



AFSA

AMERICAN FINANCIAL SERVICES ASSOCIATION



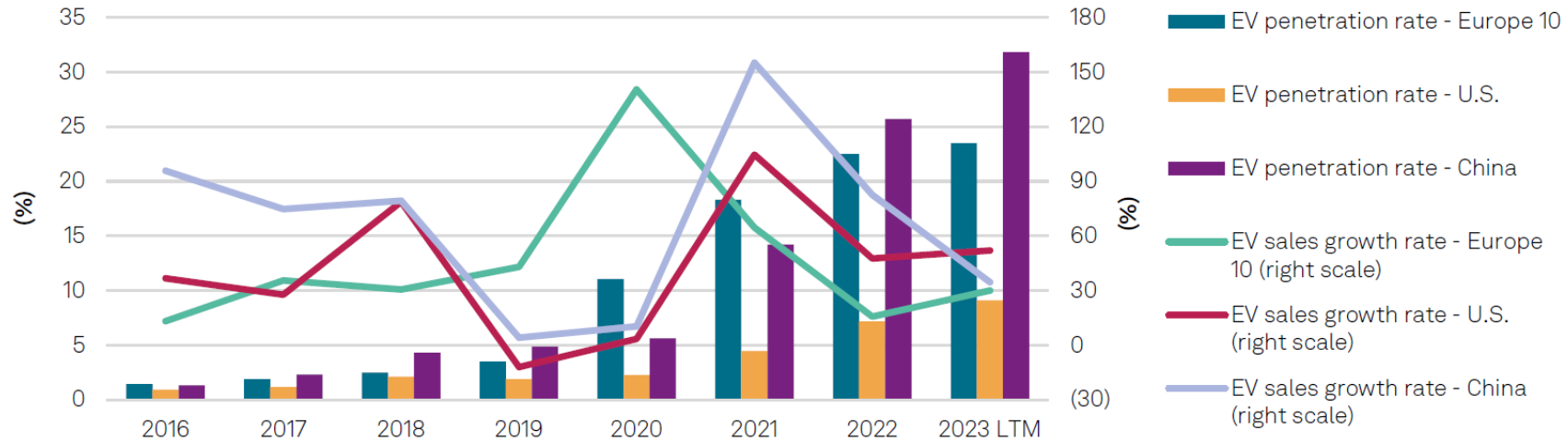
2024 VEHICLE FINANCE CONFERENCE & EXPO

January 29-February 1, 2024
Bellagio Las Vegas

ALL IN IT TO WIN IT

Electrification | Despite slowing growth rate, EV share will rise

EV sales growth and penetration rate



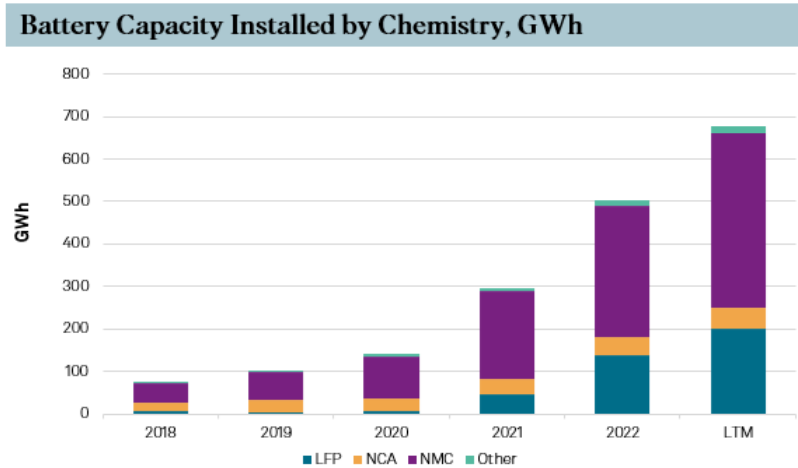
LTM—Latest twelve months to Nov. 2023. Source: S&P Global Ratings.

S&P Global
Ratings

Base Case For 2025: Global EV Share: ~20% (China ~40%, Europe ~30%, U.S. ~15%)

Electrification | Supply-demand imbalance → Pricing pressure

- Supply: Global battery 'arms race' fueled by joint-ventures, partnerships, IRA subsidies

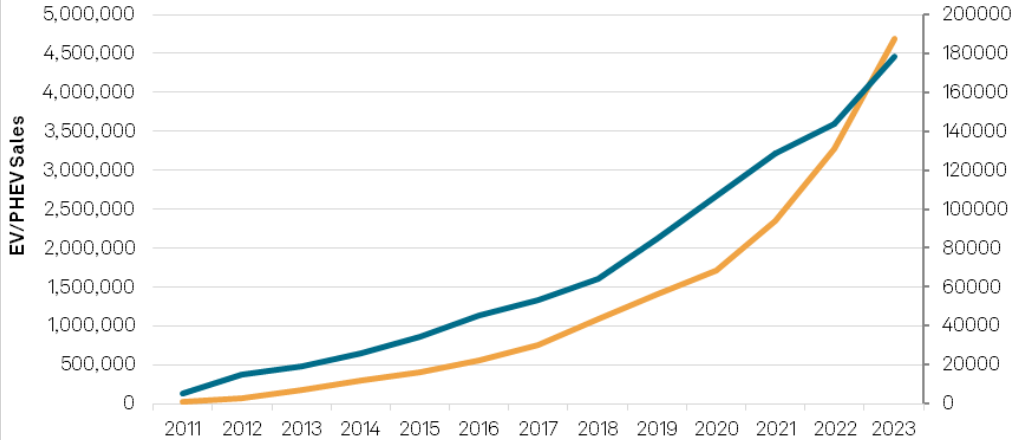


- Demand: Hesitant 2nd wave of adopters with **affordability**, charging/range concerns.

S&P Global
Ratings

Electrification | Charging Infrastructure & Range Anxiety

U.S. Cumulative Number Of Charging Points vs. Cumulative EV/PHEV Sales



Source: S&P Global Ratings, Wards Database and Alternative Fuels Data Center (afdc.energy.gov/stations/states)

- U.S. Cumulative EV+Plug-In hybrid Sales -- Left Axis
- U.S. Public and Private Electric Vehicle Charging Infrastructure (EVSE Ports) -- Right Axis

2023: ~178k public chargers



2030: 1.2 million public chargers

(182k DC fast EV charging ports with a power output of ≥ 150 kW and ~1 million Level 2 public EV charging ports to support a baseline scenario of 33 million EVs on the road by 2030)

Source: [Alternative Fuels Data Center](#); [2030 National Charging Network study](#) – National Renewable Energy Laboratory

S&P Global
Ratings

Electrification | Key factors for global automakers' credit ratings

Near-Term Impact (2024-2025)

- Temporary pause on battery plant investments will help cash flow
- Powertrain mix: less EVs → less overall losses

Long-term Impact (beyond 2025)

- Slowdown will delay EV profit targets
- Competitive gap vs. first-movers will widen
- Potential for strategic mis-steps, wrong bets

Ratings Headroom Will Narrow – EV Scale and Profits Will Remain Elusive

S&P Global
Ratings