J.D. POWER EV INDEX

DECEMBER 2023 DATA

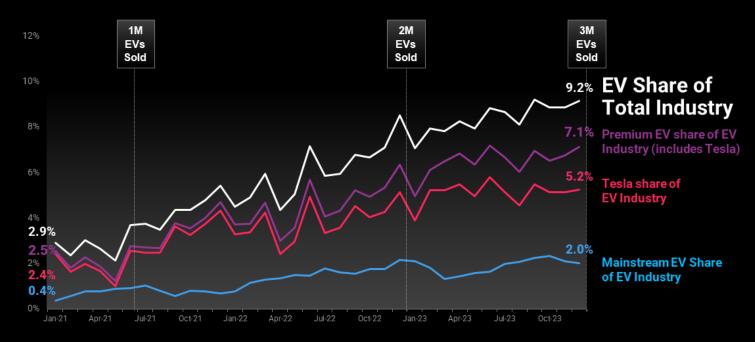


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The EV Industry is Predominantly Premium

RETAIL SHARE



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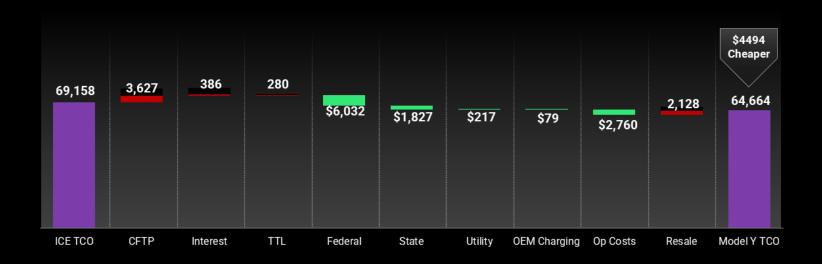
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Affordability is Now Measured By Total Cost of Ownership (TCO)

MEASURING AFFORDABILITY

Case Study Model Y: 5-year purchase Tesla Model Y vs. Compact Premium SUV ICE segment



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IRS Purchase Guidelines on the EV Tax Credit and its Impact on Pricing Strategy

MEASURING AFFORDABILITY

ORIGINAL TAX CREDIT	IRA ERA BEGINS	MAIN IRA CHANGES TAKE EFFECT	BATTERY, MINERAL SOURCING GUIDANCE	ALL REQUIREMENTS IN EFFECT
July 2022	Aug 16, 2022	Jan 1, 2023	Apr 18, 2023	Jan 1, 2024
✓ OEM 200k Unit Sales Cap	OEM 200k Unit Sales Cap NA Assembly	OEM 200k Unit Sales Cap NA Assembly MSRP limits Income Limits	OEM 200k Unit Sales Cap NA Assembly MSRP limits Income Limits Mineral Requirements	OEM 200k Unit Sales Cap NA Assembly MSRP limits Income Limits Mineral Requirements Foreign Entity of Concern (FEOC) Requirements Point-of-Sale Credit
22/33	7/33	11/38	13/46	9/49

OF VEHICLES PARTIALLY OR FULLY ELIGIBLE / # OF EV VEHICLES AVAILABLE

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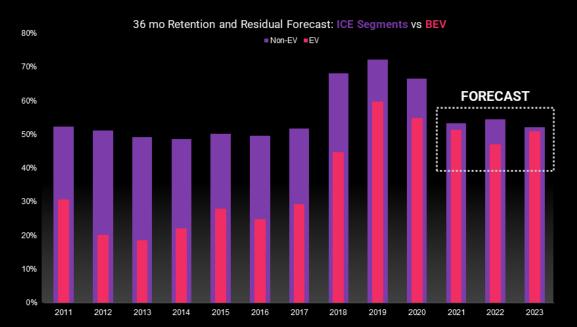
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AFSA

MERICAN FINANCIAL SERVICES ASSOCIATION

BEV Historic Retention and Outlook

RESIDUAL VALUE (RV)



Note: 2020 is the initial year of Tesla being published in ALG's residual outlook Source: J.D. Power ALG
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- EV retention has been improving with MY advancements
- The inflated RV observed in MY18 - MY20 (EV and ICE) have popped
- Forecasts for MY23 and MY24 include a BEV market with lower prices and risks
- The shortage of used EVs with a growing infrastructure will help used BEV valuations

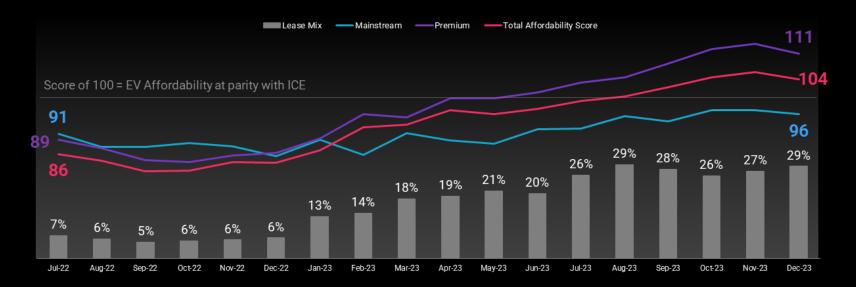
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Affordability

AFFORDABILITY

Based on EVs sold and their comparative ICE segments, EVs are at price parity



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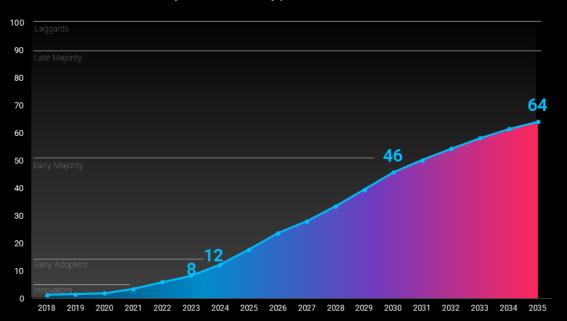
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EV Retail Share Projected to Reach 46% by 2030

EV RETAIL SHARE FORECAST

At the end of 2023, the industry is still in the early phases of EV transition



- The industry will cross a critical threshold into the early adopter stage of the transition in 2024
- By the end of 2025,
 1 in 5 vehicles sold is expected to be an EV

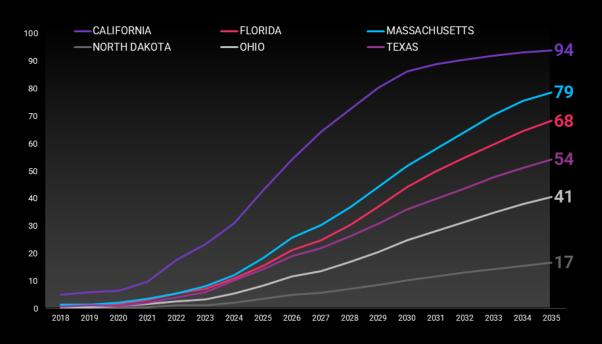
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EV Adoption Varies by State

ADOPTION



- California surges past most states in the transition to EVs
- The rest of the nation will progress more slowly depending on consumer preferences and needs
- 95% of EV owners would consider purchasing an EV again

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