- **our ability to expand operations at existing facilities or future facilities, including plans to construct and operationalize a second manufacturing plant.**

Historically, automobile customers have expected car manufacturers to periodically introduce new and improved vehicle models. In order to meet these expectations, we may be required to introduce new vehicle models and enhanced versions of existing models. Given that for the foreseeable future our business will depend on a limited number of models and that we have limited experience, as a company, designing, testing, manufacturing, marketing, selling, and supporting/servicing our vehicles, there can be no assurance that we will be able to meet customer expectations.

Any of the foregoing could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

**We have experienced, and could experience in the future, cost increases and disruptions in supply of raw materials or other components used in our vehicles.**

We incur significant costs related to procuring raw materials required to manufacture and assemble our vehicles. The prices we pay for these raw materials fluctuate depending on factors often beyond our control, including market conditions, inflation, changes in interest rates, market prices of key commodities, regulatory requirements, and global demand for these materials, and could adversely affect our business, prospects, financial condition, results of operations, and cash flows. There have been very sizable increases in recent months in the cost of key metals, including lithium, nickel, aluminum, and cobalt with volatility in pricing expected to persist for the foreseeable future.

Furthermore, currency fluctuations, tariffs or shortages in petroleum, and other changes in economic or political/geopolitical conditions, including the ongoing conflict between Russia and Ukraine and in Israel and Gaza, and related attacks or violence in the broader region, may result in significant increases in freight charges and raw material and component costs. costs and significantly impact our ability to receive raw materials or components. Substantial increases in the prices for our raw materials or components would or regulatory requirements have in the past increased and could continue to increase our operating costs and could reduce our margins. For example, due to the global semiconductor supply shortage, other supply chain issues including the COVID-19 pandemic and the ongoing military conflict between Russia and the Ukraine, and the current inflationary environment, the cost of raw materials and components required to produce our vehicles has risen considerably, and we have increased, and may need to continue to increase, the

#### RIVIAN AUTOMOTIVE, INC.

prices of our vehicles in response to these and future cost pressures. Price increases and other measures taken by us to offset higher costs could materially and adversely affect our reputation and brand, result in negative publicity and loss of customers and sales, and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

Changes in business or macroeconomic conditions, governmental regulations, and other factors beyond our control or that we do not presently anticipate could affect our ability to receive components from our suppliers. For example, in the past,

#### RIVIAN AUTOMOTIVE, INC.

impacts from COVID-19, including associated variants, including recent outbreaks in China that led the government to impose lockdowns and other restrictions, and the ongoing military conflict between Russia and the Ukraine, have caused disruptions to and delays in our operations. These include included shortages and delays in the supply of certain parts, including semiconductors, materials and equipment necessary for the production of to produce our vehicles, and the various internal designs and processes we have adopted in an effort to remedy or mitigate impacts of such disruptions and delays have resulted in higher costs. Also, if our suppliers experience substantial financial difficulties or work stoppages, cease operations, or otherwise face business disruptions, or choose to de-prioritize their supply to us, we would be required to take measures to ensure components and materials remain available. In addition, if a supplied vehicle component becomes the subject of a field action, including a product recall, we may be required to find an alternative component, which could increase our costs, cause vehicle production delays, and subject us to costly litigation surrounding the component. In addition, if our suppliers experience substantial financial difficulties, cease operations, or otherwise face business disruptions, or choose to de-prioritize their supply to us, we would be required to take measures to ensure components and materials remain available. There are also increasing expectations that companies monitor the environmental and/or social performance of their supply chains, including suppliers' compliance with a variety of labor practices. Such expectations have resulted in enhanced regulatory and other stakeholder scrutiny of companies and suppliers in our industry. Compliance can be costly, require us to establish or augment programs to diligence or monitor our suppliers, or, in the case of legislation such as the Uyghur Forced Labor Prevention Act, to design supply chains to avoid certain regions or suppliers altogether. Failure Our failure to comply or our suppliers' failure to comply may result in a variety of adverse impacts, including reputational damage, potential liability, or a denial of import for various components. In some cases, we may not be able to find alternative suppliers on acceptable terms or for the quantities that we need. The unavailability of any component or supplier has resulted, and could in the future result in production delays, idle manufacturing facilities, product design changes, loss of access to important technology and tools for producing and supporting our products and services, and increased costs, any of which could increase our costs and negatively affect our business, prospects, financial condition, results of operations, and cash flows.

As a key component of our vehicle products, our business depends on the continued supply of battery cells for our vehicles and the inability or unwillingness of battery cell manufacturers to build or operate battery cell manufacturing plants to supply the numbers of battery cells (including the applicable chemistries) required to support the growth of the electric or plug-in hybrid vehicle industry as demand for such cells increases would impact our projected manufacturing and delivery timelines, and adversely affect our business, prospects, financial condition, results of operations, or cash flows.

**We are dependent on our existing suppliers, a significant number of which are single or limited source suppliers, and are also dependent on our ability to source suppliers, for our critical components, and to complete the building out of our supply chain, while effectively managing the risks due to such relationships.**

Our success will be dependent upon our ability to enter into supplier agreements and maintain our relationships with existing suppliers who are critical and necessary to the production of our vehicles. vehicles and as we implement product upgrades and adaptations for our vehicles in the future and work with existing and future suppliers. The supply agreements we have, and may enter into with suppliers in the future, may have provisions where such agreements can be terminated in various circumstances, including potentially without cause. In the ordinary course of our business, we currently have, and may in the future have, legal disputes with our suppliers, including litigation to enforce such supply agreements, which would adversely affect our ability to source components from such suppliers. If our suppliers become unable or unwilling to provide, or experience delays in providing, components, or if the supply agreements we have in place are terminated, or if any such litigation to enforce our supply agreements is not resolved in our favor, it may be difficult or impossible to find replacement components at a reasonable cost in a timely manner. Moreover, as we implement product upgrades and adaptations or make changes to our order volumes, we have had, and may in the future have, legal disputes and negotiations with suppliers related to changes in current supply contracts. In addition, if we terminate any supply agreements we may be subject to cancellation or other settlement costs.

Additionally, our products contain thousands of components that we purchase from hundreds of mostly single- or limited-source suppliers, for which no immediate or readily available alternative supplier exists. Due to scarce natural resources or other component availability constraints, we may not receive the full allocation of components we have

requested from a particular supplier due to supplier allocation decisions that are outside our control. While we believe that we would be able to establish alternate supply relationships and can obtain or engineer replacement components for our single source components, we may be unable to do so in the short term (or at all) at prices or quality levels that are acceptable to us. Further, any such alternative suppliers may be located a long distance from **the Normal Factory, our manufacturing facilities**, which may lead to increased costs or delays. In addition, as we evaluate opportunities and take steps to insource certain components, supply arrangements with current or future suppliers (with respect to other components offered by such suppliers) may be available on less favorable terms or not at all.

#### RIVIAN AUTOMOTIVE, INC.

**In addition, if we do not enter into long-term supply agreements with guaranteed pricing for our components, or if those long-term supply agreements are not honored by our suppliers, we may be exposed to fluctuations in prices of components, materials, and equipment. Agreements for the purchase of battery cells contain or are likely to contain pricing provisions that are subject to adjustments based on changes in market prices of key commodities. Substantial increases in the prices for components, materials, and equipment would increase our operating costs and could reduce our margins if we cannot recoup the increased costs. Increasing the announced or expected prices of our vehicles in response to increased costs has previously been viewed negatively by our potential customers, and any future attempts to increase prices could have similar results, which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

**We may not be able to accurately estimate the supply and demand for our vehicles, which could result in a variety of inefficiencies in our business and hinder our ability to generate revenue and profits. If we fail to accurately predict our manufacturing requirements, we could incur additional costs or experience delays.**

We are required to provide forecasts of our demand to our suppliers several months prior to the scheduled delivery of products to our prospective customers. Currently, there is limited historical basis for making judgments on the demand for our vehicles, our ability to develop, manufacture, and deliver vehicles, or our results of operations in the future. If we overestimate our requirements, our suppliers may have excess inventory, which would indirectly increase our costs. If we underestimate our requirements, our suppliers may have inadequate inventory, which could interrupt manufacturing of our products and result in delays in shipments and revenues. In addition, lead times for materials and components that our suppliers order may vary significantly and depend on factors such as the specific supplier, contract terms, and demand for each component at a given time. If we fail to order sufficient quantities of product components in a timely manner, the delivery of vehicles to our customers could be delayed, which could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**If we do not enter into long-term supply agreements with guaranteed pricing for our components, or if those long-term supply agreements are not honored by our suppliers, we may be exposed to fluctuations in prices of components, materials, and equipment. Agreements for the purchase of battery cells contain or are likely to contain pricing provisions that are subject to adjustments based on changes in market prices of key commodities. Substantial increases in the prices for components, materials, and equipment would increase our operating costs and could reduce our margins if we cannot recoup the increased costs. Increasing the announced or expected prices of our vehicles in response to increased costs has previously been viewed negatively by our potential customers, and any future attempts to increase prices could have similar results, which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

**We depend upon third parties to manufacture and to supply key semiconductor chip components necessary for our vehicles. We do not have long-term agreements with all of our semiconductor chip manufacturers and suppliers, and if these manufacturers or suppliers become unwilling or unable to provide an adequate supply of semiconductor chips, with respect to which there is a global shortage, we would not be able to find alternative sources in a timely manner and our business would be adversely impacted.**

Semiconductor chips are a vital input component to the electrical architecture of our consumer and commercial vehicles, controlling multiple aspects of the vehicles' operations. Many of the key semiconductor chips used in our vehicles come from limited or single sources of supply, and therefore a disruption with any one manufacturer or supplier in our supply chain would have an adverse effect on our ability to effectively manufacture and timely deliver our vehicles. Due to our reliance on these semiconductor chips, we are subject to the risk of shortages and long lead times in their supply. We are still in the process of identifying alternative manufacturers for semiconductor chips. We have in the past experienced, are currently experiencing, and may in the future experience, semiconductor chip shortages, and the availability and cost of these components would be difficult to predict. For example, our manufacturers may experience temporary or permanent disruptions in their manufacturing operations due to equipment breakdowns, labor strikes or shortages, natural disasters, including as a result of climate change, global pandemics, component or material shortages, cost increases, acquisitions, insolvency, changes in legal or regulatory requirements, or other similar problems.

In particular, increased demand for semiconductor chips in 2020, due in part to the COVID-19 pandemic and increased demand for consumer electronics that use these chips, resulted in a severe global shortage of chips in 2021, which continued in 2022 and we expect will continue in 2023, in part as a consequence of the continuing COVID-19 pandemic and the ongoing military conflict between Russia and the Ukraine. As a result, our ability to source semiconductor chips used in our vehicles was adversely affected. This shortage resulted and will likely continue to result in increased chip delivery lead times, delays in the production of our vehicles, and increased costs to source available semiconductor chips. To the extent this semiconductor chip shortage continues, and we are unable to mitigate the effects of this shortage, our ability to deliver sufficient quantities of our vehicles to fulfill our preorders and to support our growth through sales to new customers would be adversely affected. In addition, we expect to incur additional costs and expenses in managing ongoing chip shortages, including additional research and development expenses, engineering design and development costs in the event that new suppliers must be onboarded on an expedited basis. Further, ongoing delays in production and shipment of vehicles due to a continuing shortage of semiconductor chips may harm our reputation and discourage additional preorders and vehicle sales, and otherwise materially and adversely affect our business and operations.

#### RIVIAN AUTOMOTIVE, INC.

We expect that a significant portion of our near-term revenue will be has been from one customer that is an affiliate of one of our principal stockholders. If we are unable to maintain this relationship, or if this customer purchases significantly fewer vehicles than we currently anticipate, then our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

In the near-term, we expect that a significant portion of our revenue will be has been from Amazon Logistics, Inc. ("Logistics"). Amazon is the parent company of both Logistics and Amazon.com NV Investment Holdings LLC ("NV Holdings"), which beneficially owns shares of our capital stock (including shares issuable upon the exercise of a warrant to purchase 3,723,050 shares of Class A common stock, as amended) representing 16.2% 15.6% of our voting power as of December 31, 2022 December 31, 2023.

In February 2019, we entered into a commercial letter agreement with Amazon, and in September 2019, we entered into a related framework agreement with Logistics. We refer to these agreements, together with any work orders, purchase orders, related agreements, and amendments thereunder or thereto, collectively, as the "EDV Agreement." Under the EDV Agreement, we and Logistics have agreed to collaborate to design develop, manufacture, and supply develop EDVs and/or certain component parts and related services for use in Amazon's last mile delivery operations. We also have agreed under the EDV Agreement that until the fourth anniversary of when Logistics first receives EDVs (the "Initial Delivery Date"), we will exclusively provide last mile delivery vehicles to Amazon, and from the fourth anniversary to the sixth anniversary of the Initial Delivery Date, Amazon will have a right of first refusal to purchase last mile delivery vehicles that we produce. Under the EDV Agreement, Logistics has the right to decide how many EDVs to purchase, which may be fewer than expected, or delay the delivery of such purchases. Certain factors outside of our control may influence Logistics' decision as to the number of EDVs to purchase from us and the timing of delivery, including Logistics' ability to deploy a charging infrastructure across their delivery stations. The EDV Agreement is non-exclusive for Logistics, and Logistics has purchased and may continue to purchase EVs, including last mile delivery vehicles, from other manufacturers, including those who are or manufacturers. In November 2023, we amended the EDV Agreement to change certain exclusivity and first refusal rights granted to Amazon, which previously prevented us from selling commercial vans to any other commercial customers. Under the EDV Agreement, as amended, we may become competitors sell commercial vans to us, third parties, subject to certain fees and limitations related to customer type and vehicle volume.

While the EDV Agreement provides that we will be reimbursed for certain development costs, it does not include any minimum purchase requirements or otherwise restrict Logistics from developing last mile vehicles or collaborating in collaboration with, or purchasing similar last mile delivery vehicles from, third parties. The EDV Agreement may be terminated by either party with or without cause, subject to compliance with certain termination provisions. If we fail to adequately perform under the EDV Agreement, if significantly fewer EDVs are purchased than we currently anticipate, or if either party terminates the EDV Agreement for any reason, our business, prospects, financial condition, results of operations, or cash flows would be materially and adversely affected.

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.

Our success depends on attracting a large number of potential customers to purchase our vehicles and the associated services we provide and may in the future provide to our customers. We offer our customers the ability to make preorders in the United States and Canada with a cancellable and fully refundable deposit of \$1,000, except for those consumers who opted into a binding purchase agreement on or after August 10, 2022 and before the Inflation Reduction Act of 2022 (the "IRA") was enacted, for whom only a portion is refundable. Deposits paid to preorder the R1T and R1S are cancellable by the customer until the customer enters into a lease or purchase agreement. The potentially long wait from the time a preorder is made until the time the vehicle is delivered, any delays beyond expected wait times, and any changes in available configurations could also impact consumer decisions on whether to ultimately make a purchase or cancel a preorder. Because all of our preorders are cancellable, it is possible that a significant number of customers who submitted preorders for our vehicles may not purchase vehicles. Any cancellations could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

If our existing preorder and prospective customers do not perceive our vehicles and services to be of sufficiently high value and quality, cost competitive and appealing in aesthetics or performance, we may not be able to retain our current preorder customers or attract new customers, and our business, prospects, financial condition, results of operations, and cash flows would be materially and adversely affected. In addition, we may incur significantly higher and more sustained marketing and promotional expenditures than we have previously incurred to attract customers. Further, our future success will also depend in part on securing additional commercial agreements with businesses and/or fleet operators for our commercial vehicles. If, for any of these reasons, we are not able to attract and maintain consumer and commercial customers, our business, prospects, financial condition, results of operations, or cash flows would be materially and adversely affected.

## RIVIAN AUTOMOTIVE, INC.

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

Both the automobile industry generally, and the EV segment in particular, are highly competitive, and we are competing for sales with both EV manufacturers and traditional automotive companies, including those who have or have announced consumer and commercial vehicles that may be directly competitive to ours. Many of our current and potential competitors may have significantly greater financial, technical, manufacturing, marketing, or other resources than we do and may be able to devote greater resources to the design, development, manufacturing, distribution, promotion, sale, and support of their products than we may devote to our products. We expect competition for EVs to intensify due to increased demand and a regulatory push for alternative fuel vehicles, continuing globalization, and consolidation in the worldwide automotive industry, as well as the significant volatility in oil and gasoline prices. In addition, as fleet operators begin transitioning to EVs on a mass scale, we expect that more competitors will enter the commercial fleet EV market. Under the EDV Agreement, we have granted Amazon certain exclusivity and first refusal rights which will initially restrict our ability to contract with other commercial customers. See "—We expect that a significant portion of our near-term revenue will be from one customer that is an affiliate of one of our principal stockholders. If we are unable to maintain this relationship or if this customer purchases significantly fewer vehicles than we currently anticipate, then our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected." In addition, the existence of our commercial relationship with Amazon, coupled with its significant holdings of our securities, may deter Amazon's competitors or other third parties from contracting with us. Further, as a result of new entrants in the commercial fleet EV market, we may experience increased competition for components and other parts of our vehicles, which may have limited or single-source supply.

Factors affecting competition include product performance and quality, technological innovation, customer experience, brand differentiation, product design, pricing and TCO, and manufacturing scale and efficiency. The EV sector has recently experienced increasing price competition due in part to general economic conditions, including a rise in interest rates for vehicle loans. Several of our competitors have recently announced changes in pricing strategy, including vehicle price reductions, which may result in downward price pressure. We may not have the financial resources of some of our competitors to allow us to adjust pricing strategies, which may result in lower vehicle unit sales and increased inventory, a loss of customers and a loss in future market share, any of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

We are highly dependent on the services and reputation of Robert J. Scaringe, our Founder and CEO.

#### RIVIAN AUTOMOTIVE, INC.

We are highly dependent on the services and reputation of Robert J. Scaringe, our Founder and CEO. Dr. Scaringe is a significant influence on and driver of our business plan, plan and product development roadmap. If Dr. Scaringe were to discontinue his service due to death, disability or any other reason, or if his reputation is adversely impacted by personal actions or omissions or other events within or outside his control, we would be significantly disadvantaged.

In addition, Dr. Scaringe is a director of Forever by Rivian and a director and the President trustee of the Rivian Foundation. Such positions Dr. Scaringe's position with the Rivian Foundation and Forever by Rivian may give rise to fiduciary or other duties in conflict with the duties he owes to us. Furthermore, Dr. Scaringe may have significant duties, and may devote a substantial amount of time serving, as a member of the board of directors trustee of the Rivian Foundation, and Forever by Rivian which may compete with his ability to devote a sufficient amount of attention toward his obligations to us, or to day-to-day activities of our business.

Our long-term results depend upon We may be unable to offer attractive financing and leasing options to vehicle purchasers, which would adversely affect demand and expose us to financial risks.

We offer financing arrangements for our vehicles through various financial institutions and currently offer leasing in 15 states. We cannot provide assurance that the relationships with those financial institutions will continue to provide the appropriate financial solutions to us and our customers and on acceptable terms or that we will be able to expand our leasing program to more states in a timely manner or at all. We believe our diverse customer base requires a diverse and attractive range of financing and leasing options. Failure to offer a variety of financing and leasing options may limit our ability to successfully introduce, integrate, and market new products and services, which may expose us to new and increased challenges and risks, and any inability to do so could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

Our growth strategy depends, in part, on our ability to successfully introduce and market new products and services, such as financing, insurance, adequately grow vehicle services, charging solutions, vehicle resale, as well as membership and software services for consumer customers and fleet management for commercial customers. If we experience significant future growth, we may be required not only to make additional investments in our ecosystem and workforce, but also to expand our distribution infrastructure and customer support or expand our relationships with various partners and other third parties with whom we do business.

As we introduce new products and services or refine, improve, begin charging customers for, or upgrade versions of existing products and services, we cannot predict the level of market acceptance or the amount of market share these products or services will achieve, if any. There can be no assurance that we will not experience material delays in the introduction of new

#### RIVIAN AUTOMOTIVE, INC.

products and services in the future. Consistent with our strategy of offering new products and product refinements, we expect to continue to use a substantial amount of capital for product refinement, research and development, and sales and marketing. We will need additional capital for product development and refinement, and this capital may not be available on terms favorable to us, if at all, which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

To date, we have no sustained experience servicing or repairing our vehicles in the field or providing financing or insurance services attract sufficient demand for our vehicles. Such lack We have a limited history of sustained experience vehicle sales and corresponding residual values, which makes the future value of our vehicles difficult to project, and such values may fluctuate prior to the end of their terms depending on various factors such as well as supply and demand of our lack used vehicles, economic cycles, and the pricing and content of significant, relevant user data relating new vehicles. Lower than expected resale values could negatively impact our projected residual values, which would make our leasing program less attractive to these new offerings customers. Declining residual values would also subject us to negative financial impacts from risk sharing arrangements in our leasing program. We have made in the past, and may make it more difficult for us in the future, certain adjustments to anticipate user demand our prices from time to time in the ordinary course of business, which may impact the residual values of our vehicles and preferences. We may misjudge user demand and thereby negatively impact the potential profitability performance of a new product or service. our leasing program.

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

We intend plan to continue to expand grow our go-to-market, sales, and service operations significantly, and invest in new technologies and manufacturing capabilities, 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. For example, in order to efficiently and effectively operate our manufacturing processes

we must stand-up complex and integrated information technology ("IT") systems, and we plan to strategically expand infrastructure, including both domestically and internationally, and expand additional manufacturing capacity both domestically and internationally, in support of our next vehicle, R2. Our future operating results depend to a large extent largely on our ability to manage this expansion and growth successfully, successfully, and any failure to effectively manage our growth could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows. Risks that we face in undertaking this expansion include, among others:

- attracting and hiring retaining 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; Stanton Springs North Facility;
- 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;
- implementing and enhancing administrative infrastructure, systems, and processes;
- 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.

As a newer entrant into the automotive industry, we cannot assure that we will be able to develop efficient, automated, cost-efficient manufacturing capabilities and processes, and reliable sources of component supply, that will enable us to meet the quality, price, engineering, design, and production standards, as well as the production volumes, required to successfully market our vehicles as our operations expand. Any failure to effectively manage our growth could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### RIVIAN AUTOMOTIVE, INC.

**We may not succeed in maintaining and strengthening our brand, which would materially and adversely affect customer acceptance of our vehicles, products, and services and our business, prospects, financial condition, results of operations, or cash flows. services.**

Our business and prospects heavily depend on our ability to maintain and strengthen the Rivian brand. If we are not able to maintain and strengthen our brand, we may lose the opportunity to build a critical mass of customers. Our ability to maintain and strengthen the Rivian brand will depend heavily on our ability to provide high quality EVs and engage with our customers as intended, as well as the success of our customer development and marketing efforts.

The automobile industry is intensely competitive. Many of our current and potential competitors, particularly automobile manufacturers headquartered in the United States, Japan, the EU, and China, have greater name recognition, broader

#### RIVIAN AUTOMOTIVE, INC.

customer relationships, and substantially greater marketing resources than we do, do, which makes it more difficult for us to attract new customers and requires us to make greater investments in brand marketing, growth marketing, advertising, and physical infrastructure to support these efforts. If our marketing campaigns are not effective in generating demand or if we do not maintain a strong brand, our business, prospects, financial condition, results of operations, and/or cash flows could be materially and adversely impacted.

In addition, if incidents occur or are perceived to have occurred, such as production delays and price increases, whether or not such incidents are our fault, we have in the past and could in the future be subject to adverse publicity. In particular, given the popularity of social media, any negative publicity, whether true or not, could quickly proliferate and harm consumer perceptions and confidence in the Rivian brand. Furthermore, there is the risk of potential adverse publicity related to our manufacturing, other partners (whether or not such publicity is related to their collaboration with us) or investors. Our ability to successfully position our brand could also be adversely affected by perceptions about the quality of our competitors' vehicles. In addition, from time to time, our vehicles are evaluated and reviewed by third parties. Any negative reviews or reviews which compare us unfavorably to competitors could adversely affect consumer perception about our vehicles.

**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.**

We are passionate about continually enhancing the Rivian experience with a focus on driving long-term customer engagement through innovative, technologically advanced vehicles and services, which may not necessarily maximize short-term financial results. We frequently make business decisions that may reduce our short-term financial results if we believe that the decisions are consistent with our goals to improve the Rivian experience, which we believe will improve our financial results over the long-term. In the near-term, we will focus significant resources on research and development and sales and marketing to deliver the Rivian experience to our customers, which could impact our short-term financial results. These decisions may not be consistent with the short-term expectations of our stockholders and may not produce the long-term benefits that we expect, in which case our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely impacted.

**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 selling, and financing, and plan to lease, leasing our vehicles directly to customers rather than through franchised dealerships. This model of vehicle distribution is relatively new, different from the predominant current distribution model for automobile manufacturers and, with limited exceptions, unproven, which subjects us to substantial risk. We have limited experience in selling and no experience in leasing vehicles and therefore this model may require significant expenditures and provide for slower expansion than the traditional dealer franchise system. For example, we will not be able to utilize long established long-established sales channels developed through a franchise system to increase sales volume. Moreover, we will be competing with companies with well established well-established distribution channels. Our success will depend in large part on our ability to effectively develop our own sales channels and marketing strategies. If our direct sales and leasing model does not develop as expected, develops more slowly than expected, or faces significant adversity from the established industry, we may be required to modify or abandon our sales and leasing model, which could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### RIVIAN AUTOMOTIVE, INC.

As a manufacturer engaged in sales directly to consumers, we may also face regulatory limitations on our ability to sell and service vehicles directly, which could materially and adversely affect our ability to sell our vehicles. Many states have laws that may be interpreted to impose limitations on this direct-to-consumer sales model for manufacturers. The application of these state laws to our operations may be difficult to predict. Laws in some states may limit our ability to obtain dealer licenses from state motor vehicle regulators or to own or operate our own service centers. As a result, we may not be able to sell, finance, or lease directly to customers in each state in the United States or provide service from a location in every state. In addition, decisions by regulators permitting us to sell vehicles may be challenged by dealer associations and others as to whether such decisions comply with applicable state motor vehicle industry laws. In some states, there have also been regulatory and legislative efforts by dealer associations to interpret laws or propose laws that, if enacted, would prevent us from obtaining dealer licenses in their states given our direct sales model. Dealer associations have also resorted to lawsuits in state courts to challenge our ability to obtain dealer licenses and operate directly even in states that have laws that would otherwise allow us to own and operate retail locations. We expect dealer associations to continue to mount continued legal and legislative challenges to our business model. If these types of challenges are successful in limiting our ability to sell, finance, or lease directly to customers or to own and operate service centers, such limitations could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows. For customers residing in states in which we will not be allowed to sell, lease, or deliver vehicles, we must generally conduct the sale or lease out of the state over the internet or telephonically and may have to arrange alternate methods of delivery of vehicles. This could include delivering vehicles to adjacent or nearby states

#### RIVIAN AUTOMOTIVE, INC.

in which we are allowed to directly sell or lease and ship vehicles, and arranging for the customer to transport the vehicles to their home states. These workarounds could add significant complexity, and as a result, costs, to our business. States may also restrict our ability to service vehicles once sold or leased and delivered to customers. Some states, for example, have laws that prohibit manufacturers from providing warranty service in state or restrict the ability for manufacturers to own or operate service operations. A few states have passed legislation that clarifies our ability to operate, but at the same time limits the number of dealer licenses we can obtain or dealerships that we can operate. The foregoing examples of state laws governing the sale and servicing of motor vehicles are just some of the legal hurdles we face as we sell, lease, and service our vehicles. In many states, there is limited historical application of motor vehicle laws to our sales model, particularly with respect to the sale of new vehicles over the internet. Internationally, there may be laws in jurisdictions that may restrict our sales or other business practices. While we have analyzed the principal laws in the United States, Canada, EU, China, Japan, U.K., and Australia relating to our distribution model and believe we comply with such laws, the laws in this area can be complex, difficult to interpret and may change over time, and thus require ongoing review. Further, we have not performed a complete analysis of all jurisdictions in which we may sell vehicles. These uncertainties and complexities subject us to substantial risk and could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**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.**

We rely heavily on complex machinery for our operations and our production involves a significant degree of uncertainty and risk in terms of operational performance, safety, security, and costs. Our manufacturing plant consists of large-scale machinery combining many components, including complex software to operate such machinery and to coordinate operating activities across the manufacturing plant. The manufacturing plant components are likely to suffer unexpected malfunctions from time to time, especially as we ramp up production on new products or in connection with planned plant shutdowns to rerate our lines or introduce new designs and technologies, and will depend on repairs, spare parts, and IT solutions to resume operations, which may not be available when needed. Unexpected malfunctions of the manufacturing plant machinery may significantly affect operational efficiency.

Operational performance and costs can be difficult to predict and are often influenced by factors outside of our control, such as, but not limited to, scarcity of natural resources, environmental hazards and remediation, costs associated with decommissioning of machines, labor disputes and strikes, work stoppages, difficulty or delays in obtaining governmental permits, damages or defects in electronic systems including the software used to control or operate them, industrial accidents, pandemics, fire, seismic activity, and natural disasters. For example, we have experienced several small fires in our Normal Factory. While these events were quickly contained and resulted in minimal damage and production delay, we cannot guarantee that similar events will not occur in the future, or that we will be able to contain such events without damage or delay.

Should we have experienced and may in the future experience operational risks. Such risks, materialize, if materialized, may result in the personal injury to or death of workers, the loss of production equipment, damage to manufacturing facilities, products, supplies, tools and materials, monetary losses, delays and unanticipated fluctuations

in production, environmental damage, administrative fines, increased insurance costs, and potential legal liabilities, all of which could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows. We cannot be certain that our insurance

#### RIVIAN AUTOMOTIVE, INC.

coverage will be sufficient to cover potential costs and liabilities arising from operational risks or at reasonable rates. A loss that is uninsured or exceeds policy limits may require us to pay substantial amounts, which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

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

Our vehicles rely on software and hardware that is highly technical and complex and will require modification and updates over the life of the vehicles. In addition, our vehicles depend on the ability of such software and hardware to store, retrieve, process, and manage immense amounts of data. Our software and hardware may contain errors, bugs, vulnerabilities or design defects, and our systems are subject to certain technical limitations that may compromise our ability to meet our objectives, objectives, and our software and hardware can contain errors, bugs, vulnerabilities, or design defects. Some errors, bugs, vulnerabilities, or design defects inherently may be are difficult to detect and, may in some cases, are only be discovered after the code has been released for external or internal use. Although we will attempt to remedy any issues we observe in our vehicles effectively and rapidly, such efforts may not be timely, may hamper production, or may not be to the satisfaction of our customers.

#### RIVIAN AUTOMOTIVE, INC.

Additionally, if there is a risk that when we deploy updates to the software (whether to address issues, deliver new features, or make desired modifications) and our over-the-air update procedures fail to properly update the software or otherwise have unintended consequences to the software, software. In such cases, the software within our customers' vehicles may and will be subject to vulnerabilities or unintended consequences resulting from such failure of the over-the-air update until properly addressed.

If we are unable to prevent or effectively remedy errors, bugs, vulnerabilities or defects in our software and hardware, or fail to deploy updates to our software properly, we would suffer damage to our reputation, loss of customers, loss of revenue or liability for damages, any of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**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. integrated on a timely basis or at all.**

Our vehicles and operations use a substantial amount of complex in-house and third-party software and hardware. The continued development and integration of such advanced technologies are inherently complex and requires us to coordinate with our vendors and suppliers to reach mass production for our vehicles. Defects and errors may can be revealed over time and our control over the performance of third-party services and systems may be limited. Thus, our potential inability to develop and integrate the necessary software and technology systems may harm our competitive position.

We rely on third-party suppliers to develop a number of emerging technologies for use in our products, including battery technology and the use of different battery cell chemistries. Certain of these technologies and chemistries are not today, and may not ever be, commercially viable. There can be no assurances that our suppliers will be able to meet the technological requirements, production timing, and volume requirements to support our business plan. Furthermore, if we experience delays by our third-party suppliers, we could experience delays in delivering on our timelines. In addition, the technology may not comply with the cost, performance useful life, and warranty characteristics we anticipate in our business plan. As a result, our business plan could be significantly impacted and we may incur significant liabilities under warranty claims, which could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**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.**

Demand for our vehicles will depend in part upon the availability of a charging infrastructure. We continue to deploy our Rivian Adventure Network, and Rivian Waypoints, which are networks consists of DC fast charging stations in the United States designed to provide charging capability to owners of our vehicles. States. We market our ability to provide our customers with comprehensive charging solutions, including our networks of charging stations, the Rivian Adventure Network, and Rivian Waypoints, as well as the installation of home chargers for users where practicable, and provide other solutions including charging through publicly accessible charging infrastructure. We have limited experience in the actual provision of our charging solutions to customers and providing these services is subject to challenges, which include:

- charging station performance and reliability issues;

#### RIVIAN AUTOMOTIVE, INC.

- the logistics, including any delays or disruptions, of rolling out and supporting our Rivian Adventure Network and Rivian Waypoints and teams in appropriate areas;
- successful integration with existing third-party charging networks;
- inadequate capacity or over capacity in certain areas,

- security risks, or risk of damage to vehicles, charging equipment, or real or personal property;
- access to sufficient charging infrastructure;
- obtaining any required permits, land use rights, and filings;
- the potential for lack of customer acceptance of our charging solutions; and
- the risk that government support for EV and alternative fuel solutions and infrastructure may not continue.

While the prevalence of charging stations generally has been increasing, charging station locations are significantly less widespread than gas stations. Some potential customers may choose not to purchase our vehicles because of the lack of a more widespread charging infrastructure and concerns around reliability. Although we **have expanded and intend to continue** to expand our charging networks throughout the United States and eventually in other countries, with a focus on strategically deploying our charging stations in those regions with the highest concentration of **customer preorders, current and potential customers**, major interstates as well as targeted destination areas, we may be unable to expand **the Rivian Adventure Network and Rivian Waypoints** as fast as we intend or as

#### **RIVIAN AUTOMOTIVE, INC.**

the public expects, or to place the charging stations in places our customers believe to be **optimal**, and these networks may not result in increased preorders or sales of our vehicles. **optimal**. This could be due to a number of factors, including the inability to secure, or delays in securing, suitable locations and permits, problems negotiating leases with landowners, difficulties in interfacing with the infrastructures of various utility companies, and greater than expected costs and difficulties of installing, maintaining, and operating the networks. **If Should sufficient charging infrastructure be delayed in materializing, or not materialize at all, consumer confidence in EVs could be significant, which could, in turn, negatively impact sales and profits for EV manufacturers. In addition, if** we do not realize the benefits of our charging networks, our brand and business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

Further, to provide our customers with access to sufficient charging infrastructure, we will rely on the availability of, and successful integration of our vehicles with, third-party charging networks. **In June 2023, we announced the adoption of NACS and planned incorporation of NACS charge ports and access to Tesla's Supercharger network. Any failure of third-party charging networks to meet customer expectations or needs, including quality of experience, reliability, safety, or security, any delays in implementation of NACS charge ports and access or in delivery of NACS adapters, or any limitation or cancellation of our customers' access to any third-party charging network,** could impact the demand for **EVs, including ours, our EVs**. For example, where charging bays exist, the number of vehicles could oversaturate the available charging bays, leading to increased wait times and dissatisfaction for customers. In addition, given our limited experience in providing charging solutions, there could be unanticipated challenges, which may hinder our ability to provide our solutions or make the provision of our solutions costlier than anticipated. To the extent we are unable to meet user expectations or experience difficulties in providing our charging solutions, our reputation and business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

**Our vehicles use lithium-ion battery cells, which, if not appropriately managed and controlled, have been observed to catch fire or vent smoke and flame.**

The battery packs within our vehicles use lithium-ion cells. If not properly managed or subject to environmental stresses, lithium-ion cells can rapidly release the energy they contain by venting smoke and flames in a manner that can ignite nearby materials as well as other lithium-ion cells. While the battery pack is designed to contain any single cell's release of energy without spreading to neighboring cells, a field or testing failure of battery packs in our vehicles could occur, which could result in bodily injury or death and could subject us to lawsuits, field actions (including product recalls), or redesign efforts, all of which would be time consuming and expensive and could harm our **brand image, brand**. Also, negative public perceptions regarding the suitability of lithium-ion cells for automotive applications, the social and environmental impacts of mineral mining or procurement associated with the constituents of lithium-ion cells, or any future incident involving lithium-ion cells, such as a vehicle or other fire, could materially and adversely affect our reputation and business, prospects, financial condition, results of operations, and cash flows.

In addition, we store lithium-ion cells at our facilities and **currently have higher levels of battery cells in our inventory, which exposes us to risk of obsolescence, degradation, or damage. In addition,** we have experienced, and may in the future experience, thermal **events, events related to our battery cells**. Any mishandling of battery cells or safety issue or fire related to the cells could disrupt our operations and any prolonged or significant disruption would materially and adversely affect our business, prospects, financial condition, results of operations or cash flows. Such damage or injury could also lead to adverse

#### **RIVIAN AUTOMOTIVE, INC.**

publicity, regulatory action, and potentially a safety recall. In addition, the transportation and effective storage of lithium-ion batteries is also tightly regulated by the U.S. Department of Transportation and other regulatory bodies, and any failure to comply with such regulation could result in fines, loss of permits and licenses, or other regulatory consequences, which could limit our ability to manufacture and deliver our vehicles and negatively affect our business, prospects, financial condition, results of operations, and cash flows.

**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 materially and adversely affected.**

We have limited experience servicing and repairing our vehicles. Servicing EVs is different than servicing vehicles with internal combustion engines and requires specialized skills, including high voltage training and servicing techniques. Although we plan to keep core areas of vehicle service internal over time, we continue to partner strategically with third parties **in order** to enable nationwide coverage of certain important services to our customers, such as emergency roadside and off-road assistance, third party collision repair support, and tire distribution **needs. There needs. There** can be no assurance that we will be able to **enter into an maintain** acceptable **arrangement arrangements** with **any such our** third-party providers. Although such servicing partners may have experience in servicing other vehicles, they **will initially** have limited experience in servicing

our vehicles. We also have a limited network of locations to perform service and rely upon mobile service vehicles with technicians to provide service to our customers. There can be no assurance that our service arrangements will adequately address the service requirements of our customers to their satisfaction, or that we and our servicing partners will have sufficient resources, experience, or inventory to meet these service requirements in a timely manner as the volume of EVs we deliver increases. **This risk is enhanced by our limited operating history and our limited data regarding our vehicles' real-world reliability and service requirements.**

#### **RIVIAN AUTOMOTIVE, INC.**

In addition, a number of states currently impose limitations on the ability of manufacturers to directly service vehicles. The application of these state laws to our operations would hinder or impede our ability to provide services for our vehicles from a location in every state. As a result, if we are unable to roll out and establish a widespread service network that complies with applicable laws, customer satisfaction could be adversely affected, which in turn could materially and adversely affect our reputation and our business, prospects, financial condition, results of operations, and cash flows.

As we continue to grow, additional pressure may be placed on our customer support team or partners, and we may be unable to respond quickly enough to accommodate short-term increases in customer demand for technical support. **Customer** There have also been longer wait times for service, which can negatively impact customer experience and satisfaction. In addition, customer behavior and usage may and limited experience of collision centers that repair our vehicles can result in higher than expected higher-than-expected maintenance and repair costs for our customers, which may materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows. We also could be unable to modify the future scope and delivery of our technical support to compete with changes in the technical support provided by our competitors. If we are unable to successfully address the service requirements of our customers or establish a market perception that we do not maintain high-quality support, our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

**The automotive industry and its technology are rapidly evolving and may be subject to unforeseen changes which could adversely affect the demand for our vehicles or increase our operating costs.**

We may be unable to keep up with changes in EV technology or alternatives to electricity as a fuel source and, as a result, our competitiveness may suffer. Developments in alternative technologies, such as advanced diesel, hydrogen, ethanol, fuel cells, or compressed natural gas, other EV business models, such as battery swapping, or other improvements in the fuel economy of the ICE or the cost of such fuels, may materially and adversely affect our business and prospects in ways we do not currently anticipate. Existing and other battery cell technologies, fuels or sources of energy may emerge as customers' preferred alternative to our vehicles. Any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development and introduction of new and enhanced EVs, and existing and other battery cell technologies, fuels, or sources of energy may emerge as customers' preferred alternative fuel to our vehicles. Any of these, including any failure by us to anticipate customers' rapidly changing needs, expectations, and EVs, which preferences, could result in the loss of competitiveness of our vehicles, decreased revenue, and a loss of market share to competitors. Our research and development efforts may not be sufficient to adapt to changes in alternative fuel and EV technology.

As technologies change, we plan to continue to upgrade or adapt our vehicles with the latest technology. However, our vehicles may not compete effectively with alternative systems if we are not able to source and integrate the latest technology into our vehicles. Additionally, the The introduction and integration of new technologies into our vehicles may increase our costs and capital expenditures required for the production and manufacture of our vehicles. In addition, upgrades and adaptations to our

#### **RIVIAN AUTOMOTIVE, INC.**

vehicles will also require, from time to time, planned and if temporary manufacturing shutdowns. Plant shutdowns, whether associated with product changes or other factors, can have a negative impact on our revenues and a negative impact on our working capital. If we are unable to cost efficiently implement such new technologies or adjust our manufacturing operations, if we experience delays in achieving the foregoing, or if planned manufacturing shutdowns last longer than projected, our business, prospects, financial condition, results of operations, or cash flows would be materially and adversely affected.

**We are subject to risks associated with advanced driver assistance technology.**

Our vehicles provide advanced driver assistance capabilities to our customers supported by hardware, software, and machine learning models. Errors in the design, implementation, or execution of these components could lead to increased risk for our customers or third-party road users. Advanced driver assistance technologies are subject to risks, and there have been accidents and fatalities associated with such technologies. The safety of such technologies depends in part on driver interactions, and there may be a subset of drivers who may not be accustomed to using or adapting to such technologies. To the extent accidents associated with our advanced driver assistance systems occur, we could be subject to liability, negative publicity, government scrutiny, and further regulation. Moreover, any incidents related to advanced driver assistance systems of our competitors could adversely affect the perceived safety and adoption of our vehicles and advanced driver assistance technology more broadly.

Advanced driver assistance technology is also subject to considerable regulatory uncertainty as the law evolves to catch up with the rapidly evolving nature of the technology itself. Our vehicles also may not achieve the requisite level of advanced driver assistance required for certification and rollout to consumers or in applicable jurisdictions. With this dynamically shifting regulatory environment, there is a risk that we may not satisfy changing regulatory requirements, in which would require us case we may be required to redesign, modify, or update our advanced driver assistance hardware and related software systems. In addition to regulatory changes, increasing demand for engineering talent in the artificial intelligence industry may cause disruption in the development of our advanced driver assistance technology and, coupled with disruptive new hardware technologies emerging year over year, may impact our long-term roadmap. We may also fail to deliver the level of advanced driver assistance systems that customers expect from vehicles in our class. Any of the foregoing could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

## RIVIAN AUTOMOTIVE, INC.

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

Our future growth is dependent on the demand for, and upon consumers' willingness to adopt EVs, and even if EVs become more mainstream, consumers choosing us over other EV manufacturers is not assured. Demand for EVs may be affected by factors directly impacting automobile prices or the cost of purchasing and operating automobiles such as sales and financing incentives, prices of raw materials and components, cost of energy and governmental regulations, including tariffs, import regulation and other taxes. Volatility in demand may lead to lower vehicle unit sales, which may result in downward price pressure and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

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.

We will also depend upon the adoption of EVs by operators of commercial vehicle fleets for future growth, and on our ability to produce, sell and service vehicles that meet their needs. The entry of commercial EVs is a relatively new development, particularly in the United States, and is characterized by rapidly changing technologies and evolving government regulation, industry standards and customer views of the merits of using EVs in their businesses. This process has been slow to date. As part of our sales efforts, we must educate fleet managers as to the economical savings during the life of the vehicle and the lower TCO of our vehicles. As such, we believe that operators of commercial vehicle fleets will consider many factors when deciding whether to purchase our commercial EVs (or commercial EVs generally), including the factors set forth above, as well as corporate sustainability initiatives, government regulations and economic incentives applicable to commercial vehicles, and the availability of commercial fleet charging infrastructure.

### The unavailability, reduction or elimination of government and economic incentives could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

Any reduction, elimination, or discriminatory application of government policies, subsidies, and economic incentives because of policy changes, or the reduced need for such subsidies and incentives due to the perceived success of the EVs or other reasons, may result in the diminished competitiveness of the alternative fuel and EV industry generally or our vehicles in particular. Additionally, federal, state, and local laws may impose additional barriers to EV adoption, including additional costs. For example, many states have enacted or proposed laws imposing additional registration fees for certain hybrids and EVs to support transportation infrastructure, such as highway repairs and improvements, which have traditionally been funded

## RIVIAN AUTOMOTIVE, INC.

through federal and state gasoline taxes. Any of the foregoing could materially and adversely affect the growth of the alternative fuel automobile markets and our business, prospects, financial condition, results of operations, and cash flows.

While certain tax credits and other incentives for alternative energy production, alternative fuel, and EVs have been available in the past, there is no guarantee these programs will be available in the future. For example, the IRA, which was enacted into law on August 16, 2022, modifies the 30D tax credit by limiting the tax credit to electric trucks, SUVs and vans priced below \$80,000 and imposing certain income restrictions for taxpayer eligibility to receive the 30D tax credit. If this law was to be repealed, it could have a direct impact on demand for EVs, including our vehicles. Eligibility for the 30D tax credit is also contingent on (i) the vehicle's final assembly occurring in North America, (ii) the vehicle having a certain percentage of the battery's critical minerals originating from a United States free trade agreement partner or being recycled in North America, and (iii) the vehicle having a certain percentage of its battery's components being manufactured or assembled in North America. Some of these requirements require interpretations from government bodies and any changes could impact the applicability or effectiveness of this law. Moreover, if a vehicle battery's critical minerals were

extracted, processed or recycled by a “foreign entity of concern,” such as China or Russia, the 30D tax credit would not apply. If our vehicles do not meet the pricing caps or satisfy the additional sourcing and manufacturing requirements by the deadlines set forth in the IRA, or if our customers do not fall within the specified income limits, some or all of the 30D tax credit may no longer be available to our customers. Failure of our vehicles to meet the 30D tax credit eligibility requirements may place our vehicles at a price disadvantage to competing EV manufacturers that offer EVs meeting all of the requirements for eligibility under the 30D tax credit. In addition, the IRA eliminates eliminated the current phase-out for EV manufacturers that sell 200,000 vehicles, thereby

#### RIVIAN AUTOMOTIVE, INC.

reinstating the 30D tax credit for competitors of Rivian who had previously been phased out. These changes to the 30D tax credit and any future changes to tax incentives that make it less likely for our EVs to qualify could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

**We may not be able to obtain or agree on acceptable terms and conditions for all or a significant portion of the government grants, loans, and other incentives, including regulatory credits, for which we apply or on which we rely. As a result, our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.**

From time to time we apply for federal and state grants, loans, and/or tax incentives under government programs designed to stimulate the economy and support the production of alternative fuel and EVs and related technologies. We anticipate that there will be new opportunities for us to apply for grants, loans and other incentives from the United States, state, and foreign governments. governments while at the same time, some programs and opportunities may be eliminated. Our ability to obtain funds or incentives from government sources is subject to the availability of funds under applicable government programs and various levels of approval of our applications to participate in such programs. The application process for these funds and other incentives is often highly competitive. There can be no assurance that we will be successful in obtaining any of these additional grants, loans, and other incentives. If we are not successful in obtaining any of these additional incentives and we are unable to find alternative sources of funding to meet our planned capital needs, our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

In addition, we earn tradable credits in the operation of our business under various regulations related to ZEV, GHG, fuel economy, renewable energy and clean fuel. For example, CAFE, GHG emissions standards and the state-level ZEV mandates create a credit-trading program to reduce compliance costs for vehicle manufacturers and to allow flexibility for meeting such requirements. These programs allow automakers the flexibility to earn GHG, CAFE and ZEV credits by exceeding the standard in a given model year, which credits can either be applied to shortfalls in future years or traded to other automakers. We have sold contracted to sell and intend to sell these credits to other regulated entities who can use the credits to comply with emission standards, renewable energy procurement standards, and other regulatory requirements. Such regulatory credits may become more difficult to obtain or decrease in value over time. The future of such programs is uncertain at this time.

In 2020, the EPA and the NHTSA enacted the Safer Affordable Fuel-Efficient (“SAFE”) Vehicles rule that, among other things, established less stringent fuel economy and GHG standards for light duty vehicles model years 2021 through 2026, and sought to strip California of the ability to set its own fuel economy and vehicle emissions standards, which other states could then follow. In 2021, changes to the SAFE Vehicles rule were finalized that increased GHG standards stringency for model years 2023 through 2026, and in 2022, the fuel economy standards were made more stringent for model years 2024 through 2026. In addition, the rules reinstating California’s and other states’ authority were finalized in 2022, while California regulators extended the Advance Clean Cars rule for model years 2026 through 2035, 2035 and finalized the ACT rule. Concurrently, in April 2023, EPA granted California’s petition for an EPA Clean Air Act (“CAA”) preemption waiver for its new medium and heavy-duty standards has standards. Further, in 2023, EPA and NHTSA proposed new regulations for 2027 and later model year light and medium duty vehicles. While the recent proposals are not yet been approved. The waiver process could postpone or eliminate final, the medium and heavy-duty ZEV program and the respective credits. Moreover, the new current federal GHG and fuel economy standards as well as California’s ability to set its own light-duty standards are still being challenged in several lawsuits. If the courts find against EPA and NHTSA or reverse the reinstatement of California and other states’ authority, or if the California medium and heavy-duty programs are not granted a CAA waiver, the value of certain regulatory credits would likely decrease. In addition, there are efforts in Congress to limit or reverse new EPA GHG standards and inhibit California’s ability to regulate vehicle emissions. As a result, uncertainty remains about EPA’s ability to set vehicle emissions standards, as well as the future of California and

#### RIVIAN AUTOMOTIVE, INC.

other states’ ZEV and GHG programs and the value of credits earned under them. In addition, new entrants to the EV market could drive down relevant compliance credit valuations. While we cannot predict such outcomes at this time, any of the above developments could impede our ability to earn and sell such credits and could have a material and adverse effect on our business, prospects, financial condition, results of operations, and cash flows in the future.

**Vehicle retail sales depend heavily on affordable interest rates and availability of credit for vehicle financing and a substantial increase in interest rates could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

In certain regions, including North America and Europe, financing for new vehicle sales has had been available at relatively low interest rates for several years due to, among other things, expansive government monetary policies. As interest rates have risen, market rates for new vehicle financing and vehicle insurance premiums have also risen, which may make our vehicles less affordable to customers or steer customers to less expensive vehicles that would be less profitable for us, adversely

#### RIVIAN AUTOMOTIVE, INC.

affecting our business, prospects, financial condition, results of operations, and cash flows. Additionally, if consumer interest rates continue to increase substantially or remain relatively high, or if financial service providers tighten lending standards or restrict their lending to certain classes of credit, customers may not desire or be able to obtain financing to purchase or lease our vehicles. As a result, a continuing substantial increase in customer interest rates or tightening of lending standards vehicles and demand for our vehicles could be negatively impacted, which could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

**Insufficient warranty reserves to cover future warranty claims could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

As our vehicles are produced, we will need to maintain warranty reserves to cover warranty-related claims. If our warranty reserves are inadequate to cover future warranty claims on our vehicles, our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected. We record and adjust warranty reserves based on changes in estimated costs and actual warranty costs. Such estimates are inherently uncertain, particularly in light of our limited operating history and limited field data available to us, and changes to such estimates based on real-world observations may cause material changes to our warranty reserves. In the future, we may become subject to significant and unexpected warranty expenses. There can be no assurances that then-existing warranty reserves will be sufficient to cover all claims. In addition, if future laws or regulations impose additional warranty obligations on us that go beyond our manufacturer's warranty, we may be exposed to materially higher warranty expenses than we expect, and our reserves may be insufficient to cover such expenses.

**Future field actions, including product recalls, could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

Any field action, including a product recall, whether initiated by us or a supplier, and whether the field action involves our or a competitor's product, may result in adverse publicity, damage our reputation, and adversely affect our business, prospects, financial condition, results of operations, and cash flows. We and our suppliers have initiated recalls, and expect to initiate recalls in the future, voluntarily or involuntarily, if it is determined that a safety-related defect or noncompliance with applicable federal motor vehicle safety standards exist in any of our vehicles or components (including our battery cells). For example, in October 2022 November 2023 we initiated a voluntary recall of impacting approximately 12,000 1,500 vehicles after determining that on in R1T and R1S vehicles that installed a small percentage of vehicles, certain software update, the fastener connecting the front upper control arm in-vehicle defroster system controls and steering knuckle functionality may not have been sufficiently torqued, unavailable during vehicle operation. Recalls, whether caused by systems or components engineered or manufactured by us or our suppliers, could involve significant expense, the possibility of lawsuits, and diversion of management's attention and other resources, which could adversely affect our brand and our business, prospects, financial condition, results of operations, and cash flows.

**We have been and will become subject to product liability claims, which could harm our business, prospects, financial condition, results of operations, and cash flows if we are not able to successfully defend or insure against such claims.**

We have been and will become subject to product liability claims, which could have a material and adverse effect on our business, prospects, financial condition, results of operations, and cash flows. The automobile industry experiences an abundance of product liability claims. We face the risk of significant monetary exposure to claims in the event our vehicles do not perform as expected or contain design, manufacturing, or warning defects, and to claims without merit, or in connection with malfunctions resulting in personal injury or death. Our risks in this area are particularly pronounced given the limited field experience of our vehicles. A successful product liability claim against us could require us to pay a substantial monetary award. Moreover, a product liability claim could generate substantial negative publicity about our vehicles and business and

#### **RIVIAN AUTOMOTIVE, INC.**

inhibit or prevent commercialization of other future vehicle candidates, which would have a material adverse effect on our brand, business, prospects, financial condition, results of operations, or cash flows. Any insurance coverage might not be sufficient to cover all potential product liability claims. Any lawsuit seeking significant monetary damages either in excess of our coverage, or outside of our coverage, could have a material adverse effect on our reputation and business, prospects, financial condition, results of operations, and cash flows. We may not be able to secure additional product liability insurance coverage on commercially acceptable terms or at reasonable costs when needed, particularly if we face liability for our products and are forced to make a claim under our policies.

#### **RIVIAN AUTOMOTIVE, INC.**

**We face risks associated with establishing and maintaining international operations, including unfavorable regulatory, political, currency, tax, and labor conditions, which could harm our business, prospects, financial condition, results of operations, and cash flows.**

Our business plan includes operations in international markets, including initial manufacturing and supply activities and sales in select markets in Canada and Europe, and eventual expansion into other international markets. We face risks associated with our international operations, including possible unfavorable regulatory, political, tax, and labor conditions, which could harm our business. We have established and expect to continue to establish international operations and subsidiaries that are subject to the legal, political, regulatory, and social requirements and economic conditions in these jurisdictions. Furthermore, conducting and launching operations on an international scale requires close coordination of activities across multiple jurisdictions and time zones and consumes significant management resources. We have very limited experience to date selling or leasing and servicing our vehicles internationally and international expansion requires us to make significant expenditures, including the hiring of local employees and establishing facilities and related systems and processes, in advance of generating any revenue. We are subject to a number of risks associated with international business activities that may increase our costs, impact our ability to sell or lease our vehicles, and require significant management attention. These risks include:

- conforming our vehicles to various international regulatory requirements where our vehicles are sold and serviced, which requirements may change over time;

- difficulty in staffing and managing foreign operations;
- difficulties establishing relationships with, or disruption in the supply chain from, international suppliers;
- difficulties attracting customers in new jurisdictions;
- difficulties in adapting our advanced driver assistance system to new jurisdictions;
- foreign government taxes, regulations, and permit requirements, including foreign taxes that we may not be able to offset against taxes imposed upon us in the United States, and foreign tax and other laws limiting our ability to repatriate funds to the United States;
- inflation and fluctuations in foreign currency exchange rates and interest rates, including risks related to any foreign currency swap or other hedging activities we undertake;
- United States and foreign government trade restrictions, tariffs and price or exchange controls;
- foreign labor laws, regulations, and restrictions, including in the areas of supply chain, labor, environmental, health, and safety and related compliance costs;
- foreign data privacy and security laws, regulations, and obligations;
- expenditures related to foreign lawsuits and liability;
- changes in diplomatic and trade relationships, including political risk and customer perceptions based on such changes and risks;
- concerns raised by foreign governments regarding U.S. United States policies that may be seen as unfair domestic subsidies contrary to World Trade Organization rules or other agreements to which the United States is a party;
- laws and business practices favoring local companies;
- difficulties protecting or procuring intellectual property rights;
- political instability, natural disasters, war (including the ongoing military conflict between Russia and the Ukraine) Ukraine, and in Israel and Gaza) or events of terrorism, and health epidemics, such as the COVID-19 pandemic; epidemics; and
- the strength of international economies.

If we fail to successfully address these risks, our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

**Our business depends substantially on the efforts of our key employees and qualified personnel, and if they are unable to devote a sufficient amount of time and resources to our business, or if we are unable to attract and retain key employees**

#### **RIVIAN AUTOMOTIVE, INC.**

**and hire qualified management, technical, electric vehicle EV, software engineering, and software engineering commercial personnel, our ability to compete could be harmed.**

Our success depends substantially on the continued efforts of our executive officers, key employees, and qualified personnel. We believe the depth and quality of the experience of our management team in the automotive and technology industries generally, and EVs in particular, is key to our ability to be successful. The loss of any of these individuals could have a material adverse effect on our business operations. As we build our brand and become more well known, the risk that competitors or other companies may poach our talent increases. The failure to motivate and retain these personnel could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### **RIVIAN AUTOMOTIVE, INC.**

In addition, Dr. Scaringe and Rose Marcario, current Rivian directors, are also directors trustees of Forever by the Rivian Foundation; and Rivian's Chief Financial Officer ("CFO"), Claire McDonough, serves as Treasurer of Forever by Rivian. Dr. Scaringe is also director of the Rivian Foundation and Ms. McDonough serves as its Treasurer. Foundation. The positions held by these directors and executive officers may give rise to fiduciary or other duties in conflict with the duties they owe to us. Furthermore, such directors and officers may have significant duties to, and may devote a substantial amount of time serving, Forever by Rivian and the Rivian Foundation, and accordingly may limit their ability to devote a sufficient amount of attention toward their obligations to us, or to day-to-day activities of our business.

Our success also depends, in part, on our continuing ability to identify, attract, hire, attract, train, and develop other highly qualified personnel. Rivian's rapid growth has required a focus on organizational design and ensuring we have the right leaders in place to manage the business. We have recruited and hired new leaders with the objective of identifying talent we believe will help scale our operations. Experienced and highly skilled employees are in high demand and competition for these employees can be intense, especially in California and for talent across product development and all engineering disciplines. In addition, we have hired and trained a significant number of employees from the area surrounding the Normal Factory. In order to remain competitive in our hiring practices in the Normal, IL area we have increased compensation in the past and may have to do additional increases. If there is not an adequate number of candidates in the local area to support our operations at full capacity at the Normal Factory or eventually at our Stanton Springs North Facility, we may continue to face higher costs to hire employees for the Normal Factory and our business, financial condition, results of operations, and cash flows could be adversely affected.

Our ability to attract, hire, attract, and retain employees depends on our ability to provide competitive compensation and benefits. We issue equity awards to our employees as part of our hiring and retention efforts, and job candidates and existing employees often consider the value of the equity awards they receive in connection with their employment. If Declines in the actual price of our Class A common stock or perceived negative perceptions on the value of our Class A common stock declines, it may adversely affect our ability to hire or retain employees. Any inability to attract, assimilate, develop, or retain qualified personnel in the future could adversely affect our business, including the execution of our business strategy.

**If we cannot maintain our culture as we grow, we could lose the innovation, teamwork, and passion that we believe contribute to our success and our business may be harmed.**

We have invested substantial time and resources into building our culture, and we believe it serves as a critical component of our success. As we continue to grow, including geographical expansion, and developing the infrastructure associated with being a public company, we will need to maintain our culture across a larger number of employees, disciplines, and geographic regions. Any failure to preserve our culture could negatively affect our future success, including our ability to attract, engage, and retain the talent required to support our future success.

From time to time, we may need to streamline our organization and adjust the size and structure of our workforce to ensure we are focused, agile, and efficient to achieve our priorities and objectives. For example, **in 2022 we have implemented and 2023, we implemented continue to implement** certain cost reduction efforts to reduce material spend, operating expenses, and capital expenditures, **and implemented a reduction including several reductions in our workforce. force.** Any reduction in force may yield unintended consequences and costs, such as attrition beyond the intended reduction in force, the distraction of employees and reduced employee morale, which could, in turn, adversely impact productivity, continuity, accumulated knowledge, and efficiency during transitional periods. Any of these impacts could also adversely affect our brand and reputation as an employer, making it more difficult for us to attract new employees in the future and increasing the risk that we may not achieve the anticipated benefits from the restructuring.

#### **Our business may be adversely affected by labor and union activities.**

Although none of our employees are currently represented by a labor union, it is common throughout the automobile industry generally for employees to belong to a union, which can result in the loss of a direct relationship with our employees, higher employee costs, operational restrictions, and an increased risk of disruption to operations. **The United Auto Workers ("UAW") recently announced its intention to seek to unionize over a dozen auto manufacturers, including Rivian. In recent months, the UAW has reached new agreements with other automakers with substantial increases to compensation for union employees.** If any of our employees decide to join or seek recognition to form a labor union, or if we are required to become a union signatory, we

#### **RIVIAN AUTOMOTIVE, INC.**

could be subject to risks as we engage to finalize negotiations with any such union, including substantial distraction from our business, potential work slowdowns or stoppages, delays, and increased **human capital related** costs. We may also directly and indirectly depend upon other companies with unionized work forces, such as component suppliers, construction contractors, and trucking and freight companies, and work stoppages or strikes organized by such unions could delay the manufacture and sale of our products and could have a material adverse impact on our business, prospects, financial condition, results of operations, and cash flows.

#### **Our business, prospects, financial condition, results of operations, and cash flows may be materially and adversely affected by the risks related to health epidemics, including the COVID-19 pandemic.**

**We face various risks related to public health issues, including epidemics, pandemics, and other outbreaks, including the COVID-19 pandemic. The impact of COVID-19 and associated variants, including changes in consumer and business behavior, pandemic fears, market downturns, and restrictions on business and individual activities, created significant volatility starting in early 2020 in the global economy and led to reduced economic activity. The spread of COVID-19 and associated variants (some of which may be more transmissible) also created a disruption in the manufacturing, delivery and overall supply chain of vehicle manufacturers and suppliers, and led to a global decrease in vehicle sales in markets around the world.**

#### **RIVIAN AUTOMOTIVE, INC.**

**The pandemic also resulted in government authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, stay-at-home or shelter-in-place orders, and business shutdowns. These measures adversely impacted our employees and operations and the operations of our customers, suppliers, vendors and business partners, and negatively impacted our manufacturing plans, sales and marketing activities, business, prospects, financial condition, results of operations, and cash flows. Due to operational shutdowns involving certain of our direct and indirect suppliers as a result of COVID-19 and associated variants, we experienced and may continue to experience delays and shortages of certain parts and materials necessary for the production of our vehicles. In some cases, suppliers were delayed in providing the required parts or materials, whereas in other cases, suppliers were able only to fulfill our orders on a partial basis or not at all. As a result of such delays and shortages, we adapted our internal designs and processes to remedy or mitigate impacts on our production timeline.**

**The extent to which the COVID-19 pandemic will impact our business going forward will depend on the duration, severity and potential resurgence of the pandemic, the existence, severity and spread of COVID-19 variants and their impact on us, the actions to contain the virus or treat its impact (including the availability of vaccines and boosters), how quickly and to what extent normal economic and operating activities can resume. If significant portions of our workforce are unable to work effectively, including due to illness, quarantines, social distancing, government actions, or other restrictions in connection with the COVID-19 pandemic, or if government authorities institute measures such as travel bans and restrictions, quarantines, stay-at-home or shelter-in-place orders, and business shutdowns, our operations will be adversely impacted. Even after the COVID-19 pandemic has subsided, we may continue to experience an adverse impact to our business as a result of its global economic impact, including any recession that has occurred or may occur in the future, and the ultimate impact of the COVID-19 pandemic or other pandemics is highly uncertain.**

**Our financial results may vary significantly from period to period due to fluctuations in our product demand, production levels, operating costs, working capital, capital expenditures, and other factors.**

We expect our period-to-period financial results to vary based on our product demand and operating costs, which we anticipate will fluctuate as we continue to design, develop, and manufacture new EVs, increase production capacity, and establish or expand design, research and development, production, and sales and service facilities. Additionally, our revenue from period to period may fluctuate as we identify and investigate areas of demand, adjust volumes and add new product **derivatives variants** based on market demand and margin opportunities, and develop and introduce new EVs or introduce existing EVs to new markets for the first time. Our production levels also depend on our ability to obtain vehicle components from our suppliers, the effective operation of our manufacturing facilities, our ability to expand our production capacity **at the Normal Factory and eventually at our Stanton Springs North Facility**, and our ability to timely deliver finished vehicles to customers. Additionally, our revenue from period to period may fluctuate due to seasonality. **For example, in the fourth quarter of 2023, Amazon limited the intake of EDVs during its peak holiday delivery period, resulting in a more significant gap between production and deliveries in the fourth quarter relative to prior periods.** Our period-to-period results of operations may also fluctuate because of other factors, including labor availability and costs for hourly and management personnel, profitability of our vehicles, changes in interest rates, impairment of long-lived assets, macroeconomic conditions, both nationally and locally, negative publicity relating to our vehicles, changes in consumer preferences and competitive conditions, **or investment in expansion to new markets, markets, opening new service centers and spaces, and increasing our sales and marketing activities.** As a result of these factors, we believe that quarter-to-quarter comparisons of our financial results, especially in the short term, are not necessarily meaningful and that these comparisons cannot be relied upon as indicators of future performance. Significant variation in our quarterly performance could significantly and adversely affect the trading price of our Class A common stock.

#### **RIVIAN AUTOMOTIVE, INC.**

**We have incurred a significant amount of debt and may in the future incur additional indebtedness. Our payment obligations under such indebtedness may limit the funds available to us, and the terms of our current or future debt agreements contain or may contain restrictive covenants that may limit our operating flexibility.**

As of **December 31, 2022** **December 31, 2023**, our total principal amount of outstanding indebtedness was **\$1.3 billion.** **\$4.5 billion.** As of **December 31, 2022** **December 31, 2023**, we had no borrowings under our senior secured asset-based revolving credit facility (the "ABL Facility") and \$400 million of letters of credit outstanding. Subject to the limitations in the terms of our existing and future indebtedness, we and our subsidiaries may incur additional debt in the near-and long-term, secure existing or future debt, or refinance our debt.

We will be required to use a portion of our future cash flows from operations to pay interest and principal on our **indebtedness.** **indebtedness, including, for example, \$1.25 billion principal amount of senior secured floating rate notes due October 2026 ("2026 Notes").** Such payments will reduce the funds available to use for working capital, operating expenditures, capital expenditures, and other corporate purposes, and limit our ability to obtain additional financing for working capital, operating expenditures, capital expenditures, expansions plans, and other investments, which may in turn limit our ability to execute against our business strategy, heighten our vulnerability to downturns in our business, the industry, or in the general economy, and prevent us from taking advantage of business opportunities as they arise.

In addition, the credit agreement governing the ABL Facility and the indenture governing **our senior secured floating rate notes due October the 2026 (the "2026 Notes")** **Notes** contain, and future debt agreements may contain, restrictive covenants, that, among other things, limit our ability to transfer or dispose of assets, merge with other companies or consummate certain changes of control, acquire other companies, incur additional indebtedness and liens and enter into new businesses, and a minimum liquidity covenant. **The indentures governing the green convertible unsecured senior notes due March 2029 ("2029 Green Convertible Notes") and the green convertible unsecured senior notes due October 2030 ("2030 Green Convertible Notes") also contain certain similar restrictive covenants, some of which, however, are less restrictive than the covenants under the ABL Facility and the indenture governing the 2026 Notes.** We therefore may not be able to engage in any of the foregoing transactions unless we obtain the consent of the lenders or **noteholders or terminate the credit agreement governing the ABL Facility or any future debt agreements, if applicable,** which may limit our operating flexibility. In addition, the ABL Facility and the 2026 Notes are secured by **substantially all of our the assets of Rivian Holdings, LLC and its subsidiaries** (however if the Fixed Asset Release Date (as defined in the credit agreement governing the ABL Facility) occurs, the ABL Facility will be secured only by certain assets until we incur certain other indebtedness that would require the grant of certain security interests) and requires us to satisfy certain financial covenants. **Noteholders of our 2029 Green Convertible Notes and 2030 Green Convertible Notes may, subject to a limited exception described in the governing indentures, require us to repurchase their notes following a fundamental change, as described in the governing indentures, at a cash repurchase price generally equal to the principal amount of the 2029 Green Convertible Notes or the 2030 Green Convertible Notes to be repurchased, as applicable, plus accrued and unpaid interest, if any.** In addition, the 2029 Green Convertible Notes and the 2030 Green Convertible Notes each have conditional conversion features and if one or more noteholders elect to convert their 2029 Green Convertible Notes or their

#### **RIVIAN AUTOMOTIVE, INC.**

**2030 Green Convertible Notes, as applicable, unless we elect to satisfy our conversion obligation by delivering solely shares of Class A common stock (other than paying cash in lieu of fractional shares), we would be required to settle a portion or all of the conversion obligations in cash.** There is no guarantee that we will be able to generate sufficient cash flow or sales to meet these **various financial covenants.** **or pay the principal and interest when due under our debt agreements.** **agreements or repurchase the 2029 Green Convertible Notes or the 2030 Green Convertible Notes, or pay any cash amounts due upon conversion of such notes.** Furthermore, there is no guarantee that future working capital, borrowings, or equity financing will be available to repay or refinance any such debt.

Any inability to comply with the terms of the credit agreement governing the ABL Facility, the **indenture** **indentures** governing the 2026 Notes, the 2029 Green Convertible Notes and the 2030 Green Convertible Notes, or any future debt agreement, including failing to make scheduled payments or to meet the financial covenants, would adversely affect **our business.**

**If our vehicle owners customize our vehicles with aftermarket products, or attempt to modify our vehicles' charging systems, the vehicles may not operate properly, which may create negative publicity and could harm our brand and business.**

Automobile enthusiasts may seek to alter our vehicles to modify their performance which could compromise vehicle safety and security systems. Also, customers may customize their vehicles with aftermarket parts that can compromise driver safety. We do not test, nor do we endorse, such changes or products. In addition, customers may attempt to modify our vehicles' charging systems or use improper external cabling or unsafe charging outlets that can compromise the vehicle systems or expose our customers to injury from high voltage electricity. Such unauthorized modifications could reduce the safety and security of our vehicles and any injuries resulting from such modifications could result in adverse publicity, which would negatively affect our brand and could have a material and adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

**We rely on third-party vendors for certain product and service offerings, which exposes us to increased risks.**

We contract with third parties to provide certain products and services to our customers, including vehicle financing, insurance, collision repair, roadside assistance, service part processing, service visit alternative transportation, tires, windshields, and 12V battery replacement. Although we carefully select our third-party vendors, we cannot control their actions. actions and our vendors have not always performed as we expect. If our vendors fail to perform as we expect, our operations and reputation could suffer if the failure harms the vendors' ability to serve us and our customers. One or more of these third-party vendors have in the past experienced and may in the future experience financial distress, staffing shortages or liquidity challenges, file for bankruptcy protection, go out of business, or suffer disruptions in their business. The use of third-party vendors represents an inherent risk to us that could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**RIVIAN AUTOMOTIVE, INC.**

**Certain of our principal stockholders or their affiliates are or may in the future engage in, and certain of our directors are affiliated with entities that may in the future engage in, commercial transactions with us, or business activities similar to those conducted by us, which may compete directly or indirectly with us, causing such stockholders or persons to have conflicts of interest.**

Certain of our principal stockholders and their affiliates are engaged in similar business activities to those conducted by us, may engage in commercial transactions with us, and currently or in the future may invest in or otherwise hold securities of businesses that compete directly or indirectly with us. For example, an affiliate of Amazon.com, Inc., which through another affiliate is also one of our principal stockholders, has placed an order with us, subject to modification, for 100,000 vehicles. Amazon will continue to be able to influence matters requiring stockholder approval, including any potential change of control transaction, regardless of whether or not other stockholders believe that a potential transaction is in our best interest. In turn this may deter third parties from seeking to acquire us. These relationships also may give rise to conflicts of interest or create the appearance thereof, and such stockholders may take action or vote their shares other ways which could adversely impact us or our other stockholders, and may impact other companies' perception of us as a potential partner, including the willingness of such other companies to order our future planned commercial vehicles. Our relationship with Amazon could influence our perceived ability, or create the appearance of such influence, to negotiate potential future commercial agreements with Amazon, to allocate our limited resources in how we prioritize the delivery of and support for Amazon vehicles relative to our other vehicle models, and to pursue other commercial customers who may be competitors to Amazon.

Further, employees of two of our stockholders and their affiliates serve on our board of directors and retain their positions with our principal such stockholders or their affiliates. Given such relationships, and despite their fiduciary duties as directors and the rules applied by our board of directors to handle conflicts of interest, these individuals' positions may create, or create the appearance of, conflicts of interest when they are asked to make decisions that could have different implications for such principal stockholders or their affiliates than the decisions have for us or our other stockholders or customers.

**We are subject to risks associated with exchange rate fluctuations, interest rate changes, and commodity and credit risk.**

We operate in numerous markets worldwide and are exposed to risks stemming from fluctuations in currency and interest rates. The exposure to currency risk will be mainly linked to differences in the geographic distribution of our manufacturing and commercial activities, resulting in cash flows from whereby the sales being or purchasing transactions are denominated in currencies different from those of purchases or production activities, other than our functional currency. Although we may manage risks associated with fluctuations in currency and interest rates and

**RIVIAN AUTOMOTIVE, INC.**

commodity prices through financial hedging instruments, significant changes in currency or interest rates or commodity prices could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows. In addition, we may use various forms of financing to cover future funding requirements for our activities and changes in interest rates can affect our net revenues, finance costs, and margins. Borrowings under the ABL Facility and the 2026 Notes accrue interest at variable rates, which exposes us to interest rate risk.

**Risks Related to Information Technology, Intellectual Property, Data Security, Privacy, and Privacy Intellectual Property**

Breaches in data security, failure of information security systems, cyber attacks cyber-attacks or other security or privacy-related incidents affecting us or our suppliers could have a material adverse effect on our reputation and brand, harm our business, prospects, financial condition, results of operations, and cash flows, and subject us to legal or regulatory fines or damages.

Threats to networks and information technology infrastructure are increasingly diverse and sophisticated. Traditional computer "hackers," malicious code (such as viruses and worms), phishing attempts, employee theft or misuse, denial of service attacks, ransomware attacks, and sophisticated nation-state and nation-state supported actors engage in intrusions and attacks that create risks for our (and our suppliers') internal networks, vehicles, infrastructure, and cloud deployed products and the information they store and process, including personal information of our employees and customers, including names, accounts, user IDs and passwords, vehicle information, and payment or transaction

related information. Although we have implemented security measures designed to prevent such attacks, our networks and systems may be breached due to the actions of outside parties, employee error, malfeasance, a combination of these, or otherwise, and as a result, an unauthorized party may obtain access to our systems, networks, or data, resulting in data being publicly disclosed, altered, lost, or stolen, which could subject us to liability and adversely impact our financial condition. Further, any breach in our data security could allow malicious parties to access sensitive systems, such as our product lines and the vehicles themselves. Such access could adversely impact the safety of our employees and customers. We and our suppliers have in the past been and continue to be subject to ransomware and phishing attacks. Though we do not believe we experienced any material losses or that

#### RIVIAN AUTOMOTIVE, INC.

any material sensitive information was compromised, we were unable to determine conclusively that this was the case. While we have implemented seek to learn from all attacks directed at us and implement remedial measures in response where necessary under the framework of our cybersecurity risk management program we have developed and expect our suppliers to such incidents, do the same, we cannot guarantee that such remedial measures will prevent all material cybersecurity incidents in the future. We also face increasing and evolving disclosure obligations related to cyber and other security events. Despite our cybersecurity risk management program and processes, we may fail to meet our existing or future disclosure obligations and/or may have our disclosures misinterpreted.

Any actual, alleged, or perceived failure to prevent a security breach or to comply with our privacy policies or privacy-related legal obligations, failure in our systems or networks, or any other actual, alleged, or perceived data security incident we or our suppliers suffer, could result in in: damage to our reputation, reputation; negative publicity, publicity; loss of customers and sales, sales; loss of competitive advantages over our competitors, competitors; increased costs to remedy any problems and provide any required notifications, including to regulators and individuals, and otherwise respond to any incident, incident; regulatory investigations and enforcement actions, actions; costly litigation, litigation; and other liabilities. In addition, we may incur significant financial and operational costs to investigate, remediate, and implement additional tools, devices, and systems designed to prevent actual or perceived security breaches, and other security or privacy-related incidents, as well as costs to comply with any notification obligations resulting from any such incidents. Further, we could also be exposed to a risk of loss or litigation and potential liability under laws, regulations, and contracts that protect the privacy and security of personal information. Any of these negative outcomes could adversely impact the market perception of our products and customer and investor confidence in our company, Company, and would materially and adversely affect our business, prospects, financial condition, results of operations, or cash flows.

While we maintain cyber insurance that may help provide coverage for security breaches or other incidents, such insurance may not be adequate to cover the costs and liabilities related to them, which in some cases could materially and adversely impact our operating results and financial condition. In addition, our insurance policy may change as a result of such incidents or for other reasons, which may result in premium increases or the imposition of large deductible or co-insurance requirements.

#### RIVIAN AUTOMOTIVE, INC.

**If we fail to comply with federal, state, and foreign laws relating to privacy and data security, we may face potentially significant liability, negative publicity, and an erosion of trust, and increased regulation could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

We receive, store, handle, transmit, use, and otherwise process business information and information related to individuals, including from and about actual and prospective customers, as well as our employees and service providers. As a result, we and our handling of data are subject to a variety of laws, rules, and regulations relating to privacy and data security, as well as contractual obligations and industry standards. In the United States, a violation of consumers' privacy rights or failure to take appropriate steps to keep consumers consumers' information secure may constitute unfair or deceptive acts or practices in or affecting commerce in violation of the Federal Trade Commission Act or similar state consumer laws enforced by state attorneys general. We may also be subject to various generally applicable federal and state privacy laws that are specific to certain industries, sectors, contexts, or locations. For example, we may be subject to state privacy laws such as the California Consumer Privacy Act of 2018 ("CCPA"), as amended by the California Privacy Rights Act ("CPRA"), as well as other privacy statutes that share similarities to the CPRA that have been enacted in certain other states. As states, such as Colorado, Connecticut, Delaware, Indiana, Iowa, Montana, Oregon, Tennessee, Texas, Utah, and Virginia. Many other states are also currently reviewing or proposing the need for greater regulation of the collection, sharing, use, and other processing of personal information and there remains interest at the federal level as well, reflecting a trend toward more stringent privacy legislation in the United States. Additionally, as we continue to expand our foreign operations, we may also become subject to international privacy laws such as the European Union's General Data Protection Regulation (EU) 2016/679 ("GDPR"), the U.K. Data Protection Act of 2018, and other international data protection, privacy, data security, marketing, data localization, and similar national, state, provincial, and local laws.

These laws, rules, and regulations are constantly evolving and may be interpreted, applied, created, or amended in a manner that could harm our current or future business and operations and may result in ever increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. Any significant changes to applicable laws, regulations, or industry practices regarding the use, transfer, or disclosure of our users' individual data, or regarding the manner in which the express or implied consent of users individuals for the use and disclosure of such data is obtained – or in how these applicable laws, regulations, or industry practices are interpreted and enforced by state, federal, and international privacy regulators – could require us to modify our services and features, possibly in a material and costly manner, may subject us to legal claims, regulatory enforcement actions and fines, and may limit our ability to develop new services and features that make use of the data that our users voluntarily individuals share with us.

Our roadmap also integrates machine learning, artificial intelligence, and automated decision making in our products and business. However, in recent years use of these technologies has come under increased regulatory scrutiny. New laws, guidance, and/or decisions in this area could provide a new regulatory framework that will evidence a necessity to adjust or that may limit our ability to use our existing machine learning and artificial intelligence models and require us to make changes to our operations that may decrease our operational efficiency, result in an increase to operating costs and/or hinder our ability to improve our services.

Although we make reasonable efforts to comply with all applicable data protection laws and regulations, our interpretations and efforts may have been or may prove to be insufficient or incorrect. We also generally seek to comply with industry standards and are subject to the terms of our privacy policies and privacy-related obligations to third

parties. We strive to comply with all of these obligations. However, it is possible that these obligations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or that may conflict with other rules or our practices. We may also incur significant expenses to comply with privacy and security standards and controls imposed by laws, regulations, industry standards, or contractual obligations. Our failure to comply with applicable laws, directives, and regulations (e.g., the

#### **RIVIAN AUTOMOTIVE, INC.**

GDPR and CCPA) or related contractual obligations may result in private claims or enforcement actions against us, including liabilities, fines, and damage to our reputation, any of which could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

#### **Any unauthorized control or manipulation of our vehicles' systems could result in a loss of confidence in us and our vehicles and harm our business.**

Our vehicles contain complex technology systems. For example, our vehicles are outfitted with built-in data connectivity to install periodic remote updates to improve or update the functionality of our vehicles. We have implemented cryptographic technologies to deliver updates securely from Rivian, including a hardware security module to verify the integrity of vehicle software by using cryptographic hashes. We have designed, implemented, and tested security measures intended to prevent

#### **RIVIAN AUTOMOTIVE, INC.**

cybersecurity breaches or unauthorized access to our information technology networks, our vehicles and their systems, and intend to implement additional security measures as necessary. However, hackers and other malicious actors may attempt in the future to gain unauthorized access to modify, alter, and use networks, vehicle software and our systems to gain control of, or to change, our vehicles' software or to gain access to data stored in or generated by the vehicle. Errors and vulnerabilities, including zero days, in our information technology systems will be probed by third parties and could be identified and exploited in the future, and our remediation efforts may not be timely or successful. Any unauthorized access to or control of our vehicles or their systems or any unauthorized access to or loss of data could result in risks to our customers, unsafe driving conditions, or failure of our systems, any of which could result in interruptions in our business, regulatory investigations, legal claims or proceedings which may or may not result in our favor and could subject us to significant liability, liability and expense. In addition, regardless of their veracity, reports of unauthorized access to our vehicles, their systems or data, as well as other factors that may result in the perception that our vehicles, their systems, or data are capable of being "hacked" and lack appropriate safety controls, could negatively affect our brand and harm our business, prospects, financial condition, results of operations, and cash flows.

#### **We utilize third-party service providers to support our service and business operations and any errors, disruption, performance problems, delays, or failure in their or our operational infrastructure could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

Our brand, reputation, and ability to attract customers depends on the reliable performance of our vehicles and the supporting systems, technology, and infrastructure. For example, we outfit our vehicles with in-vehicle services and functionality that use data connectivity to monitor performance and capture opportunities for cost-saving preventative maintenance. The availability and effectiveness of these services depend on the continued operation of information technology and communication systems. We primarily rely on Amazon Web Services in the United States to host our cloud computing and storage needs. We do not own, control, or operate our cloud computing physical infrastructure or their data center providers. If any of these third-party Third-party services experience have been and may be subject to errors, disruptions, security issues, or other performance deficiencies, deficiencies. In addition, if they third party services are updated such that our platforms become incompatible, if these services, software, or hardware fail or become unavailable due to extended outages, interruptions, defects, or otherwise, or if they are no longer available on commercially reasonable terms or prices (or at all), these issues could result our business can be negatively impacted in a number of ways, including errors or defects in our platforms, cause failure of our platforms, to fail, or which could adversely affect the experience of our customers, our reputation, and brand, could be damaged, we could be exposed exposure to legal or contractual liability, an increase in our expenses, could increase, and interruption in our ability to manage our operations, could be interrupted, all of which may take significant time and resources, increase our costs, and could adversely affect our business. We may also have additional liability to our customers which may not be fully compensated by third-party service providers or insurance.

#### **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.**

We are involved in, and may in the future become party to additional, intellectual property infringement proceedings. Companies, organizations, or individuals, including our competitors, may hold or obtain patents, trademarks, or other proprietary or intellectual property rights that would prevent, limit, or interfere with our ability to make, use, develop, sell, lease, or market our vehicles or components, which could make it more difficult for us to operate our business. From time to time, we may receive communications from holders of patents, trademarks, trade secrets, or other intellectual property or proprietary rights alleging that we are infringing, misappropriating, diluting, or otherwise violating such rights. Such parties have brought and may in the future bring suits against us alleging infringement or other violation of such rights, or otherwise assert their rights and urge us to take licenses to their intellectual property. Our applications for and uses of trademarks relating to our products, services, or designs, could be found to infringe upon existing trademark rights owned by third

#### **RIVIAN AUTOMOTIVE, INC.**

parties. We may not be aware of existing patents or patent applications that could be pertinent to our business as many patent applications are filed confidentially in the United States and are not published until 18 months following the applicable filing date. In the event that a claim relating to intellectual property is asserted against us, our suppliers or our third-party licensors, or if third parties not affiliated with us hold pending or issued patents that relate to our products or technology, we may need to seek licenses to such intellectual property or seek to challenge those patents. Even if we are able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties

access to the same technologies licensed to us. In addition, we may be unable to obtain these licenses on commercially reasonable terms, if at all, and our challenge of third-party patents may be unsuccessful. Litigation or other legal proceedings relating to intellectual property claims, regardless of merit, may cause us to incur significant expenses, could distract our technical and management personnel from their normal responsibilities and result in negative publicity. Further, if we are determined to have infringed upon a third party's intellectual property rights, we may be required to do one or more of the following:

#### **RIVIAN AUTOMOTIVE, INC.**

- cease selling or leasing, incorporating certain components into, or using vehicles or offering goods or services that incorporate or use the intellectual property that we allegedly infringe, misappropriate, dilute, or otherwise violate;
- pay substantial royalty or license fees or other damages;
- seek a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms, or at all;
- redesign or reengineer our vehicles or other technology, goods, or services, which may be costly, time-consuming, or impossible; or
- establish and maintain alternative branding for our products and services.

Furthermore, many of our employees were previously employed by other automotive companies, by suppliers to automotive companies or companies with similar or related technology, products, or services. We are, and may in the future become, subject to claims that we or these employees have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of former employers. Litigation may be necessary to defend against these claims. If we fail in defending such claims, we may be forced to pay monetary damages or fines and be enjoined from using certain technology, products, services, or knowledge. Even if we are successful in defending against these claims, litigation could result in substantial costs and demand on management resources.

#### **We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position.**

We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position. We rely on a combination of patent, trade secret (including those in our know-how), and other intellectual property laws, as well as employee and third-party nondisclosure agreements, intellectual property licenses, and other contractual rights to establish and protect our rights in our technology and intellectual property. Our patent or trademark applications may not be granted, any patents or trademark registrations that may be issued to us may not sufficiently protect our intellectual property and any of our issued patents, trademark registrations or other intellectual property rights may be challenged by third parties. Any of these scenarios may result in limitations in the scope of our intellectual property or restrictions on our use of our intellectual property or may adversely affect the conduct of our business. Despite our efforts to protect our intellectual property rights, there can be no assurance that these protections will be available in all cases or will be adequate to prevent our competitors or other third parties from attempting to copy, reverse engineer, or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe, misappropriate, or otherwise violate our intellectual property. Monitoring unauthorized use of our intellectual property is difficult and costly, and the steps we have taken or will take to prevent misappropriation may not be successful. From time to time, we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources.

In addition, patent, trademark, and trade secret laws vary significantly throughout the world. A number of foreign countries do not protect intellectual property rights to the same extent as do the laws of the United States. Therefore, our intellectual property rights may not be as strong or as easily enforced outside of the United States. Failure to adequately protect our intellectual property rights could result in our competitors offering similar products, potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue, which would adversely affect our business, prospects, financial condition, results of operations, or cash flows.

#### **Our patent applications may not issue as patents, which may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours. If our patents expire or are not maintained, our patent**

#### **RIVIAN AUTOMOTIVE, INC.**

#### **applications are not granted or our patent rights are contested, circumvented, invalidated, or limited in scope, we may not be able to prevent others from selling, developing or exploiting competing technologies or products, which could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.**

We cannot be certain that we are the first inventor of the subject matter to which we have filed a particular patent application, or that we are the first party to file such a patent application. If another party has filed a patent application for the same subject matter as we have, we may not be entitled to the protection sought by the patent application. Further, the scope of protection of issued patent claims is often difficult to determine. As a result, we cannot be certain that the patent applications that we file will issue, or that our issued patents will afford protection against competitors with similar technology. In addition, our competitors may design around our issued patents, which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### **RIVIAN AUTOMOTIVE, INC.**

There can be no assurance that our pending applications will issue as patents. Even if our patent applications result in issued patents, these patents may be contested, circumvented, or invalidated in the future. In addition, the rights granted under any issued patents may not provide us with adequate protection or competitive advantages. The

claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. The intellectual property rights of others could also bar us from licensing and exploiting any patents that issue from our pending applications. Numerous patents and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. Many of these existing patents and patent applications might have priority over our patent applications and could subject our patents to invalidation or our patent applications to rejection. Finally, in addition to patents with an earlier priority date and patent applications that were filed before our patent applications that may affect the likelihood of issuance of patents we are seeking, any of our existing or future patents may also be challenged by others on grounds that may render our patent applications or issued patents invalid or unenforceable.

**Our use of open source open-source software in our applications could subject our proprietary software to general release, adversely affect our ability to sell our services, and subject us to possible litigation, claims or proceedings.**

We use open source open-source software in connection with the development and deployment of our products and services, and we expect to continue to use open source open-source software in the future. Companies that use open source open-source software in connection with their products have, from time to time, faced claims challenging the use of open source open-source software and/or compliance with open source open-source license terms. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source open-source software or claiming noncompliance with open source open-source licensing terms, and we may be required to purchase a costly license or cease offering the implicated products or services unless and until we can reengineer them to avoid infringement, which may be a costly and time-consuming process, and we may not be able to complete the reengineering process successfully. Some open source open-source software licenses may require users who distribute proprietary software containing or linked to open source open-source software to publicly disclose all or part of the source code to such proprietary software and/or make available any derivative works of the open source open-source code under the same open source open-source license, which could include proprietary source code. In such cases, the open source open-source software license may also restrict us from charging fees to licensees for their use of our software. While we monitor the use of open source open-source software and try to ensure that open source open-source software is not used in a manner that would subject our proprietary source code to these requirements and restrictions, such use could inadvertently occur or could be claimed to have occurred, in part because open source open-source license terms are often ambiguous and have generally not been interpreted by United States or foreign courts. In addition, failure to comply with Company policies on information technology and intellectual property may create a risk of public disclosure of confidential, proprietary, or sensitive information, such as source code or business plans, when using certain publicly available or open-source software programs that train their models with information provided by users, such as generative artificial intelligence or other software utilizing learning models. Any actual or claimed requirement to disclose our proprietary source code or pay damages for breach of contract could harm our business and could help third parties, including our competitors, develop products and services that are similar to or better than ours.

Further, in addition to risks related to license requirements, use of certain open source open-source software carries greater technical and legal risks than does the use of third-party commercial software. For example, open source open-source software is generally provided as-is without any support or warranties or other contractual protections regarding infringement or the quality of the code, including the existence of security vulnerabilities. To the extent that our platform depends upon the successful operation of open source open-source software, any undetected errors or defects in open source open-source software that we use could prevent the deployment or impair the functionality of our systems and injure our reputation. In addition, the public availability of such software may make it easier for attackers to target and compromise our platform through cyber-attacks. Any of the foregoing risks could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### **RIVIAN AUTOMOTIVE, INC.**

#### **Risks Related to Other Legal, Regulatory, and Tax Matters**

**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.**

All vehicles sold must comply with international, federal, and state motor vehicle safety standards. In the United States, vehicles that meet or exceed all federally mandated safety standards are self-certified by the manufacturer under the federal regulations. Rigorous testing and the use of approved materials and equipment are among the requirements for achieving federal certification. Other jurisdictions outside the United States, such as Europe, require us to meet Type Approval, the process for meeting the EU certification requirements, proving to regulators that our vehicles meet those relevant safety

#### **RIVIAN AUTOMOTIVE, INC.**

standards in effect in those countries. Failure by us to maintain compliance of the R1T, R1S, EDV, or obtain certification of compliance for any future EV model with motor vehicle safety standards in the United States, Canada, the EU or other jurisdictions would have a material adverse effect on our business, prospects, financial condition, results of operations, or cash flows.

**We may be exposed to delays, limitations, and risks related to the environmental permits and other permits and approvals required to build, operate, or expand operations at our manufacturing facility facilities and any future facilities. face risks in connection with the construction and development of our Stanton Springs North Facility.**

Operation of an automobile manufacturing facility requires proper land use, environmental permits and other operating permits from federal, state and local government entities. While we currently have all the permits necessary to carry out and perform our current plans and operations at our Normal Factory, expansion of construction and operations at our facility Stanton Springs North Facility will require permits, approvals, certifications, and the construction or operation of our planned facility in Georgia, may require land use changes, and environmental and operating permits. licenses. See [Part 1, Item 3 "Legal Proceedings"](#) for additional information on matters related to our

planned facility in Georgia, Stanton Springs North Facility. Delays, legal challenges by project opponents, denials or restrictions on any of the applications for or assignment of any permits, approvals, certifications, and licenses, whether for the permits to operate our manufacturing facility or any future facility, we may acquire or construct, including such as our spaces, service centers and parts distribution centers could adversely affect our ability to execute on our business plans and objectives.

We plan to commence construction on our Stanton Springs North Facility in 2024. As a greenfield site, construction of this facility will require substantial capital and numerous state and local permits. In addition, the project requires us to carefully select and rely on the experience of one or more general contractors and associated subcontractors during the construction process. Should a general contractor or significant subcontractor experience financial or other problems during the construction process, we could experience significant delays and increased costs to complete the project. Any significant problems or delays in the construction of the Stanton Springs North Facility or in bringing the manufacturing facility to full production based on projected timelines, costs, and volume targets could negatively affect the production and profitability of our vehicles.

**We are subject to various environmental, health, and safety laws and regulations that could impose substantial costs upon us and cause delays in building our manufacturing facilities.**

As an automobile manufacturer, we and our operations, both in the United States and abroad, are subject to national, state, provincial, and/or local environmental, health, and safety laws and regulations, including laws relating to the use, handling, storage, and disposal of, and human exposure to, hazardous materials. Environmental, health, and safety laws and regulations can be complex, and we expect that our business and operations will be affected by future amendments to such laws or other new environmental, health, and safety laws, which may require us to change our operations, potentially resulting in a material adverse effect on our business, business, prospects, financial condition, results of operations, or cash flows. These laws can give rise to liability for administrative oversight costs, cleanup costs, property damage, bodily injury, and fines and penalties. Compliance with environmental, health, and safety laws and regulations could also lead to increased costs of compliance, including remediation of any discovered issues, and changes to our operations, which may be significant, and failures to comply could result in significant expenses, delays, substantial fines and penalties, third-party damages, suspension of production, or a cessation of our operations.

Contamination at properties currently or formerly owned or operated by us, as well as at properties we will own and operate, and properties to which hazardous substances were sent by us, may result in liability for us under environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), which can impose liability for the full amount of contamination response-related costs without regard to fault, for the investigation and cleanup of contaminated soil and ground water, for building contamination and impacts to human health, and for damages to natural resources. The costs of complying with environmental laws, including CERCLA, and regulations and any claims concerning noncompliance, or liability with respect to contamination in the future, could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

Our operations are also subject to federal, state, provincial, and local workplace safety laws and regulations, including the U.S. Occupational Health and Safety Act, and equivalent international laws and regulations, which require compliance with various workplace safety requirements, including requirements related to environmental safety. These laws and regulations can give rise to liability for oversight costs, compliance costs, bodily injury (including workers' compensation), fines, and penalties. Additionally, non-compliance could result in delay or suspension of production or cessation of operations. The costs required to comply with workplace safety laws can be significant, and non-compliance could adversely affect our

## RIVIAN AUTOMOTIVE, INC.

production or other operations, which could have a material adverse effect on our business, brand, prospects, and financial condition, results of operations, operations, and cash flows.

**We are subject to substantial and evolving regulation and unfavorable changes to, or our failure to comply with, these regulations could substantially harm our business, prospects, financial condition, results of operations, and cash flows.**

Our vehicles, and the sale of motor vehicles in general, are subject to substantial regulation under international, federal, state, and local laws. We expect to incur significant costs in complying with these regulations. Regulations related to the electric vehicle EV industry and alternative energy are currently evolving and we face risks associated with changes to these regulations, such as:

- the imposition of a carbon tax or the introduction of a cap-and-trade system on electric utilities, either of which could increase the cost of electricity and thereby the cost of operating an electric vehicle; EV;
- new state regulations of electric vehicle EV fees could discourage consumer demand for EVs;
- the increase of subsidies for alternative fuels such as corn and ethanol could reduce the operating cost of vehicles that use such alternative fuels and gasoline, and thereby reduce the appeal of EVs;
- changes to the regulations governing the assembly and transportation of battery cells could increase the cost of battery cells or make such commodities more difficult to obtain;
- new regulations regarding the content of battery cells or packs, including mineral composition, mandatory recycling, or take back programs that require us to comply with new sets of laws and regulations;
- changes in regulation that affect vehicle design or engineering, for example relating to the noise required to be emitted by EVs, may impact the design or function of EVs, and thereby lead to decreased consumer appeal;
- changes in regulations governing the range and miles per gallon of gasoline-equivalent calculations could lower our vehicles' ratings, making EVs less appealing to consumers;

- changes in regulations relating to advanced driver assistance technology could require us to modify our advanced driver assistance hardware and related software systems; and
- future rulemaking governing GHG and CAFE standards could reduce new business opportunities for our business.

To the extent the laws change, our vehicles may not comply with applicable international, federal, state, or local laws, which would have an adverse effect on our business. Compliance with changing regulations could be burdensome, time consuming, and expensive. To the extent compliance with new regulations is cost prohibitive, our business, prospects, financial condition, results of operations, or cash flows would be materially and adversely affected.

Internationally, there may be laws in jurisdictions we have not yet entered or laws we are unaware of in jurisdictions we have entered that may restrict our sales or other business practices. Even for those jurisdictions we have analyzed, the laws in this area can be complex, difficult to interpret, and may change over time. Continued regulatory limitations and other obstacles interfering with our ability to sell or lease vehicles directly to consumers could have a negative material and material adverse impact on our business, prospects, financial condition, results of operations, and cash flows.

#### **We are or may be subject to risks associated with strategic alliances or acquisitions.**

We may from time to time consider entering into strategic alliances, including joint ventures, minority equity investments, or other transactions with various third parties to further our business purpose. However, there are no assurances that we will be able to identify or secure suitable alliances in the future or that we will be able to maintain such alliances, which could impair our overall growth. In addition, these alliances could subject us to a number of risks, including risks associated with sharing proprietary information, with non-performance by the third party, and with increased expenses in establishing new strategic alliances, any of which may materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows. We may have limited ability to monitor or control the actions of these third parties and, to the extent any of these strategic third parties suffer negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with any such third party.

When appropriate opportunities arise, we may acquire additional assets, products, technologies, or businesses that are complementary to our existing business. In addition to possible stockholder approval, we may need approvals and licenses from relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased delay and costs, and may disrupt our business strategy if we fail to do so. Furthermore, acquisitions and the subsequent integration of new assets and businesses into our own require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could have an adverse

#### **RIVIAN AUTOMOTIVE, INC.**

effect on our operations. Acquired assets or businesses may not generate the financial results we expect. Acquisitions could

#### **RIVIAN AUTOMOTIVE, INC.**

result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the occurrence of significant goodwill impairment charges, amortization expenses for other intangible assets, and exposure to potential unknown liabilities of the acquired business. Moreover, the costs of identifying and consummating acquisitions may be significant.

#### **Our business could be adversely affected by trade tariffs or other trade barriers.**

Our business is subject to the imposition of tariffs and other trade barriers, which may make it more costly for us to export our vehicles to the imposing country, country and import raw materials and product components for our vehicles. For example, in recent years the United States government has renegotiated or terminated certain existing bilateral or multi-lateral trade agreements. It has also imposed tariffs on certain foreign goods which resulted in increased costs for goods imported into the United States. In response to these tariffs, a number of United States trading partners have imposed retaliatory tariffs on a wide range of United States products, making it more costly for companies to export products to those countries. If we experience cost increases as a result of existing or future tariffs, and are unable to pass on such additional costs to our customers, or otherwise mitigate the costs, or if demand for our exported vehicles decreases due to the higher cost, our business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected. In addition, China and the United States have each imposed tariffs, indicating the potential for further trade barriers which may escalate a nascent trade war between China and the United States. The resulting environment of retaliatory trade or other practices or additional trade restrictions or barriers, if implemented on a broader range of products or raw materials, could harm our ability to obtain necessary inputs raw materials and product components or sell our vehicles at prices customers are willing to pay, which could have a material adverse effect on our business, prospects, results of operations, and cash flows. Relatedly, trade policies could lead to an increasing number of competitors entering the United States, thereby creating more competition. For example, foreign companies could begin manufacturing vehicles in Mexico in order to take advantage of the United States-Mexico-Canada Agreement that could allow the free flow of trade into the United States and Canada, two of our markets.

**We are subject to export and import control laws, and non-compliance with such laws can subject us to criminal liability and other serious consequences, which can harm our business.**

We are subject to export control laws, import and economic sanctions laws and regulations, including the United States Export Administration Regulations, United States Customs regulations, and various economic and trade sanctions regulations administered by the United States Treasury Department's Office of Foreign Assets Control. United States export controls apply to (1) items that are produced in the United States, wherever they are geographically located; located, (2) all items located in the United States,

even if only moving in transit through the United States, States, and (3) certain foreign-produced items, including those that incorporate more than de minimis levels of controlled United States-origin content. A violation of applicable laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil, and criminal penalties, collateral consequences, remedial measures, and legal expenses. In addition, we may in the future establish international operations for the reassembly or manufacture of our vehicles, which could subject us to additional constraints under applicable export and import controls and laws.

In addition, changes to our vehicles, or changes in applicable export control, import, or economic sanctions laws and regulations, may create delays in the introduction and sale of our vehicles and solutions products or, in some cases, prevent the export or import of our vehicles, parts, and software to certain countries, governments or persons altogether. Any change in export, import, or economic sanctions laws and regulations, shift in the enforcement or scope of existing laws and regulations or change in the countries, governments, persons, or technologies targeted by such laws and regulations could also result in decreased use of our vehicles, as well decreasing our ability to export or market our vehicles to potential customers. Any decreased use of our vehicles or limitation on our ability to export or market our vehicles could adversely affect our business, prospects, financial condition, results of operations, and financial condition. cash flows.

**We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to administrative, civil, and criminal fines and penalties, collateral consequences, remedial measures, and legal expenses, all of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions, and similar laws and regulations in various jurisdictions in which we conduct or in the future may conduct activities, including the United

#### RIVIAN AUTOMOTIVE, INC.

States Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act 2010, and other anti-corruption laws and regulations. Anti-corruption laws are interpreted broadly and prohibit companies and their officers, directors, employees, agents, contractors, and other business partners from corruptly offering, promising, authorizing, or providing anything of value to recipients in the public or private sector for the purposes of influencing decisions, or obtaining or retaining business, or otherwise obtaining favorable treatment. Our policies and procedures are designed to ensure compliance comply with these regulations but may not be sufficient and our directors, officers, employees, representatives, consultants, agents, and business partners could engage in improper

#### RIVIAN AUTOMOTIVE, INC.

conduct for which we may be held responsible, even if we do not explicitly authorize or have actual knowledge of such conduct.

Non-compliance with anti-corruption, anti-bribery, or anti-money laundering laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil, and criminal sanctions, collateral consequences, remedial measures, and legal expenses, all of which could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**We are subject to legal proceedings in the ordinary course of our business. If the outcomes of these proceedings are adverse to us, it could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.**

We are subject to various litigation matters from time to time, the outcome of which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Claims arising out of actual or alleged violations of law could be asserted against us by individuals, either individually or through class actions, by governmental entities in civil or criminal investigations and proceedings, or by other entities. These claims could be asserted under a variety of laws, including but not limited to consumer finance laws, consumer protection laws, contract laws, tort laws, environmental laws, intellectual property laws, privacy laws, labor and employment laws, employee benefit laws, and securities laws. For example, in March and April 2022 three separate stockholder class action lawsuits were filed against the Company, its directors, certain officers and its initial public offering ("IPO") underwriters alleging violations of United States securities laws, including the Securities Act and the Exchange Act. Securities litigation, and other related matters such as governmental or regulatory investigations, could have a material adverse effect on our business, results of operations, financial condition, reputation cash flows, and cash flows, reputation, as well as on the market price of our Class A common stock. We have also been subject to, and may become subject to, allegations of discrimination or other similar misconduct, as well as allegations of breach of contract or other acts or omissions by or on behalf of us. These actions could expose us to adverse publicity that could harm our brand, reputation, and operations and to substantial monetary damages and legal defense costs, injunctive relief, and criminal and civil fines and penalties, including but not limited to suspension or revocation of licenses to conduct business. Although the results of lawsuits and claims cannot be predicted with certainty, defending these claims is costly and can impose a significant burden on management and employees. Any litigation to which we are a party may result in an onerous or unfavorable judgment that may not be reversed on appeal, or we may decide to settle lawsuits on similarly unfavorable terms. Any such negative outcome could result in payments of substantial monetary damages or fines, or changes to our business practices, which could materially and accordingly adversely affect our business, could be seriously harmed, prospects, financial condition, results of operations, and cash flows. See [Part I, Item 3 "Legal Proceedings."](#)

**Changes in tax laws and the application of such laws may materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.**

New income, sales, use, or other tax laws, statutes, rules, regulation, or ordinances could be enacted at any time, or interpreted, changed, modified, or applied adversely to us, any of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows. In particular, presidential, congressional, state, and local elections in the United States could result in significant changes in, and uncertainty with respect to, tax legislation, regulation and government policy directly affecting our

business or indirectly affecting us because of impacts on our customers, suppliers and manufacturers. For example, the United States government governments may enact significant changes to the taxation of business entities including, among others, an increase in the corporate income tax rate and the imposition of new minimum taxes or surtaxes on certain types of income. To the extent that such changes occur and have a negative impact on us, our suppliers, manufacturers, or our customers, including as a result of related uncertainty, these changes could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### RIVIAN AUTOMOTIVE, INC.

#### Our ability to use net operating loss carryforwards and other tax attributes is limited due to certain provisions of the Internal Revenue Code.

We have incurred substantial losses during our history and do not expect to become profitable in the foreseeable future, and we may never achieve profitability. Under the Tax Cuts and Jobs Act, federal net operating losses ("NOLs") we generated in tax years through December 31, 2017 may be carried forward for 20 years and may fully offset taxable income in the year utilized, and federal NOLs we generated in tax years beginning after December 31, 2017 may be carried forward indefinitely but may only be used to offset 80% of our taxable income annually. Under Sections 382 and 383 of the Code, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change federal NOLs and other tax attributes (such as research and development tax credits) to offset its post-change income and taxes may be limited. In general, an

#### RIVIAN AUTOMOTIVE, INC.

"ownership change" occurs if there is a greater than 50 percentage point change (by value) in a corporation's equity ownership by certain stockholders over a rolling three-year period. We have experienced ownership changes in the past and may experience ownership changes in the future as a result of subsequent shifts in our stock ownership (some of which shifts are outside our control). As a result, our ability to use our pre-change federal NOLs and other tax attributes to offset future taxable income and taxes could be subject to limitations. Similar provisions of state tax law may also apply and future regulatory changes could also limit our ability to utilize NOL carryforwards. For these reasons, even if we achieve profitability, we may be unable to use a material portion of our NOLs and other tax attributes, which could potentially result in increased future income tax liability to us and materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

#### Increasing scrutiny and changing expectations from global regulations, regulators, our investors, consumers, and employees with respect to our environmental, social, and governance ("ESG" ESG) practices may impose additional costs on us or expose us to new or additional risks.

Companies across many industries are facing increasing scrutiny related to their ESG practices and reporting. Investors, consumers, employees, and other stakeholders have focused increasingly on ESG practices and placed increasing importance on the implications and social cost of their investments, purchases, and other interactions with companies. With this increased focus, public reporting regarding ESG practices is becoming more broadly expected. Any failure or perceived failure to accomplish or accurately track and report on our ESG initiatives on a timely basis or to meet investor, consumer, or employee expectations on ESG matters, particularly because our mission is to create innovative and technologically advanced products and services that help our planet with the goal of accelerating the global transition to carbon neutral zero-emission transportation and energy and transportation, could adversely affect our brand and reputation, our employees' engagement and retention and the willingness of our customers and partners to do business with us. At the same time, there exists some softening of ESG support among some stakeholders and government institutions and we could be criticized by some for the scope or nature of our ESG initiatives or goals or for any revisions to these goals. We could also be subjected to negative responses by governmental actors (such as anti-ESG legislation or retaliatory legislative treatment) or consumers (such as boycotts or negative publicity campaigns) targeting the Company that could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

We may at times engage in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others) or commitments to improve our ESG profile, and any such initiatives or achievements of such commitments may be costly. For example, we recently published our first Impact Report, which includes our goals around climate, product, and belonging. In addition, our commitment to The Climate Pledge, pursuant to which signatories pledge to reach net-zero emissions by 2040, and subsequent reporting and emissions reductions and offsets would could require considerable investments, and our commitment, with all of their contingencies, dependencies, and in certain cases, reliance on third-party verification and/or performance, is complex and ambitious, and we cannot guarantee that we will meet our commitment. Our ability to achieve this commitment, as well as any other voluntary ESG initiatives, is subject to numerous risks, many of which are outside of our control. Such risks include, for example, the availability and cost of low or non-carbon based energy sources, the evolving regulatory requirements affecting ESG standards or disclosures, the availability of suppliers that can meet our sustainability diversity and other ESG standards, our ability to recruit, develop, and retain a diverse range of talent, and other items discussed in these risk factors. Additionally, certain disclosures or targets may be based on assumptions, estimates, hypothetical expectations, or third-party information, which are necessarily uncertain and may be prone to errors or subject to misinterpretation given the long timelines involved and the lack of an established single approach in the field to identifying, measuring, and reporting on many ESG matters. Our processes and controls to identify, measure, and report on ESG metrics may change to reflect evolving methodologies, standards, internal control, and data availability and quality. This may require us to incur significant costs and may impact our ESG initiatives, including reported progress on, and ability to achieve, any of our goals, either on an initial timeline or at all. Implementing and achieving our commitment and other initiatives may also result in increased costs in our supply chain and business operations. Furthermore, if our competitors' corporate responsibility performance is

#### RIVIAN AUTOMOTIVE, INC.

perceived to be greater than ours, including performance on third-party benchmarks and scores used by certain market participants, potential or current investors or customers may elect to invest or do business with our competitors instead. Even if this is not the case, our current actions may subsequently be determined to be insufficient by various stakeholders, and we may be subject to various adverse consequences or investor or regulator engagement on our ESG initiatives and disclosures, even if such initiatives are

currently voluntary. We may not achieve our commitments in the manner we currently intend or at all, and any failure (or perceived failure) to meet such commitments may adversely impact our relationship with certain stakeholders.

In addition, we expect there will likely be increasing levels of regulation, disclosure-related and otherwise, with respect to ESG matters. For example, the SEC has published proposed rules that would require companies to provide significantly expanded climate-related disclosures in their periodic reporting, which may require us to incur significant additional costs to comply, including the implementation of significant additional internal controls processes and procedures regarding matters that have not been subject to such controls in the past, and impose increased oversight obligations on our management and board of directors. In addition, California has recently enacted climate disclosure laws that may require companies to report on greenhouse gas emissions, climate-related financial risks, and the use of carbon offsets and emissions reduction claims. Similarly, we may be subject to the requirements of the EU Corporate Sustainability Reporting Directive (and its implementing laws and regulations) and other EU directives or EU and EU member state regulations, or various disclosure requirements on various sustainability topics, including climate change, biodiversity, workforce, supply chain, and business ethics. These requirements may not always be uniform across jurisdictions, which may result in increased complexity, and cost, for compliance. Furthermore, industry and market practices may further develop to become even more robust than what is required under any new laws and regulations, and we may have to expend significant efforts and resources to keep up with market trends and stay competitive among our peers, which could result in higher associated compliance costs and penalties for failure to comply with such laws and regulations. Additionally, many of our customers and suppliers may be subject to similar expectations, which may augment or create additional risks.

## RIVIAN AUTOMOTIVE, INC.

### Risks Related to the Ownership of Our Class A Common Stock

The price of our Class A common stock has been, and may continue to be, volatile or may decline regardless of our operating performance.

The market price of our Class A common stock has fluctuated and may continue to fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our financial condition and results of operations;
- the projections and any other guidance we may provide to the public, and any changes in, or failure to meet, such projections or guidance;
- failure of securities analysts to maintain coverage of Rivian, changes in financial estimates or ratings by any securities analysts who follow Rivian, or our failure to meet these estimates or the expectations of investors;
- announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures, results of operations, capital commitments, or capital commitments; changes to EV production plans;
- lower-than-anticipated industry wide EV adoption rates or perception that EV demand is slowing;
- changes in stock market valuations and operating performance of other EV companies generally, or those in our industry in particular;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- macroeconomic conditions, such as recessions, changes in inflation or interest rates, and slow or negative growth of our markets;
- significant changes in our board of directors or management;
- sales of large blocks of our common stock, including sales by our Founder, our executive officers and directors or investors;
- lawsuits threatened or filed against us;
- actual or anticipated changes in United States and non-United States laws, regulations or government policies applicable to our business;
- changes in our capital structure, such as future issuances of debt or equity securities;
- short sales, hedging, and other derivative transactions involving our capital stock; stock, including by holders of our 2029 Green Convertible Notes or 2030 Green Convertible Notes that employ a convertible arbitrage strategy with respect to such notes;

## RIVIAN AUTOMOTIVE, INC.

- general economic conditions, such as recessions, changes in inflation or interest rates anticipated conversions of the 2029 Green Convertible Notes and slow or negative growth 2030 Green Convertible Notes into shares of our markets; Class A common stock;
- other events or factors, including those resulting from war, geopolitical tensions such as the ongoing military conflict between Russia and the Ukraine and in Israel and Gaza and related economic sanctions, pandemics (including COVID-19 and associated variants), incidents of terrorism, or responses to these events; and
- the other factors described in this Part I Item 1A. "Risk Factors".

The stock market in general, and the market for technology companies and EV companies in particular, has experienced extreme price and volume fluctuations, which in many cases have been unrelated or disproportionate to the results of operations of those companies. Significant declines in the market price of our Class A common stock could also impact consumer confidence in the Company, which could have an adverse impact on our sales. Market fluctuations could result in extreme volatility in the price of shares of our Class A common stock, which could cause a decline in the value of a stockholder's investment. Price volatility may be greater if the public float and trading volume of shares of our Class A common stock is low. Following periods of such volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Such litigation could result in substantial costs and divert management's attention and resources from our business.

Our executive officers, directors, and principal stockholders, if they choose to act together, maintain significant voting power.

Our executive officers, directors, and stockholders who **own** more than 5% of our outstanding common stock **before our IPO** and their respective affiliates, in the aggregate, hold shares representing approximately **53.7%** 49.0% of the voting power of our outstanding capital stock and **are able to** **could** significantly influence all matters submitted to our stockholders for approval, as well as our management and affairs, particularly if they were to choose to act together. For example, these persons, if they choose to act together, would control or significantly influence the election of directors and approval of any merger, consolidation, or sale of substantially all of our assets, regardless of whether or not other stockholders believe that such action is in their best interest. This concentration of ownership control **may**:

- **may** delay or prevent a change in **control**;
- **control**, entrench our management and our board of **directors**; **directors**, or
- impede a merger, consolidation, takeover, or other business combination involving us that other stockholders may desire.

#### **RIVIAN AUTOMOTIVE, INC.**

In addition, each share of our Class B common stock is entitled to ten votes, while each share of our Class A common stock entitles its holder to one vote. An affiliate of our Founder and CEO, Robert J. Scaringe, holds all outstanding shares of our Class B common stock. Due to our dual class structure, affiliates of Dr. Scaringe hold shares of our common stock representing, in the aggregate, approximately **9.3%** **8.8%** of the voting power of our outstanding capital stock but **2.5%** **2.31%** of the total shares of common stock outstanding.

In addition, while we do not expect to issue any additional shares of Class B common stock, any future issuances of Class B common stock would be dilutive to holders of Class A common stock.

#### **We cannot predict the impact our dual class structure may have on the market price of our Class A common stock.**

We cannot predict whether our dual class structure will result in a lower or more volatile market price of our Class A common stock, in adverse publicity, or in other adverse consequences. Certain index providers **such as S&P Dow Jones**, exclude companies with multiple class share structures in certain of their **indices, including the S&P 500 indices**. As a result, our dual class capital structure makes us ineligible for inclusion in any of these indices. Given the sustained flow of investment funds into passive strategies that seek to track certain indices, exclusion from stock indices would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. As a result, the market price of our Class A common stock could be materially adversely affected.

#### **Sales, directly or indirectly, of a substantial amount of our Class A common stock in the public markets by our existing security holders may cause the price of our Class A common stock to decline.**

Sales of a substantial number of shares of our Class A common stock into the public market, particularly sales by our directors, executive officers and principal stockholders, or the perception that these sales might occur, could cause the market price of our Class A common stock to decline. Many of our pre-IPO security holders have substantial unrecognized gains on the value of the equity they hold, and may take steps to sell their shares or otherwise secure or limit their risk exposure to the value of their unrecognized gains on those shares. We are unable to predict the timing or effect of such sales on the market price of our Class A common stock.

We and all of our directors and executive officers and certain other record holders are able to sell our shares freely in the public market, except that any shares held by our affiliates, as defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with Rule 144. In addition, as of December 31, 2022, we had stock options and restricted stock units ("RSUs") outstanding, as well as other stock-based awards and shares underlying our 2021 Employee Stock Purchase Plan ("ESPP") that, if fully exercised, vested, or settled, would result in the issuance of approximately 109 million shares of Class A common stock. All of the shares of Class A common stock issuable upon the exercise of stock options, and the shares reserved for future issuance under our equity incentive plans, are registered for public resale under the Securities Act. Accordingly, these shares can be freely sold in the public market upon issuance subject to applicable vesting requirements, compliance by affiliates with Rule 144, and other restrictions provided under the terms of the applicable plan and/or the award agreements entered into with participants and any such sales could adversely affect the market price of our Class A common stock.

Further, in September 2022, we approved the payment of 2022 bonus awards to be made under the 2021 Incentive Award Plan in the form of stock-based awards, which will vest immediately upon grant in the first quarter of 2023. The 2022 bonus objectives were subject to certain performance conditions related to production and other targets. We expect these grants to be made on or about March 6, 2023 in an aggregate amount of approximately \$139 million in the form of stock-based awards. Our issuance of additional shares of common stock will dilute the ownership interests of our existing common stockholders, which may depress the trading price of our Class A common stock.

In addition, certain holders of shares of our common stock have rights after the completion of our IPO, subject to certain conditions, to require us to file registration statements for the public resale of shares of our Class A common stock or to include such shares in registration statements that we may file for us or other stockholders.

#### **If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price of our Class A common stock and trading volume could decline.**

The trading market for our Class A common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business, our market, and our competitors. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our Class A common stock or publish inaccurate or unfavorable

#### **RIVIAN AUTOMOTIVE, INC.**

research about our business, or if our results fall short of the projected results published by one or more of the analysts, our Class A common stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish

#### **RIVIAN AUTOMOTIVE, INC.**

reports on us regularly, we could lose visibility in the financial markets and demand for our Class A common stock could decrease, which might cause our Class A common stock price and trading volume to decline.

**We do not intend to pay dividends for the foreseeable future. Consequently, any gains from an investment in our common stock will likely depend on whether the price of our Class A common stock increases.**

We currently intend to retain any future earnings to finance the operation and expansion of our business and we do not expect to declare or pay any dividends in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of the board of directors. As a result, stockholders must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Moreover, the terms of our ABL Facility and the indenture governing the 2026 Notes restrict the ability of certain of our subsidiaries to pay dividends to us, and any additional debt we may incur in the future may restrict our ability to declare or pay cash dividends or make distributions. In addition, Delaware law may impose requirements that may restrict our ability to pay dividends to holders of our Class A common stock.

**Anti-takeover provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as well as provisions of Delaware law, could impair a takeover attempt.**

Our amended and restated certificate of incorporation, amended and restated bylaws, and Delaware law contain provisions which could have the effect of rendering more difficult, delaying, or preventing an acquisition. These provisions include:

- a dual class structure;
- a classified board of directors with three-year staggered terms, who can only be removed for cause, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to set the size of the board of directors and to elect a director to fill a vacancy, however occurring, including by an expansion of the board of directors, which prevents stockholders from being able to fill vacancies on our board of directors;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including voting or other rights or preferences, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror;
- the ability of our board of directors to alter our amended and restated bylaws without obtaining stockholder approval;
- in addition to our board of director's ability to adopt, amend, or repeal our amended and restated bylaws, our stockholders may adopt, amend, or repeal our amended and restated bylaws only with the affirmative vote of the holders of at least 66 2/3% of the voting power of all our then outstanding shares of capital stock;
- the required approval of (i) at least 66 2/3% of the voting power of the outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class, to adopt, amend, or repeal certain provisions of our amended and restated certificate of incorporation and (ii) for so long as any shares of Class B common stock are outstanding, the holders of at least 80% of the shares of Class B common stock outstanding at the time of such vote, voting as a separate series, to adopt, amend, or repeal certain provisions of our amended and restated certificate of incorporation;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of stockholders;
- the requirement that a special meeting of stockholders may be called only by an officer of the Company pursuant to a resolution adopted by a majority of our board of directors then in office or the chairperson of our board of directors; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect

#### **RIVIAN AUTOMOTIVE, INC.**

directors of their choosing and to cause us to take other corporate actions they desire, any of which, under certain

#### **RIVIAN AUTOMOTIVE, INC.**

circumstances, could limit the opportunity for our stockholders to receive a premium for their shares of our Class A common stock, and could also affect the price that some investors are willing to pay for our Class A common stock.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation Law (the "DGCL"), which prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations without approval of the holders of substantially all of our outstanding common stock.

In addition, certain provisions in the 2029 Green Convertible Notes and the 2030 Green Convertible Notes and the governing indentures could make a third-party attempt to acquire us more difficult or expensive. For example, if a takeover constitutes a fundamental change, then noteholders will have the right to require us to repurchase their 2029 Green Convertible Notes and the 2030 Green Convertible Notes for cash. In addition, if a takeover constitutes a make-whole fundamental change, then we may be required to temporarily increase the conversion rate. In either case, and in other cases, our obligations under the 2029 Green Convertible Notes and the 2030 Green Convertible Notes and the governing indentures could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management, including in a transaction that holders of our common stock may view as favorable.

**Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, and the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or stockholders.**

Our amended and restated certificate of incorporation provides that, unless we otherwise consent in writing, the Court of Chancery of the State of Delaware is the exclusive forum (or if such court does not have subject matter jurisdiction, the federal district court of the State of Delaware) for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty, (3) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation, or our amended and restated bylaws or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware, or (4) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware. This provision would not apply to claims seeking to enforce any liability or duty created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation provides that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instances, we would expect to vigorously assert the validity and enforceability of our exclusive forum provisions.

The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers, and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with litigating such action in another jurisdiction, which could harm our business, prospects, financial condition, results of operations, and cash flows.

#### General Risk Factors

**Our business is subject to the risk of earthquakes, fire, power outages, floods, other natural disasters, the physical effects of climate change and other catastrophic events, and to interruption by man-made events such as terrorism.**

Our business is vulnerable to damage or interruption from power losses, telecommunications failures, terrorist attacks, acts of war, electronic and physical break-ins, natural disasters, and the acute physical effects of climate change, which may include more frequent or severe storms, hurricanes, floods, droughts, heatwaves, and wildfires, and other similar events. For example, we have offices and a significant number of employees in California, a region known for seismic activity and wildfire risk. Climate change may also result in chronic changes in physical conditions such as sea-level rise or changes in temperature

#### RIVIAN AUTOMOTIVE, INC.

or precipitation patterns, which may also result in adverse impacts on our business. The third-party systems and operations and suppliers and service providers we rely on are subject to similar risks. If a significant natural disaster, such as an earthquake, fire, or flood occurs, or our information technology systems or communications networks break down or operate improperly, our facilities may be seriously damaged or we may have to stop or delay production and delivery of our vehicles, which could have an adverse effect on our business, prospects, financial condition, results of operations, and cash flows, and flows. In addition, our insurance coverage may be insufficient to compensate us for losses that may occur. Acts of terrorism, which may be targeted at metropolitan areas that have higher population density than rural areas, could also cause disruptions in our or our suppliers' and service providers' businesses or the economy as a whole. We may not have sufficient protection or recovery plans in some circumstances, such as natural disasters affecting locations that store significant inventory of our products, and in

#### RIVIAN AUTOMOTIVE, INC.

products. In certain situations market responses to climate change and other catastrophic events may impair our ability to acquire insurance on terms that we find acceptable, which may augment the impact of any such events. Because we depend on single or limited source suppliers in some instances, any damage or interruption to our or our suppliers' facilities could have a significant impact on our business or financial condition. If a new health epidemic or outbreak were to occur, we could experience broad and varied impacts similar to the impact of COVID-19, including adverse impacts to our workforce and supply chain, inflationary pressures and increased costs, schedule or production delays, market volatility, and other financial impacts. Any prolonged disruption of operations at our manufacturing facility or our suppliers' facilities, whether due to technical, information systems, communication networks, strikes, accidents, weather conditions, or other natural disasters, including as a result of due to climate change, the

COVID-19 a health epidemic, pandemic or otherwise, similar outbreak, whether short- or long-term, would materially and adversely affect our business, prospects, financial condition, results of operations, or cash flows.

#### **Our insurance strategy may not be adequate to protect us from all business risks.**

Our insurance strategy is to maintain insurance coverage for various types of risks, including property, products liability, casualty, management liability, cyber liability, and other risks similar to other companies with our risk profile that are normal and customary in the market and in our industry and available in the current insurance market. We place our insurance coverage with various financially sound carriers per AM Best, a credit rating agency for the insurance industry, and in numerous jurisdictions. The types and amounts of insurance we carry may vary from time to time and limits and retentions vary depending on availability, cost, and our decisions with respect to risk retention, retention and coverage. These insurance policies are subject to various deductibles, policy limits, and exclusions that may impact our ability to recover for a specific risk. We may only insure to meet contractual requirements and/or choose to retain a level of risk where we believe we can adequately self-insure against the anticipated exposure. Coverage for a risk may not be certain and subject to insurers reservation of rights based on notable terms, conditions, and/or exclusions. Disputes with carriers over coverage issues have arisen and may arise in the future. Losses that are not covered by insurance may be substantial and/or unpredictable and could may adversely affect our financial condition and results of operations. Further, insurance coverage may not continue to be available to us, such as product recall insurance, or, if available, may be at a significantly higher cost, such as earthquake insurance, based on insurance market conditions, our specific industry, and/or a change in our risk profile. This may require a change in our insurance purchasing philosophy and strategy, which can result in the assumption of greater risks to offset insurance market fluctuations.

#### **General business and economic conditions could reduce our orders and sales, which could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.**

Our business and results of operations may be are subject to global economic conditions and their impact on customer discretionary spending. Some factors that may negatively influence customer spending include high levels of unemployment, higher customer debt levels, declines in asset values and related market uncertainty, rising sustained inflation, fluctuating interest rates and credit availability, availability of vehicle financing, fluctuating fuel and other energy costs, and national and global geopolitical and economic uncertainty, including in connection with tariffs or trade laws. Economic conditions in certain regions may also be affected by natural disasters, such as earthquakes, hurricanes, tropical storms, and wildfires, public health crises, political crises, such as terrorist attacks, war, or other political instability, or other unexpected events, and such events could also disrupt our operations, internet, or mobile networks or the operations of one or more of our third-party suppliers or providers. Specifically, difficult macroeconomic conditions, such as decreases in per capita income and level of disposable income, increased and prolonged unemployment, or a decline in consumer confidence could have a material adverse effect on the demand for our vehicles and more broadly on the automotive industry. Recently, certain automobile manufacturers have announced delays or cutbacks in EV production plans as a result of these and other factors impacting the demand for EVs. Under difficult economic conditions, potential customers may seek to reduce spending by forgoing our vehicles for other traditional options, increase use of public and mass transportation options or may choose to keep their existing vehicles, and cancel preorders, reservations.

#### **RIVIAN AUTOMOTIVE, INC.**

We have identified remediated the material weaknesses previously reported in our internal control over financial reporting. If our remediation of such material weaknesses is not effective, or reporting, but if we experience identify additional material weaknesses in the future or otherwise fail to develop and maintain effective internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable laws and regulations could be impaired, which could adversely affect investor confidence in the accuracy and completeness of our financial statements and adversely affect our business and operating results and the market price for our Class A common stock.

As a public company, we are required to establish and periodically evaluate procedures with respect to our disclosure controls and procedures and our internal control over financial reporting. In the course of preparing our financial statements for fiscal year 2021, we identified material weaknesses in our internal control over financial reporting, reporting, which were not remediated as of December 31, 2022. A material weakness is a deficiency, or combination of deficiencies, in our internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements would not be prevented or detected on a timely basis. The material weaknesses previously identified pertained to controls to address access and segregation of duties across financially relevant functions and IT general controls over our Enterprise Resource Planning systems, applications, and tools used in financial reporting. During the preparation of our financial statements for fiscal year 2022, we concluded that the material weaknesses previously identified had not been remediated and continued to exist. After completing several remedial actions as of December 31, 2022 as disclosed described in Part II, Item 9A "Controls and Procedures" we have remediated the previously identified material weaknesses as of December 31, 2023.

#### **RIVIAN AUTOMOTIVE, INC.**

While the control deficiencies described above did not result in a material misstatement to our financial statements, the control deficiencies created a reasonable possibility that a material misstatement to our consolidated financial statements would not However, there can be prevented or detected on a timely basis. Therefore, we concluded that the deficiencies represent material weaknesses in our internal control over financial reporting and our internal control over financial reporting was not effective as of December 31, 2022. In addition, our independent registered public accounting firm issued an adverse opinion indicating that our internal control over financial reporting was not effective as of December 31, 2022. We have taken and will continue to take action to remediate these material weaknesses, as described in Part II, Item 9A "Controls and Procedures." However, we will not be able to fully remediate these material weaknesses until these steps have been completed and have been operating effectively for a sufficient period of time.

Furthermore, we cannot assure you no assurance that the measures we have taken to date, and or any actions we may take in the future, will be sufficient to remediate the control deficiencies that led to our material weaknesses in our internal control over financial reporting or that they will be effective in preventing or mitigating potential future material weaknesses. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, additional weaknesses in our disclosure controls and procedures and internal control over financial reporting may be discovered in the future. If we are then unable to remediate the material weaknesses in a timely manner and further implement and maintain effective internal control over financial reporting or disclosure controls and procedures, our ability to record, process, and report financial information accurately, and to prepare financial statements within required time periods could be adversely affected, which could result in material misstatements in our financial statements that may continue undetected or a restatement of our financial statements for prior periods. This may negatively impact the public perception of the Company and cause investors to lose confidence in the accuracy and completeness of our financial reports, which could negatively affect the market price of our Class A common stock, harm our ability to raise capital on favorable terms, or at all, in the future, and subject us to litigation or investigations by regulatory authorities, which could require additional financial and management resources or otherwise have a negative impact on our financial condition.

In addition, we have incurred and expect to continue to incur significant expenses and devote substantial management effort toward our efforts to achieve and maintain effective internal control over financial reporting. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could harm our business, operating results, and financial condition. Although we have already hired additional employees to assist us in complying with these requirements, we may not have adequate personnel with the appropriate level of knowledge, experience and training in the accounting policies, practices, or internal control over financial reporting required of public companies and may need to hire more employees in the future, or engage outside consultants, which will increase our operating expenses. As a result, the development and implementation of the standards and controls necessary to achieve the level of accounting standards required of a public company may require costs greater than expected or take longer to achieve.

**We will continue to incur significant additional costs as a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.**

We have incurred and will continue to incur increased costs associated with reporting and corporate governance rules and regulations for public companies. These rules and regulations have increased and may continue to evolve evolve. For example, the SEC recently adopted new rules requiring enhanced disclosure on cybersecurity risk and governance. These and other new rules are expected to significantly increase our accounting, legal, and financial compliance costs and have made, and will continue to make, some activities more time consuming, including due to increased training of our current employees, additional hiring of new employees, and increased assistance from consultants. In addition, our executive officers have limited experience in the management of a publicly traded company and will need to devote substantial attention to complying with the increasingly complex laws pertaining to public companies and interacting with public company analysts and investors, which may divert attention away from the day-to-day management and growth of our business, including operational, research and development, and sales and marketing activities, which may adversely affect our business, prospects, financial condition, results of operations, and cash flows. We also expect public company rules, regulations, and oversight to make it more expensive for us to maintain directors' and officers' liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to maintain the same or similar coverage. As a

#### **RIVIAN AUTOMOTIVE, INC.**

result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers.

#### **RIVIAN AUTOMOTIVE, INC.**

**If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could fall below the expectations of our investors and securities analysts, resulting in a decline in the trading price of our Class A common stock.**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as discussed in [Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations"](#) included elsewhere in this Form 10-K, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, and expenses that are not readily apparent from other sources. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

#### **Item 1B. Unresolved Staff Comments**

None.

#### **Item 1C. Cybersecurity**

##### **Cybersecurity Risk Management and Strategy and Cybersecurity Governance**

The Rivian cybersecurity risk management program, led by the Chief Information Security Officer ("CISO"), includes processes for assessing, identifying, and managing material risks from cybersecurity threats. The CISO leads a team of cybersecurity professionals who collectively have decades of experience in the practice of cybersecurity within relevant industries. Our cybersecurity team is responsible for assessing and managing our risks from cybersecurity threats.

The cybersecurity risk management program's design aligns with industry standard cybersecurity frameworks such as the National Institute of Standards and Technology Cybersecurity Framework ("NIST CSF") and is integrated into our overall enterprise risk management program and processes. This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use the NIST CSF and other frameworks as guides to help us assess and manage our cybersecurity program with the purpose of identifying and managing cybersecurity risks relevant to our business.

Our cybersecurity team supervises efforts to identify, prevent, detect, mitigate, and remediate cybersecurity risks and incidents through our cybersecurity risk management program, whose key elements include:

- Cybersecurity risk assessments for identification of material cybersecurity risks to our critical systems, information, products, services, and our enterprise technology environment;
- A security team principally responsible for managing our cybersecurity risk assessment processes, our security controls, and our response to cybersecurity incidents;
- Training and awareness programs for our personnel and senior management to drive adoption and awareness of cybersecurity processes and controls;
- A cybersecurity monitoring program responsible for tools that produce alerts and reports of suspicious activity for the prevention of and response to cybersecurity incidents;
- A cybersecurity threat intelligence program which may include briefings from internal security personnel, threat intelligence and other information obtained from governmental, public, or private sources;
- A Cybersecurity Incident Response Plan ("CSIRP") that includes procedures for the detection, mitigation, and remediation of cybersecurity incidents with regular tabletop exercises to evaluate and improve our CSIRP;
- Internal testing and assessments, where appropriate, of our cybersecurity controls and processes;
- Management of external consultants and services engaged by us, where appropriate, to assess, test, or otherwise assist with aspects of our cybersecurity risk management processes; and
- A third-party risk management process for evaluating cybersecurity threats associated with our use of service providers, suppliers, and vendors.

## RIVIAN AUTOMOTIVE, INC.

Our audit committee of the board of directors is responsible for oversight of cybersecurity risks. The audit committee is informed on the activities of the cybersecurity risk program, and cybersecurity risks and threats, through periodic, and as necessary, updates presented by the CISO or delegates. Further, the board of directors receive presentations on cybersecurity topics from our CISO, internal security staff, or external experts as part of the board of directors' continuing education on topics that impact public companies.

While we have experienced cybersecurity incidents in the past, to date none have materially affected the Company or our financial position, results of operations, or cash flows. For more information regarding the risks we face from cybersecurity threats, refer to the heading "Breaches in data security, failure of information security systems, cyber-attacks or other security or privacy-related incidents affecting us or our suppliers could have a material adverse effect on our reputation and brand, harm our business, prospects, financial condition, results of operations, and cash flows, and subject us to legal or regulatory fines or damages." included in [Part I, Item 1A, "Risk Factors"](#) included in this Form 10-K.

### Item 2. Properties

Rivian is based in Southern California. Our principal facilities include leased and owned properties in Northern California, Michigan, Arizona, [Vancouver, Serbia, the Netherlands, Georgia, Canada, and the United Kingdom](#) Europe that are used for engineering, research and development, design, customer engagement, sales, service, and administrative activities. Our footprint includes 51 service center locations leased and owned across 23 states in the United States and three additional countries, of which 28 are in operation. We also own an approximately 4.54.7 million square foot manufacturing, engineering, manufacturing, and assembly facility in the Normal Factory with the capacity to produce up to 150,000 vehicles annually. Our footprint also includes leased and owned property for service centers, Rivian Adventure Network, and spaces.

In November 2023, we entered into a long-term rental agreement for approximately 1,700 acres of land located in Stanton Springs North, which is 50 miles east of Atlanta, Georgia. We are planning to begin construction of a new facility on the site in 2024 for the manufacturing and assembly of the mid-sized platform with the R2 being the first variant.

Our facilities are suitable and adequate for the conduct of our business.

### Item 3. Legal Proceedings

Currently we are involved in, or may in the future be involved in, legal proceedings, claims or government investigations in the ordinary course of business relating to, among other things, commercial matters and contracts, intellectual property, labor and employment, discrimination, false or misleading advertising, regulatory matters, competition, pricing, tax, consumer rights/protection, torts/personal injury, real estate matters, property rights, data privacy/data protection, and securities.

These matters also include the following:

- On July 17, 2020, Tesla, Inc. ("Tesla") filed suit against Rivian Automotive, Inc., Rivian Automotive, LLC and a number of former Tesla/current Rivian group employees in California Superior Court, Santa Clara County. The **remaining claims in the** current operative pleading, the Fourth Amended Complaint ("4AC") filed on September 28, 2021, **alleges are** claims for trade secret misappropriation against Rivian and various individual defendants **as well as and** breach of contract **and California Computer Data Access and Fraud Act claims** against the individual defendants (but not against Rivian). Tesla alleges that the individual defendants took confidential and trade secret documents and information at Rivian's direction when they left Tesla's employ to join Rivian, including recruitment and personnel information, sales data, service data, manufacturing information, new market expansion information, and documents and code relating to battery technology. Tesla also alleges that by doing so, the individual defendants breached their non-disclosure and other agreements with Tesla. The 4AC seeks damages, injunctive relief and attorneys' fees, among other things. We believe Tesla's claims are meritless and intend to vigorously defend against this lawsuit.
- Between March 7, 2022 and April 19, 2022, three alleged stockholders filed lawsuits against Rivian Automotive, Inc., certain of our officers and directors, and Rivian's IPO underwriters on behalf of a putative class of purchasers of Rivian common stock in our IPO. The three suits were consolidated under the caption *Crews v. Rivian Automotive, Inc., et al.* 22-cv-01524-RGK-E (C.D. Cal.). On July 22, 2022 the lead plaintiff filed an amended consolidated complaint alleging violations of Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 and Sections 10(b) and 20(a) of the Exchange Act and seeking damages, equitable relief and attorneys' fees and costs. By Order dated February 16, 2023

#### **RIVIAN AUTOMOTIVE, INC.**

the Rivian defendants and the underwriter defendants' motions to dismiss were granted with leave to amend. **An**

#### **RIVIAN AUTOMOTIVE, INC.**

**Amended Complaint** was filed on March 2, 2023, and on March 16, 2023 the defendants filed **Motions to Dismiss**, which were denied by Order dated July 3, 2023. We believe the alleged stockholders' claims are meritless and intend to vigorously defend against this lawsuit.

- A similar lawsuit styled **On July 8, 2022 Smith, et al. v. Rivian Automotive, Inc., et al.**, 30-2023-01310105-CU-SL-CXC, was filed by two alleged stockholders in California Superior Court, Orange County on February 28, 2023. The Complaint alleges violations of Sections 11 and 15 of the **State Securities Act of Georgia 1933** and seeks **damages, declaratory judgment and attorneys' fees and costs**. Defendants filed a **petition with Motion to Dismiss** the **Morgan County (Georgia) Superior Court to validate \$15 billion in revenue bonds** that would establish the financing structure that is necessary for the provision of certain incentives for Rivian's planned manufacturing site in Georgia. In its petition, the State claims that the bonds are authorized under the laws of the State of Georgia and the procedural and substantive requirements for bond validation have been met, and as such, the State seeks bond validation. The Court denied the petition **Complaint on April 6, 2023, which was granted by Order dated September 29, 2022 June 30, 2023**. The **State Plaintiffs** filed a Notice of Appeal on **October 28, 2022**. Oral argument on the appeal was held on **February 15, 2023** and the parties are awaiting a decision from the Court of Appeals.
- On October 21, 2022, five individuals filed a Petition for Writ of Mandamus and Complaint for Declaratory and Injunctive Relief in Morgan County (Georgia) Superior Court against six Morgan County officials, the Joint Development Authority of Jasper County, et al. and Plateau Excavation. The lawsuit seeks Writs of Mandamus and declaratory and injunctive relief related to the property where the planned manufacturing plant of Rivian Horizon, LLC ("Rivian Horizon"), an indirect subsidiary of the Company, is to be located. The lawsuit alleges that the proposed development of the property is not a permitted use, an allowable conditional use or exempt from regulation and thus is not permissible under the applicable zoning laws, ordinances and regulations. Although Rivian Horizon was not a party to the lawsuit nor were any of its direct or indirect parents or subsidiaries, there was a possibility that Rivian Horizon could have become a party to the proceedings or that the suit or its outcome could have affected the timing and/or construction of the planned manufacturing plant in Georgia. Plaintiffs voluntarily dismissed their Complaint without prejudice on December 7, 2022 and the Court closed this case by Order dated January 10, 2023 **September 1, 2023**.
- On January 27, 2023, six individuals filed a Complaint in Morgan County (Georgia) Superior Court against Morgan County, Georgia. The lawsuit seeks declaratory and injunctive relief related to the property where Rivian **New** Horizon's planned manufacturing plant is to be located. More specifically, it seeks a declaratory judgment that the property, and Rivian **New** Horizon's proposed project thereon, is subject to local and state zoning laws and an injunction compelling Morgan County to enforce the zoning laws. **On August 2, 2023, the court granted the motion to intervene in this suit filed by the State of Georgia and the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County**. On January 2, 2024, the court granted defendants' motions to dismiss, and on January 30, 2024 Plaintiffs **filed a Notice of Appeal**. On January 31, 2023, the same plaintiffs filed a Complaint in Fulton County (Georgia) Superior Court against the State of Georgia. The lawsuit seeks declaratory and injunctive relief related to the property where Rivian **New** Horizon's planned manufacturing plant is to be located. More specifically, it seeks a declaratory judgment that the property, and Rivian **New** Horizon's proposed project thereon, is subject to local and state zoning laws and an injunction (1) compelling the State to enforce the zoning laws, and (2) enjoining the State (and its groups/agencies) from taking further action on this project until the zoning laws are complied with. **The State of Georgia has moved to dismiss or transfer this suit**. Although Rivian **New** Horizon is not a party to either of these lawsuits nor are any of its direct or indirect parents or subsidiaries, there is a possibility that Rivian **New** Horizon could become a party to the proceedings or that these suits or their outcomes could affect the timing and/or construction of the planned **manufacturing plant Stanton Springs North Facility**.
- On February 13, 2024, an alleged stockholder filed a derivative suit, purportedly on behalf of Rivian Automotive, Inc., against certain members of our board of directors, certain Company executives and Rivian Automotive, Inc. (as a nominal defendant) in **Georgia**, the Delaware Court of Chancery (Case No. 2024-0127-MTZ). The

complaint alleges claims for purported breach of fiduciary duties. The complaint seeks unspecified monetary and injunctive relief, corporate governance changes, and attorneys' fees.

While it is not possible to predict the outcome of these matters with certainty, based on our current knowledge, we do not believe that the final outcome of these pending matters is likely to have a material adverse effect on our business, results of operations, or financial condition.

Notwithstanding this belief, there is always the risk that a proceeding, claim or investigation will have a material impact on our business, results of operations or financial condition. Regardless of the final outcome, litigation can have an adverse impact on us due to defense and settlement costs, diversion of management resources, harm to our reputation and brand, and other factors. For additional information about the legal proceedings we may be subject to and risks to our business relating to litigation, see [Part I, Item 1A. "Risk Factors"](#) and [Note 13 14 "Commitments and Contingencies"](#) to our consolidated financial statements included in this Form 10-K.

#### Item 4. Mine Safety Disclosures

Not applicable.

### RIVIAN AUTOMOTIVE, INC.

## PART II

#### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

##### 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](#) [February 16, 2024](#), there were approximately [74](#) [100](#) 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](#) [indentures](#) 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 From Our IPO

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.

The net proceeds from our IPO have been invested in investment grade instruments. There has been no material change in the use of proceeds from our IPO as described in our final prospectus.

##### Stock Performance Graph

The following stock performance graph shall not be deemed soliciting material or to be filed with the SEC for purposes of Section 18 of the Exchange Act, nor shall such information be incorporated by reference into any of our other filings under the Exchange Act or the Securities [Act](#). [Act of 1933](#) ("Securities Act").

The graph below compares the cumulative monthly stockholder return on our Class A common stock with the cumulative monthly total return on the Nasdaq Composite Index and the Nasdaq OMX Global Automobile, none of which pay dividends.

RIVIAN AUTOMOTIVE, INC.

It assumes an initial investment of \$100 at the market close on November 10, 2021, which is the first day our Class A common stock began trading.

The following table summarizes stock performance graph data points in dollars.

		Base Period													
		Months Ending													
		Nov 10 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022
		Base Period													
		Fiscal Quarters													
		Nov 10 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023				
Rivian	Rivian	\$ 100	\$ 119	\$ 103	\$ 65	\$ 67	\$ 50	\$ 30	\$ 31	\$ 26	\$ 34	\$ 32	\$ 33	\$ 35	\$ 32
NASDAQ Composite	NASDAQ Composite	\$ 100	\$ 100	\$ 100	\$ 91	\$ 88	\$ 91	\$ 79	\$ 78	\$ 71	\$ 80	\$ 76	\$ 68	\$ 71	\$ 74
NASDAQ OMX Global Automobile	NASDAQ OMX Global Automobile	\$ 100	\$ 96	\$ 94	\$ 92	\$ 86	\$ 83	\$ 77	\$ 80	\$ 74	\$ 80	\$ 79	\$ 67	\$ 69	\$ 73

Item 6. [ Reserved ]

RIVIAN AUTOMOTIVE, INC.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read together with the consolidated financial statements and related notes included in this Form 10-K. This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under [Part I, Item 1A, “Risk Factors”](#) or in other parts of this [Annual Report on Form 10-K, 10-K \(“Form 10-K”\)](#). Our historical results are not necessarily indicative of the results that may be expected for any period in the future. The discussion of our financial condition and results of operations for the year ended [December 31, 2020](#) [December 31, 2021](#) is included in Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended [December 31, 2021](#) [December 31, 2022](#).

Overview

Rivian [exists to create products and services](#) is an American automotive manufacturer that [help our planet transition to carbon neutral energy and transportation](#). Rivian [designs, develops and manufactures](#) builds category-defining EVs and [accessories](#) accessories. Rivian creates innovative and [sells them](#) technologically advanced products that are designed to excel at work and play with the goal of accelerating the global transition to zero-emission transportation and energy. Rivian vehicles are built in the United States and are sold directly to [customers in the](#) consumer and commercial markets. Rivian complements its vehicles with customers. The Company provides a full suite of [proprietary, value-added](#) services that address the entire lifecycle of the vehicle and [deepen](#) stay true to its [customer relationships](#). mission to keep the world adventurous forever. Whether taking families on new adventures or electrifying fleets at scale, Rivian vehicles all share a common goal — preserving the natural world for generations to come.

In the consumer market, we launched the R1 platform with our first generation of consumer vehicles: the R1T, a two-row, five-passenger pickup truck, and the R1S, a three-row, seven-passenger SUV.

In the commercial market, we launched the RCV platform. Our first vehicle on this platform is our EDV, designed and engineered by Rivian in collaboration with Amazon, our first commercial customer. Amazon has placed an initial order of 100,000 EDVs, subject to modification.

During the year ended [December 31, 2022](#) [December 31, 2023](#), we produced [24,337](#) [57,232](#) vehicles and delivered [20,332](#) [50,122](#) vehicles.

## Factors Affecting Our Performance

The growth and future success of our business depends on many factors. While these factors present significant opportunities for our business, they also pose risks and challenges, including those discussed below and in [Part I, Item 1A, "Risk Factors,"](#) that we must successfully address to achieve growth, improve our results of operations, and generate profits.

- **Ability to Develop and Launch New Offerings.** The R1T, R1S, and EDV appear to resonate with customers based on positive responses to vehicles delivered and preorder data, our historic order bank. We believe the Rivian brand is becoming established in the most attractive consumer and commercial vehicle market segments. However, our ability to grow revenue and expand margins will also depend on our ability to develop and launch new vehicle platforms and programs, including R2. Our future financial performance will also depend on our ability to offer services that deliver an intuitive, seamless, and compelling customer experience, experience profitably.
- **Ability to Attract New Customers.** Our growth will depend in large part on our ability to attract new consumer and commercial customers. We have invested heavily in developing our ecosystem and plan to continue to do so. We are currently have low brand awareness but through our planned investment in the very early stages of growth in our existing markets, and marketing, we expect to substantially raise see substantial increases in brand awareness by connecting directly with and for that to translate into more orders for our community through engaging content, rich digital experiences, and immersive events. We anticipate that these activities will lead to additional preorders and deliveries, vehicles and as a result increase our base of Rivian customers. We expect marketing activities will include brand campaigns, community events, and partnerships along with digital marketing campaigns. When we launched and began selling our R1 vehicles, we generated a large order bank of reservations. In 2023, the increased volume of produced and delivered R1 vehicles and increased order cancellation rate has notably reduced this R1 vehicle order bank. For 2024, we expect our total deliveries to be both derived from our existing order bank as well as new orders generated during the year. However, our current incoming order rate must improve for us to meet our delivery targets. To support demand generation, we are in the process of implementing new capabilities, such as expanding our retail customer engagement spaces ("spaces"), expanding our demonstration drives, offering leasing programs, and building our sales and marketing team, technology, and infrastructure, which increases our costs and adversely impacts our

### RIVIAN AUTOMOTIVE, INC.

profitability. To generate and maintain demand, we expect to incur significantly higher and more sustained marketing and promotional expenditures than we have previously incurred to attract customers. An inability to attract sufficient new customers at appropriate vehicle pricing points would substantially impact our ability to grow revenue or improve our financial results.

- **Ability to Manage Costs.** Selling our vehicles profitably requires successful and timely execution against multiple cost reduction objectives across the vehicle and our manufacturing operations. The production capacity at our manufacturing facility in Normal, Illinois ("Normal Factory") is operating significantly below full vehicle production rate capacity. This lower utilization of plant capacity results in the cost of revenues to operate the plant being much higher per unit of production than would be the case if we were manufacturing at capacity. Our future profitability depends upon our ability to scale our production and delivery operations more efficiently at a lower cost per unit. We may have to accelerate depreciation and amortization on or incur impairments of our equipment in the plant if the utilization of our plant capacity does not increase in the future. Achieving these reductions requires, among other things, scaling our vehicle production volumes, timely introduction of new components and technologies into production, negotiation of unit price reductions with suppliers, and management of our labor and logistics costs. Should we not achieve such reductions in a timely manner, we could experience adverse impacts to our gross margin and consequently overall profitability.
- **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. Our future success will also depend on our ability to further develop and leverage our proprietary technology platform. Our ability to enhance our product design, engineering, and manufacturing capabilities and expand our production capacity, delivery and service operations, customer service, spaces, Rivian Adventure Network, and charging network, and customer service accessibility will be critical for supporting growth. We believe our long-term ability to achieve our financial targets will depend on our ability to cost-effectively scale these elements, while also delivering a unified customer and brand experience consistent with our adventurous brand commitment.

### RIVIAN AUTOMOTIVE, INC.

- **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, leasing, and insurance, vehicle maintenance and repair, charging, and FleetOS solutions that we believe will grow our revenue outside of vehicle sales. As we increase our base of Rivian customers and expand our services portfolio, we expect our customers to expand their usage of our service offerings over the full lifecycle of their vehicle ownership. We believe the services portion of our business will have the benefit of creating enabling a higher-margin, recurring revenue stream for each vehicle, therefore improving our margin profile. Our ability to grow revenue and our long-term financial performance will depend in part on our ability to drive adoption of these offerings, offerings at profitable price points.
- **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. To this end, we intend to continue making investments, including technology updates, to drive growth as we scale vehicle production and deliveries, expand our offerings, and strengthen our core capabilities. We are planning to shut down our plant in the second quarter of 2024 to implement new technologies, which will temporarily impact our production. As we invest in our business for long-term growth, leading to increases in operating expenses as well as capital expenditures, we expect to may experience manufacturing shutdowns and additional losses, which could delay our ability to achieve profitability and positive operating cash flow. In addition, any delays in the timing or execution of these investments could have an adverse impact on our prospects, financial condition, results of operations, and cash flows. Furthermore, we anticipate that these future investments will could require significant external debt and/or equity financing.

- **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). Any inability or unwillingness of our suppliers to deliver necessary input materials or product components at timing, prices, quality, and volumes that are acceptable to us could have a material impact on our business, prospects, financial condition, results of operations, and cash flows. Fluctuations in the cost of input materials or product components and supply interruptions or shortages could materially impact our business. We have experienced and may continue to experience cost fluctuations and disruptions in supply of input materials and product components that could impact our financial performance. For example, the global semiconductor supply shortage has had, and is continuing to have, wide-ranging effects across the automotive industry, and has impacted our operations and financial performance, along with those of many automotive suppliers and manufacturers that incorporate semiconductors into their products. In addition, over Over the prior year, there have been sizable increases in the cost of key metals,

#### RIVIAN AUTOMOTIVE, INC.

including cobalt, lithium, resin, aluminum, nickel, aluminum, and cobalt. These steel, declined significantly. Even though prices for lithium and other battery metals have declined seen recent sustained decreases from peak levels, but prices are expected to remain volatile for the foreseeable future. We have also experienced a need for expedited freight associated with supply chain challenges, resulting in higher logistics costs. Given the current supply chain environment, supplier changes related to the introduction of new vehicle technologies to the R1 platform planned during the second quarter of 2024, we believe our production ramp and rate in our Normal Factory will may be limited by supply chain factors in the near-future. For example, we have received claims from our suppliers related to supplier contract changes for which we have incurred payment obligations and may in the future incur additional payment charges. See Note 14 "Commitments and Contingencies" to our consolidated financial statements included in this Form 10-K for more information on supplier contingencies. We also must manage the risk of field service actions, including product recalls, with respect to components from suppliers. We continue to work diligently and collaboratively with suppliers to identify and proactively address problems or constraints as quickly as possible.

- **Ability to Grow in New Geographies.** We plan to invest in international operations and grow our business outside of our existing operations. We believe we are well-positioned for international expansion in light of healthy global demand for EVs and for within the vehicle segments in which we currently or expect to operate. Other factors that we believe will aid our successful international growth include: the highly flexible, modular nature of our platforms, which we anticipate will provide us the ability to introduce new vehicle programs and configurations; our digital-first approach, which we anticipate will allow us to expand quickly and without a significant physical retail footprint; quickly; and our product development expertise, which we anticipate will enable us to offer significant customization for diverse international markets and demographics.

Our international expansion has significant associated investment requirements, such as capital spending related to infrastructure, including additional manufacturing capacity, delivery, and service operations, charging networks, and personnel. International expansion is also subject to a variety of risks, including local competition, multilingual customer support and servicing, delivery logistics, and compliance with foreign laws and regulations related to vehicle sales, data privacy, financing, taxes, labor and employment, and foreign exchange. Should we be unable to expand internationally, this will limit our ability to successfully scale our business with potential negative consequences for our financial condition, results of operations, and cash flows.

- **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. We have invested in building a strong culture and believe it is one of our most important and sustainable sources of competitive advantage. Any failure to preserve our culture could negatively

#### RIVIAN AUTOMOTIVE, INC.

affect our ability to retain and recruit personnel, which is critical to our growth, and to effectively pursue our objectives. If we are unable to retain or hire key personnel, our business and competitive position may be harmed resulting in an adverse impact to our prospects, financial condition, results of operations, and cash flows.

- **Seasonality.** Historically, the automotive industry has experienced higher revenue in the spring and summer months. Additionally, we expect delivery volumes of commercial vehicle sales to be less in the winter months as customers shift their focus to making last mile deliveries during holidays rather than incorporating more vehicles into their fleet. We do not expect such seasonality fleet which could result in demand to significantly impact our operations in the near-term as we scale our business due to our backlog of preorders; however, we may experience seasonal variations in our business in the long-term. higher finished goods inventory levels during this period.

- **Inflation. Government Incentives.** There are various government policies, subsidies, and economic incentives designed to increase EV adoption. For example, the Inflation Reduction Act of 2022 offers a tax credit for EV purchases or leases contingent upon pricing limits, customer income limits, and assembly, manufacturing, and sourcing requirements. There is no guarantee these incentive programs will be available in the future. Any reduction or elimination of these incentive programs could have a direct impact on demand for our vehicles. In addition, failure to meet the tax credit eligibility requirements may place our vehicles at a price disadvantage and could have a material adverse impact on our business, prospects, financial condition, results of operations, and cash flows.
- **Inflation and Rising Interest Rates.** The United States economy has experienced inflation in various disruptions, including supply chain shortages. These disruptions, as well as market segments. In order to help slow inflation, the ongoing military conflict between Russia Federal Reserve Bank in the United States has raised interest rates rapidly and the Ukraine, have contributed substantially in recent years, and it is expected that interest rates will remain elevated for longer than previously anticipated. This may result in vehicle financing becoming less affordable to increased inflation. The cost customers, influence customers' buying decisions to less expensive vehicles, or cause tightening of input materials (e.g., lithium and nickel) and product components (e.g., semiconductors) required to produce our vehicles has risen considerably over the past year, lending standards. If we are unable to fully offset higher costs through price increases or other measures, especially in the near-term as we continue to work through the backlog of preorders, order bank, we could experience an adverse impact to our business, prospects, financial condition, results of operations, and cash flows.

## RIVIAN AUTOMOTIVE, INC.

### Components of Operating Results

We expect to incur significant operating costs and expenses that will impact our future profitability, including research and development ("R&D") expenses as we develop and introduce new vehicles and services and improve our existing vehicles and services, capital expenditures in the expansion of our manufacturing footprint and operations, additional operating costs and expenses for production ramp-up, raw material procurement costs, servicing, and warranty costs as we expand our deliveries, general and administrative expenses as we scale our operations, and selling and distribution expenses as we market our vehicles and services. Our ability to become profitable in the future will depend on our ability not only to successfully market and sell our vehicles and services at prices we establish, but also to appropriately control costs and realize economies of scale.

### Revenues and Cost of revenues

Vehicle production and deliveries began in September 2021. The majority of our revenues is derived from sales of consumer and commercial vehicles. The majority of our costs cost of revenues is driven by direct parts, material and labor costs including stock-based compensation, manufacturing overhead (e.g., depreciation of machinery and tooling), shipping and logistics costs, and reserves including for estimated warranty costs related to the production of consumer and commercial vehicles, adjustments to write down the carrying value of inventory when it exceeds its estimated net realizable value ("NRV"), losses on firm purchase commitments, and to adjust for excess and obsolete inventory based upon expectations of forecasted demand. Additionally, we started recognizing recurring non-cash stock compensation charges in the quarter ended December 31, 2021 in connection with the performance-based vesting condition of RSUs and stock options being met upon the IPO.

### Operating expenses

#### Research and development

Our Research and development ("R&D") cost consists primarily of expenses incurred for the development of our vehicles and related technologies. These expenses include:

- include personnel expenses for teams in engineering and research;
- research including stock-based compensation, prototyping expenses;
- expenses, consulting and contractor expenses;
- expenses, depreciation expenses; expenses, and
- allocation of indirect expenses.

Additionally, we started recognizing recurring non-cash stock compensation charges in the quarter ended December 31, 2021 in connection with the performance-based vesting condition of RSUs and stock options being met upon the IPO.

## RIVIAN AUTOMOTIVE, INC.

### Selling, general, and administrative

Selling, general, and administrative ("SG&A") expenses consist primarily of personnel costs for employees in our sales, service, facilities, corporate, executive, finance, and other administrative functions, as well as outside professional services, including legal, accounting, and audit services. Personnel costs consist of salaries and wages, stock-based compensations, benefits, and employment taxes. Additionally, we started recognizing recurring non-cash stock compensation charges in the quarter ended December

31, 2021 in connection with the performance-based vesting condition of RSUs and stock options being met upon the IPO. SG&A expenses also include allocated facilities expenses such as rent and depreciation, and other general corporate expenses such as travel and recruiting expenses.

#### Other expenses

Other expenses consist of charitable contributions to Forever by Rivian.

#### Other (expense) income, (expense), net

Other (expense) income, (expense), net consists primarily of non-operating expenses and income such as interest expense, amortization of debt discounts and issuance costs, and other gains or losses associated with our debt financing arrangements, as well as interest income earned on investments.

#### Provision for income taxes

Our provision for income taxes consists primarily of income taxes related to foreign jurisdictions in which we do business. We maintain a full valuation allowance on our United States federal and state deferred tax assets as we have concluded that it is more likely than not that the deferred assets will not be utilized.

### RIVIAN AUTOMOTIVE, INC.

#### Results of Operations

The following tables set forth our consolidated results of operations and production and delivery volumes for the periods presented (in millions) millions, except production and delivery volume).

		Years Ended December 31,					
		2020	2021	2022			
		Years Ended December 31,			Years Ended December 31,		
		2021	2022	2023	2021	2022	2023
Revenues	Revenues	\$ —	\$ 55	\$ 1,658			
Cost of revenues	Cost of revenues	—	520	4,781			
Gross profit	Gross profit	—	(465)	(3,123)			
Operating expenses	Operating expenses						
	Research and development						
	Research and development						
	Research and development	\$ 766	\$ 1,850	\$ 1,944			
	Selling, general, and administrative	255	1,242	1,789			
	Other expenses	—	663	—			
Total operating expenses	Total operating expenses	1,021	3,755	3,733			
Loss from operations	Loss from operations	(1,021)	(4,220)	(6,856)			
Interest income	Interest income	10	3	193			
Interest expense	Interest expense	(8)	(29)	(103)			
Loss on convertible notes, net	Loss on convertible notes, net	—	(441)	—			
Other income (expense), net	Other income (expense), net	1	(1)	18			



Cost of revenues	Cost of revenues	\$ 520	\$ 4,781	\$ 4,261	819 %	Cost of revenues	\$ 4,781	\$ 6,464	\$ 1,683	35	35	%
Gross profit	Gross profit	\$(465)	\$(3,123)	\$(2,658)	(572) %	Gross profit	\$ (3,123)	\$ (2,030)	\$ 1,093	35	35	%
Production volume	Production volume											
Production volume	Production volume						24,337	57,232	32,895	135	%	
Delivery volume	Delivery volume						20,332	50,122	29,790	147	%	

For the year ended December 31, 2022 December 31, 2023, we incurred cost of revenues of \$4,781 million \$6,464 million, including \$475 \$661 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 32,895 and 19,412 29,790 vehicles, respectively. Additionally, we had a \$920 \$186 million charge increase in depreciation and amortization expense, partially offset by a decrease in charges 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 from \$920 million 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, \$107 million.

We expect to continue to incur LCNRV charges and losses on firm purchase commitments in the near-term but anticipate that the total charge associated with our Normal Factory will decline over the course of 2023 and 2024 as we lower material, production, logistics, and other costs and increase production volumes. The increase decrease in LCNRV charges write-downs of inventory and losses on firm purchase commitments compared to the previous period is primarily due to an increase in overall inventory and firm purchase commitment values as production ramps, which were adjusted to reflect the amount we anticipate receiving upon vehicle sale (after considering future costs necessary to ready the inventory for sale).

There have been sizable increases a decrease in the cost of various inputs to manufacture our products as a result of increased vehicle deliveries, lower material costs, and higher estimated selling prices. We expect LCNRV write-downs of inventory and losses on firm purchase commitments to continue to decrease over the past year, due to inflationary pressures and supply chain disruptions, impacting items such time as we further reduce the cost to manufacture our products.

Cost of input materials (e.g., lithium revenues for the fourth quarter of 2023 includes \$70 million of costs primarily related to various supplier and nickel) other costs incurred in advance of the new technology changes going into the R1 platform as part of our scheduled shut down of our Normal Factory in 2024. While we could incur additional costs associated with our planned shutdown and components (e.g., semiconductors). We have also incurred higher indirect costs, such as elevated levels of expedited freight technology and short-term premiums on materials, to compensate for certain supply chain challenges which we expect will continue design changes in the near-term. In addition, our total cost of goods sold was negatively impacted by the ramping near-term, we do not anticipate these costs to be part of our second manufacturing shift, normal course of business in the longer-term.

Negative gross Gross profit increased for the year ended December 31, 2022, compared to the year ended December 31, 2021 losses decreased primarily due to the items increased vehicle production and deliveries, lower material costs, and higher average selling prices noted above. As During the second quarter of 2024, we produce plan to shut down our Normal Factory to introduce new technologies into the R1 platform. We expect these technology changes to further reduce the cost of our vehicles at low volumes on production lines designed for higher volumes, as we have experienced, and will continue to experience, negative gross profit driven by labor, depreciation, and overhead costs. The pressure on gross profit from limited volumes will continue exit 2024, however, in the near-term but we expect it will improve on the planned shutdown to negatively impact our vehicle production and cost of revenues as a per-vehicle basis as we implement new in-vehicle technologies, achieve commercial cost savings on material costs, result of the direct downtime and ramp our overall production levels, lost overhead associated with lower volume.

#### Research and development

		2021 vs											
		Years Ended		2022									
		December 31,		Change									
		Years Ended											
		December 31,											
(in millions)	(in millions)	2021	2022	\$	%	(in millions)	2022	2023	\$	%	2022 vs 2023 Change	\$	%
Research and development	Research and development	\$1,850	\$1,944	\$94	5 %	Research and development	\$ 1,944	\$ 1,995	\$ 51	3	3	\$	%

For the year ended December 31, 2022 December 31, 2023, we incurred R&D expenses of \$1,944 \$1,995 million, including \$95 \$138 million of depreciation and amortization expense. R&D expenses increased compared to the year ended December 31, 2021 primarily due to a \$228

#### RIVIAN AUTOMOTIVE, INC.

million \$98 million increase in payroll engineering, design, and development costs and other related expenses, project costs, and a \$160 million increase in stock-based compensation expense, a \$43 million \$43 million increase in depreciation and amortization and a \$33 million increase in software expenses partially offset by a \$362

million \$103 million decrease in payroll and related expenses.

The increase in engineering, design, and development costs.

The primary drivers for these higher expenses were higher headcount costs and personnel costs other related to investing in our R1 and RCV programs as well as investments related to other advanced product development activities, including early development of our R2 platform, future propulsion platforms, and our updated vehicle network architecture. The decrease in engineering, design, and development project costs were related to higher product development activities in the lead up to for new in-vehicle technologies on our start of production for the R1 and RCV platforms and continued development of the planned R2 platform. The decrease in the prior period, payroll and related expenses was due to lower headcount and decreased number of contractors.

We plan to continue investing in future vehicle platforms and new in-vehicle technologies as well as furthering vertical integration of manufacturing.

## RIVIAN AUTOMOTIVE, INC.

### Selling, general, and administrative

		Years Ended December 31,				2021 vs 2022 Change					
		Years Ended December 31,						Years Ended December 31,			
(in millions)	(in millions)	2021	2022	\$	%	(in millions)		2022	2023	\$	%
Selling, general, and administrative	Selling, general, and administrative	\$1,242	\$1,789	\$547	44 %	Selling, general, and administrative		\$ 1,789	\$ 1,714	\$ (75)	(4) %

For the year ended December 31, 2022 December 31, 2023, we incurred SG&A expenses of \$1,789 million \$1,714 million, including \$82 million \$138 million of depreciation and amortization expense. SG&A expenses increased compared to the year ended December 31, 2021 decreased primarily due to a \$213 million increase \$162 million decrease in stock-based compensation expense, partially offset by a \$56 million increase in depreciation and amortization and a \$208 million \$49 million increase in payroll and related expenses.

The primary drivers decrease in stock-based compensation expense was primarily due to a decrease in expense for these higher awards granted prior to the IPO with accelerated expense recognition due to the IPO as a performance condition. The increase in payroll and related expenses were scaling our corporate functions and commercial operations, including customer-facing facilities was primarily due to support our current and future business growth. These expenses include higher an increase in headcount and personnel costs. costs to support commercial go-to-market operations and corporate initiatives.

We also plan to make corresponding continued investments in our facilities, commercial operations, and technology for our future operations.

### Other expenses

		Years Ended December 31,		2021 vs 2022 Change	
		2021	2022	\$	%
Other expenses		\$ 663	\$ —	\$ (663)	(100)%

Other expenses decreased for the year ended December 31, 2022 compared to the year ended December 31, 2021 as a result of the Company's donation of approximately 8 million shares of Class A common stock and \$20 million in cash to Forever by Rivian in 2021. With this sizable initial funding, we have no near-term plans to provide additional direct funding to Forever by Rivian in the future.

### Other (expense) income, (expense), net

		Years Ended December 31,				2021 vs 2022 Change					
		Years Ended December 31,						Years Ended December 31,			
(in millions)	(in millions)	2021	2022	\$	%	(in millions)		2022	2023	\$	%



Total liquidity	Total liquidity	\$ 18.4	\$ 11.9
-----------------	-----------------	---------	---------

In March 2023, we issued \$1,500 million principal amount of 2029 Green Convertible Notes at a discount of \$15 million in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The 2029 Green Convertible

## RIVIAN AUTOMOTIVE, INC.

Notes were issued pursuant to, and are governed by, an indenture dated March 10, 2023, between us and U.S. Bank Trust Company, National Association. The 2029 Green Convertible Notes accrue interest at a rate of 4.625% per annum, payable semi-annually in arrears on March 15 and September 15. See [Note 8 "Debt"](#) to our consolidated financial statements included in this Form 10-K for more information on the 2029 Green Convertible Notes.

In ~~May 2021~~, April 2023, we entered into amended and restated the credit agreement governing the ABL Facility which will mature on May 20, 2025 and released all the associated restricted cash. As of ~~December 31, 2022~~ December 31, 2023, we had \$0.3 billion \$1.1 billion of unused committed amounts under the ABL Facility. The ABL Facility contains certain affirmative and negative covenants, including a minimum liquidity covenant requiring us to maintain no less than \$1.0 billion of liquidity, which will fall away upon meeting a fixed charge coverage ratio of greater than 1.0 for two consecutive quarters, and conditions to borrowing or taking other actions that restrict certain of our subsidiaries' ability to, among other things, incur debt, grant liens, make investments, enter into certain transactions with affiliates, pay dividends, and prepay junior or unsecured indebtedness, subject to certain exceptions. As of ~~December 31, 2022~~ December 31, 2023, we were in compliance with the covenants and conditions of the ABL Facility. See [Note 7 "Debt"](#) to our consolidated financial statements included in this Form 10-K for more information regarding the ABL Facility. Facility and related amendment.

In October ~~2021~~, 2023, we issued \$1.25 billion aggregate \$1,725 million principal amount of ~~2026 Notes~~, 2030 Green Convertible Notes at a discount of \$15 million in a private offering to qualified institutional buyers. The ~~2026~~ 2030 Green Convertible Notes have accrue interest at a maturity rate of five years 3.625%, payable semi-annually in arrears on April 15 and October 15. In connection with the issuance of the 2030 Green Convertible Notes, we paid \$108 million to enter into privately negotiated capped call transactions with certain financial institutions to increase the effective conversion premium to approximately \$31.06 per share. We intend to allocate the net proceeds from the date issuances of their original issuance. The ~~2026~~ the Green Convertible Notes require certain of our subsidiaries to comply with a number of customary covenants (including restrictions on incurrence of indebtedness, liens, the making of restricted payments, and dispositions), finance, refinance, or make direct investments in, each case substantially similar to the corresponding covenants under the ABL Facility in whole or in part, one or more new or existing eligible green projects, as described above. In addition, the 2026 Notes contain the same minimum liquidity covenant (but no other financial covenants) as the ABL Facility described above. See [Note 7 "Debt"](#) to in our consolidated financial statements included in this Form 10-K for more information regarding the 2026 Notes.

In November 2021, we completed our underwritten IPO of approximately 176 million shares of Class A common stock at a public offering price of \$78.00 per share, which included the exercise in full by the underwriters of their option to purchase from approximately 23 million additional shares of Class A common stock. The net proceeds to us from the IPO were \$13.5 billion. See [Note 12 "Stockholders' Equity"](#) to our consolidated financial statements included in this Form 10-K for more information regarding the IPO. newly established green financing framework.

We have generated significant losses from operations, as reflected in our accumulated deficit of \$6.4 billion \$13.1 billion and \$13.1 billion \$18.6 billion as of ~~December 31, 2021~~ December 31, 2022 and ~~2022~~, 2023, respectively. Additionally, we have generated significant negative cash flows from operations and investing activities as we continue to support the growth of our business. We anticipate continuing to make

## RIVIAN AUTOMOTIVE, INC.

significant capital investments over the next several years to focus on ramping up production as we strategically expand infrastructure, including additional manufacturing capacity both domestically and internationally. We also anticipate continuing to make significant investments in future growth objectives, initiatives, including vehicle and other technology and software, tooling for current vehicle platforms, future vehicle manufacturing lines, battery technology and supply, and our service and retail network.

As of ~~December 31, 2021~~ December 31, 2022 and ~~2022~~, 2023, our non-cancellable commitments as are disclosed in [Note 6 "Leases"](#), [Note 7 "Debt"](#), and [Note 13 "Commitments and Contingencies"](#) to our consolidated financial statements included in this Form 10-K, do not include any commitments related to these ongoing investments as we do not have any related material commitments that we cannot cancel without a significant penalty. In addition to our capital expenditures, we expect our operating expenses to increase as we ramp vehicle production and continue to invest in R&D activities and our commercial infrastructure in support of our growing customer base. 10-K.

We believe our existing balance of cash and cash equivalents and short-term investments, in addition to amounts available for borrowing under the ABL Facility, will be sufficient to meet our operating expenses, working capital, and capital expenditure needs for at least the next 12 months.

Our future operating losses and capital requirements may vary materially from those currently planned and will depend on many factors, including our rate of revenue growth, the timing and extent of spending on R&D efforts and other growth initiatives, the timing, nature, and rate of expansion of manufacturing activities, our ability to drive cost reductions across the business through improved efficiencies, the timing of new products and services, market acceptance of our offerings, and overall economic conditions. Furthermore, we anticipate that future investments will may require significant debt and/or equity financing. The sale of additional equity would result in dilution to our stockholders. The incurrence of additional debt would result in debt service obligations, and the instruments governing such debt could provide for operational and and/or

financial covenants that restrict our operations. There can be no assurances that we will be able to raise additional capital on favorable terms or at all. The inability to raise capital **would could** adversely affect our ability to achieve our business objectives.

Cash Flows

(in millions)	Years Ended December 31,		
	2021	2022	2023
Net cash used in operating activities	(2,622)	(5,052)	(4,866)
Net cash used in investing activities	(1,794)	(1,369)	(2,511)
Net cash provided by financing activities	19,828	99	3,130

(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

RIVIAN AUTOMOTIVE, INC.

Operating Activities

Net cash used in operating activities **increased decreased** during the year ended **December 31, 2022** **December 31, 2023** compared to the year ended **December 31, 2021** **December 31, 2022**. This **increase decrease** was primarily driven by **higher cash outlays gross profit improvement and increased interest income, partially offset by timing of payments 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, suppliers.**

Investing Activities

Net cash used in investing activities **decreased increased** during the year ended **December 31, 2022** **December 31, 2023** compared to the year ended **December 31, 2021** **December 31, 2022**, primarily **due to higher capital expenditures related driven by the purchase of short-term investments, partially offset by maturities of short-term investments and a reduction in equipment and construction spend as compared to the build-out earlier stages of our manufacturing capabilities production ramp at our Normal Factory in the prior year. We During the year ended December 31, 2023, we continued to invest in the growth of our business at our Normal Factory and our next generation vehicle platforms and technologies, along with our service centers in the current year. technologies.**

Financing Activities

Net cash provided by financing activities during the year ended **December 31, 2021** **December 31, 2023** 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 Green Convertible Notes, and \$1.2 billion in net**

RIVIAN AUTOMOTIVE, INC.

**proceeds from the issuance of the 2026 Notes. We had no material financing activities during the year ended December 31, 2022.**

Critical Accounting Policies and Estimates

The preparation of our financial statements and related disclosures in conformity with U.S. GAAP and the discussion and analysis of our financial condition and operating results require us to make judgments, assumptions, and estimates that affect the amounts reported. We base these estimates on historical experience and on various other assumptions we believe are appropriate and reasonable under the circumstances and apply judgement to possible outcomes as the basis for amounts reported. Because of the inherent uncertainties involved in making such estimates, actual results may differ, and such differences may be material.

We consider the following policies and estimates critical because they are important to the portrayal of our financial condition and operating results, and they require us to make judgments and estimates about inherently uncertain matters. For further information on all of our significant accounting policies, see [Note 2 “Summary of Significant Accounting Policies”](#) to our consolidated financial statements included in this Form 10-K.

Inventory Valuation

We review our inventory to ensure that its carrying value does not exceed its NRV, with NRV based on the estimated selling price of inventory in the ordinary course of business, less estimated costs of completion, disposal, and transportation. completion. When our expectations indicate that the carrying value of inventory may exceed its NRV, we perform an exercise to calculate the approximate amount by which carrying value is greater than NRV and record additional cost of revenue for the difference. Once a write-off occurs, a new, lower cost basis is established. We also regularly monitor inventory quantities on orders for which we have a firm purchase commitment, consistent with our method for valuing inventory.

Should our estimates used in these calculations change in the future, such as estimated selling prices or remaining costs, additional write-downs may occur. The increase decrease in inventory write-downs for the year ended December 31, 2022 December 31, 2023 compared December 31, 2021 to December 31, 2022 is primarily due to an increase a decrease in overall inventory costs to manufacture our products as a result of lower material costs, increased deliveries and firm purchase commitment values as production ramps, which were adjusted to reflect the amount we anticipate receiving upon vehicle sale (after considering future costs necessary to ready the inventory for sale) higher estimated selling prices at December 31, 2023. A hypothetical 10% change in estimated selling prices or remaining costs would have resulted in the following approximate changes in the inventory write-down for the year ended December 31, 2022. December 31, 2023 (in millions):

Decrease in Inventory Write- Down		Increase in Inventory Write- Down	
Decrease in Inventory Write-Down		Decrease in Inventory Write-Down	
Increase in Inventory Write-Down		Increase in Inventory Write-Down	
Change in estimated selling prices	Change in estimated selling prices	\$ 115	\$ (115)
Change in estimated remaining costs	Change in estimated remaining costs	\$ 144	\$ (128)

RIVIAN AUTOMOTIVE, INC.

Recent Accounting Pronouncements

See Note 3 "New Accounting Standards" to our consolidated financial statements included in this Form 10-K for a description of recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted.

Emerging Growth Company Status

We ceased to be an "emerging growth company," as defined in the JOBS Act, as of October 8, 2021 due to our issuance, in a three-year period, of more than \$1.0 billion in non-convertible debt securities. As a result, we have not applied the extended transition period for new or revised accounting standards beginning with our consolidated financial statements and related notes for the year ended December 31, 2021.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate and Market Price Risk

Our cash, cash equivalents, and restricted cash short-term investments primarily consist of cash on hand and highly liquid investments in money market instruments, certificates of deposits, commercial papers, and United States Treasury securities, commercial paper, and term deposits with maturities of three months or less, up to 12 months. We do not enter into investments for trading or speculative purposes. However, some of our investments are exposed to market risk due to fluctuations in interest rates which may affect our interest income and the fair market value of our investments. Due to the short-term nature of our investment portfolio, we do not believe a hypothetical 100 basis point increase or decrease in interest rates would have a material effect on the fair market value of our portfolio. See Note 4 "Fair Value Measurements" to our consolidated financial statements included in this Form 10-K for more information on cash, cash equivalents, and short-term investments.

We are exposed to interest rate risk on our borrowings that bear interest at floating rates. A rising interest rate environment would increase the amount of interest paid on these borrowings. A hypothetical 100 basis point increase in interest rates on our floating rate debt as of December 31, 2021 December 31, 2022 and 2022 2023 would increase our

interest expense by an amount that is not material. As our Green Convertible Notes have fixed annual interest rates, they would not have interest expense exposure associated with a change in interest rates; however, the fair value of the Green Convertible Notes would be impacted as interest rates change. The fair value of our Green Convertible Notes will generally increase as interest rates fall and decrease as interest rates rise.

The fair value of our Green Convertible Notes is also subject to market price risk due to their conversion features and can be affected when the market price of our Class A common stock fluctuates. Their fair value will generally increase as our Class A common stock price increases and will generally decrease as our Class A common stock price decreases. As we carry the Green Convertible Notes at face value less unamortized discount on our consolidated balance sheets, any fair value fluctuations are presented for required disclosure purposes only but do not impact our financial position, cash flows, or results of operations.

See [Note 8 "Debt"](#) to our consolidated financial statements included in this Form 10-K for more information our outstanding debt.

Item 8. Financial Statements and Supplementary Data

Index to Consolidated Financial Statements

	Page
<a href="#">Report of KPMG LLP - Detroit, MI, Independent Registered Public Accounting Firm (PCAOB ID: 185)</a>	<a href="#">63</a> <a href="#">66</a>
<a href="#">Consolidated Financial Statements</a>	
<a href="#">Consolidated Balance Sheets</a>	<a href="#">67</a> <a href="#">69</a>
<a href="#">Consolidated Statements of Operations</a>	<a href="#">68</a> <a href="#">70</a>
<a href="#">Consolidated Statements of Comprehensive Loss</a>	<a href="#">68</a> <a href="#">70</a>
<a href="#">Consolidated Statements of Changes in Contingently Redeemable Convertible Preferred Stock and Stockholders' (Deficit) Equity</a>	<a href="#">69</a> <a href="#">71</a>
<a href="#">Consolidated Statements of Cash Flows</a>	<a href="#">70</a> <a href="#">72</a>
<a href="#">Notes to Consolidated Financial Statements</a>	<a href="#">71</a> <a href="#">73</a>

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
Rivian Automotive, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Rivian Automotive, Inc. and subsidiaries (the Company) as of [December 31, 2022](#) [December 31, 2023](#) and [2021, 2022](#), the related consolidated statements of operations, comprehensive loss, changes in contingently redeemable convertible preferred stock and stockholders' (deficit) equity, and cash flows for each of the years in the three-year period ended [December 31, 2022](#) [December 31, 2023](#), and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of [December 31, 2022](#) [December 31, 2023](#) and [2021, 2022](#), and the results of its operations and its cash flows for each of the years in the three-year period ended [December 31, 2022](#) [December 31, 2023](#), in conformity with U.S. generally accepted accounting principles.

We also have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of [December 31, 2022](#) [December 31, 2023](#), based on criteria established in [Internal Control – Integrated Framework \(2013\)](#) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated [February 28, 2023](#) [February 26, 2024](#) expressed an [adverse unqualified](#) opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

#### *Sufficiency of audit evidence*

As discussed in Item 9A. Controls and Procedures, material weaknesses were identified as of December 31, 2022 and included in management's report on internal control over financial reporting, that were remediated during the year ended December 31, 2023. The description of the material weaknesses states stated that the Company's risk assessment process was not effective in implementing controls on a timely basis in response to changes to the business operations, personnel, and other factors affecting certain financial reporting processes and related information technology (IT) systems. As a result, the Company had ineffective information technology general controls (ITGCs) (ITGC) related to certain systems, applications, and tools used for financial reporting; and the Company did not establish effective user access and segregation of duties controls across financially relevant functions. Therefore, the automated and manual process level controls over financial reporting which were dependent upon these ITGCs could not be relied upon. As of December 31, 2021, These material weaknesses were identified and described in management's assessment as being related to controls to address segregation remained unremediated for a portion of duties across financially relevant functions and ITGCs over enterprise resource planning systems, applications, and tools used in financial reporting, the year ended December 31, 2023.

We identified the evaluation of the sufficiency of audit evidence as a critical audit matter. Evaluating the sufficiency of audit evidence obtained required especially subjective auditor judgment because of the pervasiveness of the material weaknesses noted above, above that existed throughout a portion of the year ended December 31, 2023.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over financial statement account balances and we:

- obtained and inspected the Company's remediation plan to address the prior year material weaknesses that had been identified
- involved information technology professionals with specialized skills and knowledge who assisted in evaluating the remediated design and testing the operating effectiveness of the ITGCs, user access and segregation of duties controls
- increased the number of sample selections compared to what we would have otherwise made if the Company's controls were designed and operating effectively for the entire year and relied upon during the year
- tested the underlying records of selected transaction data obtained from the impacted information technology systems to support the use of the information in the conduct of the audit
- inspected supporting documentation and evidence of authorization for a selection of manual and automated journal entries.

We evaluated the sufficiency of audit evidence obtained by assessing the results of procedures performed, including the appropriateness of the nature and extent of such evidence.

/s/ KPMG LLP

We have served as the Company's auditor since 2021.

Detroit, Michigan  
February 28, 2023 February 26, 2024

#### **Report of Independent Registered Public Accounting Firm**

To the Stockholders and Board of Directors  
Rivian Automotive, Inc.:

#### *Opinion on Internal Control Over Financial Reporting*

We have audited Rivian Automotive, Inc. and subsidiaries' subsidiaries' (the Company) internal control over financial reporting as of December 31, 2022 December 31, 2023, based on criteria established in Internal Control -- Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, because of the effect of the material weaknesses, described below, on the achievement of the objectives of the control criteria, the Company has not maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022 December 31, 2023, based on criteria established in Internal Control -- Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2022 December 31, 2023 and 2021, 2022, the related consolidated statements of operations, comprehensive loss, changes in contingently redeemable convertible preferred stock and stockholders' (deficit) equity, and cash flows for each of the year years in a the three-year period ended December 31, 2022 December 31, 2023, and the related notes (collectively, the consolidated financial statements), and our report dated February 28, 2023 February 26, 2024 expressed an unqualified opinion on those consolidated financial statements.

A material weakness is a deficiency, or a combinations of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in management's assessment. The Company's risk assessment process was not effective in

implementing controls on a timely basis in response to changes to the business operations, personnel and other factors affecting certain financial reporting processes and related information technology systems. As a result, the Company had ineffective information technology general controls (ITGCs) related to certain systems, applications, and tools used for financial reporting; and the Company did not establish effective user access and segregation of duties controls across financially relevant functions. Therefore, the automated and manual process level controls over financial reporting which were dependent on these ITGCs could not be relied upon. The material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2022 consolidated financial statements, and this report does not affect our report on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Detroit, Michigan  
February 28, 2023 26, 2024

RIVIAN AUTOMOTIVE, INC.  
CONSOLIDATED BALANCE SHEETS  
(in millions, except per share amounts)

	December 31, 2021	December 31, 2022	December 31, 2022	December 31, 2023
ASSETS				
ASSETS				
ASSETS				
Current assets:				
Cash and cash equivalents (Note 2)	\$ 18,133	\$ 11,568		
Current assets:				
Current assets:				
Cash and cash equivalents (Note 4)				
Cash and cash equivalents (Note 4)				
Cash and cash equivalents (Note 4)				
Short-term investments (Note 4)				

Accounts receivable, net ( <a href="#">Note 2</a> )	Accounts receivable, net ( <a href="#">Note 2</a> )	26	102
Inventory ( <a href="#">Note 4</a> )		274	1,348
Inventory ( <a href="#">Note 5</a> )			
Other current assets	Other current assets	126	112
Total current assets	Total current assets	18,559	13,130
Property, plant, and equipment, net ( <a href="#">Note 5</a> )		3,183	3,758
Operating lease assets, net ( <a href="#">Note 6</a> )		228	330
Property, plant, and equipment, net ( <a href="#">Note 6</a> )			
Operating lease assets, net ( <a href="#">Note 7</a> )			
Other non-current assets	Other non-current assets	324	658
Total assets	Total assets	\$ 22,294	\$ 17,876
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Current liabilities:			
Current liabilities:			
Accounts payable	Accounts payable \$	483	\$ 1,000
Accrued liabilities ( <a href="#">Note 8</a> )		667	1,154
Accounts payable			
Accounts payable			
Accrued liabilities ( <a href="#">Note 9</a> )			
Current portion of lease liabilities and other current liabilities	Current portion of lease liabilities and other current liabilities	163	270
Current portion of lease liabilities and other current liabilities			
Current portion of lease liabilities and other current liabilities			
Total current liabilities	Total current liabilities	1,313	2,424
Non-current portion of long-term debt ( <a href="#">Note 7</a> )		1,226	1,231
Non-current lease liabilities ( <a href="#">Note 6</a> )		218	311
Long-term debt ( <a href="#">Note 8</a> )			

Non-current lease liabilities (Note 7)			
Other non-current liabilities	Other non-current liabilities	23	111
Total liabilities	Total liabilities	2,780	4,077

Commitments and contingencies (Note 13)

Commitments and contingencies (Note 14)

Commitments and contingencies (Note 14)

Stockholders' equity:	Stockholders' equity:		
Preferred stock, \$0.001 par value; 10 shares authorized and 0 shares issued and outstanding as of December 31, 2021 and 2022		—	—
Common stock, \$0.001 par value; 3,508 and 3,508 shares authorized and 900 and 926 shares issued and outstanding as of December 31, 2021 and 2022, respectively (Note 12)		1	1

Preferred stock, \$0.001 par value; 10 shares authorized and 0 shares issued and outstanding as of December 31, 2022 and 2023

Preferred stock, \$0.001 par value; 10 shares authorized and 0 shares issued and outstanding as of December 31, 2022 and 2023

Preferred stock, \$0.001 par value; 10 shares authorized and 0 shares issued and outstanding as of December 31, 2022 and 2023

Common stock, \$0.001 par value; 3,508 and 3,508 shares authorized and 926 and 968 shares issued and outstanding as of December 31, 2022 and 2023, respectively (Note 13).

Additional paid-in capital	Additional paid-in capital	25,887	26,926
Accumulated deficit	Accumulated deficit	(6,374)	(13,126)
Accumulated other comprehensive loss		—	(2)

Accumulated other comprehensive (loss) income

Total stockholders' equity	Total stockholders' equity	19,514	13,799
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	\$ 22,294	\$ 17,876

See accompanying [notes](#) to these consolidated financial statements.

**RIVIAN AUTOMOTIVE, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in millions, except per share amounts)

		Years Ended December 31,					
		2020	2021	2022	2021	2022	2023
Revenues	Revenues						
<a href="#">(Note 2)</a>	<a href="#">(Note 2)</a>	\$ —	\$ 55	\$ 1,658			
Cost of revenues	Cost of revenues						
<a href="#">(Note 2)</a>	<a href="#">(Note 2)</a>	—	520	4,781			
Gross profit	Gross profit	—	(465)	(3,123)			
Operating expenses	Operating expenses						
Research and development	Research and development						
<a href="#">(Note 2)</a>	<a href="#">(Note 2)</a>						
Research and development	Research and development	766	1,850	1,944			
Selling, general, and administrative	Selling, general, and administrative	255	1,242	1,789			
Other expenses	Other expenses	—	663	—			
<a href="#">(Note 2)</a>	<a href="#">(Note 2)</a>						
Total operating expenses	Total operating expenses	1,021	3,755	3,733			
Loss from operations	Loss from operations	(1,021)	(4,220)	(6,856)			
Interest income	Interest income	10	3	193			
Interest expense	Interest expense	(8)	(29)	(103)			
<a href="#">(Note 7)</a>	<a href="#">(Note 7)</a>						
Loss on convertible notes, net	Loss on convertible notes, net	—	(441)	—			
<a href="#">(Note 7)</a>	<a href="#">(Note 7)</a>						
Other income (expense), net	Other income (expense), net	1	(1)	18			
Interest expense	Interest expense						
<a href="#">(Note 8)</a>	<a href="#">(Note 8)</a>						

Loss on convertible notes, net (Note 8)				
Other (expense) income, net				
Loss before income taxes	Loss before income taxes	(1,018)	(4,688)	(6,748)
Provision for income taxes	Provision for income taxes	—	—	(4)
Net loss	Net loss	<u>\$(1,018)</u>	<u>\$(4,688)</u>	<u>\$(6,752)</u>
Net loss attributable to common stockholders, basic and diluted	Net loss attributable to common stockholders, basic and diluted	<u>\$(1,019)</u>	<u>\$(4,688)</u>	<u>\$(6,752)</u>
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted (Note 14)		<u>\$(10.09)</u>	<u>\$(22.98)</u>	<u>\$ (7.40)</u>
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted (Note 15)				
Weighted-average common shares outstanding, basic and diluted	Weighted-average common shares outstanding, basic and diluted	<u>101</u>	<u>204</u>	<u>913</u>

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(in millions)

		Years Ended December 31,					
		2020	2021	2022			
		Years Ended December 31,			Years Ended December 31,		
		2021	2022		2021	2022	2023
Net loss	Net loss	\$(1,018)	\$(4,688)	\$(6,752)			
Other comprehensive loss		—	—	(2)			
Other comprehensive (loss) income							
Comprehensive loss	Comprehensive loss	<u>\$(1,018)</u>	<u>\$(4,688)</u>	<u>\$(6,754)</u>			

See accompanying [notes](#) to these consolidated financial statements.

## RIVIAN AUTOMOTIVE, INC.

## CONSOLIDATED STATEMENTS OF CHANGES IN CONTINGENTLY REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' (DEFICIT) EQUITY

(in millions)

				Stockholders' (Deficit) Equity										
				Common Stock      Additional Paid-In      Accumulated      Other Comprehensive										
Contingently Redeemable Convertible Preferred Stock		Shares      Amount		Shares      Amount		Capital	Deficit	Total	Loss					
BALANCE—December 31, 2019	343	\$ 2,750	100	\$ —	\$ 293	\$ (668)		\$ —	\$ (375)					
Capital stock issuance	161	2,500	1	—	6	—		—	6					
Warrants issuance	—	—	—	—	3	—		—	3					
Share repurchase and retirement	—	(6)	—	—	—	—		—	—					
Net loss	—	—	—	—	—	(1,018)		—	(1,018)					
				Stockholders' Equity							Stockholders' Equity			
Contingently Redeemable Convertible Preferred Stock														
											Amount	Shares	Amount	Total
BALANCE—December 31, 2020	BALANCE—December 31, 2020			101	—	302	(1,686)		—	(1,384)				
Capital stock issuance	Capital stock issuance	72	2,650	185	—	14,181	—		—	14,181				
Conversion of contingently redeemable preferred stock														
Conversion of contingently redeemable preferred stock														
Conversion of contingently redeemable preferred stock	Conversion of contingently redeemable preferred stock	(576)	(7,894)	576	1	7,893	—		—	7,894				
Conversion of convertible notes	Conversion of convertible notes	—	—	38	—	2,941	—		—	2,941				
Stock-based compensation	Stock-based compensation	—	—	—	—	570	—		—	570				
Net loss	Net loss	—	—	—	—	—	(4,688)		—	(4,688)				
BALANCE—December 31, 2021	BALANCE—December 31, 2021	—	—	900	1	25,887	(6,374)		—	19,514				
Capital stock issuance including employee stock purchase plan	Capital stock issuance including employee stock purchase plan	—	—	26	—	102	—		—	102				

Stock-based compensation	Stock-based compensation	—	—	—	—	937	—	—	937
Stock-based compensation									
Stock-based compensation									
Other comprehensive loss	Other comprehensive loss	—	—	—	—	—	—	(2)	(2)
Net loss	Net loss	—	—	—	—	(6,752)	—	—	(6,752)
<b>BALANCE—</b>	<b>BALANCE—</b>								
<b>December 31, 2022</b>	<b>December 31, 2022</b>	—	\$ —	—	926	\$ 1	\$ 26,926	\$ (13,126)	\$ (2) \$13,799
Capital stock									
issuance									
including									
employee									
stock purchase									
plan									
Purchase of									
capped call									
options									
Stock-based compensation									
Stock-based compensation									
Stock-based compensation									
Other									
comprehensive									
income									
Net loss									
<b>BALANCE—</b>	<b>BALANCE—</b>								
<b>December 31, 2023</b>	<b>December 31, 2023</b>								

See accompanying [notes](#) to these consolidated financial statements.

**RIVIAN AUTOMOTIVE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions)

		Years Ended December 31,		
		2020	2021	2022
		Years Ended December 31,		
		2021	2022	2023
Cash flows from operating activities:	Cash flows from operating activities:			
Net loss	Net loss	\$(1,018)	\$(4,688)	\$(6,752)
Net loss				
Net loss				
Depreciation and amortization	Depreciation and amortization	29	197	652
Stock-based compensation		—	570	987
Other expenses <a href="#">(Note 2)</a>		—	643	—

Stock-based compensation expense				
Other expenses				
Loss on convertible notes, net	Loss on convertible notes, net	—	441	—
Inventory write-downs and losses on firm purchase commitments				
		—	95	920
Inventory LCNRV write-downs and losses on firm purchase commitments				
Other non-cash activities	Other non-cash activities	41	36	82
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:			
Accounts receivable		11	(20)	(76)
Accounts receivable, net				
Accounts receivable, net				
Accounts receivable, net				
Inventory	Inventory	—	(369)	(1,657)
Other current assets	Other current assets	(34)	(81)	(14)
Other non-current assets	Other non-current assets	(8)	(8)	(22)
Accounts payable and accrued liabilities	Accounts payable and accrued liabilities	121	461	623
Other current liabilities	Other current liabilities	11	83	104
Other current liabilities				
Other current liabilities				
Other non-current liabilities	Other non-current liabilities	(1)	18	101
Net cash used in operating activities	Net cash used in operating activities	(848)	(2,622)	(5,052)
Cash flows from investing activities:	Cash flows from investing activities:			

Cash flows from investing activities:				
Cash flows from investing activities:				
Purchases of short-term investments				
Purchases of short-term investments				
Purchases of short-term investments				
Maturities of short-term investments				
Capital expenditures	Capital expenditures	(914)	(1,794)	(1,369)
Net cash used in investing activities	Net cash used in investing activities	(914)	(1,794)	(1,369)
Net cash used in investing activities				
Net cash used in investing activities				
Cash flows from financing activities:	Cash flows from financing activities:			
Cash flows from financing activities:				
Cash flows from financing activities:				
Proceeds from share issuance upon initial public offering, net of underwriting discounts and commissions and offering costs				
Proceeds from share issuance upon initial public offering, net of underwriting discounts and commissions and offering costs				
Proceeds from share issuance upon initial public offering, net of underwriting discounts and commissions and offering costs	Proceeds from share issuance upon initial public offering, net of underwriting discounts and commissions and offering costs	—	13,530	—

Proceeds from issuance of capital stock including employee stock purchase plan	Proceeds from issuance of capital stock including employee stock purchase plan	2,506	2,658	102
Proceeds from issuance of convertible notes	Proceeds from issuance of convertible notes	—	2,500	—
Proceeds from issuance of long-term debt, net of discount and debt issuance costs	Proceeds from issuance of long-term debt, net of discount and debt issuance costs	—	1,226	—
Principal payments and other financing activities	Principal payments and other financing activities	(6)	(86)	(3)
Proceeds from issuance of long-term debt	Proceeds from issuance of long-term debt			
Purchase of capped call options	Purchase of capped call options			
Other financing activities	Other financing activities			
Other financing activities	Other financing activities			
Other financing activities	Other financing activities			
Net cash provided by financing activities	Net cash provided by financing activities	2,500	19,828	99
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	—	—	(2)
Net change in cash	Net change in cash	738	15,412	(6,324)
Cash, cash equivalents, and restricted cash—Beginning of period	Cash, cash equivalents, and restricted cash—Beginning of period	2,273	3,011	18,423

Cash, cash equivalents, and restricted cash—End of period	Cash, cash equivalents, and restricted cash—End of period	\$ 3,011	\$18,423	\$12,099
Supplemental disclosure of cash flow information:	Supplemental disclosure of cash flow information:			
Supplemental disclosure of cash flow information:				
Supplemental disclosure of cash flow information:				
Cash paid for interest				
Cash paid for interest				
Cash paid for interest	Cash paid for interest	\$ 4	\$ 2	\$ 88
Supplemental disclosure of non-cash investing and financing activities:	Supplemental disclosure of non-cash investing and financing activities:			
Capital expenditures included in liabilities	Capital expenditures included in liabilities	\$ 325	\$ 479	
				\$ 364
Capital expenditures included in liabilities				
Capital expenditures included in liabilities				
Capital stock issued to settle bonuses				
Conversion of convertible notes	Conversion of convertible notes	\$ —	\$ 2,941	\$ —
Conversion of convertible preferred stock	Conversion of convertible preferred stock	\$ —	\$ 7,894	\$ —
Warrants issuance		\$ 3	\$ —	\$ —

See accompanying [notes](#) to these consolidated financial statements.

**RIVIAN AUTOMOTIVE, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. PRESENTATION AND NATURE OF OPERATIONS**

***Description and Organization***

Rivian Automotive, Inc. (together with its consolidated subsidiaries, “Rivian” or the “Company”), was incorporated as a Delaware corporation on March 26, 2015. Rivian was formed for the purpose of designing, developing, manufacturing, and selling category-defining electric vehicles (“EVs”), accessories, and related services directly to customers in the consumer and commercial markets. The nature of the Company’s operations during the years year ended December 31, 2020 and 2021 December 31, 2021 was primarily research and development activities related to vehicle development and its related technologies and pre-production activities related to manufacturing and sales. The nature of the Company’s operations during the year years ended December 31, 2022 and 2023 was primarily the production and sale of EVs in the United States of America (“United States”). States.

Segment Information

The Company’s Chief Executive Officer (“CEO”) has been identified as the chief operating decision maker (“CODM”). As the CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance, the Company has determined that it operates in one operating segment and one reportable segment. The Company’s assets and revenues are primarily in the United States.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”) and the applicable rules and regulations of the Securities and Exchange Commission (“SEC”) regarding annual financial information. The accompanying consolidated financial statements, in the opinion of management, reflect all normal recurring adjustments necessary to fairly present the financial position, results of operations, cash flows, and change in equity for the periods presented. Certain amounts in the prior period consolidated financial statements have been aggregated to conform to current period presentation.

Basis of Consolidation

The Company consolidates entities in which it has a controlling financial interest. Intercompany balances and transactions have been eliminated in consolidation.

Initial Public Offering

In November 2021, the Company completed its underwritten initial public offering (“IPO”) of approximately 176 million shares of Class A common stock at a public offering price of \$78.00 per share, which included the exercise in full by the underwriters of their option to purchase approximately 23 million additional shares of Class A common stock. The net proceeds to the Company from the IPO were \$13,530 million. See Note 12,13 “Stockholders’ Equity” for more information regarding the IPO.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For each accounting topic that is addressed in a separate footnote, the description of the accounting policy can be found in the related footnote. Other significant accounting policies are described below.

Use of Estimates

Accounting estimates are an integral part of the consolidated financial statements. These estimates require the use of judgments and assumptions that may affect the reported amounts of assets, liabilities, revenues, and expenses in the periods presented. Estimates are used for, but not limited to, inventory valuation, property, plant, and equipment, warranty reserves, leases, income taxes, stock-based compensation, and commitments and contingencies. The Company believes that the accounting estimates and related assumptions employed by the Company are appropriate and the resulting balances are

RIVIAN AUTOMOTIVE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

reasonable under the circumstances. However, due to the inherent uncertainties involved in making estimates, the actual results could differ from the original estimates, requiring adjustments to these amounts in future periods.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks, and short-term, highly liquid investments with maturities of three months or less. The Company’s cash equivalents are measured at fair value and classified within Level 1 of the fair value hierarchy because they are valued using observable inputs that reflect quoted prices in active markets for identical instruments. The cost of the Company’s cash equivalents approximated their fair values as of December 31, 2021 and 2022. The following table presents the fair value of the Company’s “Cash and cash equivalents” on the Consolidated Balance Sheets (in millions):

	December 31, 2021	December 31, 2022
Cash	\$ 5,438	\$ 2,604
Money market funds	11,827	7,147

Commercial papers	268	845
United States Treasury securities	150	822
Certificates of deposits	450	150
Total cash and cash equivalents	\$ 18,133	\$ 11,568

### Restricted Cash

Cash and cash equivalents that are restricted as to withdrawal or use under the terms of certain contractual agreements are classified as restricted cash and are recorded primarily in "Other non-current assets" on the Company's [Consolidated Balance Sheets](#). Restricted cash primarily consists of the balance of an account under the dominion and control of the administrative agent under the senior secured asset-based revolving credit facility ("ABL Facility"). See [Note 7 "Debt"](#) for more information on the ABL Facility. Total restricted cash was \$290 million and \$531 million as of December 31, 2021 and 2022, respectively.

### Accounts Receivable, Net

Accounts receivable primarily consist of amounts due from customers from the sale of EVs and are reported at the invoiced amount, less an allowance for any potential uncollectible amounts. The Company's allowance for uncollectible amounts was not material as of December 31, 2022, and 2023.

### Derivative Instruments

In the normal course of business, the Company is exposed to global market risks, including the effect of changes in certain commodity prices, interest rates, and foreign currency exchange rates, and may enter into derivative contracts, such as forwards, options, swaps, or other instruments, to manage these risks. Derivative instruments are recorded on the [Consolidated Balance Sheets](#) in either Other current assets or Current portion of lease liabilities and other current liabilities and are measured at fair value. They are classified within Level 2 of the fair value hierarchy because they are valued using observable inputs other than quoted prices for identical assets or liabilities in active markets.

For commodity contracts, the Company records gains and losses resulting from changes in fair value in "Cost of revenues" in the [Consolidated Statements of Operations](#) and cash flows in "Cash flows from operating activities" in the [Consolidated Statements of Cash Flows](#). The Company also may enter into master netting agreements with its counterparties to allow for netting of transactions with the same counterparty. The Company does not utilize derivative instruments for trading or speculative purposes.

The Company has entered into commodity contracts and the resulting asset, liability, and aggregate notional amount is not material as of December 31, 2022, and 2023. These derivatives are economic hedges used to manage overall price risk and have not been designated as hedging instruments. During the year years ended December 31, 2022, and 2023, losses and gains resulting from changes in fair value were not material.

### Revenues

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Revenues Vehicle Sales

The Company's revenues primarily include revenue from the sale of EVs and specific services that meet the definition of a performance obligation, including over-the-air ("OTA") vehicle software updates. Revenue from the sale of EVs is recognized at a point in time when control transfers to the customer, which generally occurs upon delivery. Revenue from the sale of EDVs is recognized in accordance with a bill and hold arrangement, under which risk of ownership has been transferred to the customer but delivery is delayed at the request of the customer. In such cases, the EDVs are separately identified as belonging to the customer, ready for physical delivery to the customer, and the Company does not have the ability to sell the EDVs to another customer. As of December 31, 2023, all EDVs under this bill and hold arrangement have been delivered.

Payment for EV sales is typically received at or prior to delivery or according to payment terms customary to the business. Sales tax is excluded from the measurement of the transaction price. As the OTA vehicle software updates represent a stand ready obligation to provide these services, revenue related to OTA vehicle software updates is recognized ratably throughout the performance period, beginning when control of the vehicle is transferred to the customer and continuing through the estimated useful life of the EV. The standalone selling prices of performance obligations are estimated by considering costs to develop and deliver the good or service, third-party pricing of similar goods or services, and other available information. The transaction price is allocated among the performance obligations in proportion to the standalone selling prices.

#### Other Revenues

The Company generates tradable credits from various regulatory standards primarily related to zero-emission vehicles and greenhouse gas. The Company sells these credits to other manufacturers. Revenue is recognized at the time control of the regulatory credits is transferred to the purchasing party, and payment is typically received in accordance with customary

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

payment terms. Other revenues consist primarily of sales of vehicle trade-ins ("remarketing"), repair and maintenance services, vehicle accessories, and other complementary services.

#### Contract Liabilities

The Company recognizes contract liabilities when payments are received or due before the related performance obligation is satisfied. The Company's contract liabilities are primarily related to payments for vehicles collected prior to delivery of the EV, generally satisfied within one quarter or less, and OTA vehicle software updates, generally satisfied over the estimated useful life of the EV, and extended service contracts, satisfied over the coverage period. The Company's contract liabilities exclude fully-refundable customer deposits. The following table summarizes the Company's contract liabilities as of December 31, 2021 and 2022 were not material and were recorded in "Current portion of lease liabilities and other current liabilities" and "Other non-current liabilities" by line item on the Consolidated Balance Sheets. (in millions):

	December 31, 2022	December 31, 2023
Current portion of lease liabilities and other current liabilities	\$ 37	\$ 88
Other non-current liabilities	32	133
Total contract liabilities	\$ 69	\$ 221

#### Cost of Revenues

Cost of revenues primarily relates to the cost of EVs and includes direct parts, material and labor costs including stock-based compensation, manufacturing overhead (e.g., depreciation of machinery and tooling), shipping and logistics costs, and reserves including for estimated warranty costs related to the production of consumer and commercial vehicles, adjustments to write down the carrying value of inventory when it exceeds its estimated net realizable value ("NRV"), losses on firm purchase commitments, and to adjust for excess and obsolete inventory based upon expectations of forecasted demand. Additionally, we started recognizing recurring non-cash stock compensation charges in the quarter ended December 31, 2021 in connection with the performance-based vesting condition of RSUs and stock options being met upon the IPO.

#### Product Warranty and Field Service Actions

The Company provides a product manufacturer's warranty on new consumer vehicles. The estimated costs related to product warranties include management's estimate of the cost of materials, labor, and other costs to facilitate A warranty claims. These costs are reserve is accrued when probable that a liability has been incurred and the related amount can be reasonably estimated, which is generally at the time vehicles are sold of sale or once a specific field service action has been approved identified. The amount accrued is comprised of management's estimate of the projected costs to repair, replace, or adjust defective component parts under the applicable warranty period and is announced. identified field service actions. These estimates are established based on an analysis of relevant benchmark data and historical information on the nature, frequency, and average cost of actual claims incurred to date and expectations of the nature, frequency, and costs of future assumptions claims by vehicle model. Revisions model, including relevant benchmark data. The Company reevaluates the adequacy of the warranty reserve on a regular basis and makes revisions when necessary. Warranty estimates are made when necessary inherently uncertain, especially given the Company's limited history of sales, and are based on more historical experience or updates to benchmarks and projections may cause material changes in these estimates. Due to the uncertainty and potential volatility of warranty reserve in the factors contributing to developing estimates for product warranties future.

The following table summarizes the Company's warranty and field service actions, changes in these estimates could materially affect the warranty reserve. The Company's warranty action reserve as of December 31, 2022 was approximately \$100 million and was recorded in "Current portion of lease liabilities and other current liabilities" and "Other non-current liabilities" by line item on the Consolidated Balance Sheets (in millions):

	December 31, 2022	December 31, 2023
Current portion of lease liabilities and other current liabilities	\$ 30	\$ 91
Other non-current liabilities	70	184
Total warranty reserve	\$ 100	\$ 275

Warranty expense is recorded as a component of "Cost of revenues" in the Company's Consolidated Statements of Operations. The Company's warranty and field service action activity for the years ended December 31, 2021 and 2022 was

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

primarily for warranties issued during the period. The following table presents the warranty and field service action activity for the year ended December 31, 2023 (in millions):

	Year Ended December 31, 2023	
Beginning balance	\$	100
Warranties issued in period		233
Adjustments to pre-existing warranties		(22)
Warranty costs incurred		(36)
Ending balance	\$	275

## Concentration of Risk

### Counterparty Credit Risk

Financial instruments that potentially subject the Company to concentration of counterparty credit risk consist of cash and cash equivalents, short-term investments, restricted cash, customer deposits, derivative instruments, and debt. We are The Company is exposed to credit risk on cash to the extent that the Company's cash a balance with a financial institution is in excess of exceeds Federal Deposit Insurance Company insurance limits. The Company is exposed to credit risk on cash equivalents and short-term investments to the extent that counterparties are unable to settle maturities or sales of investments and on customer deposits to the extent that counterparties are unable to complete the corresponding purchase transaction. The Company is exposed to credit risk on derivative instruments to the extent that counterparties are unable to settle derivative asset positions and on debt to the extent that the senior secured asset-based revolving credit facility ("ABL Facility") lenders are not able to extend credit. The degree of counterparty credit risk will vary varies based on many factors including the duration of the transaction and the contractual terms of the agreement.

As of December 31, 2022 and 2023, all of the Company's cash, typically in amounts exceeding insured limits, was distributed across several large financial institutions that the Company believes are of high credit quality. Management evaluates and approves credit standards and oversees

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

the credit risk management function related to investments, cash equivalents, short-term investments, and customer deposits. As of December 31, 2021 December 31, 2022 and 2022, all of the Company's cash, cash equivalents, and restricted cash were placed at financial institutions that management believes are of high credit quality. These amounts are typically in excess of insured limits. In addition, 2023, the counterparties to the Company's derivative instruments and the ABL Facility lenders are financial institutions that management the Company believes are of high credit quality.

### Supply Risk

The Company is subject to risks related to its dependence on its suppliers, the majority of which are single-source providers of parts input materials or product components for the Company's products. Any inability or unwillingness of the Company's suppliers to deliver necessary input materials or product components, including semiconductors, at timing, prices, quality, and volumes that are acceptable to the Company could have a material impact on Rivian's the Company's business, prospects, financial condition, results of operations, and cash flows. Fluctuations in the cost of input materials or product components and supply interruptions or shortages could materially impact the Company's business.

### Impairment of Long-Lived Assets (Held-and-Used Long-Lived Assets)

The Company reviews property, plant, and equipment and finite-lived intangible assets for impairment whenever events or changes in circumstances occur that indicate that the carrying amount of an asset group may not be fully recoverable. Events that trigger a test for recoverability include material adverse changes in projected revenues and expenses, present cash flow losses combined with a history of cash flow losses or a forecast that demonstrates significant continuing losses, significant negative industry or economic trends, a current expectation that a long-lived asset group will be disposed of significantly before the end of its useful life, a significant adverse change in the manner in which an asset group is used or in its physical condition, or when there is a change in the asset grouping. When an indicator of impairment is present, the Company assesses the risk of impairment based on an estimate of the undiscounted cash flows at the lowest level for which identifiable cash flows exist against the carrying value of the asset group. Impairment exists when the carrying value of the asset group exceeds the estimated future undiscounted cash flows generated by those assets. The Company records an impairment charge for the difference between the carrying value of the asset group and its estimated fair market value. Depending on the

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

asset, estimated fair market value may be determined either by use of a discounted cash flow model or by reference to estimated selling values of assets in similar condition.

### Fair Value Measurements

A three-level valuation hierarchy, based upon observable and unobservable inputs, is used for fair value measurements. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy:

- Level 1 – Quoted prices for identical instruments in active markets
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose significant inputs are observable
- Level 3 – Instruments with model-derived valuations whose significant inputs are unobservable

#### **Employee Benefit Plan**

The Company provides a defined contribution plan for substantially all employees in the United States in which the Company provides discretionary matching contributions. The Company made matching contributions to the defined contribution plan for the years ended December 31, 2020, December 31, 2021, 2021 2022 and 2022 2023 which were not material.

#### **Research and Development Costs**

Research and development ("R&D") &D costs consist primarily of personnel costs for teams in engineering and research, prototyping expenses, consulting and contractor expenses, amortized equipment costs, and allocation of indirect costs. Most R&D costs are expensed as incurred.

### **RIVIAN AUTOMOTIVE, INC.**

#### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

#### **Selling, General, and Administrative**

Advertising costs are recorded in "Selling, general, and administrative" in the [Consolidated Statement of Operations](#) as they are incurred. The advertising costs recognized during the years ended December 31, 2020, December 31, 2021, 2021 2022 and 2022 2023 were not material.

#### **Other Expenses**

Upon the IPO, the Company donated approximately 8 million shares of Class A common stock and \$20 million cash to Forever by Rivian, Inc., a 501(c)(4) social welfare organization ("Forever by Rivian"). As a result, \$663 million was recorded in "Other expenses" in the [Consolidated Statement of Operations](#) during the year ended December 31, 2021.

### **3. NEW ACCOUNTING STANDARDS**

#### **Upcoming Accounting Standards Not Yet Adopted**

Accounting Standards Update ("ASU") 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* provides optional expedients and exceptions to the accounting for contracts, hedging relationships, and other transactions that reference the London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued because of reference rate reform. The expedients and exceptions provided do not apply to contract modifications made and most hedging relationships entered into or evaluated after December 31, 2024. The Company expects to adopt adopted the provisions of the ASU as during the year ended December 31, 2023 with no impact to the consolidated financial statements. As of December 31, 2023, the Company does not have any LIBOR-based debt outstanding.

ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* updates required disclosures of significant reportable segment expenses that are regularly provided to the CODM and included within each reported measure of a segment's profit or loss. This ASU also requires disclosure of the title and position of the individual identified as the CODM and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. The ASU is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, though early adoption is permitted. Adoption of any interim period the ASU should be applied retrospectively to all prior periods presented in which LIBOR is discontinued from the Company's transactions that reference LIBOR financial statements. The Company is currently evaluating the potential presentational impact of this ASU and expects to adopt in the year ended December 31, 2024.

ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* enhances the transparency and usefulness of income tax disclosures. The updates are effective for annual periods beginning after December 15, 2024 on a prospective basis, though early adoption is permitted. The Company is currently evaluating the presentational impact of this ASU and expects to adopt in the year ended December 31, 2025.

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### 4. FAIR VALUE MEASUREMENTS

Cash and cash equivalents include cash in banks and highly liquid investments with maturities of three months or less recorded in "Cash and cash equivalents" on the consolidated financial statements. [Consolidated Balance Sheets](#). Short-term investments are available-for-sale debt securities and term deposits with maturities over three and up to twelve months recorded in "Short-term investments" on the [Consolidated Balance Sheets](#). The Company's available-for-sale debt securities are measured at fair value with unrealized gains and losses recorded in "Other comprehensive (loss) income" on the [Consolidated Statements of Comprehensive Loss](#) with reclassification to net loss upon maturity or sale of the security. Term deposits are recorded at cost, which approximates fair value due to their short time to maturity. Interest receivable on cash equivalents and short-term investments is recorded in "Other current assets" on the [Consolidated Balance Sheets](#) and was not material of December 31, 2022 and 2023.

Cash and cash equivalents that are restricted as to withdrawal or use under the terms of certain contractual agreements are classified as restricted cash and are recorded primarily in "Other non-current assets" on the Company's [Consolidated Balance Sheets](#). Total restricted cash was \$531 million and \$0 as of December 31, 2022 and 2023, respectively. Restricted cash consisted of the balance of an account under the dominion and control of the administrative agent under the ABL Facility. In April 2023, all of the Company's restricted cash associated with the ABL Facility was released due to expanded assets in the borrowing base in conjunction with the ABL Facility amendment. See [Note 8 "Debt"](#) for more information on the ABL Facility.

A three-level valuation hierarchy, based upon observable and unobservable inputs, is used for fair value measurements. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy:

- Level 1 – Quoted prices for identical instruments in active markets
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose significant inputs are observable
- Level 3 – Instruments with model-derived valuations whose significant inputs are unobservable

The following table presents the fair value of the Company's cash and cash equivalents and short-term investments and their corresponding level within the fair value hierarchy:

	December 31, 2022		December 31, 2023	
	Level	Amount (in millions)	Level	Amount (in millions)
Cash and cash equivalents:				
Cash		\$ 2,604		\$ 1,245
Money market funds	1	7,147	1	6,070
Commercial paper	1	845	2	517
United States Treasury securities	1	822	1	25
Certificates of deposit	1	150		—
Total cash and cash equivalents		\$ 11,568		\$ 7,857
Short-term investments:				
United States Treasury securities		\$ —	1	\$ 1,061
Term deposits		—	2	450
Total short-term investments		\$ —		\$ 1,511
Total cash and cash equivalents and short-term investments		\$ 11,568		\$ 9,368

As of December 31, 2022 and 2023, the fair value of cash equivalents and short-term investments approximated their cost. Fair value measurements classified within Level 2 of the fair value hierarchy are determined using observable inputs other than quoted prices for identical assets in active markets.

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Refer to [Note 2 "Summary of Significant Accounting Policies"](#) and [Note 8 "Debt"](#) for more information about the fair value of the Company's derivative instruments and debt, respectively.

#### 4.5. INVENTORY AND INVENTORY VALUATION

Inventory is stated at the lower of cost or net realizable value ("LCNRV") and consists of raw materials, work in progress, finished goods, and service parts. The Company primarily calculates inventory value using standard cost, which approximates actual cost on the first-in, first-out ("FIFO") basis. NRV is the estimated selling price of inventory in the ordinary course of business, less estimated costs of completion, disposal, and transportation. The Company assesses the valuation of inventory and periodically adjusts its value for estimated excess and obsolete inventory based upon expectations of future demand and market conditions, as well as damaged or otherwise impaired goods. The following table summarizes the components of "Inventory" on the [Consolidated Balance Sheets](#) (in millions):

		December 31, 2021	December 31, 2022		
				December 31, 2022	December 31, 2023
				December 31, 2022	December 31, 2023
Raw materials and work in progress	Raw materials and work in progress	\$ 245	\$ 949		
Finished goods	Finished goods	29	\$ 399		
Total inventory	Total inventory	\$ 274	\$ 1,348		

The Company recorded a \$95 million balance of the Company's inventory was written down by \$582 million and \$582 \$319 million charge from its cost to reflect the LCNRV of inventory its NRV as of December 31, 2021 December 31, 2022 and 2022, respectively, in "Cost of revenues" in 2023, respectively. Additionally, the Company's [Consolidated Statements of Operations](#). The Company is obligated has a liability for LCNRV losses related to make inventory firm purchases commitments during the next year. Losses to reflect the LCNRV on these firm purchase commitments which were \$338 million and \$126 million as of December 31, 2022 were \$338 million in "Cost of revenues" in the Company's [Consolidated Statements of Operations](#) and 2023, respectively, and are reflected in the inventory "Inventory" component of "Accrued liabilities" on the [Consolidated Balance Sheets](#). Refer to [Note 8 9 "Accrued Liabilities"](#) for more information about Accrued liabilities.

The increase impact of inventory LCNRV write-downs and the change in these charges is primarily due to an increase in overall inventory and liability for LCNRV losses on firm purchase commitment values as production ramps, which were adjusted to reflect commitments was \$95 million, \$920 million, and \$107 million during the amount we anticipate receiving upon vehicle sale (after considering future costs necessary to ready years ended December 31, 2021, 2022, and 2023, respectively, and is recorded in "Cost of revenues" in the inventory for sale) Company's [Consolidated Statements of Operations](#).

#### 5.6. PROPERTY, PLANT, AND EQUIPMENT, NET

Property, plant, and equipment are recorded at cost, net of accumulated depreciation and impairments. Costs of routine maintenance and repair are expensed when incurred.

### RIVIAN AUTOMOTIVE, INC.

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company capitalizes certain qualified costs incurred in connection with the development of software used internally. Costs incurred during the application development stage are evaluated to determine whether the costs meet the criteria for capitalization. Costs related to preliminary project activities and post implementation activities that are not incremental upgrades, including maintenance, are expensed as incurred.

Property, plant, and equipment are primarily depreciated using the straight-line method over the estimated useful life of the asset. Land is not depreciated.

The following table summarizes the components of "Property, plant, and equipment, net" on the [Consolidated Balance Sheets](#) (in millions):

	Estimated Useful Lives	December 31, 2021	December 31, 2022		
Estimated Useful Lives	Estimated Useful Lives	December 31, 2022	December 31, 2023		

Land, buildings, and building improvements	Land, buildings, and building improvements	10 to 30 years	\$ 429	\$ 636
Leasehold improvements	Leasehold improvements	Shorter of 10 years or lease term	191	297
Machinery, equipment, vehicles, and office furniture	Machinery, equipment, vehicles, and office furniture	2 to 10 years	1,856	2,456
Computer equipment, hardware, and software	Computer equipment, hardware, and software	3 to 5 years	180	409
Construction in progress	Construction in progress		760	843
Total property, plant, and equipment	Total property, plant, and equipment		3,416	4,641
Accumulated depreciation and amortization	Accumulated depreciation and amortization		(233)	(883)
Total property, plant, and equipment, net	Total property, plant, and equipment, net		\$ 3,183	\$ 3,758

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Depreciation and amortization expense was \$29 million, \$197 million, \$647 million, and \$647 \$917 million for the years ended December 31, 2020 December 31, 2021, 2021 2022 and 2022 2023, respectively.

#### 6.7. LEASES

The Company leases real estate, machinery, equipment, and vehicles under agreements with contractual periods ranging from 1 month to 15 24 years. Leases generally contain extension or renewal options, and some leases contain termination options. After considering all relevant economic and financial factors, the Company includes periods covered by renewal or extension options that are reasonably certain to be exercised in the lease term and excludes periods covered by termination options that are reasonably certain to be exercised from the lease term. The Company determines whether a contractual arrangement is or contains a lease at inception.

The Company has lease agreements with lease and non-lease components and has elected to utilize the practical expedient to account for lease and non-lease components together as a single combined lease component, with the exception of leases of real estate which is comprised of land and buildings. For leases of land and buildings, the Company accounts for each component separately based on the relative estimated standalone price of each component. At lease commencement, the Company measures the lease liability at the present value of lease payments not yet paid. All variable payments that are not based on a market rate or an index (e.g., the Consumer Price Index) are excluded from the measurement of the lease liability and instead are recognized as expense when probable the payments will be made. Because the discount rate implicit in the lease is not determinable for most leases, the Company determines the appropriate discount rate using the estimated incremental borrowing rate for the lease based on the information available at lease commencement. Right-of-use assets are measured at the amount of the lease liability, adjusted for prepaid or accrued lease payments, lease incentives, and initial direct costs incurred, as applicable.

Leases that are economically similar to the purchase of an asset are classified as finance leases. The Company's carrying value of finance leases is not material for all periods reported, the years ended December 31, 2021 and 2022.

The Company and the State of Georgia and the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County ("JDA") entered into a development agreement in May 2022 to build the manufacturing facility near Atlanta, Georgia ("Stanton Springs North Facility"). In November 2023, the Company and the JDA entered into a rental agreement, a bond purchase agreement, and an option agreement (the "Project Agreements") pursuant to which the JDA is leasing land to the Company in exchange for the Company making rent payments totaling \$309 million over the lease term. The noncancelable lease term is four years with automatic extensions reasonably certain to be utilized. The lease expires in December 2047 unless earlier terminated per the terms of the agreement. The lease is classified as a finance lease as the Company is reasonably certain to exercise the purchase option at expiration. Under the Project Agreements, the Company is required to make capital expenditures in the project of at least \$5 billion by December 31, 2030 in exchange for various development incentives, tax credits and exemptions, and government grants.

Lease expense for operating leases is comprised of rent expense recognized on a straight-line basis over the lease term and amortization of right-of-use assets recognized as the difference between rent expense and imputed interest on the liability using the effective interest method. Lease expense for finance leases is comprised of interest expense on the liability recognized using the effective interest method and amortization of the right-of-use assets recognized on a straight-line basis over the shorter of the useful life of the asset or the lease term. The Company does not recognize right-of-use assets and lease liabilities for short-term leases with an original lease term of 12 months or less. Instead, expense representing the rent payments is recognized on a straight-line basis over the lease term within "Selling, general, and administrative" in the Consolidated Statement of Operations term.

RIVIAN AUTOMOTIVE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Operating lease Lease assets are recorded net of accumulated amortization. The following table presents tables present the carrying value of operating and finance lease right-of-use assets and lease liabilities recorded within the corresponding line items on the Company's Consolidated Balance Sheets (in millions):

		December 31, 2021	December 31, 2022
Operating Leases			
Operating Leases		December 31, 2022	December 31, 2023
Operating lease assets, net	Operating lease assets, net	\$ 228	\$ 330
Current portion of lease liabilities and other current liabilities	Current portion of lease liabilities and other current liabilities	\$ 46	\$ 68
Current portion of lease liabilities and other current liabilities			
Current portion of lease liabilities and other current liabilities			
Long-term lease liabilities	Long-term lease liabilities	218	311
Total lease liabilities		\$ 264	\$ 379
Total operating lease liabilities			

Finance Leases	December 31, 2023
Property, plant, and equipment, net	\$ 76
Current portion of lease liabilities and other current liabilities	\$ 3
Other non-current liabilities	76
Total finance lease liabilities	\$ 79

The following table summarizes the contractual maturities of operating lease liabilities as of December 31, 2022 December 31, 2023 (in millions):

		Operating Leases
2023		\$ 91
		Operating Leases
		Operating Leases
		Operating Leases
2024		
2024		
2024	2024	81
2025	2025	75
2025		
2025		
2026		
2026		
2026	2026	68
2027	2027	57
2027		
2027		
2028		
2028		
2028		
Thereafter		
Thereafter		
Thereafter	Thereafter	99
Total undiscounted liabilities	Total undiscounted liabilities	471
Total undiscounted liabilities		
Total undiscounted liabilities		
Less: Present value discount		
Less: Present value discount		
Less: Present value discount	Less: Present value discount	(92)
Total lease liabilities	Total lease liabilities	\$ 379
Total lease liabilities		
Total lease liabilities		

The future minimum lease payments for operating and finance leases that have not yet commenced are not material at December 31, 2022, material. The leases will commence in 2023 2024 and 2024, 2025 with lease terms ranging from 3 to 10 12 years.

The weighted average remaining lease term and weighted average discount rate for operating leases were as follows:

	December 31, 2020	December 31, 2021	December 31, 2022
Weighted average remaining operating lease term (in years)	5.8	6.1	5.9
Weighted average operating lease discount rate	3.8 %	4.0 %	7.0 %

	Years Ended December 31,		
	2020	2021	2022
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 11	\$ 31	\$ 65
Right-of-use assets obtained in exchange for operating lease liabilities (non-cash)	\$ 87	\$ 178	\$ 158

	December 31, 2021	December 31, 2022	December 31, 2023
Weighted average remaining operating lease term (in years)	6.1	5.9	5.3
Weighted average operating lease discount rate	4.0 %	7.0 %	8.9 %
Weighted average remaining finance lease term (in years)	Not material		22.1
Weighted average finance lease discount rate	Not material		10.7 %

7. Supplemental cash flow information related to leases is as follows (in millions):

	Years Ended December 31,		
	2021	2022	2023
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 31	\$ 65	\$ 102
Right-of-use assets obtained in exchange for operating lease liabilities (non-cash)	\$ 87	\$ 158	\$ 111
Right-of-use assets obtained in exchange for finance lease liabilities (non-cash)	Not material		\$ 80

The following table summarizes the Company's outstanding debt:

										December 31, 2021		December 31, 2022											
										Amount	Effective	Amount	Effective										
										(in	Interest	(in	Interest										
										Maturity	millions)	Rate	millions)										
December 31, 2022										December 31, 2023													
										Amount		Effective		Amount		Effective							
										(in	Interest	(in	Interest										
Maturity										millions)		Rate		millions)		Interest Rate							
2026 Notes	2026 Notes	2026	\$ 1,250	7.0 %	\$ 1,250	11.3 %	Notes	2026	\$1,250	11.3	11.3 %	\$ 1,250	12.0	12.0 %									

2029 Green Convertible Notes				2029 Green Convertible Notes			
				2029	—	—	%
					1,500	4.9	%
2030 Green Convertible Notes				2030 Green Convertible Notes			
				2030	—	—	%
					1,725	3.8	%
Total long-term debt	Total long-term debt	1,250	1,250				
Less unamortized discount and debt issuance costs	Less unamortized discount and debt issuance costs	(24)	(19)				
Less unamortized discount and debt issuance costs							
Less unamortized discount and debt issuance costs							
Long-term debt, less unamortized discount and debt issuance costs							
Long-term debt, less unamortized discount and debt issuance costs							
Long-term debt, less unamortized discount and debt issuance costs	Long-term debt, less unamortized discount and debt issuance costs	1,226	1,231				
Less: Current portion	Less: Current portion	—	—				
Less: Current portion							
Less: Current portion							
Total long-term debt, less current portion	Total long-term debt, less current portion	<u>\$ 1,226</u>	<u>\$ 1,231</u>				
Total long-term debt, less current portion							
Total long-term debt, less current portion							

### Term Facility

In April 2018, the Company entered into a variable rate Term Facility Agreement for a committed facility to be used towards the Company's operating expenses and capital expenditures ("Term Facility"). In February 2021, the Company paid all outstanding amounts related to the Term Facility. Interest on the Term Facility was paid based on LIBOR plus 4.3%. The Company's obligations under the Term Facility were backed by guarantees, including from an affiliate of a stockholder of the Company.

In connection with the Term Facility Agreement, the Company issued common stock warrants to the affiliate of the stockholder on the date thereof. The common stock warrants were classified as a debt issuance cost, recorded as an increase to Additional paid-in capital, and subsequently amortized over the periods the Term Facility was outstanding.

### 2021 Convertible Notes

In July 2021, the Company issued \$2,500 million aggregate principal amount of unsecured senior convertible promissory notes due July 2026 in a private offering ("2021 Convertible Notes") and made an irrevocable election to account for the 2021 Convertible Notes under the Fair Value Option in accordance with Accounting Standards Codification Topic 825, Financial Instruments. As a result, the 2021 Convertible Notes were initially recognized as a liability measured at issue-date estimated fair value and subsequently re-measured to estimated fair value as of September 30, 2021. The 2021 Convertible Notes accrued interest quarterly at a rate of (i) zero percent (0%) from the date of issuance to, and including, June 30, 2022 and (ii) five percent (5%) after June 30, 2022. The Company made no cash interest payments on the 2021 Convertible Notes during the year ended December 31, 2021.

Upon the Company's IPO, the 2021 Convertible Notes converted into 38 million shares of Class A common stock at a conversion price equal to \$66.30 per share. During the year ended December 31, 2021, the loss on the 2021 Convertible

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Notes was recognized in "Loss on convertible notes, net" in the [Consolidated Statement of Operations](#) and was calculated as follows (in millions):

Year Ended December 31, 2021				
	Fair value of shares issued upon conversion		Unpaid principal balance	Loss on convertible notes, net
2021 Convertible Notes	\$	2,941	\$	2,500
				\$ (441)

#### ABL Facility

In May 2021, the Company entered into an ABL Facility with a syndicate of banks that may be used for general corporate purposes. [The In April 2023, the Company amended and restated the credit agreement governing the ABL Facility is secured by which extended the maturity date to April 2028 \(unless due earlier pending the maturity of certain current assets debt exceeding \\$200 million\). The revolving commitment of the Company. The ABL Facility provides for a \\$750 million committed secured revolving credit facility with doubled to \\$1,500 million and has an annual interest rate between 1.25% and 1.75%, plus LIBOR that matures](#)

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

daily Secured Overnight Financing Rate ("SOFR"), plus 0.10% credit spread adjustment, subject to a 0.00% floor. In addition, the Company is required to pay a quarterly commitment fee between 0.20% and 0.25% per annum based on May 20, 2025, the unused portion of the ABL Facility. Availability under the ABL Facility is based on the lesser of the borrowing base and the committed \$750 million \$1,500 million cap and is reduced by borrowings and the issuance of letters of credit. The letter of credit which bear a fronting fee sub-limit increased from \$500 million to \$1,000 million and the eligibility of 0.125% plus interest per annum. Interest on LIBOR borrowings under assets in the ABL Facility is due at maturity borrowing base expanded allowing for the release of each LIBOR period, and interest on non-LIBOR borrowings under the ABL Facility is due on a quarterly basis. The Company is required to pay a quarterly commitment fee of 0.25% per annum based on the unused portion of all restricted cash associated with the ABL Facility. The ABL Facility is secured by certain assets of the Company and contains certain affirmative and negative covenants and conditions to borrowing or taking other actions that restrict certain of the Company's subsidiaries' ability to, among other things, incur debt, grant liens, make investments, enter into certain transactions with affiliates, pay dividends, and prepay junior or unsecured indebtedness, subject to certain exceptions. The covenants include a minimum liquidity requirement and fixed charge coverage ratio calculated quarterly. As of December 31, 2022, the Company was in compliance with all covenants required by the ABL Facility.

As of December 31, 2022 December 31, 2023, the Company had no borrowings under the ABL Facility and \$400 million of letters of credit outstanding, resulting in availability under the ABL Facility of \$343 million \$1,100 million after giving effect to the borrowing base and the outstanding letters of credit. As of December 31, 2023, the Company was in compliance with all covenants required by the ABL Facility.

#### 2026 Notes

In October 2021, the Company issued \$1,250 million aggregate principal amount of senior secured floating rate notes due October 2026 ("2026 Notes") to new and existing investors of the Company. Proceeds received, net of a \$25 million original issue discount ("OID"), may be used for general corporate purposes. The 2026 Notes bear interest at (x) six-month LIBOR, SOFR, subject to a 1.00% floor, plus (y) 6.0% the credit spread adjustment of 0.43%, plus (z) 5.6% per annum, subject to downward adjustment upon certain events, including an IPO. Upon the Company's IPO, the interest rate on the 2026 Notes was adjusted downward and as annum. As of December 31, 2022 December 31, 2023, the contractual interest rate on the notes was 10.1% 11.5%. Interest on the 2026 Notes is paid in cash semi-annually in arrears on April 15 and October 15 of each year. The Company has the option to redeem the notes at any time at 100% of the principal amount of the 2026 Notes, plus any applicable premium. The 2026 Notes are secured by a second priority security interest in the same assets in which the ABL Facility has a first priority security interest and are guaranteed by certain subsidiaries of the Company. The 2026 Notes contain a number of customary covenants similar to the covenants under the ABL Facility, including the same minimum liquidity covenant. As of December 31, 2022 December 31, 2023, the Company was in compliance with all covenants required by the 2026 Notes.

The Company's 2026 Notes are classified within Level 2 of the fair value hierarchy because they are valued using quoted prices for identical assets in markets that are not active. As of December 31, 2021 December 31, 2022 and 2022, 2023, the fair value of the 2026 Notes was \$1,250 \$1,216 million and \$1,216 \$1,250 million, respectively.

## Green Convertible Notes

### 2029 Green Convertible Notes

In March 2023, the Company issued \$1,500 million principal amount of the 2029 Green Convertible Notes at a discount of \$15 million in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The 2029 Green Convertible Notes were issued pursuant to, and are governed by, an indenture dated March 10, 2023, between the

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Company and U.S. Bank Trust Company, National Association. The 2029 Green Convertible Notes accrue interest at a rate of 4.625% per annum, payable semi-annually in arrears on March 15 and September 15.

Before December 15, 2028, the 2029 Green Convertible Notes are convertible at the option of the noteholders only upon the occurrence of certain events, as described in the indenture. From and after December 15, 2028, the 2029 Green Convertible Notes are convertible at any time at the noteholders' election until the close of business on the second scheduled trading day immediately before the maturity date. The Company will settle conversions by paying or delivering, as applicable, cash, shares of the Company's Class A common stock, or a combination of cash and shares of the Company's Class A common stock, at the Company's election. The initial conversion rate is 49.6771 shares of common stock per \$1,000 principal amount of 2029 Green Convertible Notes, which represents an initial conversion price of approximately \$20.13 per share of the Company's Class A common stock. The conversion rate and conversion price will be subject to customary adjustments upon the occurrence of certain events.

The 2029 Green Convertible Notes are redeemable in whole or in part (subject to certain limitations) at the Company's option at any time on or after March 20, 2026 and on or before the 20th scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of the Company's Class A common stock exceeds 130% of the conversion price for a specified period of time. If certain events that constitute a Fundamental Change (as defined by the indenture) for the 2029 Green Convertible Notes occur, then, subject to limited exceptions, noteholders may require the Company to repurchase their notes for cash. The cash repurchase price is equal to the principal amount of the notes to be repurchased, plus any accrued and unpaid interest, if any, to, but excluding, the applicable repurchase date. The 2029 Green Convertible Notes contain a number of customary covenants.

The 2029 Green Convertible Notes are classified within Level 2 of the fair value hierarchy because they are valued using quoted prices for identical assets in markets that are not active. As of December 31, 2023, the fair value of the 2029 Green Convertible Notes was \$2,110 million.

### 2030 Green Convertible Notes

In October 2023, the Company issued \$1,725 million principal amount of the 2030 Green Convertible Notes at a discount of \$15 million in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The 2030 Green Convertible Notes were issued pursuant to, and are governed by, an indenture dated October 11, 2023, between the Company and U.S. Bank Trust Company, National Association. The 2030 Green Convertible Notes accrue interest at a rate of 3.625% per annum, payable semi-annually in arrears on April 15 and October 15.

Before July 15, 2030, the 2030 Green Convertible Notes are convertible at the option of the noteholders only upon the occurrence of certain events, as described in the indenture. From and after July 15, 2030, the 2030 Green Convertible Notes are convertible at any time at the noteholders' election until the close of business on the second scheduled trading day immediately before the maturity date. The Company will settle conversions by paying or delivering, as applicable, cash, shares of the Company's Class A common stock, or a combination of cash and shares of the Company's Class A common stock, at the Company's election. The initial conversion rate is 42.929 shares of common stock per \$1,000 principal amount of 2030 Green Convertible Notes, which represents an initial conversion price of approximately \$23.29 per share of the Company's Class A common stock. The conversion rate and conversion price will be subject to customary adjustments upon the occurrence of certain events.

The 2030 Green Convertible Notes are redeemable in whole or in part (subject to certain limitations) at the Company's option at any time on or after October 20, 2027 and on or before the 20th scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of the Company's Class A common stock exceeds 130% of the conversion price for a specified period of time. If certain events that constitute a Fundamental Change (as defined by the indenture) for the 2030 Green Convertible Notes occur, then, subject to limited exceptions, noteholders may require the Company to repurchase their notes for cash. The cash repurchase price is equal to the principal amount of the notes to be repurchased, plus any accrued and unpaid interest, if any, to, but excluding, the applicable repurchase date. The 2030 Green Convertible Notes contain a number of customary covenants.

## RIVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The 2030 Green Convertible Notes are classified within Level 2 of the fair value hierarchy because they are valued using quoted prices for identical assets in markets that are not active. As of December 31, 2023, the fair value of the 2030 Green Convertible Notes was \$2,121 million.

The Company intends to use the net proceeds from the 2029 Green Convertible Notes and 2030 Green Convertible Notes (together the “Green Convertible Notes”) to finance, refinance, or make direct investments in, in whole or in part, one or more new or existing eligible green projects, as described in the Company’s green financing framework.

#### Capped Calls

In October 2023, in connection with the issuance of the 2030 Green Convertible Notes, the Company paid \$108 million to purchase privately negotiated capped call transactions (the “Capped Calls”) with certain financial institutions. The initial strike price of the Capped Calls is approximately \$23.29 per share of the Company’s Class A common stock, which is the initial conversion price of the 2030 Green Convertible Notes. The initial cap price of the Capped Calls is approximately \$31.06 per share of the Company’s Class A common stock, which represents a premium of 70% over the last reported sale price of the Company’s Class A common stock on October 5, 2023, and is subject to certain anti-dilution adjustments under the terms of the Capped Calls. The Capped Calls cover, subject to customary anti-dilution adjustments, the aggregate number of shares of the Company’s Class A common stock that initially underlie the 2030 Green Convertible Notes, and are expected generally to reduce potential dilution to the Company’s Class A common stock upon any conversion of the 2030 Green Convertible Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of converted 2030 Green Convertible Notes, as the case may be, with such reduction and/or offset subject to a cap, based on the cap price of the Capped Calls.

The Capped Calls are separate transactions entered into by the Company and the applicable counterparties, and are not part of the terms of the 2030 Green Convertible Notes, and do not affect any holder’s rights under the 2030 Green Convertible Notes or the indenture. Holders of the 2030 Green Convertible Notes do not have any rights with respect to the Capped Calls.

As the Capped Calls are indexed to the Company’s own stock and qualified for equity classification, they were not accounted for as derivatives and were recorded as a reduction of the Company’s “Additional paid-in capital” on the [Consolidated Balance Sheets](#) and will not be remeasured.

#### Interest Expense

“Interest expense” recorded in the [Consolidated Statements of Operations](#) was primarily contractual interest expense.

#### 8.9. ACCRUED LIABILITIES

The carrying value of “Accrued liabilities” on the [Consolidated Balance Sheets](#) included the following components (in millions):

		December 31, 2021 (a)	December 31, 2022		
		December 31, 2022		December 31, 2022	December 31, 2023
Payroll and related costs					
Capital expenditures					
Inventory	Inventory	\$ 28	\$ 367		
Capital expenditures		311	265		
Payroll and related costs		95	259		
Other products and services	Other products and services	182	169		
	Other	51	94		
Total accrued liabilities	Total accrued liabilities	\$ 667	\$ 1,154		
(a) The prior period has been recast to conform to current period presentation.					

### RIVIAN AUTOMOTIVE, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 9.10. INCOME TAXES

### Components of Income Taxes

The Company's tax rate is generally a function of the tax rates in the jurisdictions in which the Company operates, the relative amount of income earned by jurisdiction, and the relative amount of losses or income for which no tax benefit or expense is recognized due to a valuation allowance.

The components of "Loss before income taxes" in the [Consolidated Statements of Operations](#) are as follows (in millions):

		Years Ended December 31,					
		2020	2021	2022			
		Years Ended December 31,			Years Ended December 31,		
		2021	2021	2022			
		2021	2021	2022			
United States	United States	\$(1,021)	\$(4,590)	\$(6,729)			
Foreign	Foreign	3	(98)	(19)			
Total loss before income taxes	Total loss before income taxes	\$(1,018)	\$(4,688)	\$(6,748)			

Provisions are made for estimated United States and foreign income taxes which may be incurred on the reversal of the basis differences in investments in foreign subsidiaries and corporate joint ventures not deemed to be indefinitely reinvested. Based on United States tax regulations, the Company does not anticipate foreign earnings would be subject to United States taxation upon repatriation. However, distributions of unremitted foreign earnings would be subject to foreign withholding taxes. The Company maintains that all foreign earnings are indefinitely reinvested. Accordingly, provisions have not been made on the Company's basis differences in investments that primarily result from earnings in foreign subsidiaries which are deemed indefinitely reinvested. If recorded, the deferred tax liability associated with indefinitely reinvested basis differences would be immaterial to the financial statements.

Deferred tax assets and liabilities are recognized based on the future tax consequences attributable to (i) temporary differences that exist between the carrying value of assets and liabilities and their respective tax bases and (ii) operating loss and tax credit carryforwards on a taxing jurisdiction basis. The Company measures deferred tax assets and liabilities using enacted tax rates that will apply in the years in which the temporary differences are expected to be recovered or paid.

In determining whether a valuation allowance is needed, the Company considers all available evidence, both positive and negative. If, based on the weight of available evidence, it is more likely than not that the deferred tax assets will not be realized, a valuation allowance is recorded.

As of [December 31, 2022](#) [December 31, 2023](#), the Company recorded valuation allowances of [\\$3,325 million](#) [\\$4,866 million](#) for the portion of deferred tax assets that is not expected to be realized. The valuation allowance on net deferred tax assets increased by [\\$293 million](#), [\\$988 million](#), and [\\$1,867 million](#) [\\$1,541 million](#) during the [years year](#) ended [December 31, 2020](#), [2021](#) and [2022](#), respectively, [December 31, 2023](#). The [changes change](#) in the valuation allowance [are is](#) primarily due to additional net United States deferred tax assets recognized [in during the respective years, year](#). The Company had no releases of valuation allowances for the years ended [December 31, 2021](#) [December 31, 2022](#) and [2022, 2023](#). The Company continues to monitor the realizability of the United States deferred tax assets considering multiple factors, including results of operations. The Company shall continue maintaining a full valuation allowance on United States deferred tax assets until there is sufficient evidence to support the reversal of all or some portion of these allowances. Release of all, or a portion, of the valuation allowances would result in the recognition of certain deferred tax assets and a decrease to income tax expense for the period the release is recorded.

## RVIAN AUTOMOTIVE, INC.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A reconciliation of the provision for income taxes to its components at the United States statutory rate is shown below (in millions):

		Years Ended December 31,					
		2020	2021	2022			
		Years Ended December 31,			Years Ended December 31,		
		2021	2021	2022			
		2021	2021	2022			

Federal income tax at statutory rate	Federal income tax at statutory rate	\$(214)	\$(984)	\$(1,417)
State income taxes	State income taxes	(52)	(236)	(267)
Permanent items	Permanent items	4	8	75
Nondeductible charitable contributions	Nondeductible charitable contributions	—	172	—
Nondeductible loss on convertible debt	Nondeductible loss on convertible debt	—	118	—
Tax credits	Tax credits	(31)	(63)	(264)
Tax credits				
Tax credits				
Other	Other	—	(3)	10
Valuation allowance	Valuation allowance	293	988	1,867
Provision for income taxes	Provision for income taxes	\$ —	\$ —	\$ 4
Provision for income taxes				
Provision for income taxes				

The Company's effective tax rate was 0% for the years ended [December 31, 2020](#), [December 31, 2021](#), [2021](#), [2022](#) and [2022](#), [2023](#). Provision for income taxes relates to current taxes on foreign operations for the years ended [December 31, 2020](#), [December 31, 2021](#), [2021](#), [2022](#) and [2022](#), [2023](#).

#### Components of Deferred Tax Assets and Liabilities

The components of deferred tax assets and liabilities are as follows (in millions):

		December 31, 2021	December 31, 2022	
	December 31, 2022			December 31, 2023
Deferred tax assets:	Deferred tax assets:			
Net operating loss and tax credit carryforwards	Net operating loss and tax credit carryforwards	\$ 1,218	\$ 2,705	
Net operating loss and tax credit carryforwards				
Net operating loss and tax credit carryforwards				
Inventory	Inventory	142	203	
Deferred revenue				
Operating lease liabilities	Operating lease liabilities	71	94	
Operating lease liabilities				

Operating lease liabilities			
Stock-based compensation	Stock-based compensation	118	110
Accrued liabilities			
R&D capitalization	R&D capitalization	—	369
Other	Other	50	56
Total deferred tax assets	Total deferred tax assets	1,599	3,537
Less: valuation allowances	Less: valuation allowances	(1,458)	(3,325)
Total net deferred tax assets	Total net deferred tax assets	141	212
Deferred tax liabilities:	Deferred tax liabilities:		
Property, plant, and equipment	Property, plant, and equipment	(78)	(124)
Property, plant, and equipment			
Property, plant, and equipment			
Operating lease assets	Operating lease assets	(62)	(81)
Other	Other	—	(6)
Total deferred tax liabilities	Total deferred tax liabilities	(140)	(211)
Net deferred tax assets	Net deferred tax assets	\$ 1	\$ 1

The majority of the Company's gross loss carryforwards are generated in the United States. Federal net operating losses ("NOLs") generated by the Company through December 31, 2017 totaling \$81 million may be carried forward for 20 years and begin to expire in 2035. These NOLs may fully offset taxable income in the year utilized. Under the Tax Cuts and Jobs Act, federal losses generated in tax years beginning after December 31, 2017, totaling \$8,992 million \$12,090 million, may be carried forward indefinitely; but their deduction is limited to 80% of annual taxable income. In addition, the Company has federal and state tax credit carryforwards of \$363 million \$564 million that can be carried forward for 20 years and begin to expire in 2039. The NOLs and tax credits are fully offset by a valuation allowance. Additionally, the Company has \$6,653 million \$9,154 million of carryforwards for state NOLs.

#### RIVIAN AUTOMOTIVE, INC.

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Under Sections 382 and 383 of the Internal Revenue Code of 1986 ("Code"), if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes (such as R&D tax credits) to offset its post-change income may be limited. If the Company experiences a greater than 50

#### RIVIAN AUTOMOTIVE, INC.

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

percentage point aggregate change in ownership of certain significant stockholders over a three-year period, a Section 382 ownership change could be deemed to have occurred. If a Section 382 change occurs, the Company's future utilization of the NOLs and credits as of the ownership change will be subject to an annual limitation under Section 382 of the Code and similar state provisions. Such an annual limitation may result in the expiration of NOLs before utilization. Due to previous ownership changes experienced by the Company, tax credits are limited in their utilization and the amounts above reflect such adjustment. NOLs are not expected to be limited.

Unrecognized Tax Benefits

The Company records uncertain tax positions using a two-step process. First; by determining whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position, and second; for those tax positions that meet the more-likely-than-not recognition threshold, by recognizing the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. When applicable, the Company includes interest and penalties related to income tax matters within the provision for income taxes. The Company had no accrued interest or penalties for the years ended December 31, 2021 as of December 31, 2022 and 2022, 2023.

The Company's unrecognized tax benefits related to the Company's Company's United States R&D tax credit for the year ended December 31, 2022 was not material. credit. Because a full valuation allowance is maintained in the United States, there is no impact to the consolidated balance sheet and, if recognized, none of the unrecognized tax benefit would impact the Company's effective tax rate.

The Company had the following activity related to unrecognized tax benefits (in millions):

	Years Ended December 31,	
	2022	2023
Beginning balance	\$ —	\$ 38
Additions for current year tax positions	16	15
Additions for tax positions of prior years	22	8
Ending balance	\$ 38	\$ 61

Although it is possible that unrecognized tax benefits may increase or decrease within the next twelve months due to tax examination changes or the impact on recognition and measurement considerations related to the results of published tax cases or similar activities, we do not anticipate any significant changes to unrecognized tax benefits over the next twelve months.

The Company is subject to taxation and files income tax returns in the United States federal jurisdiction, plus state and foreign jurisdictions. Tax years after 2018 2019 remain open in the Company's Company's major jurisdictions and are subject to examination by the taxing authorities. The Company is not currently under an income tax audit by any taxing authority.

10.

11. STOCK-BASED COMPENSATION

Stock Plans

The Company's 2015 Long-Term Incentive Plan ("2015 Stock Plan") and 2021 Incentive Award Plan ("2021 Stock Plan" and, together, "Stock Plans") permit the grant of stock options, restricted stock units ("RSUs"), and other stock-based awards to employees, non-employee directors, and consultants. The 2021 Stock Plan became effective when the registration statement filed in connection with the Company's IPO became effective. The Company's stock options have seven- or ten-year contractual terms and unvested stock options and RSUs generally are forfeited upon the termination of a grantee's service. The Company has elected to recognize forfeitures as an adjustment to compensation expense for options and RSUs in the same period as the forfeitures occur. As of December 31, 2022 December 31, 2023, 76 million 64 million and 146 million 167 million shares were reserved for issuance under the 2015 Stock Plan and 2021 Stock Plan, respectively.

RIVIAN AUTOMOTIVE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Generally, the Company's stock options vest in annual installments based on a requisite service period of four years of continuous service and may contain performance conditions related to production and other targets. Stock options granted under the 2015 Stock Plan may be exercised only upon the occurrence of a Change in Control (as defined under the 2015 Stock Plan, which includes an IPO), which is a performance condition. RSUs generally vest in quarterly installments based on a requisite service period of 1 2 to 4 years of continuous service, upon the later of the quarterly vest date and six months after the occurrence of an IPO (as defined under the Stock Plans), which is a performance condition. Achievement of the Change in Control- and IPO-based performance conditions of stock options and RSUs granted under the 2015 Stock Plan was not deemed to be probable until such events occurred. Therefore, no awards granted under the 2015 Stock Plan vested, were expected to vest, or were exercisable prior to the Company's November 2021 IPO. Accordingly, the Company recognized no stock-based compensation expense prior to the IPO. After the IPO, expense service. Expense is recognized on an accelerated basis for these awards granted prior to the IPO due to the IPO as a performance condition. For awards granted after the IPO, the Company has elected to use the straight-line expense recognition on awards with only service conditions.

# RIVIAN AUTOMOTIVE, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In January 2021, the Company granted a stock option covering 27 million shares valued at \$241 million to its CEO. A portion of the stock option contains only a service condition, which vests over a requisite service period of six years following a Qualified IPO (as defined within the award). IPO. The other portion of the stock option contains both a service and a market condition, which vests in installments based on the achievement of share price goals following a Qualified the IPO, measured over a specified period ending on the 10th anniversary of the award.

During June 2021, the Company modified the service-based vesting terms of approximately 17 million RSUs. As achievement of the performance condition of the RSUs was not considered probable both before and after the modification, the fair value of the RSUs was remeasured on the date of modification, which resulted in an increase in unrecognized stock-based compensation cost of approximately \$322 million. During October 2021, the Company modified the service-based vesting terms of approximately 5 million stock options. As achievement of the performance condition of the stock options was not considered probable both before and after the modification, the fair value of the stock options was remeasured on the date of modification, which resulted in an increase in unrecognized stock-based compensation cost of approximately \$275 million.

In September 2022, Starting in the year ended December 31, 2022, the Company approved the payment of 2022 bonus incentives to be made under the 2021 Stock Plan in the form of stock-based awards, which will vest immediately upon grant in the first quarter of 2023. each year. The 2022 bonus incentives were are subject to certain performance conditions related to production and other targets. As of December 31, 2022, and 2023, the total amount of accrued stock-based bonus incentives is was \$139 million and \$188 million within the "Payroll and related costs" component of "Accrued liabilities" on the Consolidated Balance Sheets. Refer to Note 9 "Accrued Liabilities" for more information about Accrued liabilities.

The following table summarizes the Company's stock option and restricted stock unit activity during the year ended December 31, 2022 December 31, 2023:

	Stock Options				RSUs	
	Number of Shares (in millions)	Weighted-Average Exercise Price	Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in millions)	Number of Shares (in millions)	Weighted-Average Grant-Date Fair Value
Outstanding at December 31, 2021	65	\$ 12.06			37	\$ 31.24

	Stock Options				RSUs			
	Number of Shares (in millions)	Weighted-Average Exercise Price	Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in millions)	Number of Shares (in millions)	Weighted-Average Grant-Date Fair Value	Number of Shares (in millions)	Weighted-Average Grant-Date Fair Value
Outstanding at December 31, 2022								
Granted	Granted	1	37.47		25	35.87		
Exercised / Vested	Exercised / Vested	(4)	4.67		(19)	36.25		
Forfeited / Cancelled	Forfeited / Cancelled	(1)	7.21		(6)	41.50		
Outstanding at December 31, 2022	61	\$ 12.98	6.8	\$ 456	37	\$ 38.72		
Vested and expected to vest at December 31, 2022	61	\$ 12.98	6.8	\$ 456	37	\$ 38.72		
Exercisable at December 31, 2022	28	\$ 5.02	5.8	\$ 386	—	\$ —		
Outstanding at December 31, 2023								

Outstanding at December 31, 2023	1,000,000
Outstanding at December 31, 2023	1,000,000
Vested and expected to vest at December 31, 2023	1,000,000
Exercisable at December 31, 2023	1,000,000

The weighted-average grant-date fair value of stock options granted during the years ended December 31, 2020, December 31, 2021, 2021 2022 and 2022 2023 was \$2.28, \$10.03, \$21.64, and \$21.64, \$10.49, respectively. There were no stock options exercised during the year ended December 31, 2020. The aggregate intrinsic value of stock options exercised during the years ended December 31, 2021, 2022 and 2022 2023 was \$127 million, \$127 million, \$105 million, and \$105 million, \$29 million, respectively. The weighted-average grant-date fair value of RSUs granted during the years ended December 31, 2020, December 31, 2021 and 2021 2022 was \$7.23, \$43.94 and \$43.94, \$35.87, respectively. There were no RSUs vested during the years year ended December 31, 2020 and 2021. December 31, 2021. The total fair value of RSUs vested during the year years ended December 31, 2022 and 2023 was \$566 million, and \$630 million, respectively.

**RIVIAN AUTOMOTIVE, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

During the year ended December 31, 2020 there was no The following table summarizes Company's stock-based compensation expense for the Stock Plans and 2021 Employee Stock Purchase Plan ("ESPP"). The following table summarizes Company's stock-based compensation expense for the Stock Plans and ESPP by line item in the Consolidated Statements of Operations (in millions):

		Years Ended December 31, <u>2021</u>	2022
		Years Ended December 31,	
		Years Ended December 31,	
		Years Ended December 31,	
	<u>2021</u>		<u>2021</u>
			2022
			2023
Cost of revenues	Cost of revenues	\$ 16	\$ 60
Research and development	Research and development	277	437
Selling, general, and administrative	Selling, general, and administrative	277	490
Total stock-based compensation expense	Total stock-based compensation expense	\$570	\$987

As of **December 31, 2022** **December 31, 2023**, the Company's unrecognized stock-based compensation expense for unvested awards was approximately **\$1,309 million** **\$1,187 million**, which is expected to be recognized over a weighted-average period of **5.7** **5.6** years for stock options and **2.3** **1.8** years for RSUs.

The fair value of the stock options granted to the CEO in January 2021 was estimated using a Monte Carlo simulation capturing scenarios of the Company's projected stock price over the ten-year time horizon, with the resulting intrinsic value at maturity of the stock options in each scenario discounted to present value.

	Year Ended December 31, 2021
Volatility	50.0 %
Dividend yield	— %
Risk-free rate	1.1 %
Maturity (in years)	10.0
Initial stock price	\$21.72

The weighted-average assumptions used in the Black-Scholes option pricing model for stock options granted were as follows:

Prior to the Company's IPO, the stock price input to the estimated fair value of stock options and the fair value of RSUs was measured on the grant date (or modification date, if appropriate) based on an independent appraisal of the fair market value

of the Company's common stock. The independent appraisal used a market approach with an adjustment for lack of

marketability given that the shares underlying the awards were not publicly traded. This assessment required complex and subjective judgments regarding the Company's projected financial results. The appraisal incorporated a backsolve method to the Company's most recent equity issuance and a probability-weighted expected return method

“(PWERM)” that estimated equity value in an IPO scenario. The fair value of a share of the Company's common stock was estimated by weighting the backsolve and PWERM valuation methods based on the anticipated probability of an IPO as of each valuation date.

In light of initial information received in estimation of the Company's IPO price range and the proximity of stock-based awards granted from July 20, 2021 to the IPO, the Company established the fair value of a share of the Company's common stock applicable to stock options and RSUs granted from July 20, 2021 onward using a straight-line interpolation from the July 20, 2021 fair value estimated using an independent appraisal to the midpoint of the initial price range in order to calculate unrecognized stock-based compensation expense.

The grant-date fair value of **stock options granted after the IPO is measured using the Black-Scholes option pricing model described above. The grant-date fair value of RSUs granted after the IPO is equal to the closing trading price of the Company's common stock on the grant date.**

#### **Employee Stock Purchase Plan**

In November 2021, the Company adopted the ESPP. The ESPP is designed to allow eligible employees to purchase shares of Class A common stock at a 15% discount, generally at intervals of approximately six months, with their accumulated payroll deductions. The number of shares of Class A common stock authorized for sale under the ESPP is equal to the sum of (i) 22 million shares of Class A common stock and (ii) an annual increase on the first day of each year beginning on January 1, 2022 and ending on January 1, 2031, equal to the lesser of (A) 1% of the aggregate number of shares of all classes of common stock outstanding on the last day of the immediately preceding year and (B) such smaller number of shares of Class A common stock as determined by the board of directors; provided, however, that no more than 185 million shares of Class A common stock may be issued under the ESPP. As of **December 31, 2022** **December 31, 2023**, **28 million** **32 million** shares were reserved for issuance under the ESPP.

## **11. 12. RELATED PARTY TRANSACTIONS**

#### **Stock Warrants**

In February 2019, the Company entered into a commercial letter agreement with Amazon.com, Inc. and its affiliates (“Amazon”), and in September 2019, the **Company** entered into a related framework agreement with Amazon Logistics, Inc. (“Logistics”). The Company refers to these agreements, together with any work orders, purchase orders, related agreements, and amendments thereunder or thereto, collectively, as the “EDV Agreement.” Under the EDV Agreement, the Company and Logistics have agreed to collaborate to design, develop, manufacture, and supply EDVs and/or certain component parts and related services for use in Amazon's last mile delivery operations. In connection with the EDV Agreement, the Company provided a share-based sales incentive to Amazon, a principal stockholder, in the form of warrants to purchase preferred stock. These were converted to warrants to purchase an equivalent number of shares of Class A common stock upon the close of the Company's IPO. The carrying value of the warrants was not material as of **December 31, 2021** **December 31, 2022** and **2022** **2023** and is amortized as an offset against revenues as Electric Delivery Vans (“EDVs”) are sold. The offset against revenues for the years ended **December 31, 2021** **December 31, 2022** and **2022** **2023** was not material.

#### **2021 Convertible Notes**

In July 2021, the Company issued the 2021 Convertible Notes to principal stockholders of the Company at that time, including: Amazon with \$490 million principal amount, Ford Motor Company (“Ford”) with \$415 million principal amount, and certain funds and accounts advised by T. Rowe Price Associates, Inc. (“T. Rowe Price”) with an aggregate \$400 million principal amount. Upon the Company's IPO, the 2021 Convertible Notes converted into 38 million shares of Class A common stock at a conversion price equal to \$66.30 per share (refer to [Note 7](#) **8** “Debt” for more information about the 2021 Convertible Notes).

## **RIVIAN AUTOMOTIVE, INC.**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

#### **2026 Notes**

The 2026 Notes were issued to certain new and existing principal stockholders, including T. Rowe Price with an aggregate \$285 million principal amount (refer to [Note 7](#) **8** “Debt” for more information about the 2026 Notes).

#### **Revenues**

The Company recorded \$343 million **and \$823 million** in revenues from Amazon for the **year years** ended December 31, 2022, **and 2023**, within “Revenues” in the [Consolidated Statements of Operations](#), primarily related to the sale of EDVs in accordance with the EDV Agreement. As of December 31, 2022, **and 2023**, the uncollected amounts related to these revenues in “Accounts receivable, net” on the [Consolidated Balance Sheets](#) were \$60 **million**, **million** and \$6 **million**, respectively. As of December 31, **2022** **and 2023**, contract liabilities related to these revenues, primarily related to extended service contracts, were \$14 **million** and \$72 **million**, respectively. Refer to [Note 2](#) **“Summary of Significant Accounting Policies”** for more information about revenue.

#### **Operating Expenses**

The Company obtained prototyping, engineering, and other R&D services from a wholly-owned subsidiary of Ford. Until May 2022, Ford was a principal stockholder and related party of the Company as a beneficial owner of more than 10 percent of the Company's voting interests. The expense for services from Ford that the Company

recognized in "Research and development" in the [Consolidated Statement of Operations](#) was not material through this time. Ford is no longer a related party.

The Company obtains data services, including hosting, storage, and compute from Amazon. During the year ended [December 31, 2020](#) [December 31, 2021](#), expenses related to these services were not material. During the years ended [December 31, 2021](#) [December 31, 2022](#) and [2022](#), [2023](#), expenses related to these services of [\\$30 million](#) [\\$60 million](#) and [\\$60 million](#) [\\$63 million](#), respectively, were recorded in "Research and development" and "Selling, general, and administrative" in the [Consolidated Statements of Operations](#). As of [December 31, 2021](#) [December 31, 2022](#) and [2022](#), [2023](#), the unpaid amounts related to these services were not material.

#### **Unconditional Purchase Obligations and Commitments**

12.

Refer to [Note 14 "Commitments and Contingencies"](#) for more information about unconditional purchase obligations with Amazon.

### **13. STOCKHOLDERS' EQUITY**

#### **Initial Public Offering**

In November 2021, the Company completed its IPO of approximately 176 million shares of Class A common stock at a public offering price of \$78.00 per share, which included the exercise in full by the underwriters of their option to purchase from the Company an additional 23 million shares of the Company's Class A common stock. The net proceeds to the Company from the IPO, after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company, were [\\$13,530 million](#) [\\$13,530 million](#). Upon the close of the IPO, (i) 102 million shares of common stock outstanding converted into an equal number of shares of Class A common stock, (ii) 8 million shares of Class A common stock held by an affiliate of the Company's CEO were exchanged for an equivalent number of shares of Class B common stock, (iii) all outstanding shares of contingently redeemable convertible preferred stock converted into an aggregate 576 million shares of Class A common stock, (iv) a warrant outstanding for the purchase of 4 million shares of Series C preferred stock, with an exercise price of \$9.09 per share, converted to a warrant to purchase an equivalent number of shares of Class A common stock, (v) outstanding warrants to purchase fewer than 1 million shares of Class A common stock, with a weighted-average exercise price of \$5.66 per share, terminated unexercised, and (vi) the 2021 Convertible Notes converted into 38 million shares of Class A common stock at a conversion price equal to \$66.30 per share. The Company also amended and restated its certificate of incorporation to (i) authorize the issuance of 3,500 million shares of Class A common stock and 8 million shares of Class B common stock and (ii) authorize the issuance of 10 million shares of preferred stock.

#### **RIVIAN AUTOMOTIVE, INC.**

#### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

#### **Contingently Redeemable Convertible Preferred Stock**

Since the preferred stock outstanding prior to the IPO was contingently redeemable upon a Deemed Liquidation Event as defined in the Company's Certificate of Incorporation, it was classified as mezzanine equity prior to the IPO. During the year ended [December 31, 2020](#), approximately 161 million shares of Series E contingently redeemable convertible preferred stock were issued for \$2,500 million. During the year ended [December 31, 2021](#), approximately 72 million shares of Series F contingently redeemable convertible preferred stock were issued for \$2,650 million.

#### **RIVIAN AUTOMOTIVE, INC.**

#### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

#### **Common Stock**

The Company has two classes of common stock: Class A common stock and Class B common stock. Shares of Class A common stock and Class B common stock are identical, except with respect to voting and conversion rights. As of [December 31, 2021](#) [December 31, 2022](#) and [2022](#), [892 million](#) [2023, 918 million](#) and [918](#) [960](#) million shares of Class A common stock were issued and outstanding, respectively. As of [December 31, 2021](#) [December 31, 2022](#) and [2022](#), [2023](#), 8 million shares of Class B common stock were issued and outstanding. As of [December 31, 2021](#) [December 31, 2022](#) and [2022](#), [2023](#), 3,500 million shares of Class A common stock and 8 million shares of Class B common stock were authorized.

Each share of Class A common stock entitles the holder to one vote, and each share of Class B common stock entitles the holder to ten votes. Holders of Class A common stock and Class B common stock have the right to receive any dividend declared by the Company, subject to the payment of dividends on shares of preferred stock. After the payment in full of all liquidation amounts required to be paid to the holders preferred stock, holders of common stock also have the right to receive the remaining property of the Company upon the liquidation, dissolution, or winding up of the Company on a pari passu basis among all holders of common stock.

At the option of the holder, shares of Class B common stock are convertible anytime into an equal number of shares of Class A common stock. Each outstanding share of Class B common stock will automatically convert into one share of Class A common stock upon the earliest to occur of (a) the five-year anniversary the Company's IPO, (b) the date fixed by the board of directors within six months of the death or disability of the Company's CEO, and (c) the date fixed by the board of directors within six months of the

date that the number of outstanding shares of Class B common stock held by the Company's CEO represents less than 30% of the shares of Class B common stock outstanding. Any shares of Class B common stock that are no longer owned by the Company's CEO or their affiliates will automatically convert into an equal of shares of Class A common stock upon transfer of ownership.

Stock Warrants

As of December 31, 2021, 2022, and 2022, 2023, the Company had 12 million shares of common stock warrants outstanding and exercisable with a weighted-average exercise price of \$6.84. The weighted-average remaining contractual life of common stock warrants outstanding and exercisable as of December 31, 2021, 2022, and 2022 2023 is 7 years, and 6 years, and 5 years, respectively. There was no activity for the year ended December 31, 2022.

The weighted average grant date fair value of common stock warrants granted during the year ended December 31, 2020 was \$4.30. There were no common stock warrants granted during the years ended December 31, 2021 and 2022. There was no activity for the year ended December 31, 2021 December 31, 2023.

Fair Value Assumptions

The Company estimates the fair value of each stock warrant using a Black-Scholes warrant pricing model. Expected volatility is based on historical volatility rates of peer companies. The dividend yield is estimated based on the rate at which the Company expects to provide dividends. The risk-free rate is based on the United States Treasury yield curve for Treasury Separate Trading of Registered Interest and Principal of Securities with maturities approximating each grant's contractual life.

The weighted-average assumptions used in the Black-Scholes model for warrants granted were as follows:

	December 31, 2020
Volatility	54.7 %
Dividend yield	— %
Risk-free rate	0.7 %
Contractual term (in years)	10.0

RIVIAN AUTOMOTIVE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

13, 14. COMMITMENTS AND CONTINGENCIES

Legal Proceedings and Loss Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties, and other sources are recorded within "Accrued liabilities" on the Consolidated Balance Sheets. The Company accrues contingencies when it management believes that a loss is probable that a liability has been incurred and the related amount amounts can be reasonably estimated. If an amount within estimated, while contingent gains are recognized only when realized. In the range event any losses are sustained in excess of loss appears at the time to be a better estimate than any other amount within the range, the liability is recorded at that amount. When no amount within the range is a better estimate than any other amount, however; the liability is recorded at the minimum amount accruals, they are charged against income in the range. If a period they occur. In evaluating loss contingencies, management takes into consideration factors such as historical experience with matters of similar nature, specific facts and circumstances, and the likelihood of prevailing. Management evaluates and updates accruals as matters progress over time. It is reasonably possible and the amount that some of the loss or range of loss cannot matters for which accruals have not been established could be reasonably estimated, decided unfavorably to the Company discloses the nature of the possible loss and states that such an estimate cannot be made. could require recognizing future expenditures. Legal costs related to contingencies are recognized as expenses as they are incurred.

The Company is involved in legal proceedings and evaluates other loss contingencies, primarily related to supplier contracts contract claims and employment matters which may result in obligations of the Company. The Company believes it has valid defenses

RIVIAN AUTOMOTIVE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

with respect to these matters. While it is not possible to predict the outcome However, as of these matters with certainty, December 31, 2023, the Company has developed an initial estimate of the range of accrued approximately \$80 million for probable losses related to these matters. It is reasonably possible outcomes related that losses could occur in excess of amounts accrued. As of December 31, 2023, the Company estimates its reasonably possible risk of loss to unsettled obligations be up to approximately \$160 million, which together with includes the estimated liability, is not material as of December 31, 2021 and 2022. The estimated liability is not reduced by expected

recoveries from third parties, and amounts accrued. We expect the majority of the matters for which an estimated obligation has been recorded are expected to be settled during resolved within the year ended December 31, 2023, next 12 months.

Unconditional Purchase Obligations

During the year ended December 31, 2022 December 31, 2023, the Company entered into unrecognized commitments that require the future purchase of goods or services ("unconditional purchase obligations"). The Company's unconditional purchase obligations primarily relate to inventory purchase requirements varying by vendor and vary by vendor, data services, including hosting, storage, and compute from Amazon. Future payments under unconditional purchase obligations having a remaining term in excess of one year as of December 31, 2022 December 31, 2023 are as follows (in millions):

		Future Payments
2023		\$ 11
	Total Future Payments	
	Total Future Payments	
	Total Future Payments	
	Total Future Payments	
2024	2024	45
2025	2025	71
2026	2026	77
2027		
2028		
Thereafter		
Total	Total	\$ 204

14, 15. NET LOSS PER SHARE

The Company's basic net loss per share is calculated by dividing net loss by the weighted-average number of shares of common stock outstanding for the period, after allocating losses to equity awards deemed to be participating securities pursuant to the two-class method. Upon completion of the IPO during November 2021, all outstanding shares of common stock and contingently redeemable convertible preferred stock automatically converted into an equal number of shares of Class A common stock, and approximately 8 million shares of Class A common stock were exchanged for an equivalent number of shares of Class B common stock. Except with respect to voting and conversion, the rights, including liquidation and dividend rights, of the holders of Class A and Class B common stock are identical (see Note 14, 13 "Stockholders' Equity"). Accordingly, the undistributed earnings are allocated on a proportionate basis and as a result, net loss per share attributable to common stockholders is the same for Class A and Class B common stock, whether on an individual or combined basis.

Prior to the IPO, the Company considered shares of contingently redeemable convertible preferred stock to be participating securities because they participated in any dividends declared on the Company's common stock on an "if-converted to common stock" basis. Holders of contingently redeemable convertible preferred stock did not participate in the net loss per share with common stockholders, as they did not have a contractual obligation to share in the Company's losses.

Diluted net loss per share is computed by giving effect to all potential shares of common stock, to the extent dilutive, including shares underlying the Green Convertible Notes, stock options, unvested RSUs, shares underlying the Company's ESPP, stock warrants, and other stock-based awards, awards, and stock warrants. Potential shares of common stock are excluded from the computation of diluted net loss per share if their effect

RIVIAN AUTOMOTIVE, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

would have been anti-dilutive for the periods presented or if the issuance of shares is contingent upon events that did not occur by the end of the period, in the case of Green Convertible Notes, stock options with a market condition, and other stock-based awards. The following table presents the number of potential shares of

# RIVIAN AUTOMOTIVE, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

common stock outstanding during as of the end of each period that were excluded from the computation of diluted net loss per share is as follows for each period (in millions):

Years Ended December 31,		Years Ended December 31,		
2021		2021	2022	2023
Green Convertible Notes Stock warrants				
	Years Ended December 31,			
	2020 2021 2022			
Stock warrants	12 12 12			
Contingently redeemable convertible preferred stock	504 — —			
Stock options				
Stock options				
Stock options	39 65 61			
RSUs, ESPP, and other stock- based awards	12 37 48			
Total	Total 567 114 121			

Capped Calls are excluded from the calculation of diluted earnings per share as they would be antidilutive. However, upon conversion, there will be no economic dilution from the 2030 Green Convertible Notes unless the market price of the Company's Class A common stock exceeds the cap price as exercise of the Capped Calls offsets any dilution from the 2030 Green Convertible Notes from the conversion price up to the cap price.

A reconciliation of the numerator and denominator used in the calculation of basic and diluted net loss per share is as follows (in millions, except per share data):

Years Ended December 31,		Years Ended December 31,		
2020 2021 2022		2021	2022	2023
Numerator	Numerator			
Net loss attributable to Rivian	Net loss attributable to Rivian			
	\$(1,018) \$(4,688) \$(6,752)			
Less: Premium on repurchase of convertible preferred stock	(1) — —			
Net loss attributable to Rivian				
Net loss attributable to Rivian				

Net loss attributable to common stockholders, basic and diluted				
Net loss attributable to common stockholders, basic and diluted				
Net loss attributable to common stockholders, basic and diluted	Net loss attributable to common stockholders, basic and diluted	\$(1,019)	\$(4,688)	\$(6,752)
Denominator	Denominator			
Denominator				
Denominator				
Weighted-average Class A and Class B common shares outstanding - basic				
Weighted-average Class A and Class B common shares outstanding - basic				
Weighted-average Class A and Class B common shares outstanding - basic	Weighted-average Class A and Class B common shares outstanding - basic	101	204	913
Effect of dilutive securities	Effect of dilutive securities	—	—	—
Weighted-average Class A and Class B common shares outstanding - diluted	Weighted-average Class A and Class B common shares outstanding - diluted	101	204	913
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	\$(10.09)	\$(22.98)	\$ (7.40)
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted				
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted				

RIVIAN AUTOMOTIVE, INC.

## Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosures

None.

### Item 9A. Controls and Procedures

#### Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures and carries out a variety of ongoing procedures.

#### Evaluation of Disclosure Controls and Procedures

The Company maintains Our management, with the participation of our CEO and Chief Financial Officer ("CFO") evaluated, as of the end of the period covered by this Form 10-K, the effectiveness of our disclosure controls and procedures as such term is (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e). In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures and carries out a variety of ongoing procedures, under the supervision and with the participation Securities Exchange Act of the Company's management, including the Company's CEO and CFO, to evaluate the effectiveness 1934, as amended (the "Exchange Act")) as of the design and operation of the Company's disclosure controls and procedures December 31, 2023.

Based on that evaluation, our Company's CEO and CFO concluded that, as of December 31, 2023, the Company's disclosure controls and procedures were not effective at the reasonable assurance level as of December 31, 2022 due to the material weaknesses in the Company's internal control over financial reporting, described below.

Nevertheless, based on the performance of additional procedures by management designed to ensure reliability of financial reporting, the Company's management has concluded that, notwithstanding the material weaknesses described below, the consolidated financial statements, included in this Form 10-K, fairly present, in all material respects, the Company's financial position, results of operations, and cash flows as of the dates, and for the periods presented, in conformity with U.S. GAAP, level.

#### Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements in accordance with GAAP.

As of December 31, 2022 December 31, 2023, our management, with participation of the CEO and CFO, under the oversight of our board of directors, conducted an assessment of evaluated the effectiveness of our internal control over financial reporting based on using the criteria for effective internal control over financial reporting established framework issued by the Committee of Sponsoring Organization of the Treadway Commission in Internal Control - Integrated Framework (2013). Based on this assessment, our evaluation, management concluded that the Company's internal control over financial reporting was not effective as of December 31, 2022 due December 31, 2023.

A company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material weaknesses described below, effect on the financial statements.

KPMG LLP, the Company's independent registered public accounting firm, who audited the consolidated financial statements included in this Form 10-K, has issued an unqualified opinion on the effectiveness of the Company's internal control over financial reporting. KPMG LLP's report appears on page 68 of this Form 10-K.

#### Remediation of Previously Reported Material Weaknesses

A material weakness is a deficiency, or combination of deficiencies, in our internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements would not be prevented or detected on a timely basis.

Based As previously disclosed in Part II, Item 9A. "Controls and Procedures" of our Annual Report on this assessment, Form 10-K for the year ended December 31, 2022, management concluded that the Company's risk assessment process was not effective in implementing controls on a timely basis in response to changes to the business operations, personnel, and other factors affecting certain financial reporting processes and related information technology ("IT") systems. As a result, the Company had ineffective

**RIVIAN AUTOMOTIVE, INC.**

Information Technology General Controls ("ITGCs" ITGC") related to certain systems, applications, and tools used for financial reporting; reporting and the Company did not establish effective user access and segregation of duties controls across financially relevant functions. Therefore, the automated and manual process level controls over financial reporting which were dependent upon these ITGCs could not be relied upon.

The control deficiencies identified did not result in misstatements to Subsequently, our consolidated financial statements; however, the control deficiencies described above created a reasonable possibility that a material misstatement to the consolidated financial statements would not be prevented or detected on a timely basis. Therefore, our management concluded that the deficiencies represent material weaknesses.

KPMG LLP, the Company's independent registered public accounting firm, who audited the consolidated financial statements included in this Form 10-K, has issued an attestation report on the Company's internal control over financial reporting. KPMG LLP's attestation report contains an adverse opinion on the effectiveness of the Company's internal control over financial reporting. KPMG LLP's report is included in Item 8 in this Form 10-K.

## RIVIAN AUTOMOTIVE, INC.

### Remediation Efforts to Address the Material Weaknesses

The aforementioned material weaknesses were identified in 2021. While the Company has improved its organizational capabilities, the material weaknesses remain unremediated as of December 31, 2022, and the Company's remediation efforts will continue to take place in 2023.

During the year ended December 31, 2022, management completed the following remedial actions:

- performed a risk assessment over the IT systems used as part of financial reporting and business processes, including the various layers of technology;
- implemented processes to identify sensitive access and segregation of duties risks across relevant business and IT functions, implemented tools and systems to support the ongoing maintenance and evaluation of the risks and controls, and implemented controls to address risks within certain privileged IT access;
- designed, developed, and deployed an enhanced ITGC framework, including the implementation of a number of systems and tools to enable the effectiveness and consistent execution of these controls; and
- hired critical leadership roles with public company and internal control experience responsible for designing, implementing, and monitoring our ITGCs, including the Chief Information Officer, Chief Operating Officer, Vice President Corporate Controller, ITGC; and Head of SOX Compliance.

In addition to the remedial actions taken to date, the Company is still considering the full extent of the procedures to implement in order to remediate the material weaknesses described above. However, the current remediation plan includes:

- continuing to implement processes and controls to better manage and monitor our segregation of duties risks, including enhancing the usage of technology and tools for segregation of duties within the Company's systems, applications, and tools;
- continuing to implement ITGCs to manage removed unnecessary and excessive access and program changes within our IT environment implemented additional automation in provisioning and to support the evaluation, deprovisioning controls, monitoring and ongoing effectiveness of key application controls and key reports; including:
  - enhancing controls and the usage of technology and tools over consistent provisioning, deprovisioning, and periodic reviews of user access;
  - enhancing access, and enhanced monitoring processes to drive improved of the execution of ITGCs, including assessing the impact of business and technology changes for the continued alignment with financial reporting needs; and
- continuing to expand our resources with the expertise, technical knowledge, and structure to implement, monitor, and maintain ITGCs, with a focus on user assess and segregation of duties controls. ITGC.

The As a result of these actions, and based on the results of our evaluation to confirm the effective design, implementation, and operating effectiveness over a reasonable period, we concluded that, as of December 31, 2023, we are taking are subject to ongoing management review and audit committee oversight. We will not be able to conclude whether the steps we are taking will fully remediate have remediated the material weaknesses previously disclosed in our internal control over financial reporting until we have completed our remediation efforts and subsequently evaluated their effectiveness. We may also conclude that additional measures are required to remediate Annual Report on Form 10-K for the material weaknesses in our internal control over financial reporting, year ended December 31, 2022.

### Changes in Internal Control Over Financial Reporting

Except for the remediation measures in connection with actions taken to remediate the previously reported material weaknesses, as described above, there were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the quarter ended December 31, 2022 December 31, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

### Item 9B. Other Information

None.

### Item 9C. Disclosure Regarding Foreign Jurisdiction that Prevent Inspections

Not applicable.

## RIVIAN AUTOMOTIVE, INC.

### PART III

#### Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item will be included in our Proxy Statement for our 2023 2024 Annual Meeting of Shareholders Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2022 December 31, 2023 and is incorporated herein by reference.

#### Item 11. Executive Compensation

The information required by this Item will be included in our Proxy Statement for our 2023 2024 Annual Meeting of Shareholders Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2022 December 31, 2023 and is incorporated herein by reference.

#### Item 12. Security Ownership of Certain Beneficial Owner and Management and Related Stockholder Matters

The information required by this Item will be included in our Proxy Statement for our 2023 2024 Annual Meeting of Shareholders Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2022 December 31, 2023 and is incorporated herein by reference.

#### Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item will be included in our Proxy Statement for our 2023 2024 Annual Meeting of Shareholders Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2022 December 31, 2023 and is incorporated herein by reference.

#### Item 14. Principal Accounting Accountant Fees and Services

The information required by this Item will be included in our Proxy Statement for our 2023 2024 Annual Meeting of Shareholders Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2022 December 31, 2023 and is incorporated herein by reference.

## RIVIAN AUTOMOTIVE, INC.

### PART IV

#### Item 15. Exhibits, Exhibit and Financial Statement Schedules

Exhibit Index					
Exhibit Number	Exhibit Title	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
3.1	<a href="#">Amended and Restated Certificate of Incorporation of Rivian Automotive, Inc.</a>	8-K	001-41042	3.1	11/16/2021
3.2	<a href="#">Amended and Restated Bylaws of Rivian Automotive, Inc.</a>	8-K	001-41042	3.2	11/16/2021
4.1	<a href="#">Specimen Stock Certificate evidencing the shares of Class A common stock</a>	S-1/A	333-259992	4.1	11/01/2021
4.2	<a href="#">Fifth Amended and Restated Investors' Rights Agreement, dated as of January 19, 2021, by and among the Registrant and certain holders of its capital stock, as amended</a>	S-1/A	333-259992	4.2	10/22/2021
4.3*	<a href="#">Description of Capital Stock</a>				
10.1#	<a href="#">2015 Long-Term Incentive Plan, as amended, and forms of option and restricted stock unit agreements thereunder</a>	S-1/A	333-259992	10.1	11/01/2021
10.2#	<a href="#">2021 Incentive Award Plan and forms of option and restricted stock unit agreements thereunder</a>	S-1/A	333-259992	10.2	11/01/2021
10.3#	<a href="#">Non-Employee Director Compensation Program</a>	S-1/A	333-259992	10.3	11/01/2021
10.4#	<a href="#">2021 Employee Stock Purchase Plan</a>	S-1/A	333-259992	10.4	11/01/2021
10.5#	<a href="#">Form of Indemnification Agreement for Directors and Officers</a>	S-1/A	333-259992	10.5	11/01/2021
10.6	<a href="#">Credit Agreement, dated as of May 20, 2021, by and among Rivian Holdings, LLC, as Borrower Representative, the borrowers party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</a>	S-1/A	333-259992	10.6	10/22/2021

10.7#	<a href="#">Employment Agreement by and between Rivian Automotive, LLC and Robert Joseph Scaringe</a>	S-1/A	333-259992	10.7	11/01/2021
-------	---	-------	------------	------	------------

#### RIVIAN AUTOMOTIVE, INC.

10.8#	<a href="#">Employment Agreement by and between Rivian Automotive, LLC and Jiten Behl</a>	S-1/A	333-259992	10.8	11/01/2021
10.9#	<a href="#">Employment Agreement by and between Rivian Automotive, LLC and Claire McDonough</a>	S-1/A	333-259992	10.9	11/01/2021
10.10#	<a href="#">Transition and Release Agreement, dated as of March 2, 2021, by and between Rivian Automotive, LLC and Ryan Green</a>	S-1/A	333-259992	10.11	11/01/2021
10.11†	<a href="#">Framework Agreement, dated as of September 16, 2019, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.</a>	S-1	333-259992	10.12	10/01/2021
10.12†	<a href="#">Work Order No. #1 to the Framework Agreement, dated as of September 16, 2019, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.htm</a>	S-1	333-259992	10.13	10/01/2021
10.13†	<a href="#">Commercial Letter Agreement, dated as of February 15, 2019, by and between Rivian Automotive, Inc. and Amazon.com, Inc.</a>	S-1	333-259992	10.14	10/01/2021
10.14†	<a href="#">Amendment to Commercial Letter Agreement, dated as of September 6, 2019, by and between Rivian Automotive, Inc. and Amazon.com, Inc.</a>	S-1	333-259992	10.15	10/01/2021
10.15†	<a href="#">Master Services Agreement, dated as of May 7, 2021, by and between Rivian, LLC and Cox Automotive Corporate Services, LLC</a>	S-1	333-259992	10.16	10/01/2021
10.16†	<a href="#">Statement of Work for Consignment Services, dated as of June 21, 2021, by and between Rivian, LLC and Manheim Remarketing, Inc.</a>	S-1	333-259992	10.17	10/01/2021
10.17†	<a href="#">Development, Production and Supply Agreement, dated as of April 16, 2021, by and between Rivian Automotive, LLC and Troy Design and Manufacturing Co.</a>	S-1	333-259992	10.18	10/01/2021
10.18	<a href="#">Indenture, dated as of October 8, 2021, by and among Rivian Holdings, LLC, Rivian, LLC, Rivian Automotive, LLC, the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent.</a>	S-1/A	333-259992	10.19	10/22/2021
10.19	<a href="#">Note Purchase Agreement, dated as of October 8, 2021, by and among Rivian Holdings, LLC, Rivian, LLC, Rivian Automotive, LLC and the purchasers party thereto.</a>	S-1/A	333-259992	10.20	10/22/2021
10.20†*	<a href="#">Amendment No. 1 to the Framework Agreement, dated as of October 26, 2021, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.</a>				

#### RIVIAN AUTOMOTIVE, INC.

10.21	<a href="#">Amendment to the Warrant to Purchase Series C Preferred Stock, dated as of October 31, 2021, by and between Rivian Automotive, Inc. and Amazon.com NV Investment Holdings LLC.</a>	S-1/A	333-259992	10.21	11/01/2021
10.22*	<a href="#">Economic Development Agreement, dated as of May 2, 2022, by and among Rivian Horizon, LLC, the State of Georgia and the Georgia Department of Economic Development, and Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County</a>	8-K	001-41042	10.1	05/06/2022
10.23	<a href="#">Amendment no. 1 to Credit Agreement, dated as of May 20, 2021, by and among Rivian Holdings, LLC, as Borrower Representative, the borrowers party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</a>	10-Q	001-41042	10.1	05/11/2022
10.24	<a href="#">Amendment no. 2 to Credit Agreement, dated as of May 20, 2021, by and among Rivian Holdings, LLC, as Borrower Representative, the borrowers party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</a>	10-Q	001-41042	10.2	05/11/2022
10.25#	<a href="#">Rivian Executive Bonus Plan</a>	10-Q	001-41042	10.1	11/09/2022
10.26†*	<a href="#">Amendment No. 2 to the Framework Agreement, dated as of January 1, 2023, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.</a>				
21.1*	<a href="#">List of Subsidiaries of Rivian Automotive, Inc.</a>				
23.1*	<a href="#">Consent of KPMG, LLP, Independent Registered Public Accounting Firm</a>				
31.1*	<a href="#">Certification of Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)</a>				

31.2*	<a href="#">Certification of Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)</a>
32.1**	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350</a>
32.2**	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350</a>

Exhibit Index					
Exhibit Number	Exhibit Title	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
3.1	<a href="#">Amended and Restated Certificate of Incorporation of Rivian Automotive, Inc.</a>	8-K	001-41042	3.1	11/16/2021
3.2	<a href="#">Amended and Restated Bylaws of Rivian Automotive, Inc.</a>	8-K	001-41042	3.2	11/16/2021
4.1	<a href="#">Specimen Stock Certificate evidencing the shares of Class A common stock</a>	S-1/A	333-259992	4.1	11/01/2021
4.2	<a href="#">Fifth Amended and Restated Investors' Rights Agreement, dated as of January 19, 2021, by and among the Registrant and certain holders of its capital stock, as amended</a>	S-1/A	333-259992	4.2	10/22/2021
4.3	<a href="#">Indenture, dated as of March 10, 2023, between Rivian Automotive, Inc. and U.S. Bank Trust Company, National Association, as trustee.</a>	8-K	001-41042	4.1	03/10/2023
4.4	<a href="#">Form of certificate representing the 4.625% Green Convertible Senior Notes due 2029 (included as Exhibit A to Exhibit 4.4)</a>	8-K	001-41042	4.2	03/10/2023
4.5	<a href="#">Indenture, dated as of October 11, 2023, between Rivian Automotive, Inc. and U.S. Bank Trust Company, National Association, as trustee.</a>	8-K	001-41042	4.1	10/11/2023
4.6	<a href="#">Form of certificate representing the 3.625% Green Convertible Senior Notes due 2030 (included as Exhibit A to Exhibit 4.5)</a>	8-K	001-41042	4.2	10/11/2023
4.7*	<a href="#">Description of Capital Stock</a>				
10.1#	<a href="#">2015 Long-Term Incentive Plan, as amended, and forms of option and restricted stock unit agreements thereunder</a>	S-1/A	333-259992	10.1	11/01/2021
10.2#	<a href="#">2021 Incentive Award Plan and forms of option and restricted stock unit agreements thereunder</a>	S-1/A	333-259992	10.2	11/01/2021
10.3#	<a href="#">Form of Performance Stock Unit Award Agreement under the Rivian Automotive, Inc. 2021 Incentive Award Plan</a>	10-Q	001-41042	10.3	08/08/2023

## RIVIAN AUTOMOTIVE, INC.

10.4#	<a href="#">Non-Employee Director Compensation Program (effective April 1, 2023)</a>	10-Q	001-41042	10.2	08/08/2023
			Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document		
101.INS* 10.5#	<a href="#">2021 Employee Stock Purchase Plan</a>	S-1/A		10.4	11/01/2021
			333-259992		
			Inline XBRL Taxonomy Extension Schema Document		
101.SCH* 10.6#	<a href="#">Form of Indemnification Agreement for Directors and Officers</a>	S-1/A		10.5	11/01/2021
			333-259992		
	<a href="#">Amended and Restated Credit Agreement, dated as of April 19,</a>		Inline XBRL Taxonomy		

101.CAL*	10.7+	<a href="#">2023, by and among Rivian Holdings, LLC, as Borrower Representative, the borrowers and guarantors party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</a>	8-K	Extension Calculation Linkbase Document 001-41042 Inline XBRL Taxonomy	10.1	04/19/2023
101.DEF*	10.8#	<a href="#">Employment Agreement by and between Rivian Automotive, LLC and Robert Joseph Scaringe</a>	S-1/A	Extension Definition Linkbase Document 333-259992 Inline XBRL Taxonomy	10.7	11/01/2021
101.LAB*	10.9#	<a href="#">Employment Agreement by and between Rivian Automotive, LLC and Claire McDonough</a>	S-1/A	Extension Labels Linkbase Document 333-259992 Inline XBRL Taxonomy	10.9	11/01/2021
101.PRE*	10.10#	<a href="#">Employment Agreement by and between Rivian Automotive, LLC and Kjell Gruner</a>	10-Q	Extension Presentation Linkbase Document 001-41042 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101) 001-41042	10.10	11/07/2023
104*	10.11#	<a href="#">Rivian Executive Bonus Plan</a>	10-Q	inline XBRL and contained in Exhibit 101) 001-41042	10.1	11/09/2022
		* Filed herewith.				
		** Furnished herewith.				
		# Indicates management contract or compensatory plan.				
10.12†		† Portions <a href="#">Framework Agreement, dated as of this exhibit (indicated September 16, 2019, by asterisks) have been redacted in compliance with Regulation S-K Item 601(b)(10)(iv), and between Rivian Automotive, LLC and Amazon Logistics, Inc. Work Order No. #1 to Item 601(a)(5) the Framework Agreement, dated as of Regulation S-K. The registrant undertakes September 16, 2019, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.htm</a>	S-1	* Certain exhibits have been omitted pursuant 333-259992	10.12	10/01/2021
10.13†		<a href="#">Commercial Letter Agreement, dated as of February 15, 2019, by and between Rivian Automotive, Inc. and Amazon.com, Inc. Amendment to provide copies Commercial Letter Agreement, dated as of any September 6, 2019, by and between Rivian Automotive, Inc. and Amazon.com, Inc. Master Services Agreement, dated as of the omitted exhibits upon request May 7, 2021, by the Securities and Exchange Commission, between Rivian, LLC and Cox Automotive Corporate Services, LLC Statement of Work for Consignment Services, dated as of June 21, 2021, by and between Rivian, LLC and Manheim Remarketing, Inc.</a>	S-1	333-259992	10.13	10/01/2021
10.14†			S-1	333-259992	10.14	10/01/2021
10.15†			S-1	333-259992	10.15	10/01/2021
10.16†			S-1	333-259992	10.16	10/01/2021
10.17†			S-1	333-259992	10.17	10/01/2021

## RIVIAN AUTOMOTIVE, INC.

10.18†	<a href="#">Development, Production and Supply Agreement, dated as of April 16, 2021, by and between Rivian Automotive, LLC and Troy Design and Manufacturing Co.</a>	S-1	333-259992	10.18	10/01/2021
10.19	<a href="#">Indenture, dated as of October 8, 2021, by and among Rivian Holdings, LLC, Rivian, LLC, Rivian Automotive, LLC, the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent.</a>	S-1/A	333-259992	10.19	10/22/2021
10.20	<a href="#">Note Purchase Agreement, dated as of October 8, 2021, by and among Rivian Holdings, LLC, Rivian, LLC, Rivian Automotive, LLC and the purchasers party thereto.</a>	S-1/A	333-259992	10.20	10/22/2021
10.21†	<a href="#">Amendment No. 1 to the Framework Agreement, dated as of October 26, 2021, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.</a>	10-K	001-41042	10.20	02/28/2023
10.22	<a href="#">Amendment to the Warrant to Purchase Series C Preferred Stock, dated as of October 31, 2021, by and between Rivian Automotive, Inc. and Amazon.com NV Investment Holdings LLC.</a>	S-1/A	333-259992	10.21	11/01/2021
10.23	<a href="#">Economic Development Agreement, dated as of May 2, 2022, by and among Rivian Horizon, LLC, the State of Georgia and the Georgia Department of Economic Development, and Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County.</a>	8-K	001-41042	10.1	05/06/2022
10.24	<a href="#">First Amendment to Economic Development Agreement, dated as of September 26, 2023 by and among Rivian Horizon, LLC, the State of Georgia acting by and through the Georgia Department of Economic Development, and Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County.</a>	8-K	001-41042	10.1	09/29/2023
10.25	<a href="#">Rental Agreement, dated as of November 1, 2023, by and between Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County and Rivian Horizon, LLC.</a>	8-K	001-41042	10.1	11/13/2023
10.26	<a href="#">Bond Purchase Agreement, dated as of November 1, 2023, by and between Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County and Rivian Horizon, LLC.</a>	8-K	001-41042	10.2	11/13/2023
10.27	<a href="#">Option Agreement, dated as of November 1, 2023, by and between Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County and Rivian Horizon, LLC.</a>	8-K	001-41042	10.3	11/13/2023
10.28†	<a href="#">Amendment No. 2 to the Framework Agreement, dated as of January 1, 2023, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.</a>	10-K	001-41042	10.26	02/28/2023
10.29†	<a href="#">Amendment No. 3 to the Framework Agreement, dated as of November 7, 2023, by and between Rivian Automotive, LLC and Amazon Logistics, Inc.</a>	10-Q	001-41042	10.6	11/07/2023
10.30	<a href="#">Form of Capped Call Confirmations</a>	8-K	001-41042	10.1	10/11/2023

## RIVIAN AUTOMOTIVE, INC.

10.31	<a href="#">Form of Additional Capped Call Confirmations</a>	8-K	001-41042	10.2	10/11/2023
21.1*	<a href="#">List of Subsidiaries of Rivian Automotive, Inc.</a>				
23.1*	<a href="#">Consent of KPMG, LLP, Independent Registered Public Accounting Firm</a>				
31.1*	<a href="#">Certification of Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)</a>				
31.2*	<a href="#">Certification of Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)</a>				
32.1**	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350</a>				
32.2**	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350</a>				
97.1*	<a href="#">Policy Relating to Recovery of Erroneously Awarded Compensation</a>				
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document				

101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

\* Filed herewith.

\*\* Furnished herewith.

# Indicates management contract or compensatory plan.

† Portions of this exhibit (indicated by asterisks) have been redacted in compliance with Regulation S-K Item 601(b)(10)(iv).

\* Certain exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant undertakes to provide copies of any of the omitted exhibits upon request by the Securities and Exchange Commission.

#### Item 16. Form 10-K Summary

None.

#### RIVIAN AUTOMOTIVE, INC.

#### SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RIVIAN AUTOMOTIVE, INC.

By: /s/ Robert J. Scaringe

Robert J. Scaringe

Chief Executive Officer, Chairman of the Board of Directors

(Principal Executive Officer)

Date: February 28, 2023 February 26, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
<u>/s/ Robert J. Scaringe</u> Robert J. Scaringe	Chief Executive Officer, Chairman of the Board of Directors (Principal Executive Officer)	February 28, 2023 26, 2024
<u>/s/ Claire McDonough</u> Claire McDonough	Chief Financial Officer (Principal Financial Officer)	February 28, 2023 26, 2024
<u>/s/ Jeffrey R. Baker</u> Jeffrey R. Baker	Chief Accounting Officer (Principal Accounting Officer)	February 28, 2023 26, 2024
<u>/s/ Karen Boone</u> Karen Boone	Director	February 28, 2023 26, 2024
<u>/s/ Sanford Schwartz</u> Sanford Schwartz	Director	February 28, 2023 26, 2024
<u>/s/ Rose Marcario</u> Rose Marcario	Director	February 28, 2023 26, 2024
<u>/s/ Peter Krawiec</u> Peter Krawiec	Director	February 28, 2023 26, 2024
<u>/s/ Jay Flatley</u> Jay Flatley	Director	February 28, 2023 26, 2024
<u>/s/ Pamela Thomas-Graham</u> Pamela Thomas-Graham	Director	February 28, 2023 26, 2024
<u>/s/ John Krafcik</u> John Krafcik	Director	February 26, 2024

97 103

Exhibit 4.3

DESCRIPTION OF CAPITAL STOCK

The following description of the capital stock of Rivian Automotive, Inc. (the “Company,” “we,” “us,” and “our”) and certain provisions of our amended and restated certificate of incorporation, as amended from time to time (the “amended and restated certificate of incorporation”) and amended and restated bylaws, as amended from time to time (the “amended and restated bylaws”) is a summary and is qualified in its entirety by reference to the full text of our amended and restated certificate of incorporation and amended and restated bylaws and applicable provisions of the General Corporation Law of the State of Delaware (the “DGCL”). Our amended and restated certificate of incorporation authorizes capital stock consisting of:

- 3,500,000,000 shares of Class A common stock, par value \$0.001 per share;
- 7,825,000 shares of Class B common stock, par value \$0.001 per share; and
- 10,000,000 0 shares of undesignated preferred stock, par value \$0.001 per share.

We have no shares of preferred stock issued and outstanding. The following summary describes the material provisions of our capital stock.

Common Stock

We have two classes of authorized common stock: Class A common stock and Class B common stock. The rights of the holders of each class of our common stock are identical, except with respect to voting and conversion rights.

### ***Voting Rights***

Each holder of our Class A common stock is entitled to one vote per share, and each holder of our Class B common stock is entitled to ten votes per share, on all matters submitted to a vote of the stockholders. The holders of our Class A and Class B common stock generally vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by Delaware law or our amended and restated certificate of incorporation. Delaware law could require either holders of our Class A common stock or Class B common stock to vote separately as a single class in the following circumstances:

- if we were to seek to amend our amended and restated certificate of incorporation to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; and
- if we were to seek to amend our amended and restated certificate of incorporation in a manner that alters or changes the powers, preferences, or special rights of a class of our capital stock in a manner that affected its holders adversely, then that class would be required to vote separately to approve the proposed amendment.

Our amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors.

### ***Dividend Rights***

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our Class A and Class B common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

---

### ***Conversion***

Each outstanding share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, which occurs after the completion of this offering, except for certain permitted transfers further described in our amended and restated certificate of incorporation, including estate planning or charitable transfers where exclusive voting control with respect to the shares of Class B common stock is retained by our Founder and Chief Executive Officer and transfers to affiliates or certain other related entities of our Founder and Chief Executive Officer.

All outstanding shares of our Class B common stock will automatically convert into one share of Class A common stock at 5:00 p.m. New York City time on the earliest to occur of (1) a date fixed by our board of directors that is not less than 60 days nor more than 180 days following the death or disability of our Founder and Chief Executive Officer, (2) the five year anniversary of the date of the closing of our initial public offering and (3) the date fixed by the board of directors of the Company that is no less than 61 days and no more than 180 days following the date that the number of outstanding shares of Class B common stock held by our Founder and Chief Executive Officer and certain permitted transferees represents less than 30% of the shares of Class B common stock held by an affiliate of our Founder and Chief Executive Officer immediately following our initial public offering.

Once converted into Class A common stock, the Class B common stock may not be reissued.

### ***Right to Receive Liquidation Distributions***

Upon our liquidation, dissolution or winding up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our Class A common stock and Class B common stock and any participating preferred stock outstanding at that time, subject to the prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any shares of preferred stock outstanding at that time.

### ***No Preemptive or Similar Rights***

Our Class A common stock and Class B common stock is not entitled to preemptive rights and is not subject to redemption or sinking fund provisions. The rights, preferences and privileges of the holders of our common stock will be subject to and may be adversely affected by the rights of the holders of shares of any series of our preferred stock that we may designate in the future.

### **Fully Paid and Non-Assessable**

All outstanding shares of our Class A common stock and Class B common stock are fully paid and non-assessable.

### **Preferred Stock**

Pursuant to the provisions of our amended and restated certificate of incorporation, our board of directors is authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the designation, powers, preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying,

---

deferring or preventing a change in control of the Company and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock.

### **Warrants**

As of December 31, 2022, there were outstanding warrants to purchase approximately 12 million shares of Class A common stock.

### **Registration Rights**

Holders of certain outstanding shares of our common stock are entitled to rights with respect to the registration of these shares under the Securities Act of 1933, as amended (the "Securities Act"). These rights are provided under the terms of our fifth amended and restated investors' rights agreement ("IRA") and include demand registration rights, Form S-3 registration rights, and piggyback registration rights. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement is declared effective. The registration rights set forth in the IRA terminate upon the earlier to occur of (i) three years following the completion of our initial public offering, (ii) a Deemed Liquidation Event (as defined in the IRA) and (iii) with respect to any particular stockholder, such time such stockholder is able to sell all of its Registrable Securities (as defined in the IRA), without restriction pursuant to Rule 144 or another similar exemption during any three-month period without registration. We will pay the registration expenses (other than any underwriting discounts and selling commissions) of the holders of the shares registered for sale pursuant to the registrations described below, including the reasonable fees of one counsel for the selling holders not to exceed \$50,000. However, we will not be required to bear the expenses in connection with the exercise of the demand registration rights of a registration if the request is subsequently withdrawn at the request of the selling stockholders holding a majority of securities to be registered. In an underwritten public offering, the underwriters have the right, subject to specified conditions, to limit the number of shares such holders may include.

#### **Demand Registration Rights**

Certain holders of our common stock are entitled to certain demand registration rights. At any time beginning 180 days after the completion of our initial public offering, the holders of at least a majority of the shares subject to demand registration rights then outstanding can request that we register the offer and sale of their shares on a registration statement on Form S-1 if we are eligible to file a registration statement on Form S-1 so long as the request covers at least that number of shares with an anticipated offering price, net of underwriting discounts and commissions, of at least \$100 million. We are obligated to effect only two such registrations. If we determine that it would be materially detrimental to us and our stockholders to effect such a demand registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 120 days. In addition, we will not be required to effect a demand registration during the period beginning 60 days prior to our good faith estimate of the date of the filing of and ending on a date 180 days following the effectiveness of a registration statement initiated by us.

#### **Form S-3 Registration Rights**

Certain holders of our common stock are entitled to certain Form S-3 registration rights. The holders of at least 20% of the shares subject to Form S-3 registration rights then outstanding may make a written request that we register the offer and sale of their shares on a registration statement on Form S-3 if we are eligible to file a registration statement on Form S-3 so long as the request covers at least that number of shares with an anticipated offering price, net of underwriting discounts and commissions, of at least \$25 million. These stockholders may make an unlimited number of requests for registration on Form S-3; however, we will not be required to effect a registration on Form S-3 if we have effected two such registrations within the 12-month period preceding the date of the request. If we determine that it would be materially detrimental to us and our stockholders to effect such a registration, we have the right to defer such registration, not more than once in any 12-month period, for a period

---

of up to 120 days. In addition, we will not be required to effect a demand registration during the period beginning 30 days prior to our good faith estimate of the date of the filing of and ending on a date 90 days following the effectiveness of a registration statement initiated by us.

#### ***Piggyback Registration Rights***

---

If we propose to register the offer and sale of our Class A common stock under the Securities Act in connection with the public offering of such Class A common stock, certain holders of our common stock will be entitled to certain "piggyback" registration rights allowing the holders to include their shares in such registration, subject to certain marketing and other limitations, which, in the case of an underwritten offering, will be in the sole discretion of the underwriters. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to (i) a registration related solely to a company stock plan, (ii) a registration relating to a corporate reorganization or transaction under Rule 145 of the Securities Act, (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the public offering of our Class A common stock, or (iv) a registration in which the only Class A common stock being registered is Class A common stock issuable upon the conversion of debt securities that are also being registered, the holders of these shares are entitled to notice of the registration and have the right, subject to certain limitations, to include their shares in the registration.

#### **Anti-Takeover Provisions**

The provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws could have the effect of delaying, deferring, or discouraging another person from acquiring control of the Company. These provisions, which are summarized below, may have the effect of discouraging takeover bids. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

#### **Delaware Law**

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, DGCL Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the date on which the person became an interested stockholder unless:

- prior to the date of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
  - the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, but not the outstanding voting stock owned by the interested stockholder, (1) shares owned by persons who are directors and also officers and (2) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
  - at or subsequent to the date of the transaction, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.
-

Generally, a “business combination” includes a merger, asset or stock sale, or other transaction or series of transactions together resulting in a financial benefit to the interested stockholder. An “interested stockholder” is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own 15% or more of a corporation’s outstanding voting stock. We expect the existence of this provision to have an anti-takeover effect with respect to transactions our board of directors does

---

not approve in advance. We also anticipate that DGCL Section 203 may also discourage attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

#### ***Amended and Restated Certificate of Incorporation and Amended and Restated Bylaw Provisions***

Our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that could make the following actions and transactions, among others, more difficult: acquisition of us by means of a tender offer; acquisition of us by means of a proxy contest or otherwise; or removal of our incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions that might result in a premium over the market price for our shares. These provisions, summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

#### ***Dual Class Stock***

As described above in the subsection titled “Common Stock—Voting Rights,” our amended and restated certificate of incorporation provides for a dual class common stock structure, which provides our Founder and Chief Executive Officer with significant influence over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets.

#### ***Undesignated Preferred Stock***

The ability to authorize undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to effect a change in control of our company. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

#### ***Special Stockholder Meetings***

Our amended and restated bylaws provide that a special meeting of stockholders may only be called by an officer of our company pursuant to a resolution adopted by a majority of our board of directors then in office or the chairperson of our board of directors.

#### ***Stockholder Action by Written Consent***

Our amended and restated certificate of incorporation provides that no action may be taken by our stockholders by written consent.

#### ***Requirements for Advance Notification of Stockholder Proposals and Nominations***

Our amended and restated bylaws contain advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

---

## ***Classified Board; Election and Removal of Directors; Filling Vacancies***

Our board of directors is divided into three classes, divided as nearly as equal in number as possible. The directors in each class serve for a three-year term, one class being elected each year by our stockholders, with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Because our stockholders do not

---

have cumulative voting rights, our stockholders holding a majority of the voting power of the then outstanding capital stock will be able to elect all of our directors. Our amended and restated certificate of incorporation provides for the removal of any of our directors only for cause and require a stockholder vote by the holders of a majority of the voting power of the then outstanding capital stock. Furthermore, our board of directors has the exclusive right to set the size of the board of directors, and any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of the board, may only be filled by a resolution of the board of directors unless the board of directors determines that such vacancies will be filled by the stockholders. This system of electing and removing directors and filling vacancies may discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of the directors.

### ***Forum Selection***

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, (A)(i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, other employees or stockholders to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or amended and restated bylaws (as either may be amended or restated) or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware, or (iv) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware, and (B) the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision shall not apply to claims seeking to enforce any liability or duty created by the Exchange Act. Our amended and restated certificate of incorporation also provides that, to the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of our capital stock shall be deemed to have notice of and consented to the foregoing. By agreeing to this provision, however, stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

Although our amended and restated certificate of incorporation and amended and restated bylaws contain the choice of forum provision described above, it is possible that a court could find that such a provision is inapplicable for a particular claim or action or that such provision is unenforceable. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees, or stockholders, which may discourage lawsuits with respect to such claims, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder.

### ***Amendment of Amended and Restated Certificate of Incorporation Provisions***

Any amendment of the above provisions in our amended and restated certificate of incorporation would require approval by holders of at least 66 2/3% of the voting power of all of the then outstanding capital stock entitled to vote generally in the election of directors, voting together as a single class. In addition, the affirmative vote of holders of at least 80% of the shares of Class B common stock outstanding at the time of such vote, voting as a separate series, is required to amend or repeal, or adopt any provision of our amended and restated certificate of incorporation relating to the rights and preferences of our common stock.

---

### ***Limitations on Liability and Indemnification Matters***

Our amended and restated certificate of incorporation provides that we will indemnify each of our directors and executive officers to the fullest extent permitted by the DGCL. We have entered into indemnification agreements with each of our directors and executive officers that may, in some cases, be broader than the specific indemnification provisions contained under Delaware law. Further, pursuant to our indemnification agreements

and directors' and officers' liability insurance, our directors and executive officers are indemnified and insured against the cost of defense, settlement or payment of a judgment under certain circumstances. In addition, as permitted by Delaware law, our amended and restated certificate of incorporation includes provisions that eliminate the personal liability of our directors for monetary damages resulting from breaches of certain fiduciary duties as a director. The effect of this provision is to restrict our rights and the rights of our stockholders in derivative suits to recover monetary damages against a director for breach of fiduciary duties as a director.

These provisions may be held not to be enforceable for violations of the federal securities laws of the United States.

#### Stock Exchange Listing

Our Class A common stock is traded on the Nasdaq Global Select Market under the symbol "RIVN."

#### Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock and Class B common stock is Computershare Trust Company, N.A.

#### Exhibit 10.20

\*\*\* Certain information in this document has been excluded pursuant to Regulation S-K, Item (601)(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

#### AMENDMENT NO. 1 TO THE FRAMEWORK AGREEMENT

This Amendment No. 1 to the Framework Agreement (this "Amendment"), between Amazon Logistics, Inc., a Delaware corporation ("Amazon") and Rivian Automotive, LLC, a Delaware limited liability company ("Rivian"), is dated as of October 26, 2021 (the "Amendment Effective Date"). Amazon and Rivian are referred to herein individually as a "Party" and collectively as the "Parties." The Parties have entered into a Framework Agreement, dated as of September 16, 2019, as amended (the "Framework Agreement"), including an initial Work Order No.1 thereunder, dated as of September 16, 2019, as amended ("Work Order No. 1") (together, the "Existing Agreement") and desire to amend the Existing Agreement on the terms and subject to the conditions set forth herein. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**1. DEFINITIONS.** Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement.

**2. AMENDMENTS TO THE EXISTING AGREEMENT.** The Existing Agreement is hereby amended as follows:

**2.1 Section 4.1** of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"4.1 Supply Services. Generally. Rivian will Manufacture, test, and deliver Products pursuant to applicable Orders issued by Amazon and in accordance with the applicable Requirements set forth in an applicable Work Order. Rivian will procure labor and all Component Parts and Directed Components, as required to Manufacture and deliver the Products in accordance with the Work Orders and the Purchase Orders. Without limiting the foregoing, the Parties will identify in Work Orders the timelines, milestones, and deadlines for Rivian to put in place manufacturing capacity required to support Production of the Products."

**2.2 Section 4.4(B)** of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) After Start of Production – Amazon Requested Changes. Following the start of Production, Amazon may propose Changes by providing Rivian an Amazon Change Notice, provided that Amazon delivers such Amazon Change Notice to Rivian prior to the applicable Lead Time for the Products at issue. Rivian and Amazon will discuss in good faith the feasibility of making such Changes based on complexity, applicable Laws, the parts (including Component Parts and Directed Components), costs, and any other factors that either Party believes to be relevant. Rivian, at its option, will: (a) initiate the necessary investigation unless the

Changes are to a Directed Component, in which case Amazon will initiate the necessary investigation directly with the Directed Supplier following Rivian's written consent thereto, (b) initiate the Changes unless the Changes are to a Directed Component, in which case Amazon will initiate the Changes directly with the Directed Supplier following Rivian's written consent thereto, or (c) reject the request, in each case as soon as practicable and in any event within [\*\*\*] (or such period of time as the Parties may otherwise agree) after receipt of the Amazon Change Notice. Prior to implementation of any Changes under this Section 4.4(B) the Parties will agree in writing on the impact on the Cancellation Conditions, any warranties provided by Rivian, timing to deliver the Products incorporating such Change, and the costs of such Change. The costs of all Amazon-initiated Changes will be paid for by Amazon as set forth in the Work Order [\*\*\*]. [\*\*\*]. Amazon-initiated Changes will require the written approval of Rivian and Amazon before implementation."

---

**2.3** Section 4.5(A), (B) and (C) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(A) Prior to Start of Production. If Rivian is required to make any Regulatory Change to address a change in Law that has been enacted prior to start of Production, then, regardless of the date the applicable Law sets for implementation of such Change, Rivian will be responsible for making such Change(s) and [\*\*\*]; [\*\*\*].

(B) After Start of Production.

(i) If Rivian is required to make a Regulatory Change with respect to Products that have not been delivered to Amazon after the start of Production, then, subject to Section 4.5(D), [\*\*\*], and, if this Agreement has not been terminated as a result of Section 4.5(D), Rivian will be responsible for making the Regulatory Changes to such Products; provided, however, if any Directed Component is impacted by or subject to the Regulatory Change, Amazon will be solely responsible for requiring the applicable Directed Supplier to make any applicable Regulatory Change to the Directed Component.

(ii) If Rivian is required to make a Regulatory Change with respect to Products that have been delivered to Amazon after the start of Production, [\*\*\*], and Rivian will be responsible for making the Regulatory Change on such Products; provided, however, if any Directed Component is impacted by or subject to the Regulatory Change, Amazon will be solely responsible for requiring the applicable Directed Supplier to make any applicable Regulatory Change to the Directed Component [\*\*\*]. For the avoidance of doubt, Rivian's obligations under this Section 4.5(B)(ii) will only apply to Products for a period of [\*\*\*] following Rivian's delivery of the Products to Amazon, its Affiliates, or Authorized Purchasers.

(C) Implementation.

(i) To the extent any Regulatory Change does not impact a Directed Component, Rivian will provide Amazon with a Rivian Change Notice prior to the implementation of any Regulatory Changes. Rivian will propose a plan for implementation of any Regulatory Changes, and Rivian and Amazon will discuss in good faith the implementation of such Regulatory Changes. The proposed plan of implementation will include, among other things, the cost and expenses of making such Regulatory Change to the extent the Regulatory Change must be paid by Amazon.

(ii) Upon receipt of a proposed implementation plan from Rivian in accordance with Section 4.5(C)(i), Amazon will review and either accept or reject the plan, in each case as soon as practicable and in any event within [\*\*\*] (or such period of time as the Parties may otherwise agree) after receipt of such plan. If Amazon does not accept the implementation plan and does not provide an alternative plan within [\*\*\*] that is acceptable to Rivian, which acceptance will not be unreasonably withheld, then Rivian may implement the Regulatory Change as originally proposed by Rivian. Rivian will consider in good faith any alternate plan for implementation proposed by Amazon if the same would result in compliance at a lower cost without materially increasing complexity at the Rivian Manufacturing Facility or otherwise increasing the potential liability to Rivian under this Agreement or applicable Laws. If urgent circumstances require abbreviation of any applicable notice period, the Parties will work together in good faith to accomplish the resolution of the requested Changes within such abbreviated period. For the avoidance of doubt, (i) this Section 0 only relates to Regulatory Changes that are Significant Changes, and (ii) Rivian is not required to implement Regulatory Changes in a manner that will cause Rivian to not comply with applicable Laws; provided, however, the foregoing is not a limitation on Amazon's rights to terminate the Agreement without cause.

(iii) If, and to the extent that, the Regulatory Change impacts a Directed Component, Rivian will provide Amazon with a Rivian Change Notice prior to the implementation of any Regulatory Change specifically requiring a change in such Directed Component. Amazon will work with the Directed Supplier and will propose a plan for implementation of any such Regulatory Changes with respect to the Directed Component, and Rivian and Amazon will discuss in good faith the implementation of such Regulatory

Changes. Rivian will assist Amazon, or the Directed Supplier at Amazon's request, with implementing any such Regulatory Changes. [\*\*\*]. Amazon will consider in good faith any alternate plan for implementation of such Regulatory Changes that may be proposed by Rivian if the same would result in compliance at a lower cost without materially increasing complexity at the Rivian Manufacturing Facility or otherwise increasing the potential liability to Rivian under this Agreement or applicable Laws. If urgent circumstances require abbreviation of any applicable notice period, the Parties will work together in good faith to accomplish the resolution of the requested Regulatory Changes within such abbreviated period. For the avoidance of doubt, (i) this Section 4.5(C) only relates to Regulatory Changes that are Significant Changes, and (ii) Rivian is not required to implement such Regulatory Changes in a manner that will cause Rivian to not comply with applicable Laws; provided, however, the foregoing is not a limitation on Amazon's rights to terminate the Agreement without cause.

**2.4** Section 4.6 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"4.6 Specified Manufacturing Facilities. Except for Directed Components, Component Parts and Spare Parts (other than Battery cells) that are sourced from third parties, Rivian will manufacture or assemble or have manufactured or assembled the Products only at the Rivian Manufacturing Facility, and use of any other manufacturing facility requires Amazon's prior written consent."

**2.5** Section 4.7(A) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(A) Dedicated Tooling. Rivian will be responsible for purchasing or building or otherwise having Suppliers or other third parties purchase or build, as applicable, all Dedicated Tooling to Manufacture the Component Parts and assemble the Products. Amazon will be responsible for purchasing or building, or otherwise causing the applicable Directed Suppliers to purchase or build, as applicable, all Tooling to Manufacture the Directed Components. If new or additional Dedicated Tooling is required after start of Production due to a Change, the cost and expenses of the new or additional Dedicated Tooling will be set forth in an applicable Work Order or as otherwise mutually agreed by the Parties in writing and, following the Parties' agreement [\*\*\*]. If there are Changes to Tooling requested by either Party to improve the Products, the costs associated with such Changes to the Tooling must be agreed upon by the Parties in writing and may, if agreed upon by the Parties, [\*\*\*]. All Changes to Tooling that are the result of a Regulatory Change will be handled in accordance with, and be subject to, Section 4.5."

**2.6** Section 5.4(B) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) Force Majeure. As used in this Agreement, "Force Majeure" means occurrences or events that are beyond the reasonable control of a Party, not due to its fault or negligence, and which could not have been avoided, prevented or removed by the exertion of commercially reasonable efforts that are taken by similarly situated Persons. Such occurrences or events may include: (a) a strike or other labor disturbance; (b) a governmental act or regulation, war, riot, terrorist act, or inordinate transportation delays; or (c) an act of God (including fire, earthquake, and severe weather conditions (e.g., hurricanes and blizzards)). Neither Party will be liable for, nor be considered to be in breach of or default under this Agreement on account of, any delay or failure to perform as required by this Agreement to the extent that such failure of, or delay in, performance is due to Force Majeure. Subject to the last sentence of this subsection (B), the foregoing will be subject to the affected Party giving prompt notice to the other Party of an occurrence of a Force Majeure and continually using reasonable efforts to mitigate the effects of any Force Majeure, for example by sourcing suitable replacement Component Parts from different upstream suppliers except that neither Party will be obligated to settle a labor dispute except at its own discretion. The suspension of performance will be of no greater scope and of no longer duration than is reasonably required by the Force Majeure. Notwithstanding anything herein to the contrary, if a

---

Directed Supplier experiences a Force Majeure which prevents or delays it from supplying a Directed Component to Rivian, Amazon and Rivian will work together in good faith to determine in an expeditious manner what steps (if any) need to be taken with respect to the ongoing supply of the relevant Directed Component to Rivian. For purposes of clarity, Rivian will not be deemed to be in breach of this Agreement for any delays caused by a Directed Supplier experiencing a Force Majeure.

**2.7** Section 6.1 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"6.1 Quality Management

(A) Rivian will implement and maintain a quality assurance and reliability plan covering all Products (excluding Directed Components) and Services that is reasonably satisfactory to Amazon and that complies with Amazon's reasonable quality assurance requirements for the Products or Services, which plan and requirements are provided to Rivian from time to time (and in all cases prior to the applicable Lead Time) (the "Quality Assurance Plan"). Rivian will be subject to quality reviews by Amazon and will work with Amazon to improve Rivian's quality programs, based on the outcome of the reviews. Notwithstanding the foregoing, Rivian may elect, in its sole discretion and on Amazon's direct behalf, to include one (1) or more Directed Components in the Quality Assurance Plan. In the event that Rivian makes such election with respect to one (1) or more Directed Components, Rivian will notify Amazon with respect thereto within [\*\*\*] of receiving the applicable Directed Supplier Notice. For the avoidance of doubt, any such election by Rivian does not and shall not relieve Amazon of any of its obligations with respect to such Directed Components set forth in this Agreement. If Amazon, in conducting a quality review of the Quality Assurance Plan, discovers any quality concern, defect or noncompliance involving a Directed Component, Amazon will work directly with the applicable Directed Supplier to resolve such quality concern, defect, or noncompliance with the relevant Directed Component.

(B) If Rivian does not elect to include one (1) or more Directed Components in the Quality Assurance Plan, Rivian will have no responsibility to verify that any such Directed Component(s) complies with any of Amazon's quality assurance requirements.

(C) Amazon will (x) cause each Directed Supplier to implement and maintain a quality assurance and reliability plan covering all Directed Components that complies with Amazon's reasonable quality assurance requirements for such Directed Components, and (y) conduct quality reviews of each Directed Supplier."

**2.8**Section 6.3(A) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(A) Unless otherwise agreed by the Parties, Rivian or its Affiliates will be responsible for deciding when a Field Action involving some or all of the Products is reasonably necessary to address a Field Issue or other Non-Conformity, and Rivian will be responsible for conducting such a Field Action on the Products. Amazon will reimburse Rivian for all costs and expenses arising out of or related to Field Actions to the extent attributable to a Directed Component. If Amazon requests that Rivian initiate a Service Campaign and Rivian consents to conducting such Service Campaign, such consent not to be unreasonably withheld, Rivian will be solely responsible for all costs and expenses incurred by Rivian to conduct such Service Campaign (other than costs and expenses attributable to Directed Components, which costs and expenses will be the sole responsibility of Amazon, and Amazon will promptly reimburse Rivian for all such costs and expenses); provided, however, it will not be unreasonable to withhold consent if the projected costs of the Service Campaign outweigh the projected benefits or to the extent the Service Campaign is attributable to a Directed Component. If Rivian does not consent to the Service Campaign as provided in the previous sentence, Amazon may request Rivian to perform the Service Campaign; provided, however, Amazon will be responsible for the costs and expenses of such Service Campaign unless otherwise agreed by the Parties."

**2.9**Section 6.4(b) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(b) [\*\*\*]."

**2.10**Sections 6.5(B) and (C) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) Unless otherwise agreed by the Parties based on their respective regulatory responsibilities under applicable Law, Rivian will represent the interests of both Amazon and Rivian in connection with any request for any data or information and any allegations or inquiries from Governmental Authorities concerning suspected or alleged safety defects or noncompliance with any governmental safety standard or regulation, emissions-control standard or other applicable regulation in an Authorized Territory relating to the Products and Services, or other applicable Law relating to any Product or Service, unless the request, allegation or inquiry relates to (i) manufacture of the top hat by Amazon or its designated third-party manufacturers; (ii) licensing, registering, or titling of Delivery Vehicles by Amazon, its Affiliates or Authorized Purchaser except to the extent the request, allegation or inquiry relates to any limitations on licensing, registering or titling that arises from state dealership laws, or (iii) any Directed Component or Directed Supplier (but only to the extent specifically related to such Directed Component or Directed Supplier) (each, an "Amazon Regulatory Responsibility"); provided, that each Party will promptly notify the other Party in writing upon its receipt of any such request and shall keep the other Party reasonably informed of the status and nature of its response to such request. To the extent any such request from Governmental Authorities would reasonably be expected to result in an adverse impact on a Party's rights or interests, the other Party will consult with such Party regarding such request and in good faith consider such Party's positions, suggestions, and strategies for preparing the response.

(C) Unless otherwise agreed by the Parties based on their respective regulatory responsibilities under applicable Law, Rivian may conduct meetings with Governmental Authorities related to the Products and Services without any participation by Amazon unless the meeting relates to (i) an Amazon Regulatory Responsibility (in which case, Amazon will participate to represent its own interests) or (ii) suspected or alleged safety defects or noncompliance with any governmental safety standard or regulation, emissions-control standard or other applicable regulation in an Authorized Territory relating to the Products and Services, or other applicable Law relating to any Product or Service and Rivian has made reasonable efforts to have Amazon participate in such meetings, or (iii) any Directed Component or Directed Supplier (but only to the extent specifically related to such Directed Component or Directed Supplier). Amazon will not conduct any meeting with Governmental Authorities concerning the Products or Services without participation by Rivian, unless such meeting relates to an Amazon Regulatory

Responsibility and does not relate to Rivian's Manufacture of such Products and delivery of the Services. If Governmental Authorities are in discussions with either Party on unrelated matters and raise an issue related to the Products and Services, the non-participating Party will act in good faith to postpone any substantive discussions related to the Products and Services so that the other Party can participate if its interests may be impacted by those discussions. If a Party is not permitted to participate in the meetings contemplated by this Section 6.5(C), then the other Party will fully and promptly brief such Party following every such meeting such Party conducts with Governmental Authorities unless such meeting relates to an Amazon Regulatory Responsibility and does not relate to Rivian's Manufacture or delivery of such Products and Services."

**2.11** Section 6.7(B) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) [\*\*\*]. Rivian will consult with Amazon and its designees regarding the remediation plan, any workaround or other solutions and will not implement such remediation plan, workaround or solution

---

without Amazon's prior written approval. Rivian will also give related technical support at no charge as Amazon reasonably requests. [\*\*\*]."

**2.12** Section 6.9(A) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(A) Generally. Rivian must notify Amazon immediately if it has reason to believe that any Products provided under this Agreement may (a) present a Hazard, or (b) result in Rivian's non-compliance with applicable laws (including safety and environmental Laws). Amazon must notify Rivian immediately if it has reason to believe that any Suggested Components and/or Directed Components may (a) present a Hazard, or (b) result in Rivian's non-compliance with applicable laws (including safety and environmental Laws)."

**2.13** Section 6.9(B) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) Remedies. Except to the extent attributable to any Directed Component(s), if a Product does or will present a Hazard, Rivian will, in addition to its obligations under this Section 6, comply with all of its obligations as a manufacturer of such Products under applicable Laws and provide Amazon all the remedies Amazon is entitled to under applicable Laws, by either:

(i) if required to address the Hazard and subject to applicable Laws, promptly repair, replace or accept the return of (and credit Amazon for) affected Products; or

(ii) promptly provide free replacements and Spare Parts for the Products during the Warranty Period or for the period required by applicable Laws, as applicable."

**2.14** Section 6.9(E) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(E) Recall Obligations. Rivian is responsible for performing all Recalls at its sole cost and expense, except to the extent any such Recall results from a safety-related defect or non-compliance with applicable safety standard that is caused by a defect in design, construction, material, function, or performance of any Directed Components or technology provided by Amazon that the Parties have agreed will be incorporated by Rivian into the Product, in which case Amazon will reimburse Rivian for all costs and expenses of the Recall attributable to the defect of such Directed Components or technology provided by Amazon. If Amazon or any Person other than Rivian or any of its Affiliates is the final-stage manufacturer of a delivery or logistics vehicle or is otherwise considered the manufacturer of a delivery or logistics vehicle by Law, in each case where such vehicle incorporates a Skateboard, Amazon is responsible at its sole cost and expense for performing any and all voluntary or mandatory notification and remedy campaigns to correct any safety defect or emission-related issue with such vehicle, in each case, requiring remedy under applicable Laws, except to the extent such defect or issue caused a defect in or emissions-related issue with the Skateboard, in which case Rivian will reimburse Amazon for those costs and expenses of the notification and remedy campaign that are attributable to such defect or issue unless and except to the extent such defect or issue is attributable to a Directed Component. If there is a conflict between this Section and any other provision of this Agreement, this Section will control to the extent of such conflict."

**2.15** Section 7.2(B) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

(B) Suppliers. In performing its activities or obligations under this Agreement to provide Component Parts (including any Component Parts included in a Product), Rivian will use Suppliers. If

---

there are categories of Suppliers that (a) require Amazon's prior written consent or (b) require prior notice to be delivered to Amazon, in each case, as set forth in applicable Work Orders, such approval or notice must be obtained or provided. The Parties may agree on the lists of Suppliers that meet the requirements under the preceding clauses (a) and (b) in applicable Work Orders from time to time. Upon Amazon's request, Rivian will provide Amazon with copies of the Supply Agreements with such Suppliers; provided, however, Rivian will be permitted to redact any portion of such agreement that is not applicable to Amazon or includes confidential information of another Rivian customer. For the avoidance of doubt, Amazon will be entitled to review all the parts of the Supply Agreement related to the Products. Additionally, Amazon may suggest that Rivian purchase certain Suggested Components from Suggested Suppliers. If Rivian, in its sole discretion, decides to purchase any such Suggested Component, Rivian shall be responsible for managing all aspects of obtaining that Suggested Component directly with such Suggested Supplier (including managing the design and quality review, sourcing, purchasing, storage and other supply chain obligations associated with that Suggested Component and its incorporation into the Delivery Vehicles except for the Price of the Suggested Component in accordance with Section 10.1) and such Suggested Component shall be treated like any other Component Part under this Agreement and shall not be subject to the provisions of this Agreement applicable to Directed Components.

**2.16** A new Section 7.2(D) is hereby added to the Framework Agreement as follows:

"(D) Directed Suppliers. In performing its activities or obligations under this Agreement, Rivian will incorporate Directed Components that it obtains from Directed Suppliers in accordance with the Directed Component Integration Requirements subject to and in accordance with Section 3.2(E) of the Work Order No 1. Upon Amazon's request, Rivian will provide Amazon with copies of the Supply Agreements that Rivian enters into with such Directed Suppliers. Notwithstanding anything to the contrary in this Agreement, with respect to any Supply Agreement between Rivian and any Directed Suppliers, or Rivian's contractual privity with the Directed Suppliers, and unless otherwise expressly agreed by Amazon and Rivian: [\*\*\*]."

**2.17** Section 9.4 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

Use of Third Party Materials. If any Third Party Materials are included in Products or Development Deliverables (or Products or Development Deliverables are dependent on any Third Party Materials), Rivian will, unless expressly provided otherwise in the applicable Work Order, be responsible for the procurement of the Third Party Materials and related rights and licenses (including rights and licenses required for the performance of the Services and the exercise of Amazon's rights under the Agreement), and payment of all associated royalties and other fees; provided, however, Rivian will not be responsible for any such Third Party Materials (or any associated licenses, royalties, fees, or other related items) to the extent the Third Party Materials are Amazon LMT (including any Directed Components that qualify as Amazon LMT).

**2.18** Section 9.6 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"9.6 Release of Liens. To the fullest extent permitted by Law, immediately upon Rivian's receipt of payment for the Services, Rivian hereby waives and releases, and will cause its Subcontractors to waive and release, any Lien it may otherwise be deemed to have in connection with or as a result of the Services. If required in connection with the Services or Component Parts provided by the Subcontractors or Suppliers (other than Directed Suppliers) and following Amazon's payment to Rivian for the applicable Service or Component Part, Rivian will obtain Lien waivers and releases from Suppliers (other than Directed Suppliers) and Subcontractors on behalf of whom Rivian sought such payment and provide.

---

including at Amazon's request, the Supply Agreement or subcontractor agreement providing for the Lien waiver and release or, if not set forth in such document, any other data or documentation establishing the same. If Rivian does not obtain a Lien waiver and release pursuant to the above, Amazon is authorized to withhold from any invoice, without interest, monies due to Rivian equal to the amount of monies previously disbursed to Rivian with respect to those Subcontractors who did not provide Lien waivers and releases and were required to provide such Lien waivers and releases. "

**2.19** Section 10.1 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

**10.1 Price.** The price for all Products ("Price") will be in accordance with the applicable Work Order(s) and [\*\*\*]. Unless otherwise set forth in a Work Order, the Prices for Development Services and Supply Services are included in the Price of the Products. Rivian will use reasonable efforts to minimize the costs of the Products, Development Services, and Supply Services. The applicable Work Order(s) may set out mechanisms for sharing of the benefits of certain cost reductions between the Parties, as specified in such Work Order(s). Rivian acknowledges that Amazon is relying on Rivian to achieve, and Rivian will use all reasonable efforts to achieve, reductions in the costs of Products and Services as compared to those underlying the pricing described in all applicable Work Orders. Notwithstanding anything herein to the contrary, and for the avoidance of doubt, Rivian will not be required to achieve any cost reductions from the Directed Suppliers. The price for all Directed Components and/or Suggested Components will be in accordance with the pricing arrangements established between Amazon and the Directed Supplier."

**2.20** Section 11.1(B) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) Rivian represents, warrants, and covenants that all Products (excluding any portion of the Products that are Directed Components) will: (i) upon delivery, be new and unused; (ii) be transferred with good and marketable title, free of any and all Liens; and (iii) be designed, Developed, and Manufactured in a professional, workmanlike manner, and be in compliance with applicable Laws."

**2.21** Section 11.1(C) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(C) Rivian represents, warrants, and covenants that each Product (excluding any Amazon LMT or Directed Component) will: (i) be merchantable and free of defects in materials and workmanship; and (ii) comply with the Requirements and other requirements agreed to by Rivian and Amazon. Rivian further represents, warrants and covenants that it will comply with the Directed Component Integration Requirements in connection with each Directed Component."

**2.22** Section 11.2 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

**11.2 Exclusion of Other Warranties.** TO THE EXTENT PERMITTED BY LAW, THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT (INCLUDING IN ANY WORK ORDERS) ARE THE SOLE AND EXCLUSIVE WARRANTIES GIVEN BY RIVIAN WITH RESPECT TO THE PRODUCTS, DEVELOPMENT DELIVERABLES, AND SERVICES AND ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE; ALL OF WHICH ARE EXPRESSLY DISCLAIMED. FOR CLARITY, AS BETWEEN AMAZON AND RIVIAN, THE DIRECTED COMPONENTS ARE PROVIDED BY RIVIAN ON AN "AS IS WHERE IS" BASIS WITH ALL FAULTS AND RIVIAN MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND FOR THE DIRECTED COMPONENTS OR THE DIRECTED SUPPLIERS, WHETHER EXPRESS OR IMPLIED BY STATUTE,

CUSTOM OF TRADE, COURSE OF DEALING, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR USE, NON-INFRINGEMENT, OR OTHERWISE, ALL OF WHICH ARE DISCLAIMED. TO THE EXTENT RIVIAN SOURCES DIRECTED COMPONENT(S), (A) RIVIAN'S AGREEMENT WITH THE DIRECTED SUPPLIER WILL STATE THAT ANY WARRANTY FOR SUCH DIRECTED COMPONENT(S) FROM THE DIRECTED SUPPLIER(S) WILL BE PROVIDED TO AMAZON, AND (B) RIVIAN WILL NAME AMAZON AS A THIRD-PARTY BENEFICIARY OF RIVIAN'S AGREEMENT WITH THE DIRECTED SUPPLIER SUCH THAT AMAZON CAN ENFORCE RIVIAN'S RIGHTS UNDER SUCH AGREEMENT AGAINST THE DIRECTED SUPPLIER. RIVIAN SHALL ONLY BE REQUIRED TO RECOVER THE SUMS DUE FROM THE DIRECTED SUPPLIER OF EACH APPLICABLE DIRECTED COMPONENT THAT RIVIAN CAN SETOFF OR DEBIT AGAINST RIVIAN'S THEN EXISTING OR FUTURE ACCOUNT PAYABLES TO SUCH SUPPLIER FOR THE DIRECTED COMPONENT OR ANY ADDITIONAL AMOUNTS THAT RIVIAN IS ABLE TO RECOVER WITH COMMERCIALLY REASONABLE EFFORT AT NO ADDITIONAL COST TO RIVIAN, WHICH, FOR THE AVOIDANCE OF DOUBT, SHALL NOT REQUIRE ANY FORM OF DISPUTE RESOLUTION INCLUDING, WITHOUT LIMITATION, LITIGATION, ARBITRATION, MEDIATION, OR OTHERWISE. IN THE EVENT THAT AMAZON IS DISSATISFIED (IN AMAZON'S SOLE DISCRETION) WITH RIVIAN'S HANDLING OF ANY WARRANTY, SETTLEMENT, OR COLLECTION ACTIVITIES AT ANY POINT IN THE RECOVERY PROCESS WITH SUCH A DIRECTED SUPPLIER, OR WITH THE AMOUNT OF SUCH RECOVERY RELATED TO THE DIRECTED COMPONENT(S), RIVIAN SHALL ASSIGN ITS RIGHTS AND OBLIGATIONS WITH RESPECT TO SUCH ACTIVITIES TO AMAZON WITHOUT ANY FURTHER LIABILITY AND IN SATISFACTION OF ANY OBLIGATION TO AMAZON ARISING OUT OF SUCH CLAIMS.

**2.23** Section 12.1 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words

**"12.1 Compliance with Laws.** Each Party's performance under this Agreement will comply with all applicable Laws, including Laws relating to the design, Development, Manufacture, supply, delivery, sale and use of Products in the Authorized Territories. Rivian will comply with all applicable Laws relating to the certification and/or homologation of Products except that Rivian shall not be responsible for the certification and/or homologation of Directed Components. In addition, each Party will (a) obtain and maintain all Authorizations relating to its performance under this Agreement, (b) file all reports relating to its performance under this

Agreement required by Law (including tax returns), (c) pay all filing fees and taxes applicable to such Party's business as the same become due, and (d) pay all amounts required under any workers' compensation acts, disability benefit acts, unemployment insurance acts, and any other employee benefit acts when due. In addition to the foregoing, the Parties will, in connection with their performance hereunder for the Services or otherwise with respect to the Products or Development Deliverables: (i) avoid deceptive, abusive, misleading, and/or unethical practices with respect to the Products (including the Top Hat and Skateboard) that are or might be detrimental to Amazon, Rivian, their Affiliates, any of their products or services, or the public; (ii) make no false or misleading representations with regard to Amazon, Rivian, their respective Affiliates, the Delivery Vehicles, the other Products, or the transaction contemplated hereunder; (iii) not publish or employ, or cooperate in the publication or employment of, any misleading, deceptive or confusing advertising and/or marketing material with regard to Amazon, Rivian, their Affiliates, the Delivery Vehicles, the other Products or the transactions contemplated hereunder; and (iv) make no representations, warranties, or guarantees with respect to the specifications, features, or capabilities of the Delivery Vehicles or the Products that are inconsistent with the literature distributed and specifically authorized for use by Rivian (including the Rivian Warranty)."

**2.24** Section 14.1(B) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) any Product Liability Claims or Hazards with respect to the Products except to the extent caused by a Directed Component or a defect in the technology provided by Amazon that the Parties have agreed will be incorporated into the Product;"

**2.25** Section 14.2(B)(ii) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(ii) any Directed Components or defects in the technology provided by Amazon that the Parties have agreed will be incorporated into the Product;"

**2.26** Section 14.2(E) of the Framework Agreement is hereby amended by deleting the words of such Section and substitution in lieu thereof the words:

"(E) any injury to Amazon's or a Directed Supplier's employees or agents, or Authorized Purchasers, or to any of their respective property, while at Rivian's facility, unless such injury is the proximate, direct, and sole result of Rivian's or its employees' negligent acts or omissions;"

**2.27** Section 14.2(E) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(F) any Directed Component, Amazon LMT, Amazon Background IP, or Product Mark, in each case, provided by Amazon or a Directed Supplier that the Parties have agreed will be incorporated into the Product that infringes, misappropriates or violates the Intellectual Property Rights of any third party;"

**2.28** A new Section 14.2(I) is hereby added to the Framework Agreement as follows:

"(I) any injury to Rivian's employees, agents, or to Rivian's property caused by the storage, handling or use of any tooling or equipment supplied by Amazon or any Directed Supplier unless such injury is the proximate, direct, and sole result of Rivian's or its employee's negligent acts or omissions or failure to comply with the Directed Component Integration Requirements;"

**2.29** A new Section 14.2(J) is hereby added to the Framework Agreement as follows:

"(J) any Regulatory Change implemented in accordance with Section 4.5(C)(iii)."

**2.30** Section 15.3(C) of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(C) WITH RESPECT TO AMAZON, ANY DIRECT PRODUCT LIABILITY CLAIM, OR ANY CLAIM TO THE EXTENT ATTRIBUTABLE TO ANY DIRECTED SUPPLIER, DIRECTED COMPONENT, OR ANY OF AMAZON'S OBLIGATIONS UNDER SECTION 3.2(E)(I) OF WORK ORDER NO.1."

**2.31** Section 17.19 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"17.19 **"Change"** means a substitution, deviation, addition, deletion, alteration, modification, or evolution made to (i) a Product, including the addition or deletion of options, features and functions, design modifications, or changes in engineering, homologation, and/or specifications, (ii) the Specifications, (iii) Component Parts, (iv) Directed Components or (v) Dedicated Tooling."

**2.32** Section 17.23 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"17.23 **"Component Parts"** means any Suggested Components, components, parts, assemblies, packaging (inbound and outbound), direct materials and indirect materials (including raw materials, ed-coating, phosphate, painting material, wrap guard, gluing, sealer, primer, wax, motor oil, AC coolant, washer fluid, and AC refrigerant), and Software used in the Manufacture of the Products. For the

---

avoidance of doubt, (i) both the Battery and the Skateboard is a Component Part and (ii) Component Parts excludes Amazon LMT and Directed Components."

**2.33** Section 17.81 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"17.81 **"Product"** means the Delivery Vehicle or, to the extent set forth in a Work Order to be sold separately, the Skateboard, Spare Part or other Component Part, or a Directed Component, in each case, Manufactured by Rivian, its Suppliers or Directed Suppliers, or its Subcontractors that is supplied to Amazon, an Affiliate thereof or an Authorized Purchaser pursuant to an Order. For the avoidance of doubt, references to "Products" exclude any "Development Deliverables."

**2.34** Section 17.111 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"17.111 **"Subcontractor"** means, with respect to a Party, any subcontractor or delegate, including any Affiliate of that Party, and any individual who provides services to such Party under this Agreement but who is not an employee of such Party under applicable Law. A Supplier or Directed Supplier is not a Subcontractor."

**2.35** Section 17.112 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"17.112 **"Supplier"** means a vendor or Suggested Supplier that supplies Component Parts to Rivian. For the avoidance of doubt, Supplier excludes Directed Suppliers."

**2.36** Section 17.114 of the Framework Agreement is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"17.114 **"Supply Agreement"** means a written contract, agreement or other binding document between or among Rivian and one or more Suppliers and/or Directed Suppliers."

**2.37** A new Section 17.130 is hereby added to the Framework Agreement as follows:

"17.130 **"Suggested Supplier"** means any supplier identified by Amazon to Rivian as a potential supplier of Suggested Components and for which Amazon has previously negotiated favorable pricing arrangements for Rivian's purchase of such Suggested Components."

**2.38** A new Section 17.131 is hereby added to the Framework Agreement as follows:

"17.131 **"Suggested Component"** means any Component Part that Rivian agrees to purchase (at its sole discretion) from a Suggested Supplier."

**2.39** A new Section 17.132 is hereby added to the Framework Agreement as follows:

"17.132 **"Directed Component"** means Component Parts that are purchased by Rivian from a Directed Supplier. Any Directed Component that is incorporated into the Delivery Vehicle may also qualify as Amazon LMT."

**2.40** A new Section 17.133 is hereby added to the Framework Agreement as follows:

"17.133 **"Directed Component Integration Requirements"** means the written requirements agreed to by Amazon and Rivian for Rivian's mounting or incorporation of the Directed Component into the Delivery Vehicle and for any related activities (including Rivian's receipt of those Directed Components

at the Rivian Manufacturing Facility from the Directed Supplier and its storage, management and handling of such Directed Components from the time of receipt through the mounting or incorporation of such Directed Components into the Delivery Vehicle).

**2.41** A new Section 17.134 is hereby added to the Framework Agreement as follows:

"17.134 **"Directed Supplier"** means a vendor identified in a Directed Supplier Notice issued by Amazon to Rivian (regardless of whether such notice was issued prior to, at or following such vendor's production or delivery of parts, equipment, tooling or other products)."

**2.42** A new Section 2.1(B)(vi) is hereby added to the Work Order No. 1 as follows:

"(vi) delays caused by a Directed Supplier."

**2.43** Section 2.2(B)(i) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(i) Amazon will have final decision-making authority over any Top Hat Specifications that relate to the outward appearance of the Top Hat, branding, the functional design components of the Top Hat for its intended use as a last mile delivery vehicle (including cargo space and cab), and the planned integration of any Amazon LMT (including any Directed Components that qualify as Amazon LMT) with the Delivery Vehicle"

**2.44**Section 2.5(D) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(D) **Rejection of Development Deliverables.** If Rivian receives a Development Rejection Notice before the expiration of the Development Inspection Period, Amazon will place the Development Deliverable that failed the Development Acceptance Criteria (the **"Failed Development Deliverable"**) in a secure location within its premises. Thereafter, [\*\*\*] will have the obligation [\*\*\*] to correct or repair the Failed Development Deliverable so that it meets the Development Acceptance Criteria in accordance with the process outlined in this Section 2.5 for a period commencing on the date Rivian receives a Development Rejection Notice and ending on a date that is ninety (90) days after the date Rivian receives such Development Rejection Notice (collectively, the **"Development Cure Period"**); provided, that, if either Amazon or Rivian determines that the Failed Development Deliverable is caused by a Directed Component, (i) the Development Cure Period will not apply to [\*\*\*], and [\*\*\*] will have [\*\*\*] with respect to or arising out of such Failed Development Deliverable and (ii) [\*\*\*] will have the obligation, [\*\*\*], to cause the Directed Supplier to correct or repair the Directed Component. For purposes of clarity, [\*\*\*] will not be responsible to resolve Failed Development Deliverables to the extent caused by a Directed Component."

**2.45**Section 2.5(E) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(E) **Failure to Cure Failed Development Deliverable.** If Rivian does not cure a Failed Development Deliverable for which it has an obligation to correct or repair pursuant to Section 2.5(D), prior to the expiration of the Development Cure Period, such occurrence will be deemed a Cancellation Condition following written notice by Amazon in accordance with Section 8.3 (Suspension, Cancellation, and Termination – Cancellation Conditions)."

**2.46** The header of Section 3.2 of Work Order No. 1 is hereby amended as follows:

"3.2 Suppliers, Subcontractors and Directed Suppliers."

**2.47**Section 3.2(D) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

(D) For those Component Parts and/or Directed Components of the Skateboard identified in Section 2 of Schedule 17, Amazon will have the option, with sixty (60) days' advance notice to Rivian, to purchase Skateboards without such Component Parts and/or Directed Components and source such Component Parts and/or Directed Components directly or direct Rivian to source such Component Parts (but not, for the avoidance of doubt, such Directed Components)."

**2.48** A new Section 3.2(E) is hereby added to the Work Order No. 1 as follows:

"(E) Amazon may, in its sole discretion, require Rivian to purchase Directed Components from a Directed Supplier. With respect to each Directed Supplier and each Directed Component:  
(i) Amazon will:

- a. be responsible for all research, design, styling, development and other engineering work for the Directed Components under this Agreement, including testing, validation and certification of the Directed Component (but not with respect to Rivian's compliance with the Directed Component Integration Requirements)), subject to Section 6.1(A);
- b. ensure that the Directed Suppliers provided the Directed Components in accordance with the Requirements;
- c. define all performance specifications of the Directed Components;
- d. develop all methods and requirements to ensure that the Directed Suppliers are manufacturing the Directed Components to the level of quality determined by Amazon, including a process failure mode effects analysis and a control plan to prevent defective and non-conforming Directed Components from being shipped to Rivian;
- e. develop, in collaboration with Rivian, the methods and processes that can be completed by Rivian at the end of Rivian's production line to test for quality or performance defects of the Directed Components (the "**End-of-Line Testing**"), including Amazon in its sole discretion providing Rivian with all tooling and equipment provided by or on behalf of Amazon or the Directed Suppliers to be used by Rivian in the End-of-Line Testing (including the right to license or otherwise use such tooling and equipment for End-of-Line Testing purposes only), along with any necessary instruction on the proper method and process to operate any such tooling and equipment;
- f. provide written notice (a "**Directed Supplier Notice**") to Rivian no later than [\*\*\*] prior to the Start of Production Date or [\*\*\*] prior to the date by which Amazon wishes Rivian to start ordering from any Directed Supplier if post Start of Production Date that sets forth: (i) the name of the Directed Supplier; (ii) a description of each Directed Component to be delivered by the Directed Supplier; (iii) each supplier part number (if applicable); (iv) the price of each such Directed Component, with and without transportation costs; (v) the applicable incoterms; (vi) the applicable payment terms; (vii) any other details necessary or appropriate to provide Rivian with all material information regarding the applicable pricing and other key supply terms for such Directed Components that have been established between Amazon and the Directed Supplier; and (viii) agree with Rivian and each Directed Supplier on a Responsible, Approve, Support, Inform, and Consult chart (each, a "RASIC Chart"), in substantially the same form set forth in Schedule 19 to the Work Order No. 1, setting forth the respective obligations and responsibilities of Amazon, Rivian and such Directed Supplier with

respect to quality, design, supply and program management,. For clarity, Rivian is not responsible if a Directed Supplier fails to comply, in any respect, with the RASIC Chart applicable to such Directed Supplier.

(ii) Rivian will use commercially reasonable efforts to enter into a Supply Agreement with each prospective Directed Supplier which is consistent with the information in the applicable Directed Supplier Notice and incorporates all applicable RASIC charts referenced herein (the "Rivian Purchase Contract"). Rivian's General Terms and Conditions of Production Purchase ("General Terms"), as such General Terms may be modified by Rivian and any Directed Supplier, will apply to the Rivian Purchase Contract. Rivian shall have no liability or obligation whatsoever to source, or otherwise relating to or resulting from a failure to source, Directed Components from a Directed Supplier in the event that Rivian and any prospective Directed Supplier fail to enter into a Rivian Purchase Contract, except for [\*\*\*].

**2.49** Section 3.6(B) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) If delivery of all or any part of a shipment of Product units is or will be delayed by more than twenty-four (24) hours beyond the applicable delivery date (which date, unless otherwise mutually agreed by the Parties, will be the date on which the applicable Product unit is delivered at the US Inspection Location), Rivian will immediately notify Amazon and the Authorized Purchaser (if applicable), in writing and include all relevant information concerning the delay, including an explanation of the reason for the delay and a written corrective action plan to mitigate or prevent the delay and any future delays. If (i) Amazon delays in its performance of an Amazon Gateway Decision that results in a delay in delivery, or (ii) the delivery is delayed due to other actions of Amazon or a Directed Supplier, then the delivery date will be extended on a day-for-day basis unless otherwise agreed in writing by the Parties. [\*\*\*]. If the delivery is delayed by [\*\*\*] beyond the applicable delivery date for reasons caused by Rivian and not caused by Amazon or by a Directed Supplier, at Amazon's discretion, either (i) [\*\*\*] or (ii) Amazon or the Authorized Purchaser as directed by Amazon, as applicable, may cancel all or any portion of the applicable Purchase Order for such delayed Product units that have not yet been delivered without liability."

**2.50** Section 3.7(B) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(B) **Rejection.** All Product units delivered will be subject to Amazon's acceptance in accordance with Section 3.7(A). If Amazon rejects a Product unit prior to the expiration of the Inspection Period, Amazon will notify Rivian of Amazon's rejection and include a detailed description of the reason for rejection (the "Rejection Notice"). The responsibility to resolve any rejections shall be determined as follows:

(i) If Amazon rejects a Product unit for any reason arising from a Directed Component, Amazon will cause the applicable Directed Supplier to correct, repair or replace the Directed Component so that the Product unit is ready for inspection and acceptance by Amazon in accordance with Section 3.7(A). Amazon will be responsible for all costs related to correction, repair, replacement or other remedy implemented by Amazon related to the Directed Component until the Product unit is accepted by Amazon in accordance with Section 3.7(A);

(ii) If Amazon rejects a Product unit for any reason other than as stated in Section 3.7(B)(i)(including, without limitation, the failure by Rivian to comply with the Directed Component Integration Requirements), following Rivian's receipt of a Rejection Notice, as soon as possible but in any event no longer than thirty (30) days after Rivian's receipt of the Rejection Notice, Rivian will correct, repair or replace the Product unit so that it is ready for inspection and acceptance by Amazon in accordance with Section 3.7(A). Any Product unit that is corrected, repaired or replaced by Rivian will be subject to the acceptance and rejection in accordance with this Section 3.7. Rivian will be responsible for all costs related to correction, repair, replacement or other remedy implemented by Rivian until the Product unit

---

is accepted by Amazon in accordance with Section 3.7(A). The Rivian Warranty will survive, in accordance with its terms, any delivery, inspection, acceptance, payment, or subsequent use or authorized repair. If Amazon prepays or otherwise makes a payment of invoices prior to the Product unit being accepted by Amazon in accordance with Section 3.7(A), payment of invoices will not be deemed acceptance of Product units delivered. For the avoidance of doubt, Amazon will not have the right to reject any Product unit delivered in accordance with a Purchase Order that is Conforming."

**2.51** Section 6.1(A)(ii) of Work Order No. 1 is hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(ii) In the event of an unplanned increase in the price of any third party Component Parts or Directed Components directly resulting from a Force Majeure, significant raw material index fluctuation or other external event, which increase is passed on from the applicable vendor to Rivian and which causes [\*\*\*] of any of the Delivery Vehicle or Skateboard units to [\*\*\*], the Parties will meet together to consider in good faith [\*\*\*] for such unplanned price increase. In the event that the Parties agree upon [\*\*\*] in response to such unplanned increase, such [\*\*\*] will apply only for so long as the unplanned increase is applicable. In the event the price of a Suggested Component or Directed Component causes the Delivery Vehicle or Skateboard to [\*\*\*]. For the avoidance of doubt, Amazon will be solely responsible for all costs and expenses attributable to a Suggested Component and/or Directed Component (other than Rivian's failure to comply with the Directed Component Integration Requirements) [\*\*\*]."

**2.52** A new Section 6.1(A)(iii) is hereby added to the Work Order No. 1 as follows:

"(iii) The Price for all Suggested Components and/or Directed Components will be determined by Amazon and the Suggested Supplier and/or the Directed Supplier. Amazon will provide reasonable prior written notice to Rivian of any planned change, amendment, termination or addition to the price, specifications or other key supply term of any Suggested Component and/or Directed Component that Amazon has established with any Suggested Supplier and/or Directed Supplier. In the event that Amazon and any one or more Suggested Supplier and/or Directed Suppliers agree to a change, amendment, termination or addition to the price, specifications or other key supply term of any Suggested Component and/or Directed Component following delivery of the applicable Directed Supplier Notice to Rivian, Amazon will promptly (and no less than [\*\*\*] following such agreement) provide a written notice of such change, amendment, termination or addition to Rivian. Following receipt of such written notice from Amazon, Rivian will issue to each relevant Suggested Supplier and/or Directed Supplier purchase orders with adjusted price and/or other key supply terms, or to the extent necessary, issue amended purchase orders, in each case taking into account such change, amendment, termination or addition. In the event of any overpayment or underpayments by Rivian to any Suggested Supplier and/or Directed Supplier on account of such adjustments to the price of the Suggested Components and/or Directed Components, Amazon will promptly resolve any such overpayment or underpayment issues upon receipt of written notification from Rivian and/or the Suggested Supplier and/or Directed Supplier, as applicable, which will include, in reasonable detail, the nature of the dispute concerning the adjustment in the price and/or other key supply terms contained in the Directed Supplier Notice."

**2.53** Sections 8.2(C)(i) and 8.2(C)(iv) of Work Order No. 1 are hereby amended by deleting the words of such Section and substituting in lieu thereof the words:

"(i) the amount that Rivian has already spent for Component Parts and Directed Components for such Product units;"

"(iv) the amount that Rivian has already committed for Component Parts and Directed Components for such Product units under non-cancellable commitments to third parties ((i), (ii), (iii) and (iv) together, "Paid Costs")."

**2.54** The following defined terms in Schedule 15 to Work Order No. 1 are hereby amended by deleting the words of such definition and substituting in lieu thereof the words:

**“Downtime”** means, with respect to Delivery Vehicle that is a Downtime Vehicle, the number of days that a Delivery Vehicle is unavailable to perform its full scheduled route or deliveries on such day(s) as a result of a manufacturing or design defect by Rivian. For the avoidance of doubt, Downtime (i) for a Delivery Vehicle can only occur one time per day and (ii) cannot be the result of an accident or collision (or cosmetic damage) that is not caused by a manufacturing or design defect by Rivian. Downtime does not include the number of days that a Delivery Vehicle is unavailable to perform its full scheduled route or deliveries on such day(s) (1) during which any service or repairs on such Delivery Vehicle have been performed by a Person other than Rivian or Rivian’s authorized Subcontractors unless (x) the labor and service time on the Delivery Vehicle have been reviewed by Rivian and determined by Rivian to be reasonable or (y) service and repair event timelines are mutually agreed by the Parties and the Downtime applicable to such services and/or repairs is reduced to the applicable mutually agreed Downtime period for the purposes of this Schedule and (2) during which any service or repairs on such Delivery Vehicle were to be performed by a Person other than Rivian or Rivian’s authorized Subcontractors but were not so performed due to delays in such Person obtaining the necessary Custom Spare Parts (provided, that such Custom Spare Parts were, or were to be, obtained from a Person other than Rivian). Downtime does not include the number of days that a Delivery Vehicle is unavailable to perform its full scheduled route or deliveries as a result of issues caused by Amazon LMT or Directed Components (except, solely with respect to the Directed Components, to the extent such issues arise from Rivian’s violation of the Directed Component Integration Requirements).”

**“Maintenance Costs”** means the aggregate costs paid by Amazon, an Affiliate thereof or an Authorized Purchaser, as applicable, to perform scheduled and preventative maintenance on Delivery Vehicles Manufactured by Rivian, excluding (i) repair costs related to tires and brakes and (ii) costs covered by the Rivian Warranty. Maintenance Costs do not include costs paid to remedy issues caused by Amazon LMT or Directed Components (except, solely with the respect to the Directed Components, to the extent such issues arise from Rivian’s violation of the Directed Component Integration Requirements).”

**“Repair Costs”** means the aggregate costs paid by Amazon, an Affiliate thereof or an Authorized Purchaser, as applicable, to perform repairs on Delivery Vehicles Manufactured by Rivian excluding (i) costs covered by the Rivian Warranty, (ii) repair costs for tires and brakes, (iii) costs associated with damage to the Delivery Vehicles (or any parts or systems) not caused by a manufacturing or design defect, (iv) costs associated with cosmetic damages not caused by a manufacturing or design defect. Repair Costs do not include costs paid to remedy issues caused by Amazon LMT or Directed Components.”

**2.55** A new Section 1.1(b)(4) shall be added to Schedule 15 to Work Order No. 1 as follows:

“(4) Rivian’s delay and/or the Pre-SOP Deadline Condition was caused by a Directed Supplier.”

**2.56** A new Section 2.1(b)(4) shall be added to Schedule 15 to Work Order No. 1 as follows:

“(4) Rivian’s delay and/or the Post-SOP Deadline Condition was caused by a Directed Supplier.”

**2.57** Exhibit A attached hereto is hereby added to Work Order #1 as Schedule 19 – RASIC Chart.

**3. DATE OF EFFECTIVENESS; LIMITED EFFECT.** The Parties acknowledge and agree that this Amendment is effective as of the Amendment Effective Date. Except as expressly provided in this Amendment, all of the terms and provisions of the Existing Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or waiver of any other provision of the Existing Agreement or as a waiver of or consent to any further or future action on the part of either Party that would require the waiver or consent of the other Party. On and after the Amendment Effective Date, each reference in the Existing Agreement to “this

Agreement,” “the Agreement,” “hereunder,” “hereof,” “herein,” or words of like import will mean and be a reference to the Existing Agreement as amended by this Amendment.

**4. MISCELLANEOUS.** This Amendment is governed by the substantive Laws of the state of New York, excluding its conflicts of law provisions. All the terms and conditions of this Amendment will be binding upon, will inure to the benefit of, and will be enforceable by the Parties and their respective successors and permitted assigns. The headings in this Amendment are for reference only and do not affect the interpretation of this Amendment. This Amendment may be executed by facsimile and in counterparts, each of which (including signature pages) will be deemed an original, but all of which together will constitute one and the same instrument. This Amendment constitutes the entire agreement between the Parties with respect to the subject matters hereof and supersedes any previous or contemporaneous oral or written agreements, understandings, and discussions regarding such subject matters.

---

This Amendment No. 2 to the Framework Agreement is executed by duly authorized representatives of the Parties as of the Amendment Effective Date.

**RIVIAN AUTOMOTIVE, LLC**

Signature: /s/ Dagan Mishoulam

Printed Name: Dagan Mishoulam

Title: VP, Strategy & Go To Market

Date: November 10, 2021

**AMAZON LOGISTICS, INC.**

Signature: /s/ Ross Rachev

Printed Name: Ross Rachev

Title: Vice President

Date: November 14, 2021

---

**EXHIBIT A**

\*\*\*

**Exhibit 10.26**

\*\*\* Certain information in this document has been excluded pursuant to Regulation S-K, Item (601)(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

**AMENDMENT NO. 2 TO THE FRAMEWORK AGREEMENT**

This Amendment No. 2 to the Framework Agreement (this "**Amendment**"), between Amazon Logistics, Inc., a Delaware corporation ("**Amazon**") and Rivian Automotive, LLC, a Delaware limited liability company ("**Rivian**"), is dated as of January 1, 2023 (the "**Amendment Effective Date**"). Amazon and Rivian are referred to herein individually as

a "Party" and collectively as the "Parties." The Parties have entered into a Framework Agreement, dated as of September 16, 2019 (the "Framework Agreement"), including an initial Work Order thereunder ("Work Order #1"), each of which may be amended, modified or supplemented from time to time (together, the "Existing Agreement"), and desire to amend the Existing Agreement on the terms and subject to the conditions set forth herein. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS.** Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement.

2. **AMENDMENTS TO THE EXISTING AGREEMENT.** The Existing Agreement is hereby amended or modified as follows:

2.1 The Parties have agreed that [\*\*\*].

2.2 The Parties have agreed that Rivian will design, develop and incorporate into the Delivery Vehicles that are manufactured by Rivian by [\*\*\*] (unless otherwise agreed by the Parties) the features proposed by Amazon listed in the chart below [\*\*\*]. Rivian shall be obligated to implement such Changes in accordance with the terms set forth in this Section 2.2 as if such Changes had been proposed by Amazon and accepted by Rivian pursuant to the procedures set forth in Section 4.4 of the Framework Agreement (except that the other terms and conditions of Section 4.4, including but not limited to [\*\*\*], shall not apply to such Changes which shall be governed from a pricing perspective solely by this Section 2.2).

2.3 The following terms will apply to features listed in the table below:

- a. [\*\*\*].
- b. Feature Complete Timing: [\*\*\*].
- c. [\*\*\*].
- d. [\*\*\*].
- e. If Amazon or its Authorized Purchasers do not provide Purchase Orders for [\*\*\*], the Parties agree Rivian's obligation to perform the development work listed in the table below will be [\*\*\*].

[\*\*\*]

3. **DATE OF EFFECTIVENESS; LIMITED EFFECT.** The Parties acknowledge and agree that this Amendment is effective as of the Amendment Effective Date. Except as expressly provided in this Amendment, all of the terms and provisions of the Existing Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or waiver of any other provision of the Existing Agreement or as a waiver of or consent to any further or future action on the part of either Party that would require the waiver or consent of the other Party. On and after the Amendment Effective Date, each reference in the Existing Agreement to "this Agreement," "the Agreement," "hereunder," "hereof," "herein," or words of like import will mean and be a reference to the Existing Agreement as amended by this Amendment.

4. **MISCELLANEOUS.** This Amendment is governed by the substantive Laws of the state of New York, excluding its conflicts of law provisions. All the terms and conditions of this Amendment will be binding upon, will inure to the benefit of, and will be enforceable by the Parties and their respective successors and permitted assigns. The headings in this Amendment are for reference only and do not affect the interpretation of this Amendment. This Amendment may be executed by facsimile and in counterparts, each of which (including signature pages) will be deemed an original, but all of which together will constitute one and the same instrument. This Amendment constitutes the entire agreement between the Parties with respect to the subject matters hereof and supersedes any previous or contemporaneous oral or written agreements, understandings, and discussions regarding such subject matters.

This Amendment No. 2 to the Framework Agreement is executed by duly authorized representatives of the Parties as of the Amendment Effective Date.

**AMAZON LOGISTICS, INC.**

Signature: /s/ Matthew Norman  
 Printed Name: Matthew Norman  
 Title: Authorized Signatory  
 Date: February 6, 2023

**RIVIAN AUTOMOTIVE, LLC**

Signature: /s/ Robert J. Scaringe  
 Printed Name: RJ Scaringe  
 Title: CEO  
 Date: February 6, 2023

Exhibit 21.1

**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
Rivian France SAS	France
Ruiwang Automobile Sales (Shanghai) Co. Ltd.	People's Republic of China
Rivian SE Europe d.o.o. Beograd	Serbia
Rivian New Horizon, LLC	Delaware

Exhibit 23.1

### Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-264030, 333-260943 and 333-260943 333-270139) on Form S-8 and the registration statement (No. 333-271781) on Form S-3 of our reports dated February 28, 2023 February 26, 2024, with respect to the consolidated financial statements of Rivian Automotive, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Detroit, Michigan

February 28, 2023 26, 2024

Exhibit 31.1

### CERTIFICATION

I, Robert J. Scaringe, certify that:

1. I have reviewed this Annual Report on Form 10-K of Rivian Automotive, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Robert J. Scaringe

Robert J. Scaringe

Chief Executive Officer

(Principal Executive Officer)

Dated: February 28, 2023 February 26, 2024

Exhibit 31.2

## CERTIFICATION

I, Claire McDonough, certify that:

1. I have reviewed this Annual Report on Form 10-K of Rivian Automotive, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Claire McDonough

Claire McDonough

Chief Financial Officer

(Principal Financial Officer)

Dated: February 28, 2023 February 26, 2024

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Rivian Automotive, Inc. (the "Company") for the period ended **December 31, 2022** **December 31, 2023** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert J. Scaringe, as Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert J. Scaringe  
Robert J. Scaringe  
Chief Executive Officer  
(Principal Executive Officer)

Dated: **February 28, 2023** **February 26, 2024**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Rivian Automotive, Inc. (the "Company") for the period ended **December 31, 2022** **December 31, 2023** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Claire McDonough, as Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Claire McDonough  
Claire McDonough  
Chief Financial Officer  
(Principal Financial Officer)

Dated: **February 28, 2023** **February 26, 2024**

**RIVIAN AUTOMOTIVE, INC.**  
**CLAWBACK POLICY**

The Board of Directors (the "**Board**") of Rivian Automotive, Inc. (the "**Company**") has adopted this Clawback Policy (the "**Policy**"), effective as of October 2, 2023 (the "**Effective Date**"). The Policy has been adopted pursuant to the listing rules of the Nasdaq Stock Market ("**Nasdaq**"), which listing rules generally require the Company to recover reasonably promptly the amount of erroneously awarded incentive-based compensation from officers if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws. Capitalized terms used in this Policy are defined in Appendix A.

**1. Compensation Subject to Policy**

This Policy shall apply to Incentive-Based Compensation received by Officers on or after the Effective Date.

**2. Recovery of Compensation**

In the event that the Company is required to prepare a Restatement, the Company shall recover reasonably promptly from an Officer the portion of any Incentive-Based Compensation that is Erroneously Awarded Compensation received by such Officer, unless Impracticable.

**3. Manner of Recovery**

The Compensation Committee shall, in its sole discretion, determine the manner of recovery of any Erroneously Awarded Compensation, which may include, to the extent permitted by law:

- requiring reimbursement by an Officer of cash Incentive-Based Compensation previously paid to such Officer by the Company or any parent or subsidiary of the Company;
- seeking recovery of any gain realized by an Officer on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards granted to such Officer;
- offsetting the Erroneously Awarded Compensation from any compensation or other amounts otherwise owed to the Officer;
- cancelling outstanding vested or unvested equity or incentive awards (including awards the vesting of which is solely service-based) granted to such Officer; and
- taking any other remedial action that would be appropriate to accomplish recovery, as determined by the Compensation Committee.

The Compensation Committee shall use reasonable efforts to avoid selecting a method for recovery of Incentive-Based Compensation that would (i) cause a violation of the payment timing rules of Section 409A of the Internal Revenue Code of 1986, as amended, (ii) result in the Officer being subject to the interest and additional tax provisions of Section 409A(a)(1)(B) thereof, or (iii) have any similar effect under any similar law of any jurisdiction to which the Company or any subsidiary or any Officer is subject.

**4. Administration**

This Policy will be administered, interpreted and construed by the Compensation Committee, which is authorized to make all determinations necessary, appropriate or advisable for such purpose. The Board may re-vest in itself the authority to administer, interpret and construe this Policy in accordance with applicable law, and in such event references herein to the "Compensation Committee" shall be deemed to be references to the Board. All determinations and decisions made by the Compensation Committee pursuant to the provisions of this Policy shall be final, conclusive and binding on all persons, including the Company and its affiliates, stockholders and employees. The Compensation Committee may delegate ministerial administrative duties with respect to this Policy to one or more directors or employees of the Company, as permitted under applicable law.

## 5. **Interpretation**

This Policy will be interpreted in a manner that is consistent with the requirements of Section 10D of the Securities Exchange Act of 1934, Rule 10D-1 promulgated thereunder, the Nasdaq listing rules, and any applicable rules, standards or other guidance adopted by the Securities and Exchange Commission or Nasdaq, and to the extent this Policy is inconsistent with such requirements, rules, standards or other guidance, it shall be deemed amended to the minimum extent necessary to ensure compliance therewith. The Compensation Committee may amend, modify or terminate this Policy in whole or in part at any time and from time to time in its sole discretion. This Policy will terminate automatically when the Company does not have a class of securities listed on a national securities exchange or association. Incentive-Based Compensation shall not be deemed earned, solely for purposes of state wage law, until the last date on which such Incentive-Based Compensation is not subject to potential recoupment pursuant to this Policy.

## 6. **No Indemnification; No Liability**

The Company shall not indemnify any Officer against the loss of any Erroneously Awarded Compensation pursuant to this Policy, nor shall the Company directly or indirectly pay or reimburse any Officer for any premiums for third-party insurance policies that such Officer may elect to purchase to fund such Officer's potential recovery obligations under the Policy. None of the Company, an affiliate of the Company, any employee of the Company, or any member of the Board shall have any liability to an Officer as a result of actions taken under this Policy.

## 7. **Enforceability**

The adoption of this Policy does not limit, and is intended to enhance, the effect of any recoupment, forfeiture or similar policies in any employment agreement, bonus plan, equity-based award agreement or similar agreement. The remedy specified in this Policy shall not be exclusive and shall be in addition to every other right or remedy at law or in equity that may be available to the Company or an affiliate of the Company.

## 8. **Severability**

The provisions in this Policy are intended to be applied to the fullest extent of the law; provided, however, to the extent that any provision of this Policy is found to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted, and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to any limitations required under applicable law.

### **Appendix A**

#### **Definitions**

**"Compensation Committee"** means the Compensation Committee of the Board comprised of independent directors, or in the absence of such a committee, a majority of the independent directors serving on the Board.

**"Erroneously Awarded Compensation"** means the excess of (x) the amount of Incentive-Based Compensation received based on the achievement of a Financial Reporting Measure that was subsequently revised due to the Restatement, over (y) the amount of Incentive-Based Compensation that would have been received based on the restated Financial Reporting Measure, in each case, as determined on a pre-tax basis. To determine the amount of Incentive-Based Compensation that would have been received based on the restated Financial Reporting Measure, the following shall be applied and considered:

- for cash awards, Erroneously Awarded Compensation is the difference between the amount of the cash award (whether payable as a lump sum or over time) that was received and the amount that should have been received applying the restated Financial Reporting Measure;
- for cash awards paid from bonus pools, Erroneously Awarded Compensation is the pro rata portion of any deficiency that results from the aggregate bonus pool that is reduced based on applying the restated Financial Reporting Measure;
- for equity awards still held at the time of recovery, Erroneously Awarded Compensation is the number of such securities received in excess of the number that should have been received applying the restated Financial Reporting Measure (or the value of such excess number);

- for shares already issued upon exercise or settlement of equity awards where the underlying shares remain unsold, Erroneously Awarded Compensation is the number of shares underlying the excess equity awards (or the value of such excess awards); and

- for Incentive-Based Compensation based on total stockholder return or stock price, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the Restatement, Erroneously Awarded Compensation is the Compensation Committee's reasonable estimate of the effect of the Restatement on the total stockholder return or stock price on which the Incentive-Based Compensation was received, with documentation of the determination of such reasonable estimate provided to the applicable listing exchange or association.

**"Financial Reporting Measure"** means any measure determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures derived wholly or in part from such financial statements, including both GAAP and non-GAAP financial measures, as well as stock price and total stockholder return.

**"GAAP"** means United States generally accepted accounting principles.

**"Impracticable"** means (a)(i) the Company has made reasonable attempts to recover the Erroneously Awarded Compensation, (ii) the Company has documented such attempts, (iii) the Company has provided such documentation to the relevant listing exchange or association; and (iv) the Compensation Committee has determined that the direct costs paid to third parties to assist in enforcing recovery would exceed the Erroneously Awarded Compensation; (b) the recovery would violate the Company's home country laws, as in effect prior to November 28, 2022, pursuant to an opinion of home country counsel; or (c) the recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

**"Incentive-Based Compensation"** means, with respect to any Restatement, any compensation that is granted, earned, or vested based wholly or in part upon the attainment of one or more Financial Reporting Measures and received by an Officer during the applicable Three-Year Period, and, for purposes of this definition:

- such compensation shall be deemed to have been received when the Financial Reporting Measure is attained or satisfied, without regard to (a) whether the grant, vesting or payment of the Incentive-Based Compensation occurs after the end of the Three-Year Period or (b) ministerial acts or other conditions necessary to effect issuance or payment, such as calculating the amount earned or obtaining Board approval of payment;
- an award granted based wholly or partly on the satisfaction of a Financial Reporting Measure performance goal would be deemed wholly or partly received in the fiscal period when the measure was satisfied, even if the award is contingent upon the occurrence of other events or satisfaction of additional conditions, such as continued service with the Company;
- an equity award that vests wholly or partly upon satisfaction of a Financial Reporting Measure performance condition would be deemed to have been wholly or partly received in the fiscal period when it vests;
- a non-equity incentive plan award would be deemed received in the fiscal year that the Officer earns the award based on satisfaction of the relevant Financial Reporting Measure performance goal, and not on the subsequent date on which the award is paid;
- a cash award earned upon satisfaction of a Financial Reporting Measure performance goal would be deemed to have been received in the fiscal period when that measure is satisfied; and
- no Incentive-Based Compensation received by any person before such person's commencement of service as an Officer will be subject to recovery under this Policy.

**"Officer"** means, with respect to any Restatement, each person who served as an executive officer, as defined in Rule 10D-1(d) under the Securities Exchange Act of 1934, as amended, at any time during the applicable Three-Year Period.

**"Restatement"** means an accounting restatement to correct the Company's material noncompliance with any financial reporting requirement under securities laws, including restatements that (a) correct an error in

previously issued financial statements that is material to the previously issued financial statements or (b) would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

**"Three-Year Period"** means the three completed fiscal years immediately preceding the date that the Board, a committee of the Board, or any of the Company's employees that are so authorized, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement, or, if earlier, the date on which a court, regulator or other legally authorized body directs the Company to prepare a Restatement.



#### DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024, Refinitiv. All rights reserved. Patents Pending.